

# 2016-17

## Recommended Budget

CITY OF  
**WILMINGTON**  
NORTH CAROLINA



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## INTRODUCTION

Welcome to the City of Wilmington’s Annual Budget. Through this document we, as proud citizens and employees, wish to convey what City government is doing to maintain the quality of life in Wilmington and the improvements we are making to preserve and enhance Wilmington’s safe, clean, and prosperous environment.

This budget serves four basic functions for City Council, staff, the citizens of Wilmington, and others. First, it is a policy document that articulates the City Council’s priorities and issues for the upcoming year. Secondly, it serves as an operations guide for staff in developing goals and objectives for the fiscal year and in monitoring and evaluating progress toward those goals. Thirdly, the budget is a financial device for the projection of revenues and expenditures; it authorizes expenditures and the means for financing them; and, is a control mechanism for spending limits. Finally, it is a way to communicate to citizens how public money is being spent and what is being accomplished with those expenditures. We hope all readers of this document come away with a better understanding of City services in general and specifically what will be done in Wilmington during the fiscal year 2016-17.

City staff embraces five Core Values as a guideline for personal conduct when fulfilling the City mission “to provide quality services which enhance the safety, livability, and prosperity of our community.” Those Core Values are Respect, Professionalism, Service, Integrity, and Safety.

The Strategic Plan focus areas of Create a Safe Place, Support Efficient Transportation Systems, Foster a Prosperous, Thriving Economy, Promote Culture, Arts and Public Spaces, Engage in Civic Partnership and Provide Sustainability and Adaptability were designed by City Council and staff to fulfill that same City mission. It is the hope of City staff that, by using this guide and working with City residents, City government can better meet the needs of every citizen.



Figure 1: The relationship between the City's core values, mission and strategic plan.

## READER'S GUIDE

The budget begins with the City Manager's budget message that contains key features of the budget as recommended by the City Manager. Highlights of the proposed work plan and information about the financial condition of the City are also included.

The first section in the document, the Budget Summary, summarizes the total City budgeted revenues and expenditures as well as the total General Fund budget. The Budget Summary section also includes a listing of appropriations by funds, an accounting term which simply means a balanced set of revenues and expenses. The City of Wilmington has established separate funds for the purpose of reporting and accounting for all financial transactions. Each fund represents a separate financial and accounting entity established for the purpose of carrying out a specific set of activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations that pertain to the operations or resources of the fund.

Each fund is categorized by **operating**, **program**, **debt service**, and **capital project** and reflects a gross amount as well as the net budget which is less appropriations to other funds and debt funding. A separate summary shows the capital debt service projects.

A summary of total revenues for all funds is reflected in the next section and shows the prior year adopted budget levels as compared to current budget. Details follow this summary and again, each fund is identified within the categories of operating, program, debt service, and capital projects.

The General Government section provides expenditure summaries for the General Fund governance and administrative and support services departments. Each department is shown separately and includes an authorized position total. This section also shows the General Fund Sundry appropriations, and all nonprofit agency appropriations.

The next section summarizes the budgets of the City's Community Development departments, which include Community Services, Planning, Development and Transportation, Public Services, the Community Development Block Grant Fund (CDBG), CDBG/HOME Grant and Loan Administration Fund, and HOME Investment Partnership Fund. The CDBG and HOME grant funds include the City's annual entitlement from the federal Department of Housing and Urban Development (HUD) for activities designed to improve low and moderate income neighborhoods. Expenditures include housing loan programs, capital improvements, and contributions to public service agencies. The CDBG/HOME Grant and Loan Fund was established to account for the community development and accounting activities associated with the federal entitlement for the Community Development Block Grant and HOME Investment Partnership funds.

The Public Safety section follows and includes the General Fund expenditure budgets for Police and Fire. These are also shown with authorized positions and expenditure summaries for departments.

The next section summarizes the budgets of the City's Enterprise Funds. An enterprise fund is a fund established to account for operations that are financed and operated in a manner similar to private business enterprises. Expenditures in these funds are financed primarily through user fees.

The Other Funds section of the budget contains smaller funds and includes two internal service funds that centralize the expenditures and replacement of vehicles and technology.

The Capital Improvement Program section contains the City's plan for major capital projects to be funded over the next five years (FY 2017-2022). These are new construction and/or renovation projects which improve the City's infrastructure. The projects are grouped according to general type: Streets and Sidewalks, Parks and Recreation, Public Buildings and Facilities, and Storm Water. Funds for these improvements come from transfers from the City's 80/20 Capital Debt Plan, the Parking Fund, Storm Water Management Fund, as well as from bonds and other sources.

## BUDGETARY FUND STRUCTURE

The City of Wilmington budget consists of two overarching fund types, governmental and proprietary funds.

**Governmental Funds** are used to account for those functions reported as governmental activities. Most of the City’s basic services are accounted for in governmental funds

The City of Wilmington has two types of **Proprietary Funds**. *Enterprise Funds* are used to report the same functions presented as business-type activities and *Internal Service Funds* are an accounting device used to accumulate and allocate costs internally among the functions of the City of Wilmington. The City uses Internal Service Funds to account for two activities – fleet operations and technology replacement.

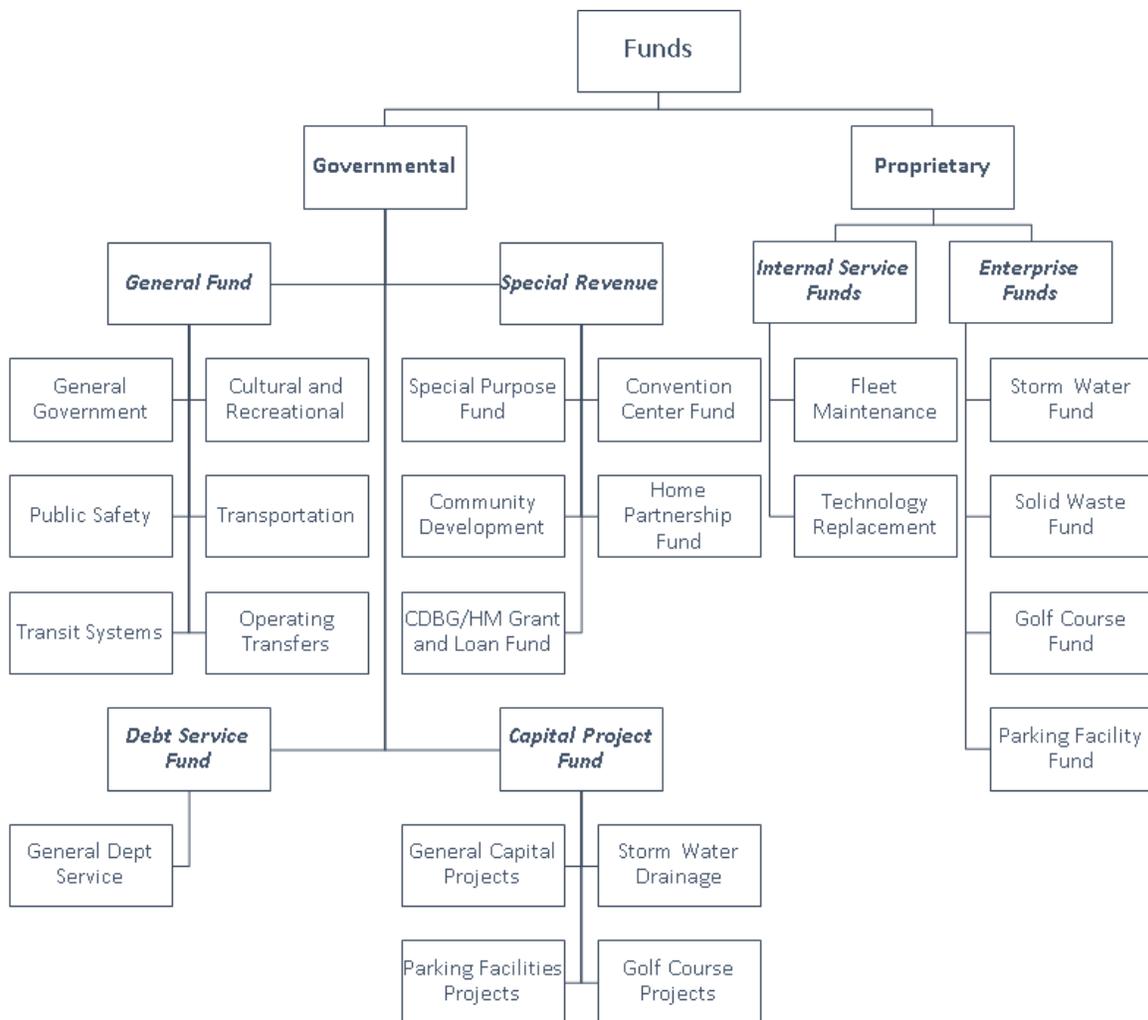


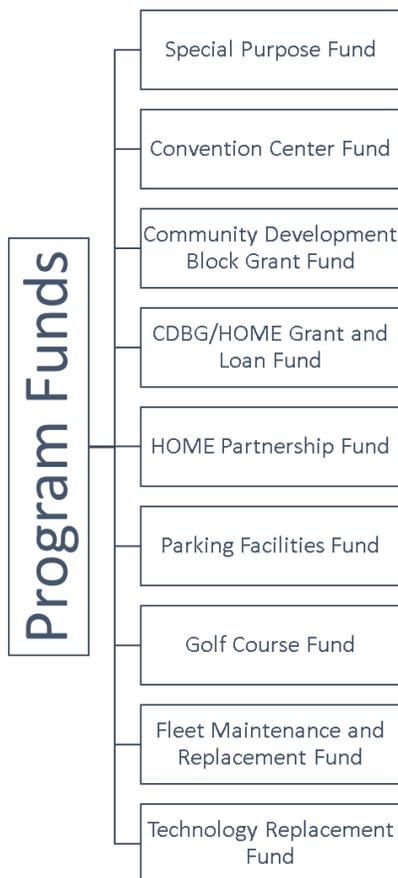
Figure 2: These funds provide for all the basic operations of the City.

## FUNDS SUBJECT TO APPROPRIATION BY CATEGORY

The *General Fund (010)* is the general purpose fund of the City of Wilmington. It was established to account for all financial resources, except those required by State law, local ordinance, and generally accepted accounting principles, to be accounted for in another fund. General Fund revenues primarily include property taxes, sales taxes, and revenues from state and federal governments, licenses, fees, and permits. The major operating activities include general government, public safety, community development, transportation, and other governmental service functions.



The *Stormwater Management Fund (050)* includes revenues and expenditures associated with the City's stormwater planning, maintenance, public information efforts, and the City's drainage capital improvements. The stormwater utility fee, which is based on the amount of impervious surface present on each parcel of property, is the primary revenue source for these expenditures.



The *Solid Waste Management Fund (056)* includes revenues and expenditures for the collection and disposal of garbage, yard waste, recyclable materials, and other refuse. Solid waste customer fees are the primary revenue source for this fund.

The *Special Purpose Fund (021)* is supported primarily by grant funds and donations to the City for special purposes.

The *Convention Center Operating Fund (022)*, established by City Council in April 2008, captures the costs of managing the project, as well as marketing and pre-opening expenditures. It is supported primarily by Room Occupancy Tax funds allocated to the City for the development of the Convention Center.

The *Community Development Block Grant Fund (023)* is supported primarily by federal grant funds allocated to the City for community development programs designed to improve low and moderate income neighborhoods.

The *CDBG/HOME Grant and Loan Fund (024)* is supported by CDBG and HOME Partnership administrative funds allocated under the entitlement to the City as well as General Fund revenues to support low and moderate income housing and community development activities.

The *HOME Partnership Fund (025)* is supported primarily by federal grant funds allocated to the City for housing-related activities in low and moderate income neighborhoods.

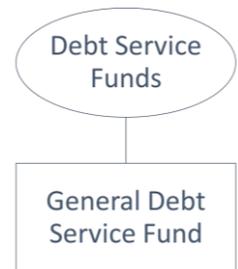
The *Parking Facilities Fund (055)* provides for the general operational and maintenance costs for the Second and Market Street parking decks, the Second Street and Hannah Block parking lots, and on-street parking. The fund is supported by parking deck and meter user fees as well as interest earnings.

The *Golf Course Fund (057)* is supported by the income received at the City's municipal golf course and the associated costs with running that operation

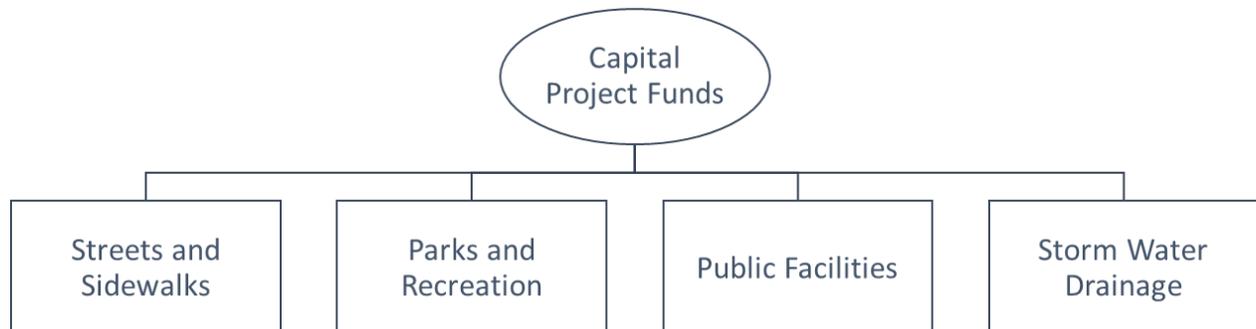
The *Fleet Maintenance and Replacement Fund (061)* is an internal service fund that centralizes the expenditures for the maintenance and replacement of vehicles for all participating departments. Each City department makes annual payments according to the types of vehicles leased.

The *Technology Replacement Fund (065)* is an internal service fund that provides for the replacement of technology to reduce the technology gap and off-site hosting of certain applications. Revenues for this fund consist of internal charges to City departments according to the type of device and a subsidy from the General Fund.

The *Debt Service Fund (015)* was established to set aside resources to meet current and future debt service requirements on general long-term debt. The fund receives a dedicated \$0.0500 of property tax which funds the City's maintenance and new infrastructure capital needs. Eighty percent (80%) of the rate pays for debt and 20% pays for pay-as-you-go projects – 80/20 Capital Debt Plan. Beginning FY 2016, the Debt Service Fund will receive a dedicated \$0.0200 tax with the voter approved Streets and Sidewalks Bonds.



The purpose of the Capital Project Funds is to account for the financial resources segregated for the acquisition or construction of major capital facilities. The budgets within these funds are adopted for the life of the project, with revenues and expenditures accumulating until the year in which the project is completed.



The Capital Project Funds provide for street and sidewalk improvement projects, park improvement projects, and various other physical improvement projects which typically cost over \$50,000, have a useful life greater than five years, and are approved by the City Council.

Funding for capital projects comes from several sources, including property and sales tax collections as well as fees.

## **BUDGET PREPARATION AND ADOPTION**

The City of Wilmington begins the budget process in September with the preparation for proposed new and revised capital improvements projects. The official budget kick-off is done in December with a transmittal to all staff involved in the budget process that includes budget instructions and key issues and changes. In January and/or February, work sessions are held with the City Council to review the City's financial condition and the forecasts for the future. This is also an opportunity for the Council to develop goals and objectives for the upcoming year.

In accordance with State Statutes, departments must submit a budget request to the Budget Officer before April 30 of each fiscal year. For the City of Wilmington, typically, that deadline for Departmental submissions is the end of January. After all departmental budgets are submitted, the Budget Office reviews the requests and meets with each department individually to review the needs and priorities in detail. The Budget Office and the departments then meet with the City Manager to discuss programmatic issues and the objectives to be accomplished in the new budget year. Revisions are made as necessary in the operating budgets, the capital budgets, and the revenue estimates, until a final recommended budget document is produced in April.

A budget message and a balanced budget must be submitted to the Council no later than June 1, according to State Statutes. In the City of Wilmington, these are typically submitted to City Council in May. After a formal budget submission to Council, work sessions are conducted with the Council, and a public hearing is held to provide an opportunity for all citizens to have input in the budget. In accordance with State Statutes, final adoption of the budget takes place before July 1 of each year.

In accordance with the North Carolina General Statutes, the City prepares and adopts the budget on the modified accrual basis of accounting, in which revenues are recorded when the amount becomes measurable and available, and expenditures are recorded when the liability is actually incurred. Only revenues and expenditures anticipated during the fiscal year are included in the budget. Unexpended operating budget funds revert to fund balance at the close of the fiscal year. Unexpended capital project reserve funds are carried forward life-to-date until the project is officially closed.

Throughout the fiscal year the City's financial accounting system maintains a modified accrual method as the adopted budget. At year-end, the City's Comprehensive Annual Financial Report (CAFR) is prepared on a basis consistent with "generally accepted accounting principles" or GAAP. This basis of accounting conforms to the way the City prepares its budget with some exceptions. The most notable exception is that the City's Enterprise funds are converted from the modified accrual basis of accounting to the full

accrual basis for financial statement presentation purposes. In the accrual basis, revenues are recognized when they are earned and expenses are recognized when they are incurred. This change between the budget and the financial report for the Enterprise funds provides for some significant differences. One is that depreciation is recorded as an expense in the CAFR and is not recognized at all in the budget. Another is that capital outlay and principal debt service payments are identified as expenditures in the budget but reported as adjustments to the balance sheet in the CAFR.

The following chart summarizes when accrual and modified accrual are used for the basis of reporting and the basis of budgeting:

<b>Fund</b>	<b>Basis of Budgeting</b>	<b>Basis of Reporting</b>
General	Modified Accrual	Modified Accrual
Special Revenue	Modified Accrual	Modified Accrual
Enterprise	Modified Accrual	Accrual

## BUDGET AMENDMENT PROCESS

Proposed amendments to the budget may be submitted at any time by a member of the City Council or the City Manager. The City Manager is authorized to transfer budget amounts within adopted functional categories, however, changes between categories or that change total expenditures in any fund must be approved by City Council.

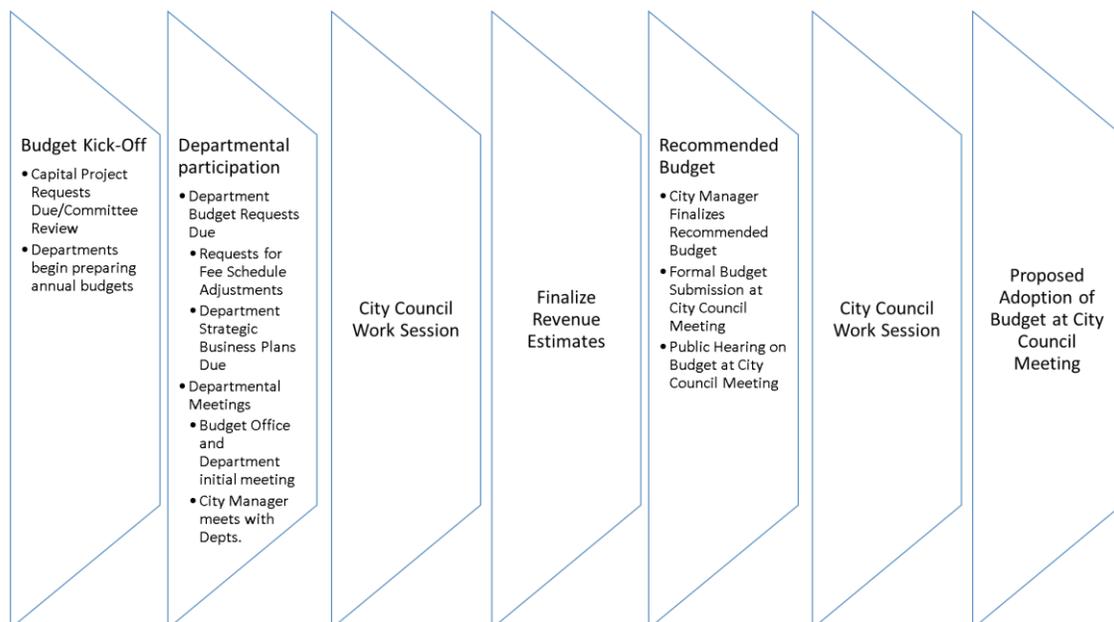
Proposed ordinance amendments are prepared by the administration and include a statement by the Finance Officer as to the availability of funds. A cover letter provides background information and the City Manager’s recommendation on the proposed amendment. Ordinances require two readings for adoption.

Minor budget changes that do not affect the ordinances are submitted to the Budget Office at any time with an explanation of and justification for the change. All changes must be approved by the Budget Office. Changes in salaries or benefits are not permitted, except in rare instances, with prior approval by the Budget Office and by the City Manager.

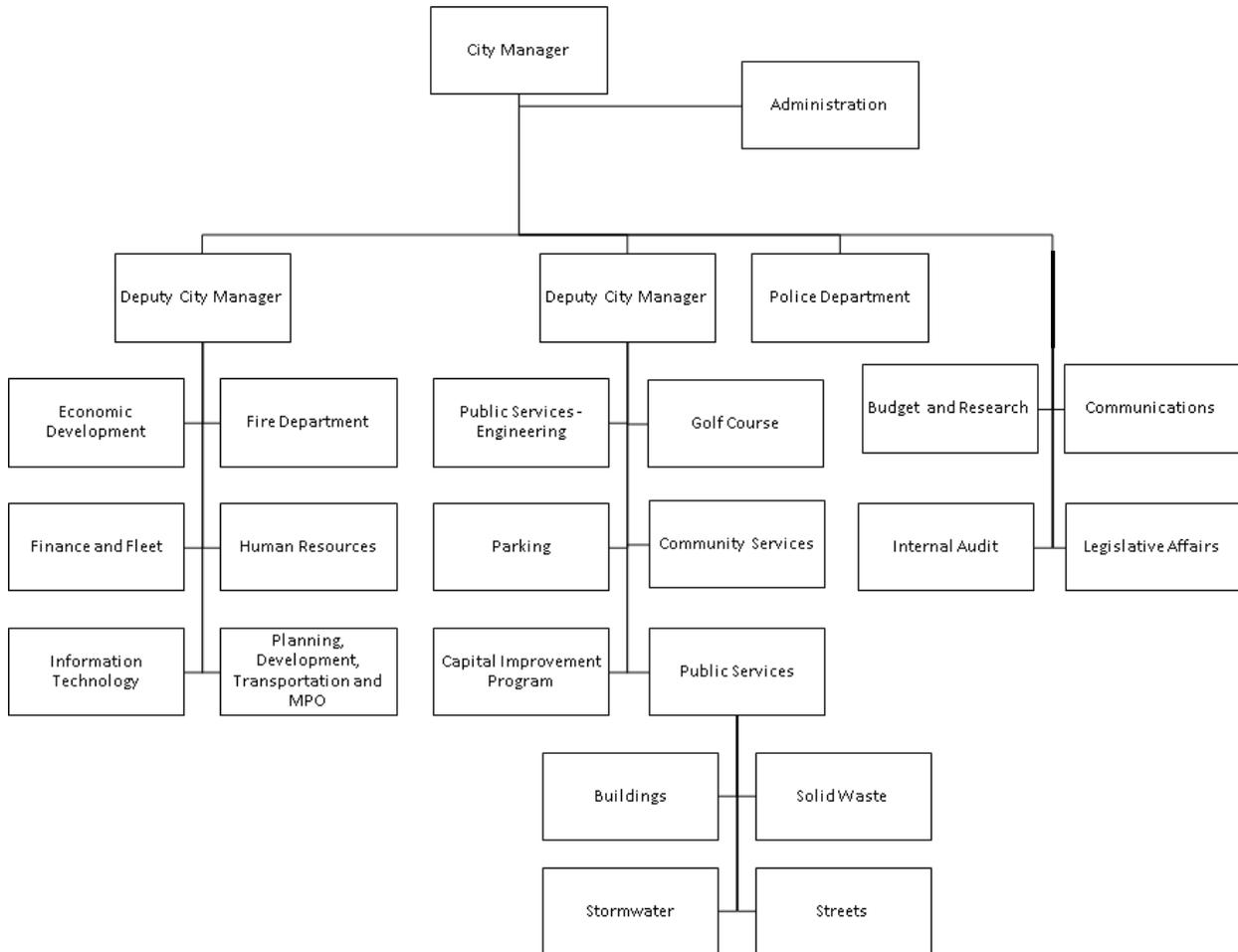
**SCHEDULE OF EVENTS FOR THE PREPARATION OF THE FY 2016-17 BUDGET**

Event	Date
<b>Budget Kick-Off and Instructions</b>	Dec. 4, 2015
<b>Capital Project Requests Due/Committee Review</b>	Dec. 4, 2015
<b>Department Budget Requests Due</b>	Jan. 29, 2016
<b>Requests for Fee Schedule Adjustments Due</b>	Jan. 29, 2016
<b>Budget Office/Department Budget Meetings</b>	Feb. 15-26, 2016
<b>City Manager/Budget Office/Department Budget Meetings</b>	Mar. 7-11, 2016
<b>City Council Budget Work Sessions</b>	April 1, April 18, 2016
<b>Finalize Revenue Estimates</b>	April 13, 2016
<b>City Manager Finalizes Recommended Budget</b>	April 22, 2016
<b>Formal Budget Submission at City Council Meeting</b>	May 3
<b>Public Hearing on Budget at City Council Meeting</b>	May 17
<b>City Council Budget Work Session</b>	May 27
<b>Budget Adoption at City Council Meeting</b>	June 7, June 21

**BUDGET PREPARATION PROCESS**



## ORGANIZATIONAL STRUCTURE



## FINANCIAL MANAGEMENT POLICIES

These Financial Management Policies serve as guidelines for the preparation and operation of the annual budget. They are designed to complement the North Carolina Local Government Budget and Fiscal Control Act, recommendations of the Local Government Commission (LGC), the Government Finance Officers Association and the National Advisory Council on State and Local Budgeting. These policies were developed by Budget staff and were formally adopted by the City Council effective July 1, 2002 and amended effective June 4, 2013. These policies are used to frame major policy initiatives and are reviewed during each budget process to ensure continued relevance and to identify any gaps that should be addressed with new policies. These policies assist in maintaining the City's stable financial position and ensures that Council's intentions are implemented and followed.

## REVENUE POLICIES

### Revenue Diversity

The City shall continue to provide adequate funds for stable operation of desired service levels through diversification of revenue sources to avoid over-reliance on any one revenue source and to maintain stable rates and fees.

### Fees and Charges

The City shall maximize user fees where possible in order to distribute the costs of municipal services to those who use the services; include users who may have tax exempt property; to avoid subsidizing where the service is not used by the general public, except where appropriate; and maintain charges that are equitable and efficient by capturing the costs to provide the service.

All revenue sources will be reviewed on an annual basis, the levels of cost recovery will be reviewed, and the reasons for the subsidy will be reviewed.

### Use of One-time revenues

Use of one-time revenues is limited to covering expenditures that temporarily exceed revenues, early debt retirement, or capital purchases that do not significantly increase ongoing operating expenses.

### Property Tax Estimates

The percentage collection of property taxes relative to the tax rate estimated in the budget must not be greater than the percentage of the levy realized in cash as of June 30 of the preceding fiscal year, in accordance with State law. This ensures a conservative estimate of property tax revenues.

A dedication of \$0.0500 of the property tax rate will be restricted in the Debt Service Fund by Ordinance and evaluated in every revaluation year. This revenue is committed to pay for 80% debt and 20% pay-as-you-go funding for capital maintenance and new infrastructure needs.

### Unpredictable Revenue

Estimated revenues shall include only those reasonably expected to be realized during the fiscal year.

Grant funding will be pursued and used for a variety of purposes. Application to apply will be reviewed and evaluated in advance for consistency with Council goals and compatibility with City programs and objectives. All new grants must be presented to Council for consideration before application is made. Any awarded funds will be accepted only after Council review and approval. Any changes in the original intended use of grant funds must be approved by the granting agency and City Council.

## EXPENDITURE POLICIES

### Balanced Budget

The City shall prepare an annual balanced budget in accordance with the Local Government Budget and Fiscal Control Act, Generally Accepted Accounting Principles, and shall maintain excellence in finance and budgeting by meeting the standards necessary to achieve the Government Finance Officers Association's Distinguished Budget Award.

Actual funds expended and received against budget will be reported to the City Manager and department directors on a monthly basis and City Council on a quarterly basis.

### Evaluation and Prioritization

Expenditures shall be reviewed by staff, the City Manager, and City Council prior to adoption, and continually monitored throughout the budget year. Priority will be given to expenditures consistent with the City's Strategic Plan, and those necessary to carry out the mandated and core services of the City.

### Nonprofit Agencies – Competitive Process

Funding for nonprofit agencies shall be considered on a competitive basis consistent with Council's priorities or with a departmental or City-wide mission, and with the City's Consolidated Plan. Any agency receiving over \$5,000 in any one fiscal year is required to complete a financial review. Any agency receiving over \$10,000 in any one fiscal year is required to complete a financial single-audit. Community Development Block Grant Funds will be allocated to public service agencies at the maximum percentage allowable by HUD regulations. General Funds will be allocated to public service agencies that complete the competitive process a total amount not to exceed ½ percent of the General Fund operating budget. No agencies will be considered for funding without an operational budget.

### Nonprofit Agency – Non-Competitive Process

Funding considerations for any nonprofit agency not considered through the competitive process in the recommended budget will require a formal budget request made to the City of Wilmington via the City Manager on or before March 31 annually.

## RESERVES

### Debt Service Fund

The City shall maintain a Debt Service Fund and all accumulated revenues will be used towards debt service, debt administration and debt issuance.

The City Council has adopted a levy of \$0.0500 cents of the General Fund property tax rate to be restricted in the Debt Service Fund for an 80% debt and 20% pay-as-you-go funding mechanism that will cover all projects within the five year Capital Improvement Plan. This rate will be adjusted as needed in future revaluation years.

### Fund Balance

The City shall maintain a minimum unassigned fund balance equal to 15-20% of the operating budget for each of the City's funds. Any portion of the unassigned fund balance in excess of 20% of budgeted expenditures may be appropriated for one-time "pay-as-you-go" expenditures. (Examples are, but not limited to: incentive agreements, capital improvements, computer systems and software). Unassigned fund balance is not a recurring revenue source of funds and should only be appropriated for non-recurring expenditures

### Contingency

Reserves may be appropriated in operating budgets to a contingency account in an amount not to exceed 5% of the fund in order to meet unexpected increases in service delivery costs.

## DEBT MANAGEMENT

### Debt Model

Debt Service models will be maintained for all debt and will identify the impact of future debt and the adequacy of designated resources.

### Debt Service

The total annual debt service paid on tax-supported debt shall not exceed 15% of the operating expenditures in the General Fund including inter-fund transfers.

### Direct Net Debt

The outstanding direct net debt will not exceed the NC statutory limit of 8% of the appraised property subject to taxation with an optimal level of less than 4%. Net General Fund debt per capita shall not exceed \$1,000.

### Bonded Debt

Capital projects financed through the issuance of bonds will be financed for a period not to exceed the expected useful life of the project.

### Bond Rating

The City will maintain its financial condition so as to maintain a minimum AA bond ratings

## CAPITAL INVESTMENT POLICIES

The City shall annually update and adopt a 5-year Capital Improvements Program (CIP) in conjunction with the Annual Operating Budget.

A dedicated \$0.0500 of the property tax rate will be restricted to the Debt Service Fund for an 80% debt and 20% pay-as-you-go funding mechanism that will cover all projects within the five year plan. This rate will be adjusted as needed in future revaluation years

The City shall appropriate all funds for capital projects with an Ordinance in accordance with State statutes.

Capital expenditures included in the CIP as a project will generally cost at least \$50,000 and have a useful life of at least 5 years.

Capital projects financed through the issuance of bonds will be financed for a period not to exceed the expected useful life of the project.

The capitalization threshold minimum for fixed assets is set at \$5,000. The threshold will be applied to individual fixed assets and will only be capitalized if they have a useful life of at least two years from the date of acquisition.

## **ACCOUNTING, AUDITING, AND FINANCIAL REPORTING POLICIES**

The accounting systems for the City will be compliant with the North Carolina Local Government Budget and Fiscal Control act and will be maintained to enable the preparation of financial statements that conform to generally accepted accounting principles (GAAP).

Reasonable access to the financial system will be made available to department directors and other staff for the continuous monitoring of revenues and expenditures. Emphasis will be placed on internal budgetary and financial controls with regard to the financial system for the purposes of maintaining proper checks and balances.

The City will have an annual independent audit performed by a certified accounting firm that will issue an opinion of the annual financial statements that are required by the Local Government Budget and Fiscal Control Act.

The City will prepare a Comprehensive Annual Financial Report (CAFR) that will be provided to City Council and is in compliance with established criteria to obtain the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting and will be submitted to that award program each year.

Full disclosure will be provided in all regulatory reports, financial statements and debt offering statement.



April 28, 2016

The Honorable City Council  
And the Citizens of the City of Wilmington:

As City Manager, I am pleased to present you and the residents of the City of Wilmington the *Recommended Budget* for the fiscal year beginning July 1, 2016 and ending June 30, 2017 and the accompanying FY2017-2022 Capital Improvement Program. This budget is in accordance with §159-11 of the North Carolina General Statutes and meets the statutory and administrative obligations to prepare and present a balanced budget for your consideration.

The total net budget for FY17 is \$168,856,766 and represents a 17.2% increase from the current adopted budget of \$144,042,661, partly due to modifications of operational costs and increased capital appropriations. The current FY17 appropriations for capital projects represents the last year of the first 5 Year 80/20 5 Year Capital Debt Plan. The recommended funding to capital projects is \$16,567,053.

The General Fund is the largest component of this total with expenditures of \$104,921,057, an increase of 10.8% or \$10.2 million over the current adopted amount of \$94,693,342. The approval of this budget does not require any tax increase to the ad valorem rate which will remain at 48.5 cents per \$100 assessed value. Of this rate, \$0.4150 per \$100 assessed valuation was adopted for the continuation of core services in the General Fund, \$0.0500 per \$100 valuation was earmarked for the 80/20 Capital Debt Plan and \$0.0200 for the Debt Service for the recently approved Streets and Sidewalks Bond.

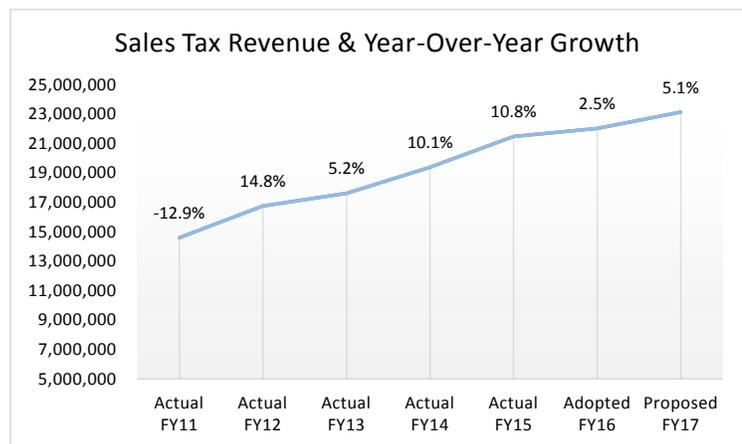
It is recommended that the "rainy day fund", General Fund undesignated fund balance, be appropriated for certain one-time expenses that total \$5,744,343 to balance this budget. This amount is approximately \$4,653,377 more than the amount appropriated in the FY16 Adopted Budget that totaled \$1,090,966. The reason for the increased request relates to using funding for the Capital Improvement Plan. \$5,142,370 is recommended for 8 projects whereas \$601,973 is recommended for the General Fund one-time purchases for vehicles and equipment. The General Fund undesignated fund balance at June 30, 2017 is expected to be \$33,188,213 or 31.7% of FY17 projected expenditures. This assumes all of the FY16's adopted appropriated fund balance is used. Our Financial Management Policies state that fund balance is a rainy day fund only to be used for unanticipated, one-time activities or purchases. The City's General Fund undesignated fund balance remains healthy and well above the Financial Management Policy's target of 15-20 percent with this recommended budget.

## The Economy

Our local economy continues to improve modestly with continued increases in job gains, economic activity as well as a resurgence in local tourism. Following along with a State-wide increase in construction, Wilmington has seen a sustained rebound in construction, with housing prices edging higher and inventories falling according to Mark Vitner, senior economist referenced in an article published in WilmingtonBiz in December of 2015<sup>1</sup>. In the same article, it states movement into the City is picking up which has increased new home inventories with a focus on multi-family development, drawing in more retailers to the area. Areas where we need to continue to be cautious revolve around the intermittent nation-wide signs that consumer spending is tapering and the unknown future action of the State with regard to changes in sales tax distribution to local governments. Another area to watch is any federal prime interest rate increases. The U.S. Federal Reserve passed on raising its historically low interest rate target in March and April of 2016 but are still considering an increase in June of 2016. This could increase our future debt costs for future capital projects.

The northern end of downtown Wilmington is continuing to grow with four new hotels planned or in progress, offering more than 500 new rooms downtown when complete. Those include the Embassy Suites at the convention center, Aloft Hotel at the Coast Line Convention Center, Indigo Hotel near the convention center and the Hampton Inn on Grace Street. This is just the beginning of increased growth with 800 new housing units under construction or planned for the downtown area. City Block Apartments added more than 100 units in the Brooklyn Arts District with Rogue Development planning townhomes in the same area. Other downtown construction includes the Oasis project on Castle Street, the Sawmill apartments near the Isabell Homes Bridge, two waterfront restaurants near the convention center, Pier 33 apartments at the Port City Arena and the Water Street Deck redevelopment all changing the face of downtown in the next three years. Additionally, Farmin' On Front plans to open the first grocery store downtown this coming summer providing locally sourced groceries.

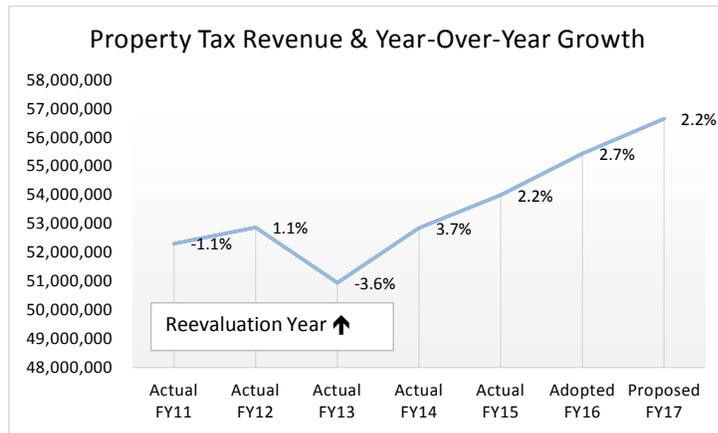
This recommended budget continues to recognize certain signs of improved economic health. Our forecasted increase in sales tax collection totaling 5.1% over the FY16's adopted budget reflects the steadily increasing revenues over the past five years but is still conservative due to the signs of consumer spending tapering. The States expected sales tax growth over FY16's actuals is projected to be slightly higher than 4%, according the NCLLeague of Municipalities. Wilmington tends to be



higher than the state average due to tourism, however due to the uncertainty in consumer spending the recommended budget project just slightly over the States projected pace.

<sup>1</sup> Jenny Callison, "Report: Wilmington, NC Economy on Track for Strong 2016," <http://www.wilmingtonbiz.com/>, December 17, 2015.

Our property tax growth over FY16's adopted budget totaling 2.2% for FY17 is a significant indication of the positive trend in the real estate market as multi-family, hotel and office construction continue to expand our tax base. The City's tax base for FY17 is estimated at \$13,656,573,000 with the City's real



property totaling \$12,762,573,000 and Motor Vehicle property equaling \$894,000,000. With a tax rate of \$0.485 per \$100 assessed valuation, this equates to a value of one penny totaling \$1,347,098 with a collection rate of 98.5% for property tax and 99.9% for motor vehicles. The tax base is expected to bring the City \$65,334,250 which is split between the General Fund (\$55,904,564/\$0.415) and Debt Service (\$9,429,686/\$0.07).

The FY16 Adopted Budget saw a \$2.3 million reduction in tax revenue by the NC General Assembly related to businesses through the elimination of the local business privilege license fees. Signs are slowly indicating that the mid-FY14 intergovernmental revenue tax base expansion may be a revenue stream aiding the City in that loss. The City saw a \$2.2 million increase specifically in the Utility Franchise tax from the FY14's actuals of \$4.5 million to the FY15's actuals of \$6.7 million in that revenue stream alone. FY17's Utility Franchise tax budget is projecting a conservative 2.9% increase over FY15's actuals due to the uncertainty in the quarterly revenue receipts thus far. That revenue stream is expected to bring in at least \$6.9 million in FY17.

And lastly, the City's general obligation bond rating was upgraded to AAA by Fitch Ratings in April 2016. This is the highest possible rating and matches the current AAA rating previously issued by Standard & Poor's. The higher bond rating results in lower interest costs on long-term debt. The credit rating agencies base their ratings on a number of factors. Both Fitch and Standard & Poor's cited the city's healthy and diverse economy, very strong financial management, budgetary flexibility provided by ample operating reserves, and manageable long-term obligations.

We continue to be moderately conservative in our projections. The total General Fund Revenues equal \$104,921,057 which is 10% higher than FY16's Adopted budget due to appropriations for the Capital Improvement Plan that did not occur in FY16 and the greater use of fund balance assigned to several CIP projects.

### Budget Preparation

In developing the FY17 recommended budget, the strategies used to balance the budget included:

- No property tax rate change
- Moderate revenue estimates
- One-time strategic use of fund balance

- Continue core services with limited additions

In starting the budget process, City priorities were identified and the budget was framed around them. Those included the following:

- Develop and fund strategic plan initiatives
  - Community policing rollout and programs aimed at reducing of youth violence
  - Strategic expansion of tax base
  - Improved workforce and affordable housing
  - Increased infrastructure maintenance<sup>2</sup>
- Maintain current services at current levels<sup>3</sup>
- Continue with the Transportation Bond projects
- Continue with the 5<sup>th</sup> year of the first 5 year 80/20 Debt Service Capital Plan

Every department in the City contributed to the overall goal of recommending a budget that incorporates a fiscally responsible plan for the continuation of basic quality services that meets the City's priorities as set forth above. Departments were charged with submitting the following scenarios:

- A flat base budget that realigned with current department priorities
- A 3% reduction scenario that focused on reviewing:
  - Data related to turn back for the last few years to find areas where reductions were feasible and/or could fund increased needs elsewhere
  - Processes that could be tightened or streamlined causing less need for funding
- Enhancements that related to either the strategic plan initiatives or areas that needed funding to continue current services

## **Budget Highlights**

I appreciate the feedback and direction you, as members of City Council, have provided in shaping the recommended budget through budget work sessions leading up to this time. The following section provides highlights included in the recommended budget.

### ***Strategic Plan***

I am excited to present the recommended City of Wilmington's new four year Strategic Plan, shown in its entirety in the Strategic Plan section of this document. The Strategic Plan sets the tone for the development of the recommended budget. The plan serves as a roadmap of the City's vision for the future through its focus areas, strategies and outcomes. We request that Council adopt the plan with the recommended budget so that it can continue to provide a consistent framework for alignment with the Comprehensive Plan, Council's policies, budgetary decisions and staff guidance in the years to come.

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<sup>2</sup> Core infrastructure maintenance focuses on those areas where the City has taken on assets over the years but has not provided the appropriate resources to maintain those assets.

<sup>3</sup> Maintain current services at current levels focuses on those services that need additional resources to continue the same service going into FY17 such as contract increases, material increases and the like.

The Strategic Plan set forth, like the City itself, is not a static object; rather it is intended to provide a framework for positive change in the city. It sets the stage for the City's priority initiatives as voiced by citizens, vetted by staff and adopted by council. The plan is expected to evolve to ensure the city is moving towards the desired vision.

The strategic plan's philosophy assumes maintenance of the City's core and essential services while at the same time enhancing identified strategic initiatives. It also ensures the Plan is focused on a realistic amount of community challenges and priorities that are achievable over the next four years.

The Plan's intent is threefold:

- To provide a strategic focus for the broader community, Council and city staff,
- To provide stability and opportunities for those who already live, work and build their businesses here, and;
- To provide common priorities for all

The plan was built using the most recent citizen data to include our biennial Citizen Survey released in June of 2015. The survey revealed increased street maintenance and improved traffic flow remain the major concern for our citizens along with public safety. Also reviewed was the Comprehensive Plan's Foundation report which included a summary of the public input process and feedback collected. Additionally, staff's collective knowledge on topics and City Council's priorities such as the six refined focus areas adopted June of 2015 to include:

- **Create a Safe Place:** The City will create a safe, inclusive community with neighborhood/area based public safety and support services.
- **Foster a Prosperous, Thriving Economy:** The City will promote opportunity and prosperity by fostering sustainable, regionally coordinated economic growth and development strategies for creating jobs, building a strong workforce, facilitating commerce and business vitality.
- **Promote Culture, Arts and Public Spaces:** The City will provide unique, creative open space, parks and community facilities integrated with arts and cultural activities for all.
- **Support Efficient Transportation Systems:** The City will advocate for, develop and maintain diverse modes of transportation needed for an inclusive, connected community. Greenways, pedestrian and bicycle amenities and a regionally focused multimodal transportation system will increase mobility and regional connectivity.
- **Engage in Civic Partnerships:** The City will build and improve partnerships, collaborations and relationships with all stakeholders, including our citizens and public and private organizations.
- **Provide Sustainability and Adaptability:** The City will protect and preserve our natural resources with quality design for the built environment.

This recommended budget continues funding for current services and programs that support the City's Strategic Plan and specifically those initiatives that will advance the six areas identified as the primary focus areas of Council's vision for the City. Those highlights follow.

### **Youth Violence Reduction & Community Policing**

The City has seen a reduction in crime over the last few years. Part I Crimes city-wide have dropped 7.9% since 2012 and the downtown area has seen a similar reduction, 9.8%, in the same years. The City has however seen an increase of unnecessary youth violence over that same period. The City is responding in several ways to help the community in efforts to reduce youth violence.

The recommended budget continues to fund efforts to aid in the reduction and prevention of youth violence in progressive and innovative ways. Our outside agency competitive process enables community partners to request funding to help support community-based programming. Generally, these organizations are well established in the community, having provided quality programming for many years. In evaluating program funding request agencies focusing on youth violence prevention and/or intervention received more points allowing for potentially more funding depending upon the tier their program scored. There are 12 organizations receiving funding for multiple programs serving at-risk youth in our community. The competitive agencies as a whole received 13% more funding in this Recommended FY17 Budget than the Adopted FY16 Budget. These agencies are presented in the Sundry Non-Departmental section of the Recommended Budget to view them in their entirety. The total general fund dollars supporting these agencies totals \$675,903 a 13% increase over FY16's contribution. It should be noted there is additional \$150,000 through the Community Development Block Grant. FY17 represents the first of a two year contract cycle increases associated with inflation. Just a few of those important organization include:

- Blue Ribbon Commission which supports two programs:
  - Voyager program that focuses on job skills training, career exposure, mentoring, vocational apprenticeships and eight (8) weeks employment for youth
  - YEZ program that focuses on youth violence prevention through education, safety, and health & wellness programs
- Phoenix Hometown Hires provides job readiness and job placement services to disadvantaged persons, including young adults and sheltered persons
- Brigade Boys and Girls Club and Community Boys and Girls Club address youth intervention with afterschool and summer education, tutoring and recreational programming
- Dreams provides programming focusing multi-disciplinary arts classes, serving elementary, middle, high school aged youth

The budget continues our youth athletic and engagement programming. The City currently has 19 programs available that serve approximately 508 participants. A base funding shift resulted in creating one more youth recreational program in FY17. The new program will be a flag football league, increasing recreational programming to 20. The recommended budget also provides new funding (\$16,977) to enhance existing resources outsourcing the city's pool management. Staff believes this move will provide more structured youth programs to the community as well as add additional hours to pool operating times. Outsourcing pool operations will also allow for the expansion of the City's youth tee-ball program and the exploration of starting a youth lacrosse league.



In response to the public desire for community policing several initiatives have begun. In the winter of 2016, overseen by the Wilmington Police Department, the Office of Strategic Enforcement and Outreach was formed. This function is comprised of liaisons from both local and State legal and law enforcement partners. Key to this budget are the internal partners that include the City Attorney, Community Services Code Enforcement, Public Service's Solid Waste Management and Buildings divisions, Fire

Department's Fire and Life Safety and Planning. Together, these internal organizations will focus on areas around the city that have a propensity to either have an environment that perpetuates crime or the fear of crime.

The recommended budget provides funding for a new attorney (\$112,225) who will focus on activities under Chapter 19 and Articles 13A and 13B of Chapter 14 of the N.C. General Statutes in support of the City Council priority of Youth Violence Reduction Initiatives. A new code enforcement officer is also included in the recommended budget (\$82,465). Although this specific employee will not be dedicated to this cause, it will allow the code enforcement division to focus on further nuisance abatements and minimum housing as well as partner with the OSEO. To aid Code Enforcement, new funding to continue site clean ups for the abatement and demolition violation cases totaling \$120,000. A general fund transfer of \$29,866 to Solid Waste Management will allow Solid Waste to coordinate with the Wilmington Police Department to clean up City rights of way and illegal dumpsites, aiding in the 'Broken Window Theory', potentially reducing crime in the community. Another added enhancement supported by the general fund is \$10,765 to fund a part-time gang prevention specialist in the Police Department, previously funded by a grant that ends June of 2016. This will allow the employee to continue working with the community, specifically youth ages 8-12, to redirect their focus on their future in a positive way.

For the Police Department, the recommended budget funds three (3) new police officers (\$173,901) but will place a net of five (5) more officers on the street in FY17. This is accomplished by funding two new civilian positions, a Crime Scene Technician (\$50,182) and a Crime Prevention Specialist (\$54,745) allowing the department to transfer two existing sworn officers to patrol units.

Also funded in the Police Department are three (3) Crime Analysts (\$117,068) to be housed at the Real Time Crime Center (RTCC). The creation of the RTCC is a priority for the Police Department because it will allow patrol staff to respond with greater awareness of the incident they are in route to by providing them with more timely information about the incident. This will be a force multiplier and will allow the department to be more prepared to serve and protect the community, as well as officers. Together with the five (5) new officers on the street and the RTCC more active community policing can occur in areas of the city that are underserved.

### **Core Infrastructure Maintenance**

Those areas where the City has acquired assets over the years but has not funded the appropriate amount of resources to maintain them are also a strategic plan initiative. This priority does not only relate to physical structures but also human capital. The recommended budget provides the following initiatives related to this priority.

The budget continues parks and building maintenance efforts. One facilities technician in the Public Services Buildings division can be found in the budget totaling \$44,076. This employee will assist existing facilities specialists in repairing and maintaining over 1 million square feet of city facilities and buildings to include the addition of approximately 54,000 square feet plus 4,400 linear feet and 111 lights on the Riverwalk. To support the Inland Greens property, smaller parks and several rights of way, the general fund supports the addition of staff and equipment in the Community Services Parks and Landscape division at a cost of \$239,668. Found in the 5<sup>th</sup> year of the 80/20 Capital Improvement Plan is \$380,000 for park facilities maintenance and \$325,500 for city building maintenance.

This budget also continues with the streets and sidewalk upgrades (\$3,527,853) found in the Capital Improvement Plan. This funding will aid in the road construction practices such as full depth reclamation and stabilization, milling, resurfacing, surface treatments and pavement preservation techniques.

As staff have been added over time, corresponding office space has not necessarily been added. Funding in the amount of \$546,955 has been budgeted for the renovation of property to address the space needs in the municipal building. The funding in FY17 will cover the short-term space needs prior to construction of a new tower at the municipal building some years out. Plans in FY17 include leasing space for certain municipal building offices and moving staff from the City Hall building to leased space and renovating the vacated floor of the municipal building for the City Manager's office to relocate, providing at last officer for City Council

There has been increases in operational staff over the years without the addition of any internal service support staff creating inadequate facilities over time. This year's recommended budget begins to address these needs. In Finance's Collections division a new accountant totaling \$77,390 is recommended with a specific focus on improving the collection of delinquent housing loans and other accounts receivable. The new accountant will also aid in the collection of accounts that currently are in the city's loan portfolio. A total of \$100,000 dedicated to legal fees, is recommended to support this effort. In the Information Technology department the budget supports a new Network Administrator (\$80,866) to aid in the Technical Systems division with infrastructure deadlines related to undertakings such as Microsoft EA, Lync Voice and server updates. This continues our efforts to follow recommendations provided by the School of Government's 2014 Strategic IT Plan. The budget supports one Associate Planner (\$73,171) who will aid with the increased workload in historic preservation, urban design, plan review processing and permitting and zoning activities.

**Workforce and Affordable Housing**

The establishment of a City of Wilmington/New Hanover County Ad hoc Committee on Improving Workforce/Affordable Housing is expected this summer. Pending their recommendations anticipated to include a sustainable funding source, staff recommends expanding those programs that aid low income owner-occupied housing rehabilitations programs. This focus will better serve the communities low income homeowners in an effort to improve housing in impoverished neighborhoods.

The recommended budget supports \$300,000 of general fund monies that will enhance existing affordable and workforce housing programs. This funding will support the following:

- Homeownership Opportunity Program
- Minor Repairs up to \$10,000
- Owner-occupied housing rehabilitation programs up to \$75,000

The below table shows the total City funding of \$1,320,757 supporting these efforts both from the general fund or other federal funding the city receives.

Program	Funding Sources				Total
	Suggested General	FY16.17 CDBG	FY16.17 HOME	Revolving Loan Bal Avail ( aka PI)	
HOP (Homeownership Opportunity Program)	\$ 50,000	\$ 227,398		\$ 297,950	\$ 575,348
Owner-Occupied Housing Rehab 80% AMI			\$ 127,161	\$ 218,248	\$ 345,409
Minor Repairs 50% AMI	\$100,000				\$ 100,000
Owner-Occupied Housing Rehab 50% AMI	\$150,000		\$ 150,000		\$ 300,000
<b>Total</b>	<b>\$300,000</b>	<b>\$ 227,398</b>	<b>\$ 277,161</b>	<b>\$ 516,198</b>	<b>\$1,320,757</b>

**Other Strategic Plan Initiatives**

Further enhancements related to the strategic plan were funded in the recommended budget. The Fire Department will begin to streamline responses to EMS calls. A pilot medic car response team (\$127,746) aimed at reducing the number of responses by frontline apparatus when dispatched to an EMS incident is being funded. This will create a safer community as well as reduce overall maintenance and fuel use of the fire suppression vehicles currently performing this task. The funding represents a 6 month hiring target, in order for staff to develop protocols and to hire and train the Medic Program staff. This program is expected to reduce operating expenses over time for Fire and EMS service delivery.

The Capital Improvement Program has funding for self-contained breathing apparatus' (SCBA) totaling \$1,020,300. These new SCBAs will replace nine year old equipment that have reached their life cycle and is essential firefighting equipment. The fire department's pumper will also be replaced this year in the Central Fleet fund at a cost of \$600,000 from the fleet replacement fund.

Continuing our partnerships with local agencies, and reflected in the FY17 budget is WAVE Transit's operating subsidy totaling \$1,323,550, 3% over FY16 adopted amount. Additionally, WAVE's capital

request for the maximum 20% match for four buses and 10 shelter totals \$390,200. Any additional funding from the State or Federal grant matches decreases the City's contribution. We recommend the use of the Transportation Bond appropriation dedicated to general transportation projects to fund their Capital subsidy request.

Funding in the amount of \$25,000 is recommended as the City's share to use for a collaborative effort with New Hanover County for an evaluation on how WAVE Transit and other transportation options can be tapped to improve the service in our community.

Now that the old WAVE Transit Garage is relocated, we are attempting to work with Southside Development Corporation (SCDC) to come up with a viable plan for redeveloping this prime site for redevelopment. A total of \$25,000 is included in the recommended budget to provide technical assistance in that regard. The SCDC is contemplating a mixed use facility, covering an entire City block that also provides for skill training and job development for the residents in the area. While a plan is being developed, the City is conducting in this current year a phase 11 environmental assessment to determine what remediation is necessary for the site.

Other partnerships, with economic development and cultural arts partners, include University of North Carolina at Wilmington. Funding in the amount of \$100,000 is recommended to support efforts in redevelopment of the athletic track. This funding represents the first of a three year allocation. Additional funding of \$70,000 for the UNCW Entrepreneur Center remains consistent with previous funding.

In addition to the UNCW Entrepreneur Center, this budget recommends the continued partnership with our economic development partners. Funding was increased by 8.9% in this recommended budget and we propose this year starts a three year funding cycle with increases only associated with inflation. The following represents what can be found in this proposal and how it has changed from the FY16 Adopted Budget.

<i>Partners</i>	<i>FY16 Adopted</i>	<i>FY17 Request</i>	<i>FY17 Amount Preliminary</i>	<i>Variance</i>
<b><i>Economic Development Partners</i></b>				
<b>1 Wilmington Business Development (WBD)</b>	\$ 87,551	\$ 125,000	\$ 100,000	14.2%
<b>2 Wilmington Downtown Inc (WDI)</b>	\$ 66,325	\$ 115,000	\$ 86,000	29.7%
<b>3 Wilmington Film Commission</b>	\$ 119,500	\$ 119,500	\$ 121,890	2.0%
<b><i>Cultural and Recreational Partners</i></b>				
<b>4 Wilm Jewish Film Festival</b>	\$ 2,000	\$ 5,000	\$ 2,000	0.0%
<b>5 Arts Council</b>	\$ 25,000	\$ 35,000	\$ 25,000	0.0%
<b>6 Cucalourus</b>	\$ 20,000	\$ 22,000	\$ 22,000	10.0%
<b>7 Cameron Art Museum</b>	\$ -	\$ 10,000	\$ 10,000	100.0%
<b>8 UNCW Entrepreneur Center</b>	\$ 70,000	\$ 70,000	\$ 70,000	0.0%
<b>9 Children's Museum</b>	\$ -	\$ 10,000	\$ 10,000	100.0%
<b>10 Chamber (Cape Fear Future)</b>	\$ 20,000	\$ -	\$ -	-100.0%
<b>Totals</b>	\$ 410,376	\$ 386,500	\$ 446,890	8.9%

The Wilmington and Beaches Convention & Visitors Bureau began working with the City of Wilmington marketing the Wilmington Convention Center in FY10. This partnership has proven to be successful over the last 6 years. This year reflects an additional \$50,000 for marketing efforts and \$50,000 for sales efforts. This will allow them to establish a true "Convention Center District" marketing and sales campaign

and expand their efforts to entice larger groups between 500 and 750 attendees to hold meetings at the Convention Center. The program would be funded with room occupancy tax revenues.

And lastly, funding to support advancements in city-wide technology efforts includes \$55,000 to aid in the city's efforts with SAS over time to use predictive analysis for crime prevention and \$22,308 in funding to support a study to assess broadband in downtown.

### *Continuing Core Services*

Our workforce is the backbone to the continuation of high-quality services to our community. As a priority, this recommended budget reflects the continuation of a multi-year compensation strategy that pays market wages to employees doing similar jobs in the current labor market. Three percent of wages is included in this budget, 2% across the board adjustment and 1% for those below market to be distributed to employees according to a plan that will be sustainable for the future. We are appreciative of Council's support and commitment to market employee compensation.

Even though our employees have done an excellent job of becoming a healthy workplace, the City of Wilmington received a renewal that indicated health rates needed to increase due to overall medical rate trends. To hold our current employee premium payments to the FY16 level, it was necessary to modify our plan design such that co-payments increased slightly. The increases, while moderate in nature, allowed us to maintain level premium payments for the 4th consecutive year.

Additional funding is needed to continue core services at current levels. Many of these services require enhancements to include equipment to ensure staff has what is needed to complete their jobs safely and effectively. Some of those initiatives include the following:

- Defibrillators and extrication air bags in the Fire Department at a cost of \$42,000
- Uniforms and Clothing efforts to increase a contract or to purchase uniforms cost city-wide \$9,150
- Vehicle replacement costs for Fire Department for two vehicles totals \$45,000
- New vehicle purchases for the FY16 detectives hired in the Police Department totals \$98,505
- Ballistic vests, car video systems, Casper wire license, body cameras for the Police Department total \$143,743

All the modifications to the budget can be found in the department section of the budget presentation.

### *80/20 Debt Service Capital Improvement Plan*

Streets and sidewalk projects, facilities, infrastructure maintenance and park improvements and maintenance continue to be funded through the implementation of the 5-year capital improvement plan. This budget continues the allocation of 5 cents on the tax rate to support this plan. This year represents the 5<sup>th</sup> and last year of the first 80/20 Debt Service Capital Improvement Plan. The Council already committed a committee to form with staff to work on a second 5 year CIP.

FY16's budget only saw appropriations to the Stormwater CIP projects which is as planned due to the funding being accelerated to provide two years of funding in fiscal years 2013 and 2015 with the remaining funds to be appropriated in 2017. The FY17 recommended budget proposes to fund \$16,567,053 in projects related to Streets and Sidewalks, Parks and Recreation, Public Buildings and Facilities and Stormwater.

In order to maintain the current 5-year infrastructure improvement plan, the debt service recommended allocation is \$9.3 million or 9% from the General Fund budget. It includes the payment of principal and interest costs for already approved and recommended capital projects.

### ***Not Included***

A number of worthwhile service expansions and new modifications were requested and reviewed as part of our efforts to propose a frugal and focused spending plan for next year. We have attempted to balance Council's priorities with available resources, minimizing the impact on our citizens and taxpayers. I hope you will find this proposal that has been developed with your guidance achieves that. For example, additional requests from various City departments that are not included total over \$3.2 million.

### ***Enterprise Funds***

***Solid Waste*** has requested the reduction of the twice week pickup affecting 144 accounts, less than 1% of total customers. These customers will be provided an option to request a second cart for an additional \$12.03 per month totaling less than the current twice weekly cost of \$41.39 as compared to \$26.29 for one cart or \$38.32 for two carts once a week. Benefits to discontinuing this premium service include Solid Wastes ability to use current resources to service the new developments and neighborhoods requesting service and the newly purchased trash trucks will have improved life expectancy. Included in the budget is an increase of \$11,800 for the curbside electronic collection program to address the escalating problem of old televisions, electronics and computers being left in City right of ways, creating illegal dump sites. This program began July of 2015 and has been very successful. The demand for the program was expected to decline but it has remained consistent. The increase will go to support the increased vendor costs to recycle electronics at the New Hanover County Landfill. Additionally, the yard waste contract was recently terminated causing the need to find a new vendor. Funding in the amount of \$279,340 has been budgeted for FY17 to cover this cost. Current negotiations are under way but a contract, as of this writing, has not been signed. The FY17 Solid Waste operations will require the use of \$299,818 from the unassigned fund balance to produce a balanced budget. The unassigned fund balance is anticipated to be \$2,372,707 or 25.37% of FY17 projected expenditures.

***The Stormwater Management*** rate model requires a 5.9% rate increase to fund expenditures, which includes a transfer to the Capital Improvement Plan of \$2,000,000 for annual storm drain rehabilitation which is \$1,000,000 more than FY16. The rate increases the Equivalent Residential Unit (ERU) will increase from \$7.23 to \$7.66. There is no anticipated use of fund balance for the FY17. The unassigned fund balance in the Storm Water Fund as of June 30, 2016 is expected to be \$7,453,595 or 72.36% of FY17 projected expenditures. However, due to the capital intensive nature of the Storm Water Management Program, a higher balance than normal is a good financial indicator.

**Parking** in the City of Wilmington is a high priority for residents, tourists, and businesses especially in the downtown area. Key factors in the success of the parking program are an improving economy, moderate weather and no natural or man-made disasters.

The most noteworthy change proposed for FY17 Parking budget is the reduction in funding expected due to the demolition of the Water Street Parking Deck which will affect revenues and relocate customers to other parking facilities for two years. There is an expectation that some of the displaced customers will remain in relocated facilities. There are also two proposed Capital Improvement Projects funded in FY17. They include camera upgrades totaling \$300,000 tied into the Police Department Real Time Crime Center and revenue access control gate equipment replacement at all three parking decks for \$350,000.

The Parking Fund's unassigned fund balance is projected to be approximately \$2,314,109 or 54.23% of FY17 budgeted expenditures. There is no anticipated use of fund balance for the FY16. A realignment of the parking reserve monthly rate is recommended to support operations. The proposal increases the fee at the Market Street and 2<sup>nd</sup> Street Decks from \$70 to \$100. It should be noted for comparison purposes, the Water Street deck monthly reserve rate has been \$100 since 2008 and with the proposed rate increase, and the City will remain the lowest of City Council's benchmark cities, even with the proposed increase.

**Municipal Golf Course** proposed budget shows all funding previously associated with Inland Greens has been shifted to the Municipal Golf Course. Staff will be reevaluating with Council Inland Greens as a Par 3 Golf Course and has in the budget identified in general fund monies to maintain Inland Greens during FY17. There are a few Golf Fee changes recommended to include but not limited to a new \$2.00 pull cart fee and begin to offer a \$300 15-round punch card for non-city residents. The unassigned fund balance in the Golf Fund as of June 30, 2017 is expected to be \$404,642 or 28.37% of FY17 projected expenditures.

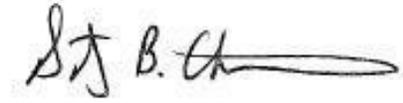
## **COMMITMENT**

The City is committed to creating financial resiliency in preparation for the opportunities that we will face in the years to come. We continue to challenge each other and our systems, policies and methods of operation to ensure our tax payer dollars are used efficiently and responsibly. As the General Assembly convenes and deliberates the future with regard to various revenue stream distributions, we will move forward conservatively to preserve our revenue sources as well as remain flexible and proactive in our efforts to maintain quality services. We will continue to engage all employees in our efforts to make sure the way we provide services to citizens and how we conduct our internal business represents the core values established by the City.

In closing, I would like to commend the efforts of the City Council for their guidance in the preparation of this budget and for their commitment to quality services for our community. I would also like to commend City departments who worked tirelessly and shared in the burden of preparation of this very challenging budget. I would like to especially thank the Budget staff for their extra effort in putting this recommended budget together.

The FY17 Budget is now respectfully turned over to Council and the community for consideration. We stand ready to support you as you make these decisions.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "S.B. Cheatham", with a long horizontal flourish extending to the right.

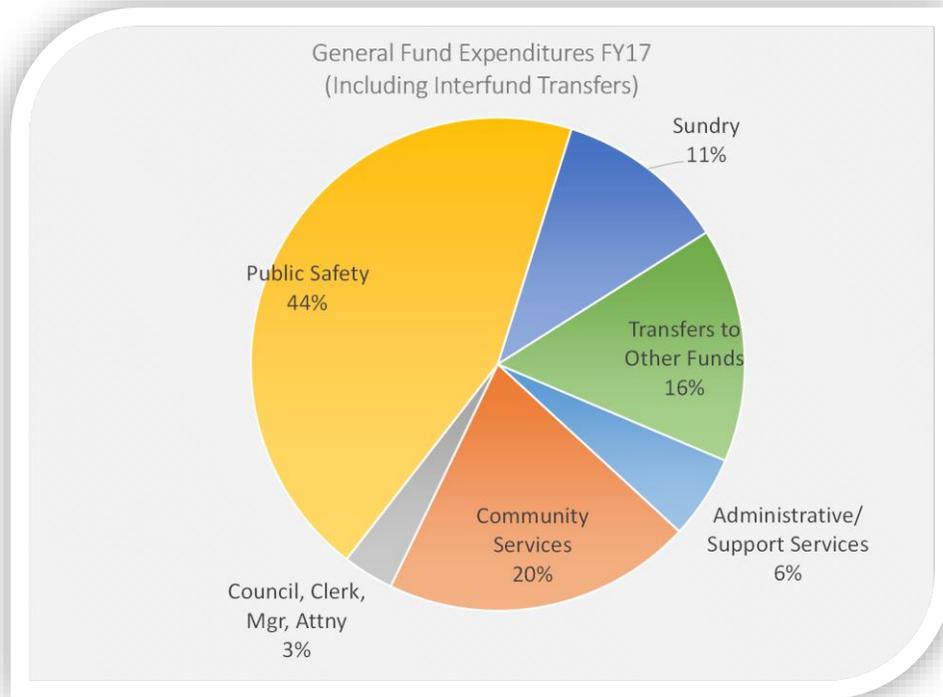
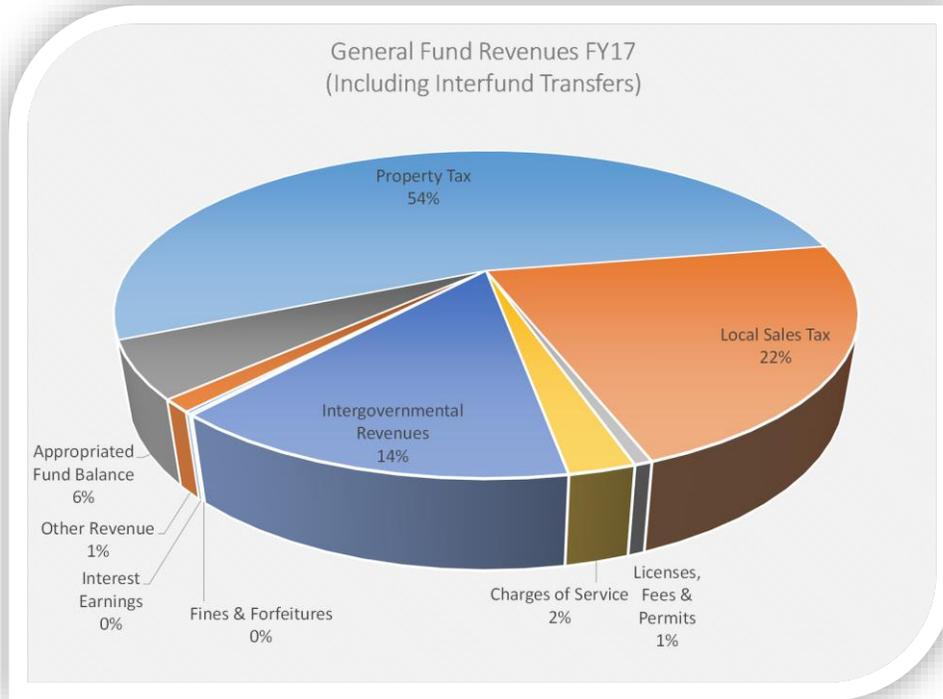
Sterling B. Cheatham  
City Manager

## REVENUE AND EXPENDITURE SUMMARY

	Total Revenues	Less Approp Fm Other Funds	Net Revenue	Total Expenditures	Less Approp To Other Funds	Net Expenditure
<b>Operating Funds</b>						
General Fund	\$ 104,921,057	\$ 874,875	\$ 104,046,182	\$ 104,921,057	\$ 15,625,416	\$ 89,295,641
Stormwater Management Fund	\$ 10,300,221		\$ 10,300,221	\$ 10,300,221	\$ 2,000,000	\$ 8,300,221
Solid Waste Management Fund	\$ 9,354,080	\$ 29,866	\$ 9,324,214	\$ 9,354,080		\$ 9,354,080
<b>Subtotal</b>	<b>\$ 124,575,358</b>	<b>\$ 904,741</b>	<b>\$ 123,670,617</b>	<b>\$ 124,575,358</b>	<b>\$ 17,625,416</b>	<b>\$ 106,949,942</b>
<b>Program Funds</b>						
Special Purpose Fund	\$ 8,159,160	\$ 561,356	\$ 7,597,804	\$ 8,159,160	\$ 5,131,886	\$ 3,027,274
Convention Center Operating Fund	\$ 8,959,761	\$ 5,131,886	\$ 3,827,875	\$ 8,959,761		\$ 8,959,761
CDBG Fund	\$ 891,498		\$ 891,498	\$ 891,498	\$ 58,715	\$ 832,783
CDBG/HOME Grant and Loan Fund	\$ 752,892	\$ 752,892	\$ -	\$ 752,892		\$ 752,892
HOME Partnership Fund	\$ 587,147		\$ 587,147	\$ 587,147	\$ 487,100	\$ 100,047
Parking Facilities Fund	\$ 4,267,290	\$ 550,386	\$ 3,716,904	\$ 4,267,290	\$ 650,000	\$ 3,617,290
Fleet Maintenance & Replacement Fund	\$ 7,054,715		\$ 7,054,715	\$ 7,054,715		\$ 7,054,715
Golf Course Fund	\$ 1,426,435		\$ 1,426,435	\$ 1,426,435		\$ 1,426,435
Technology Replacement Fund	\$ 1,236,040	\$ 349,915	\$ 886,125	\$ 1,236,040		\$ 1,236,040
<b>Subtotal</b>	<b>\$ 33,334,938</b>	<b>\$ 7,346,435</b>	<b>\$ 25,988,503</b>	<b>\$ 33,334,938</b>	<b>\$ 6,327,701</b>	<b>\$ 27,007,237</b>
<b>Debt Service Funds</b>						
Debt Service Fund	\$ 20,784,520	\$ 9,334,832	\$ 11,449,688	\$ 20,784,520	\$ 2,499,721	\$ 18,284,799
<b>Subtotal</b>	<b>\$ 20,784,520</b>	<b>\$ 9,334,832</b>	<b>\$ 11,449,688</b>	<b>\$ 20,784,520</b>	<b>\$ 2,499,721</b>	<b>\$ 18,284,799</b>
<b>Capital Project Funds (Not of Debt)</b>						
CP - Streets and Sidewalks	\$ 7,046,453	\$ 2,216,098	\$ 4,830,355	\$ 7,046,453		\$ 7,046,453
CP- Stormwater/Drainage	\$ 3,311,879	\$ 2,000,000	\$ 1,311,879	\$ 3,311,879		\$ 3,311,879
CP- Parks and Recreation	\$ 2,956,800	\$ 1,020,000	\$ 1,936,800	\$ 2,956,800		\$ 2,956,800
CP- Public Facilities	\$ 704,552	\$ 1,035,628	\$ (331,076)	\$ 704,552		\$ 704,552
CP - Parking Facilities	\$ 840,000	\$ 840,000	\$ -	\$ 840,000		\$ 840,000
CP - Golf Course	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CP - Public Improvement	\$ 1,755,104	\$ 1,755,104	\$ -	\$ 1,755,104		\$ 1,755,104
<b>Subtotal</b>	<b>\$ 16,614,788</b>	<b>\$ 8,866,830</b>	<b>\$ 7,747,958</b>	<b>\$ 16,614,788</b>	<b>\$ -</b>	<b>\$ 16,614,788</b>
<b>Total All Funds</b>	<b>\$ 195,309,604</b>	<b>\$ 26,452,838</b>	<b>\$ 168,856,766</b>	<b>\$ 195,309,604</b>	<b>\$ 26,452,838</b>	<b>\$ 168,856,766</b>

**GENERAL FUND BUDGET SUMMARY (Including Interfund Transfers)**

	FY 14-15	FY 15-16	FY 15-16	FY 16-17	Variance
	Actual	Adopted	Adjusted	Recommend	FY 15-16 to FY 16-17
<b>Revenues</b>					
Property Tax	\$ 53,992,024	\$ 55,440,267	\$ 55,440,267	\$ 56,649,564	2.2%
Local Sales Tax	\$ 21,483,984	\$ 22,026,474	\$ 22,026,474	\$ 23,142,173	5.1%
Licenses, Fees & Permits	\$ 2,962,469	\$ 584,808	\$ 584,808	\$ 650,208	11.2%
Charges of Service	\$ 2,450,476	\$ 2,326,887	\$ 2,361,426	\$ 2,396,604	3.0%
Intergovernmental Revenues	\$ 16,059,613	\$ 12,655,329	\$ 13,605,329	\$ 14,709,679	16.2%
Fines & Forfeitures	\$ 206,165	\$ 133,700	\$ 133,700	\$ 160,700	20.2%
Interest Earnings	\$ 160,461	\$ 204,358	\$ 204,358	\$ 204,358	0.0%
Other Revenue	\$ 1,026,051	\$ 230,553	\$ 1,662,736	\$ 1,264,428	448.4%
Appropriated Fund Balance	\$ -	\$ 1,090,966	\$ 3,211,061	\$ 5,744,343	426.5%
<b>Total</b>	<b>\$ 98,341,243</b>	<b>\$ 94,693,342</b>	<b>\$ 99,230,159</b>	<b>\$ 104,921,057</b>	<b>10.8%</b>
<b>Expenditures</b>					
City Council	\$ 205,808	\$ 214,557	\$ 214,394	\$ 214,787	0.1%
City Clerk	\$ 216,583	\$ 248,137	\$ 248,031	\$ 249,402	0.5%
City Manager	\$ 1,360,590	\$ 2,025,603	\$ 2,033,539	\$ 2,027,233	0.1%
City Attorney	\$ 815,091	\$ 862,310	\$ 862,015	\$ 1,019,149	18.2%
Human Resources	\$ 717,985	\$ 798,086	\$ 799,144	\$ 835,688	4.7%
Finance	\$ 2,053,260	\$ 2,071,559	\$ 2,086,384	\$ 2,226,072	7.5%
Information Technology	\$ 2,021,597	\$ 2,299,737	\$ 2,315,188	\$ 2,681,124	16.6%
Community Services	\$ 7,214,205	\$ 7,654,779	\$ 7,825,628	\$ 8,057,084	5.3%
Planning, Development & Trans	\$ 4,731,785	\$ 5,430,474	\$ 5,536,791	\$ 5,423,895	-0.1%
Police	\$ 26,807,757	\$ 28,237,580	\$ 29,612,977	\$ 29,057,902	2.9%
Fire	\$ 16,102,636	\$ 16,996,383	\$ 17,143,255	\$ 17,464,008	2.8%
Public Services	\$ 4,956,897	\$ 5,436,770	\$ 5,458,662	\$ 5,582,707	2.7%
PS-Engineering	\$ 1,695,686	\$ 2,160,735	\$ 2,163,879	\$ 2,214,904	2.5%
Non-Department	\$ 8,026,541	\$ 9,332,849	\$ 10,516,812	\$ 11,541,686	23.7%
Contingency	\$ -	\$ 200,000	\$ 200,000	\$ 200,000	0.0%
Transfer to Other Funds	\$ 11,908,504	\$ 10,723,783	\$ 12,459,349	\$ 16,125,416	50.4%
<b>Total</b>	<b>\$ 88,834,927</b>	<b>\$ 94,693,342</b>	<b>\$ 99,476,048</b>	<b>\$ 104,921,057</b>	<b>10.8%</b>

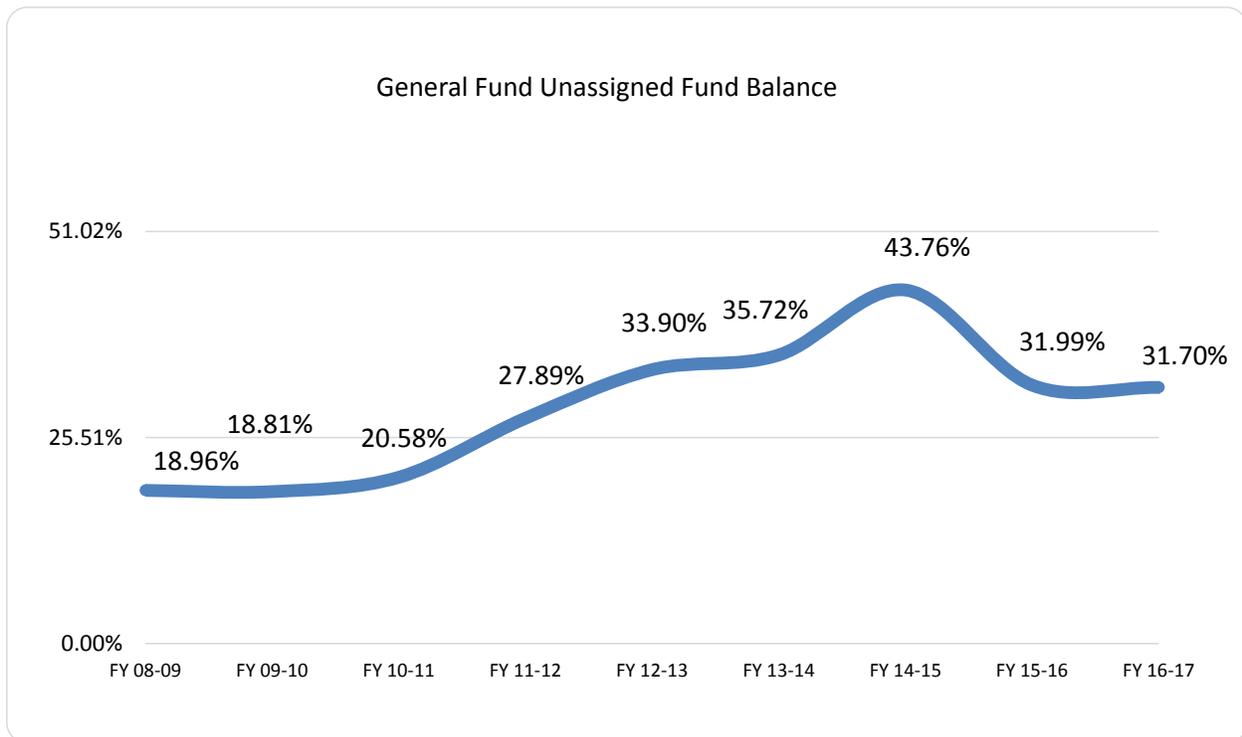


**CONSOLIDATED UNASSIGNED FUND BALANCE SUMMARY**

Fund	Unassigned Fund Balance As of June 30, 2015	Anticipated Unassigned Fund Balance June 30, 2016	FY 16-17 Budgeted Expenditures	% of FY 16-17 Budgeted Expenditures	Anticipated Unassigned Fund Balance June 30, 2017	% of FY 16-17 Budgeted Expenditures
General Fund	39,882,556	38,932,556	104,691,245	37.19%	33,188,213	31.70%
Solid Waste Management Fund	2,984,099	2,672,525	9,354,080	28.57%	2,372,707	25.37%
Storm Water Management Fund	7,820,340	7,276,202	10,300,221	70.64%	7,453,595	72.36%
Golf Course Fund	305,433	404,642	1,426,435	28.37%	404,642	28.37%
Parking Facilities Fund	2,421,357	2,702,446	4,267,290	63.33%	2,314,109	54.23%

The anticipated unassigned fund balance as of June 30, 2016 includes any FY 2017 appropriations. The unassigned fund balance for FY 2017 assumes receipt of budgeted revenues and use of all budgeted expenditures.

**General Fund Unassigned Fund Balance**



Fund balance is the accumulated excess of revenues and other financing sources over expenditures and other financing uses for governmental functions. **Unassigned** fund balance is the residual classification for the government’s General Fund based on GASB (Governmental Accounting Standards Board) Statement #54 and includes all spendable amounts not contained in other classifications.

## AUTHORIZED POSITION LISTING

The authorized position listing summarizes the net changes in positions for the fiscal years 2014-15 through the FY 2016-17 budget.

	FY 14-15 Actuals	FY 15-16 Adopted	FY15-16 Adjusted	FY 16-17 Recommended
City Clerk	3	3	3	3
City Manager	13	17	17	17
City Attorney	9	9	9	10
Human Resources	8	8	8	9
Finance	27	26	26	27
Information Technology Services	16	17	17	21
Community Services	84	82	81	85
Planning, Development and Transportation	40	43	43	44
Police Department	335	336	336	341
Fire Department	220	220	220	223
Public Services Department	39	39	39	40
Engineering	26	30	30	30
<b>Subtotal</b>	<b>820</b>	<b>830</b>	<b>829</b>	<b>850</b>
<b>Other Funds</b>				
CDBG/HOME Grant and Loan Fund	9	9	8	8
Fleet	13	13	13	13
Parking	2	2	2	2
Solid Waste Management	83	83	83	75
Golf Course Fund	11	11	11	11
Stormwater Management	60	60	60	60
Metropolitan Planning Organization	9	10	10	10
<b>Grand Total</b>	<b>1007</b>	<b>1018</b>	<b>1016</b>	<b>1029</b>

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### Overview

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It should be noted that there is a change in the number of authorized positions from adopted FY16. The authorized strength was overstated by 2 positions, both located in Community Services. This administrative error has been corrected to reflect the accurate authorized strength of 1016 FTE's.

The FY17 recommended budget reflects a total increase of 21 positions across various departments, while defunding and closing 8 in Solid Waste, for a net effect of 13. It is recommended to increase authorized strength by the following positions: staff attorney, an unclassified and unfunded position in human resources, an accountant in the collections/finance department, one code enforcement officer, three

parks and landscape staff, an associate planner, one IT network administrator, three crime scene analysts assigned to the Real Time Crime Center, one crime prevention specialist, a crime scene technician and three sworn officers in the police department, three firefighters to staff the Medic Team with the Fire Department and one facilities technician with the buildings division.

## REVENUE SUMMARY

		FY 15-16	FY 16-17	Variance	
	FY 14-15 Actual	Adopted	Recommend	FY 15-16 to FY 16-17	
<b>Operating Funds</b>					
010	General Fund	\$ 98,341,243	\$ 94,693,342	\$ 104,921,057	10.8%
050	Stormwater Management Fund	\$ 18,041,639	\$ 9,642,562	\$ 10,300,221	6.8%
056	Solid Waste Management Fund	\$ 10,164,455	\$ 9,322,186	\$ 9,354,080	0.3%
	<b>Subtotal</b>	<b>\$ 126,547,337</b>	<b>\$ 113,658,090</b>	<b>\$ 124,575,358</b>	<b>9.6%</b>
<b>Program Funds</b>					
021	Special Purpose Fund	\$ 6,359,888	\$ 3,643,138	\$ 8,159,160	124.0%
022	Convention Center Operating Fund	\$ 8,735,323	\$ 4,191,258	\$ 8,959,761	113.8%
023	CDBG Fund	\$ 825,986	\$ 886,596	\$ 891,498	0.6%
024	CDBG/HOME Grant and Loan Fund	\$ 617,883	\$ 707,159	\$ 752,892	6.5%
025	HOME Partnership Fund	\$ 936,037	\$ 689,437	\$ 587,147	-14.8%
055	Parking Facilities Fund	\$ 5,700,683	\$ 3,487,408	\$ 4,267,290	22.4%
057	Golf Course Fund	\$ 929,206	\$ 1,446,202	\$ 1,426,435	-1.4%
061	Fleet Maintenance & Replacement Fund	\$ 9,344,186	\$ 6,244,942	\$ 7,054,715	13.0%
065	Technology Replacement Fund	\$ 1,009,793	\$ 970,115	\$ 1,236,040	27.4%
	<b>Subtotal</b>	<b>\$ 34,458,986</b>	<b>\$ 22,266,255</b>	<b>\$ 33,334,938</b>	<b>49.7%</b>
<b>Debt Service Funds</b>					
015	Debt Service Fund	\$ 45,931,493	\$ 20,558,282	\$ 20,784,520	1.1%
	<b>Subtotal</b>	<b>\$ 45,931,493</b>	<b>\$ 20,558,282</b>	<b>\$ 20,784,520</b>	<b>1.1%</b>
<b>Capital Project Funds (Not of Debt)</b>					
031	CP - Streets and Sidewalks	\$ 14,774,239	\$ -	\$ 7,046,453	100.0%
032	CP- Stormwater/Drainage	\$ 15,036,937	\$ 1,000,000	\$ 3,311,879	231.2%
033	CP- Parks and Recreation	\$ 1,079,259	\$ -	\$ 2,956,800	100.0%
034	CP- Public Facilities	\$ 8,998,236	\$ -	\$ 704,552	100.0%
035	CP - Parking Facilities	\$ 654,131	\$ -	\$ 840,000	100.0%
036	CP - Golf Course	\$ 162,823	\$ -	\$ -	100.0%
039	CP - Public Improvement	\$ 521,216	\$ -	\$ 1,755,104	100.0%
	<b>Subtotal</b>	<b>\$ 41,226,842</b>	<b>\$ 1,000,000</b>	<b>\$ 16,614,788</b>	<b>1561.5%</b>
	<b>Total All Funds</b>	<b>\$ 248,164,658</b>	<b>\$ 157,482,627</b>	<b>\$ 195,309,604</b>	<b>24.0%</b>
	Less Interfund Transfers	\$ (22,487,258)	\$ (13,439,966)	\$ (26,452,838)	96.8%
	<b>Net Operating &amp; Capital</b>	<b>\$ 225,677,401</b>	<b>\$ 144,042,661</b>	<b>\$ 168,856,766</b>	<b>17.2%</b>

## REVENUE ESTIMATES

The revenue estimates for the FY17 budget have been made in accordance with the City’s Financial Management Policies. These estimates include only those reasonably expected to be realized during the fiscal year to meet all operating, debt and capital needs in line with the “no deficiency” budget requirements imposed by State Statute. Only significant revenue sources for all funds are listed as follows:

### OPERATING FUNDS

	FY 14-15 Actual	FY 15-16 Adopted	FY 15-16 Adjusted	FY 16-17 Recommend	Variance FY 15-16 to FY 16-17
<b>Revenues</b>					
Property Tax	\$ 53,992,024	\$ 55,440,267	\$ 55,440,267	\$ 56,649,564	2.2%
Local Sales Tax	\$ 21,483,984	\$ 22,026,474	\$ 22,026,474	\$ 23,142,173	5.1%
Licenses, Fees & Permits	\$ 2,962,469	\$ 584,808	\$ 584,808	\$ 650,208	11.2%
Charges of Service	\$ 2,450,476	\$ 2,326,887	\$ 2,361,426	\$ 2,396,604	3.0%
Intergovernmental Revenues	\$ 16,059,613	\$ 12,655,329	\$ 13,605,329	\$ 14,709,679	16.2%
Fines & Forfeitures	\$ 206,165	\$ 133,700	\$ 133,700	\$ 160,700	20.2%
Interest Earnings	\$ 160,461	\$ 204,358	\$ 204,358	\$ 204,358	0.0%
Other Revenue	\$ 1,026,051	\$ 230,553	\$ 1,662,736	\$ 1,264,428	448.4%
Appropriated Fund Balance	\$ -	\$ 1,090,966	\$ 3,211,061	\$ 5,744,343	426.5%
<b>Total</b>	<b>\$ 98,341,243</b>	<b>\$ 94,693,342</b>	<b>\$ 99,230,159</b>	<b>\$ 104,921,057</b>	<b>10.8%</b>

#### Property Taxes

Property Taxes are the largest revenue source for the General Fund at approximately 54% representing \$56.6 million. The amount represented here includes current and prior year tax as well as penalties and interest. The property tax rate will be \$0.4850 per \$100 assessed valuation. The value of one penny of the tax rate is equivalent to approximately \$1,347,098 based on a 98.55% collection rate for Property and a 99.94% collection rate for Motor Vehicles. Of the \$0.4850, \$0.0700 is dedicated to the Debt Service Fund to support capital projects with \$0.0500 supporting an 80% debt and 20% pay-as-you-go 5 year capital program plan covering FY 2013 – FY 2017 and \$0.0200 funding the voter approved Streets and Sidewalks bond.

The City’s tax base for FY17 is estimated at \$13,656,573,000. The City’s real property is expected to total approximately \$12,762,573,000. Motor Vehicle property is projected to be approximately \$894,000,000. Overall values increased about \$261.8 million from the FY16 assessed values or 1.95%.

#### Local Sales Tax

Local sales tax revenues for FY17 are estimated at \$23,142,173 reflecting a 5.1% increase over FY16 adopted levels and a 7.7% increase over the FY15 actuals. Sales Tax represents 22% of the total General

Fund revenues. Of this amount, \$10.9 million comes from the locally collected and distributed one-cent levy. The balance of the revenue, approximately \$11.9 million, comes from the statewide collected 1.5 cent levy. Both levies are distributed among New Hanover County's local governments based on property tax levy.

### **Licenses, Fees, and Permits**

This revenue category includes the anticipated revenues for such items as motor vehicle licenses and annual fire permit fees, and reflects an increase of 11% from FY16 adopted levels which is due to adjusting the revenues to reflect closer estimates to FY15's actuals. This category of revenue makes up less than 1% of the General Fund revenues totaling \$650,208.

### **Intergovernmental Revenues**

The total Intergovernmental Revenues represents approximately 14% of the City's anticipated total revenues at a value of \$14.7million. These revenues include utility franchise taxes, beer and wine, video programming tax, piped natural gas, telecommunications service tax, court fees, ABC revenue, Powell Bill and local jurisdictions contributions. The largest in the revenues is the Utility Franchise tax which saw a change in base mid-year FY14 resulting what appears to be a growing revenue. FY15 and FY16 proved difficult to budget for any increase given the revenues are received quarterly and the net effect of the change has not yet provided enough quarters of actuals to make sound projections. FY17 Utility Franchise revenue is \$6,900,000 which represents 49% more budget than FY16 adopted levels but and a 2.9% increase over FY15's actuals.

Powell Bill revenues, a major revenue source in the Intergovernmental Revenues section, previously was distributed based on the State's gasoline tax that was distributed to cities on the basis of population and mileage of City-maintained streets, with 75% of the distribution based on population. A recent legislative change, removed the revenue from the gasoline tax and instead it is now a State appropriation. For FY17 the Powell Bill is projected to provide the City will \$2,925,558 in revenue. This represents less than 1% increase over the FY16's adopted budget and a reduction of less than 1% over FY15's actuals.

The overall intergovernmental revenue category grew 16% above the FY16's adopted levels which is still 8% less than the FY15's actuals due to the difficulty in predicting revenues given the distribution change in recent years.

### **Charges for Current Services**

Charges for current services represent approximately 2.2% of total anticipated General Fund revenues for FY17. Charges for current services are classified in five sub-categories: general government services, public safety services, public services, recreation programs, and miscellaneous charges. For the FY17 budget, these revenues total \$2,396,604 which represents almost a 3% increase over FY16's adopted budget and a slightly more than a 2% reduction from the FY15's actuals.

**Other Revenue, Interest and Fines and Forfeitures**

Other revenue includes miscellaneous revenue sources in the amount of \$1,629,486. The FY17 budget represents a 33% increase for the FY16’s adopted budget and a decrease of less than 1% from the FY15’s actuals.

Fines and Forfeitures include civil citations and fire code violations. The budget reflects the City’s historical experience in collection of civil citations.

**Appropriated Fund Balance**

Appropriated fund balance in the amount of \$5,744,343 is included in the budget for FY 2016-17 for one-time expenditures. Associated with general fund purchases \$601,973 was appropriated to support the following purchases.

Department	Estimated Quantity	One-time Purchases	Funding Amount
Community Services	1	♦ Pick-up trucks with bed liner	\$ 22,000
Community Services	1	♦ Ford F 350 Crew cab truck - Parks and Rec (Inland Greens)	\$ 40,000
Community Services	1	♦ JD Out-front Mower	\$ 25,000
Community Services	1	♦ Mini Skid Steer w/ attached trailer	\$ 25,000
Fire	1	♦ Medic Vehicle (SUV)	\$ 36,000
Fire	1	♦ 2005 Crown Victoria	\$ 23,000
Fire	1	♦ 2010 Pickup Truck	\$ 22,000
Fire	2	♦ Defibrillators	\$ 14,000
Fire	14	♦ Extrication air bags	\$ 35,000
Police	137	♦ Ballistic vests	\$ 87,543
Police	20	♦ 6500 Mobile and Portable Police Radios	\$ 59,020
Police	8	♦ Car Video Systems	\$ 39,600
Police	1	♦ Live Scan Fingerprinting equipment	\$ 20,875
Police	1	♦ Special Operations Antennae	\$ 51,000
Police	15	♦ Tasers	\$ 22,275
Police	2	♦ Unmarked SUV	\$ 43,806
Police	2	♦ Unmarked Sedans	\$ 35,854
			\$ 601,973

The Capital Improvement Plan (CIP) will receive \$5,142,370 of the appropriated fund balance which will be dedicated to the following CIP projects:

- Bridge Repairs: \$702,266
- 23<sup>rd</sup> Street Connection: \$2,650,000
- Self-Contained Breathing Apparatus Replacement: \$1,020,300
- Parks Maintenance Facility Space Needs: \$35,000
- Work Order System: \$290,000
- Development Tracking System: \$200,000

- GTV Upgrade: \$164,804
- Replace Main Firewall: \$80,000

Unassigned fund balance as of June 30, 2016 is anticipated to be approximately 31.7% of FY 2015-16 budgeted expenditures or \$31.5 million.

## City of Wilmington's 4 Year Strategic Plan (2017 to 2020)

The Strategic Plan (Plan) set forth, like the City itself, is not a static object; rather it is intended to provide a framework for positive change in the city. It sets the stage for the City's priority initiatives as voiced by City Council, citizens, vetted by staff. The plan is expected to evolve to ensure the city is moving towards the desired vision.

The strategic plan's philosophy ensures maintenance of the City's core and essential services while at the same time enhancing identified strategic initiatives. This ensures the services succeeding today are not the community's strategic initiatives tomorrow. It also ensures the Plan set forth is focused on a small number of community priorities to make certain that over the next four years the strategies identified will have successes.

The Plan's intent is threefold:

- To provide a strategic focus for the community and city staff,
- To provide stability and opportunities for those who already live, work and build their businesses here, and;
- To provide a common goal for all

### **Basic Strategic Planning Elements and Definitions:**

- **Focus Areas:** Broad statement toward which the organizations efforts are directed; identifies the 'what' not the 'how'
- **Community Outcomes:** specific and measurable milestone the community/organization sets that identifies success of the Focus Area
- **Strategies:** the approach or plan of action the organization wants to take to achieve the community outcomes; the 'how' the organization is going to get there, the 'direction' of the plan
- **Action Steps:** the actual work task or specific tactic identified to deliver on the strategy; the 'what you do', which will remain flexible allowing staff to respond to community needs

## Focus Area: Create a Safe Place

The City will create a safe, inclusive community with neighborhood/area based public safety and support services.

### **Community Outcomes**

1. Reduce city crime rate year over year
2. Truancy rates decline year over year
3. Participation increases in after school program
4. School drop-out rates decrease 5% annually
5. Increase newly developed “complete streets” (pedestrian and vehicular friendly/safe) in the City by no less than 1,000 linear feet annually
6. The total response time for all calls for emergency service, the Fire Departments first due unit will be within seven minutes and thirty seconds for 90% of all calls for emergency service
7. Reduce the # of enforced (under order) minimum housing code and nuisance violations

### **Strategies**

1. Partner with community and non-profit agencies to enhance youth engagement (Outcome Link: 1, 2, 3, 4)

#### Action steps:

- Proactively recruit additional resources or groups that will promote and enhance youth engagement
- Partner with non-profits that will enable affordable home ownership opportunities to eligible citizens

2. Establish a model citizen code to establish acceptable social norms (Outcome Link: 1, 3, 7)

#### Action steps:

- Proactively target and implement additional neighborhood watch programs
- Encourage city staff to act as ambassadors and promote social norms by picking up trash as they are walking around the city and calling in areas that need clean up

3. Review and implement city-wide sharing of resources across departments to aid in known public safety service gaps allowing more targeted community policing (Outcome Link: 1, 2, 3, 4, 7)

#### Action steps:

- Identify departments with staffing who have ‘down-time’ to aid in areas where service gaps exist
- Real time CTR implementation
- Initiate neighborhood sweeps

4. Implement a public safety staffing plan directed at a safer community (Outcome Link: 1, 2, 3, 4, 6, 7)

Action steps:

- Ensure current staffing levels are resourced in key areas of the city

5. Employ comprehensive plan policies and land development codes to create both defensible spaces and safe streets (Outcome Link: 1, 5, 7)

Action steps:

- Encourage mixed-use developments that create active ground-floor uses, which help put “eyes on the street.”
- Incorporate crime prevention through environmental design (CPTED) techniques in parks, public spaces, parking decks, and new developments to maximize community safety
- Create development patterns that reduce reliance on uses divided into “pods”
- Enhance bike and pedestrian infrastructure that increases bicycle and pedestrian safety and supports public health goals.
- Coordinate street designs with placemaking and pedestrian priorities to improve traffic flow and enhance bike and pedestrian safety.
- Relocate freight trains to a more direct route into the port of Wilmington to dramatically reduce the number of at-grade freight train crossings, improve traffic flow and enhance vehicular, bicycle, and pedestrian safety.
- Plan for police and fire services in coordination with development and growth projections to allow for the efficient provision of public safety services.

6. Engage in public outreach to change citizen perception (Outcome Link: 1, 2, 3, 4, 7)

Action steps:

- Continue to use social media to enhance public outreach
- Creative messaging of media statements
- Police will partner with key groups to convey common regional communications

7. Provide state of the art equipment and personnel capabilities in order to best provide for the fire, EMS, and disaster emergency response needs of our citizens, businesses, and visitors.”

Action steps:

- Provide innovative fire suppression operations in order to protect life, property and the environment.
- Maintain external partnerships in order to enhance operational effectiveness.
- Provide emergency medical first response capabilities at the basic life support level in order to treat life-threatening medical emergencies.

- Provide specialized operational capabilities in order to safely mitigate low frequency high risk emergency incidents.

## Focus Area: Support Efficient Transportation Systems

The City will advocate for, develop and maintain diverse modes of transportation needed for an inclusive, connected community. Greenways, pedestrian and bicycle amenities and a regionally focused multimodal transportation system will increase mobility and regional connectivity.

### **Community Outcomes**

1. Citizen's survey important-satisfaction rating for **'overall maintenance of city streets and sidewalks'** will maintain or increase its FY15 base rating of .2596
2. Citizen's survey important-satisfaction rating for **'maintenance of neighborhood streets'** will maintain or increase its FY15 base rating of .1277
3. Citizen's survey important-satisfaction rating for **'overall management of traffic flow on city streets'** will maintain or increase its FY15 base rating of .2549
4. Increase Bike/Pedestrian paths by no less than 2,640 feet (1/2 mile) per year
5. Maintain and/or increase State/Federal funding levels in support of transportation improvements

### **Strategies**

1. Create and follow a strategic transportation financial plan to include multiple partners (Outcome link: 1, 2, 3, 4, 5)

#### Action steps:

- Begin process to identify partnerships to formulate innovative transportation methods
- Develop a local and regional task force to aid in the development of a transportation plan
- Review and use adopted plans in developing a financial plan (ex. *Greenway Plan, MPO*)
- Acquaint federal and state legislators of our needs by meeting one on one with them and / or their staff monthly during the legislative sessions
- Actively participate in regional MPO
- Routinely evaluate routinely overall street condition using the street conditioning analysis

2. Proactively seek local and regional partners for smart development initiatives (Outcome link: 2, 3, 4)

#### Action steps:

- Work with NHCO towards common understanding of effective mixed use development and implement through respective code changes
- Work through CFPWA to encourage smart growth
- Implement limited street cut programs with partners
- Seek partners to aid in the rail realignment project

3. Develop and market public educational materials to improve traffic perceptions and ultimately behavior while driving around the city (Outcome link: 3)

Action steps:

- Use active enforcement of crosswalks w/temporary crossing guards
- Employ commercials, billboards and print ads promoting safe bike, walk drive rules
- Employ GTV8, the web and social media to convey safe driver behaviors
- Provide funding to support transportation demand management strategies

4. Enable and promote alternative modes of transportation (i.e. WAVE, carpooling, mass transit, bike sharing) (Outcome link: 3, 4)

Action steps:

- Complete a feasibility study for rail realignment and trolley service development during FY17
- Improve the efficiencies of the transit system by continuing to fund WAVE transit and encouraging other local jurisdictions to participate in building capacity and service area
- Fund City share of transportation demand manager
- Create special incentives to employees for participation in ride sharing strategies
- Participate in operations review of the WAVE Transit

4. Increase attention to intergovernmental affairs to include relations, advocacy and education (Outcome Link: 5)

Action Steps:

- Increase attention to state and federal legislative action regarding transportation funding (e.g. Powell Bill Appropriations)
- Seek additional state and federal transportation funding

## Focus Area: Foster a Prosperous, Thriving Economy

The City will promote opportunity and prosperity by fostering sustainable, regionally coordinated economic growth and development strategies for creating jobs, building a strong workforce, facilitating commerce and business vitality.

### **Community Outcomes**

1. Decrease Vacancy Rates (VE)
2. Economic development partners will maintain required benchmarks
3. 2% increase in higher paying job wages in targeted industries (Garner Report/Chambers Scorecard)
4. Strategic increases in the city's tax base
5. Increase in redevelopment as measured in redevelopment projects—target no less than 3 projects per year
6. Reduce single occupancy driven miles to work measured in TDM initiatives—no less than 2 initiatives per year
7. Complete the new Land Development Code—75% complete by the end of 2017-18. 100% by 2018-19.
8. Citizen survey results related to economic development will be the same or better than the prior year's results

### **Strategies**

1. Leverage existing assets (i.e. Innovate NC, Garner Report, etc.) (Outcome Link: 2, 3, 4, 8)

#### Action steps:

- Pursue partnering projects in tri-county
- Leverage transportation bond for economic development
- Revise and adopt new business incentive policy
- Find ways to work with federal dollars to increase % used

2. Pursue partnerships for Economic Development (Outcome link: 1, 2, 3, 4, 8)

#### Action steps:

- Leverage non-profits such as WBD, WDI, Film UNCW
- Keep Federal and State officials advised of development opportunities

3. Encourage smart economic development (Outcome link: 3, 4, 5, 6, 7)

#### Action steps:

- Develop codes that promote accessory housing
- Market to citizens and developers benefits of placemaking; facilitate development projects that embody placemaking elements.

- Consult with the development community during the drafting of the new land development code.
  - As development returns to a normal or an above normal volume of projects, provide adequate staffing to maintain an expedited pace of development review
  - Facilitate adaptive reuse and redevelopment projects to put underperforming properties back on the market and added to the tax base of the City and NHC
4. Work with regional partners to create a regional advisory board to enhance economic development (Outcome link: 1, 2, 3, 4, 8)

Action steps:

- Agendas and discussion should include smart development in all counties
- Evaluate regional process as reported annually by the Wilmington Chamber of Commerce – Regional Economic Scorecard
- Participate in regional discussion around “smart” development

## Focus Area: Promote Culture, Arts and Public Spaces

The City will provide unique, creative open space, parks and community facilities integrated with arts and cultural activities for all.

### **Community Outcomes**

1. All new developments in the city limits will have average open space of no less than 10% of total project acreage.
2. The Northern Waterfront Park will have no less than 1 major public event per month over the course of any given year
3. Designs for the Northern Waterfront Park will be 100% complete by FY17-18
4. The design of the Northern Waterfront Park will allow for multiple events going on at one time.
5. The Northern Waterfront area of downtown will average no less than 5 acres of enhanced development completed annually over the next 3 years.
6. The City's brownfields program shall facilitate no less than one development project annually.
7. Increase citizen's awareness of role and effectiveness of the Arts Council
8. Increased \$ value of economic impact of film industry
9. Increased youth participation in city sponsored outreach programs (FY16 = 508)
10. Increased athletic events run by the city (FY16 = 12 programs<sup>4</sup>)

### **Strategies**

1. Transform environmental constraints into amenities (Outcome link: 1, 6)

#### Action steps:

- Employ replacement of Land Development Code as opportunity to capitalize on wetlands and low lying areas as passive, natural open space amenities.
- Employ stream corridors and buffer areas for recreation and non-vehicular mobility
- Investigate opportunities to allow for the use old railway beds for public spaces
- Promote the reuse of Brownfield properties through proactive initiatives.

2. Promote Northern Waterfront Park to be a large public gathering place with activities for all (Outcome link: 2, 3, 4, 5)

#### Action steps:

- Adopt a master plan for the northern end of downtown as part of the Heart of Wilmington Plan
- Design the park to accommodate a diversity of events year round.

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<sup>4</sup> Twelve programs referenced includes collaborative programs. City runs 7 programs and 6 more collaboratively with city partners.

- Partner with UNCW with regard to the increased # of international students and plan events accordingly
- Adopt a master plan specifically for the Northern Waterfront Park by the end of FY 16-17.
- Develop funding scheme for improvements including private contributions

3. Engage in civic partnerships to bring arts and cultural events to public spaces (Outcome link: 7)

Action steps:

- Develop a Sister City strategic plan
- Participate and develop a Strategic Plan for the Arts Council and related groups
- Provide 3 years of support to the Arts Council efforts to conduct an Economic Impact study
- Promote the viability of the Arts Council by working in tandem with the Council to develop funding marketing and educational opportunities

4. Promote film industry by continuing to value the necessity of incentives and capitalization (Outcome link: 8)

Action steps:

- Continue support for the film industry on the City's legislative agenda
- Communicate the positive economic impact of the film industry to the public

5. Continue to promote the use of the city's public spaces (Outcome link: 1, 2, 4, 8, 9, 10)

Action steps:

- Continue support and growth of athletic events that positively impact the community
- Market city programs to youth
- Use social media as a method to promote activities available in the City's public spaces
- Communicate the positive impact of the quality of life that diverse public spaces generate

6. Increase the creative class base in Wilmington (outcome link: 2, 7)

Action steps:

- Support Science Technology Engineering and Math (STEM) education curriculums in schools
- Promote assets of area to attract creative talents
- Support the generation of entrepreneurial ideas thru public/private partnerships

## Focus Area: Engage in Civic Partnership

The City will build and improve partnerships, collaborations and relationships with all stakeholders, including our citizens and public and private organizations.

### **Community Outcomes**

1. Increase citizen satisfaction rating with the level of public involvement in decision-making (FY15 = 29%)
2. X% increase in citizen's satisfaction with the quality of City recreation programs/classes (FY15 = 45%)
3. Increase # of civic presentations about the city's priorities
4. Increase # of social organizations that support and help solve the city's social challenges
5. Reduce city crime rate year over year
6. Increase in Community Youth intervention and prevention activities
7. Reduce the number of citizen's who feel less safe in their residential community

### **Strategies**

1. Leverage the existing process of civic partnerships to maximize the utilization of existing public sector resources (Outcome link: 2, 3, 4, 5, 6, 7)

#### Action steps:

- Increase resources going to organizations that address youth violence reduction programs
- Encourage civic partners to collaborate on affordable housing/workforce housing and other City priorities
- Review the city's civic partnership's annual performance requirements to ensure relevancy towards city priorities
- Target partnership with citizens and/or citizen groups who feel less safe in their communities in order to work with them to create a safe place
- Market and support active lifestyle programs
- Market and support athletic and recreation programs

2. Promote both City and citizen engagement in the community (Outcome link: 1, 3)

#### Action steps:

- Leverage existing tools and resources that will enable the public to contribute opinions and ideas more readily
- Create opportunities to work jointly with individuals, non-profits, academic and other groups to address the needs of the community
- Use social media to engage citizens' feedback on priority issues

- Encourage employees to volunteer with non-profits to address the needs of the community

## Focus Area: Provide Sustainability and Adaptability

The City will protect and preserve our natural resources with quality design for the built environment. The City will make strategic decisions focused on the long-term financial, physical and social health of the entire City to enhance our ability to respond to changing economic and demographic conditions. Our actions will be based on a shared commitment to inclusiveness, equity and continuous improvement.

### **Community Outcomes**

1. City's utility consumption will reduce by 2% annually (per heated sq foot of city-owned buildings)
2. Maintain current bond rating annually
3. Maintain or increase citizen satisfaction ratings for City taxes and fees (FY15 = 32%); quality of services provided by the City (FY15 = 64%) and availability of affordable housing (FY15 = 31%)
4. Maintain an undesignated fund balance of each year at targeted levels
5. 90% of CIPs will follow draft environmental performance standards including the potential to integrate renewable energy
6. Revenues at least equal to budgets
7. Increase # of new revenue sources made available
8. The Comprehensive Plan will be used in 100% of all land use decisions brought before the Planning Commission and City Council
9. Upon adoption of the new land development code, sustainable, form based development shall represent no less than 1/4 of all development projects in the 1945 corporate limits annually

### **Strategies**

1. Invest in the development of human capital to meet organizational goals (Outcome link: 3)

#### Action steps:

- Develop operational staffing plans to reflect services and infrastructure growth
- Develop internal service staffing plan to respond to the increased capital and resource growth and demand for service
- Promote a culture of life-long learning through avenues such as career development, succession planning or the City's performance process
- Develop leaders who promote a culture of camaraderie
- Promote employee and community engagement in improving our service delivery

2. Promote uses of alternative energy and reduction in resource consumption (Outcome link: 1, 2, 5)

#### Action steps:

- Develop policy on new construction following the draft environmental performance standards
- Require capital projects to include total cost of ownership projections
- Develop policy on personal appliances in city owned buildings/offices
- Assess new and existing buildings for potential energy innovations
- Evaluate electric and natural gas for the City's fleet

3. Diversify the city's sources of funding (Outcome link: 2, 3, 6, 7)

Action steps:

- Pursue legislative strategies to charge new fees thus augmenting fees in lieu of taxes
- Maximize dollars by leveraging grant opportunities
- Align revenue with the cost of doing business for certain services

4. Implement the Comprehensive Plan and create a new development code (Outcome link: 8, 9)

Action steps:

- Conduct the rail feasibility study with a focus on the benefits of a rail realignment and potential trolley system
- Develop local and regional partnerships, as well as private sector participation, to aid in the rail initiative
- Develop new LDC employing form-based development principles where appropriate
- Prepare and employ alternative transportation map for in land use decisions
- Continue to link higher density development with higher density facilities
- Promote walkability to public facilities (especially parks and schools)

5. Cultivate stewardship of the taxpayer's money at all levels (Outcome link: 2, 3, 4, 6, 7)

Action steps:

- Develop life cycle costing policies and steps for users to take
- Continue to secure low interest bonds
- Deliver value for money through innovation and continuous improvement of processes
- Review both service standards and levels to ensure they are meeting citizen expectations

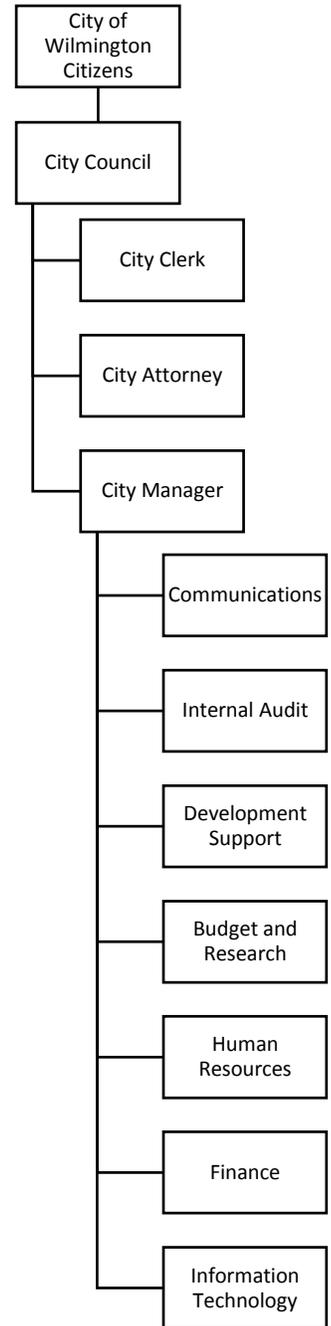
6. Partner with developers and non-profits on ways to tackle the challenges to create more affordable housing (Outcome Link: 3)

Action steps:

- Facilitate the effective policy and recommendation setting capacity of the Mayor's Taskforce on affordable housing

- Seek incentives and greater flexibility in the Land Development Code to promote affordable housing
- Consider providing infrastructure improvements as the city's contribution to creating affordable housing

## GOVERNANCE OFFICES



## CITY COUNCIL

The seven-member **City Council** is the official legislative and policy-making body of the City of Wilmington. The Mayor, the presiding officer of the City Council, serves as the official and ceremonial head of the City and is a voting member of the City Council.

The Mayor serves a two-year term, while the other six members of the City Council serve four-year terms. The six members of City Council serve staggered terms, with three members elected in each odd-numbered year. All members are elected at-large on a non-partisan basis.

All official actions of the City Council are taken at public meetings. City Council holds regular public meetings on the first and third Tuesday of each month. The City Council also conducts special meetings, work sessions on the City budget, and other issues of special interest.

All City Council meetings are broadcast live on cable channel 8, the City’s Government Information Channel. Taped meetings are also re-broadcast several times between City Council meetings.

## BUDGET SUMMARY

Expenditure by Category	FY 14-15	FY 15-16	FY 15-16	FY 16-17	Variance
	Actual	Adopted	Adjusted	Recommend	FY 15-16 to FY 16-17
Personnel	\$ 133,299	\$ 124,732	\$ 124,732	\$ 124,732	0.0%
Benefits	\$ 40,021	\$ 43,225	\$ 43,019	\$ 43,234	0.0%
Operating	\$ 32,488	\$ 46,600	\$ 46,643	\$ 46,821	0.5%
<b>Grand Total</b>	<b>\$ 205,808</b>	<b>\$ 214,557</b>	<b>\$ 214,394</b>	<b>\$ 214,787</b>	<b>0.1%</b>

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### *Overview*

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The City Council budget reflects a continuation of current services.

## CITY CLERK

Appointed by the City Council to a two-year term, the **City Clerk** acts as the official record keeper for the City of Wilmington. The City Clerk attends and records minutes of all Council meetings, certifies ordinances and resolutions adopted by City Council, maintains files of deed and contractual transactions, provides for the official notification of special meetings and public hearings, maintains the membership record of all City boards and commissions, manages the codification of ordinances, and provides information from these reports to the Council, public, and staff.

### BUDGET SUMMARY

Expenditure by Category	FY 14-15	FY 15-16	FY 15-16	FY 16-17	Variance
	Actual	Adopted	Adjusted	Recommend	FY 15-16 to FY 16-17
Personnel	\$ 149,628	\$ 161,244	\$ 159,744	\$ 160,364	-0.5%
Benefits	\$ 48,515	\$ 54,669	\$ 54,563	\$ 57,438	5.1%
Operating	\$ 18,440	\$ 32,224	\$ 33,724	\$ 31,600	-1.9%
<b>Grand Total</b>	<b>\$ 216,583</b>	<b>\$ 248,137</b>	<b>\$ 248,031</b>	<b>\$ 249,402</b>	<b>0.5%</b>
<b>Authorized Positions</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>-</b>

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### *Budget Overview*

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The City continues to invest in the workforce by adding a 3% compensation increase for salary and corresponding benefits. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. This budget continues core services.

## CITY MANAGER

The City Manager is appointed by the City Council and serves as Chief Executive Officer of the City of Wilmington. The City Manager provides leadership and management of City operations and works through a management team composed of two Deputy City Managers, department directors, and other key staff to identify needs, establish priorities, administer programs, policies and operations, and build organizational capacity. The City Manager also assists City Council in its policy making role by providing recommendations and background materials on programs, trends, and issues of concern to the City Council and the Administration.

### BUDGET SUMMARY

		FY 14-15	FY 15-16	FY 15-16	FY 16-17	Variance
Expenditure by Division	Actual	Adopted	Adjusted	Recommend	FY 15-16 to FY 16-17	
Administration	\$ 738,440	\$ 971,542	\$ 972,793	\$ 982,625		1.1%
Communications	\$ 440,426	\$ 510,176	\$ 517,069	\$ 505,159		-1.0%
Budget Office	\$ 1,305	\$ 354,121	\$ 353,965	\$ 346,626		-2.1%
Internal Audit	\$ 93,404	\$ 97,909	\$ 97,883	\$ 100,537		2.7%
Economic Development	\$ 103,116	\$ 108,065	\$ 108,039	\$ 109,069		0.9%
Allocated Cost	\$ (16,100)	\$ (16,210)	\$ (16,210)	\$ (16,783)		3.5%
<b>Grand Total</b>	<b>\$ 1,360,590</b>	<b>\$ 2,025,603</b>	<b>\$ 2,033,539</b>	<b>\$ 2,027,233</b>		<b>0.1%</b>
<b>Expenditure by Category</b>						
Personnel	\$ 984,092	\$ 1,504,599	\$ 1,502,709	\$ 1,493,567		-0.7%
Benefits	\$ 243,937	\$ 342,581	\$ 343,193	\$ 382,997		11.8%
Operating	\$ 132,454	\$ 160,783	\$ 169,997	\$ 167,452		4.1%
Outlay	\$ 16,206	\$ 33,850	\$ 33,850			-100.0%
Allocated Cost	\$ (16,100)	\$ (16,210)	\$ (16,210)	\$ (16,783)		3.5%
<b>Grand Total</b>	<b>\$ 1,360,590</b>	<b>\$ 2,025,603</b>	<b>\$ 2,033,539</b>	<b>\$ 2,027,233</b>		<b>0.1%</b>
<b>Authorized Positions</b>						
Administration	6	7	7	7		
Communications	5	5	5	5		
Budget Office	0	3	3	3		
Internal Audit	1	1	1	1		
Economic Development	1	1	1	1		
<b>Grand Total</b>	<b>13</b>	<b>17</b>	<b>17</b>	<b>17</b>		-

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## *Division Descriptions*

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The **Administrative** arm of the City Manager's department includes the City Manager, two Deputy City Managers, Legislative Affairs staff and support staff. Together they provide professional, effective leadership and management of all City operations. In addition, they assist City Council in their policy making role by providing information to ensure that Council makes informed decisions.

The **Communications** division of the City Manager's office ensures that the public at-large is provided with current and relevant information provided through the City's website, print media, press releases, and the citizen information line. The Government Television section reflects the costs associated with operating the City's cable channel 8 (GTV).

The City of Wilmington's **Budget and Research Office** informs city-wide budget priorities by determining what is to be achieved and how resources are to be allocated for the city's delivery of services. The office critically assesses the financial health, sustainability and resiliency of the organization placing particular emphasis on the adequacy of service delivery and appropriate level of funding for with a focus on sustainable practices. Various tasks include coordinating the preparation of the annual operating and capital budget including financial forecasting, ensuring fiscal control over City expenditures, conducting program evaluations and analysis and coordinating the development and progress of the City's Strategic Plan.

The **Internal Audit** division conducts financial and performance audits within the organization to identify and reduce risks, and ensures acceptable policies and procedures are followed, established standards are met, resources are used efficiently and effectively, and the organization's objectives are achieved.

The **Economic Development** division provides resources for economic development guidance and management. The division is responsible for convention center support and associated hotel and adjacent area project coordination, development agreement and opportunities oversight, and downtown parking management oversight.

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## *Budget Overview*

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The City continues to invest in the workforce by adding a 3% compensation increase for salary and corresponding benefits. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. The sections below represents further initiatives made to the budget specific to the department.

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### Base Budget Adjustments

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#### A. One-time, Non-Recurring Expenditure Reduction: Other Equipment

**Division:** GTV  
**Total Cost:** (\$26,350)  
**Priority:** One-Time Removal  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** FY16 one-time funding was removed from the FY17 base budget totaling \$26,350 for equipment related to City Council Chambers (screen and lights).

#### B. One-time, Non-Recurring Expenditure Reduction: Other Equipment

**Division:** Administration  
**Total Cost:** (\$7,500)  
**Priority:** One-Time Removal  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** FY16 one-time funding was removed from the FY17 base budget totaling \$7,500 related to office furniture.

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### Budget Modifications

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#### A. Training

**Division:** Budget and Research  
**Total Cost:** (\$625)  
**Priority:** Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The net reduction of \$625 is a combination of the following. Budgeted in the travel line is \$500 for an analyst to become a certified budget officer through UNC School of Government. The upcoming year this certification is not needed. Also reduced is a registration fee of \$125 for the NCLGBA winter conference. Only two out of the three budget staff will be attending. This reduction will leave a budget of \$1,900.

#### B. Business Travel

**Division:** Budget and Research  
**Total Cost:** (\$500)  
**Priority:** Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** For the winter NCLGBA conference in FY17, only two staff will be attending the NCLGBA winter conference thus leaving a member of the team working to continue answer customer inquiries. This reduction totals \$500 and will leave a budget of \$5,525.

**C. Non-payroll benefits**

**Division:** Public Information

**Total Cost:** \$1,751

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** In FY16, non-payroll benefits totaling \$1,751 were not funded for a temporary position salary. This funding corrects the error in the FY17 budget.

**D. Contracted Temporary Services**

**Division:** GTV

**Total Cost:** \$7,000

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A total amount of \$7,000 was added to the budget. The funding enables the Communications division to increase contracted temporary services to assist with GTV Master Control. Working with UNCW and CFCC to identify and work with students or recent graduates keeps the cost per hour lower than the industry standard. This funding will allow GTV bulletin board and video schedules to be updated daily, to create custom graphics for each live meeting and to identify malfunctioning equipment.

## CITY ATTORNEY

The City Attorney provides legal advice and assistance to the City Council, City Manager, and staff, as it relates to their official duties. The City Attorney is appointed by City Council and represents the City in all legal proceedings on behalf of the City. As legal advisor, the Attorney prepares and reviews legal documents, informs Council and staff of changes in the law affecting City operations, assists in the development of programs and procedures to ensure compliance with local, State and Federal laws, and assists in the review and enforcement of City ordinances.

### BUDGET SUMMARY

Expenditure by Category	FY 14-15	FY 15-16	FY 15-16	FY 16-17	Variance
	Actual	Adopted	Adjusted	Recommend	FY 15-16 to FY 16-17
Personnel	\$ 608,834	\$ 611,281	\$ 611,281	\$ 731,589	19.7%
Benefits	\$ 165,763	\$ 179,376	\$ 179,119	\$ 211,851	18.1%
Operating	\$ 40,234	\$ 71,653	\$ 69,615	\$ 73,699	2.9%
Outlay	\$ 260	\$ -	\$ 2,000	\$ 2,010	100.0%
<b>Grand Total</b>	<b>\$ 815,091</b>	<b>\$ 862,310</b>	<b>\$ 862,015</b>	<b>\$ 1,019,149</b>	<b>18.2%</b>
<b>Authorized Positions</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>10</b>	<b>1</b>

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### *Budget Overview*

The City continues to invest in the workforce by adding a 3% compensation increase for salary and corresponding benefits. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. The sections below represents further initiatives made to the budget specific to the department.

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### *Budget Modifications*

#### **A. Dues and Subscriptions**

- Division:** Attorney
- Total Cost:** \$175
- Priority:** Continuance of Service
- Position(s):** Full Time Equivalent: 0; Part-Time: 0
- Description:** The funding totaling \$175 covers the cost of increased State Bar dues.

**B. Training**

**Division:** Attorney

**Total Cost:** \$600

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding of \$600 allows the Attorney's office to ensure employees maintain state licenses and certifications with mandatory continuing education requirements.

**C. One (1) Attorney**

**Division:** Attorney

**Total Cost:** \$112,225

**Priority:** Strategic Plan

**Position(s):** Full Time Equivalent: 1; Part-Time: 0

**Description:** The funding enables the Attorney's office to hire a new attorney aiding in the department's activities under Chapter 19 and Articles 13A and 13B of Chapter 14 of the N.C. General Statutes in support of the City Council priority of Youth Violence Reduction Initiatives. Total cost includes \$108,340 salary and benefits and \$3,885 for associated operating.

## HUMAN RESOURCES

The Human Resources department provides comprehensive services which support effective management of the workforce to all City departments. Functional areas include recruitment, classification, compensation and benefits administration, personnel records management, training, health and wellness, safety and risk management, and employee relations.

### BUDGET SUMMARY

Expenditure by Category	FY 14-15	FY 15-16	FY 15-16	FY 16-17	Variance
	Actual	Adopted	Adjusted	Recommend	FY 15-16 to FY 16-17
Personnel	\$ 533,120	\$ 552,985	\$ 552,985	\$ 601,726	8.8%
Benefits	\$ 125,399	\$ 131,379	\$ 131,336	\$ 154,443	17.6%
Operating	\$ 57,599	\$ 113,722	\$ 114,823	\$ 79,519	-30.1%
Outlay	\$ 1,868	\$ -	\$ -	\$ -	0.0%
<b>Grand Total</b>	<b>\$ 717,985</b>	<b>\$ 798,086</b>	<b>\$ 799,144</b>	<b>\$ 835,688</b>	<b>4.7%</b>
<b>Authorized Positions</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>9</b>	<b>1</b>

### Budget Overview

The City continues to invest in the workforce by adding a 3% compensation increase for salary and corresponding benefits. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. The sections below represents further initiatives made to the budget specific to the department.

### Base Budget Adjustments

#### A. Other Professional Services

**Division:** Human Resources

**Total Cost:** (\$25,000)

**Priority:** One-Time Removal

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** FY16 one-time funding was removed in the FY17 base budget totaling \$25,000 used for a market rate analysis.

## B. Contracted Temporary Services

**Division:** Human Resources

**Total Cost:** (\$2,500)

**Priority:** One-Time Removal

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** FY16 one-time funding was removed in the FY17 base budget totaling \$2,500 used for temporary clerical help cleaning up personnel files.

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## Budget Modifications

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### A. Business Travel

**Division:** Human Resources

**Total Cost:** (\$1,000)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A three year analysis of trend data usage was reviewed and a reduction in this line was validated leaving a budget of \$11,000.

### B. Specialized Training

**Division:** Human Resources

**Total Cost:** (\$860)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A three year analysis of trend data usage was reviewed and a reduction in this line was validated leaving a budget of \$6,500.

### C. Training and Development

**Division:** Human Resources

**Total Cost:** (\$750)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A three year analysis of trend data usage was reviewed and a reduction in this line was validated leaving a budget of \$6,000.

### D. Communication-Data Lines

**Division:** Human Resources

**Total Cost:** (\$175)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A three year analysis of trend data usage was reviewed and a reduction totaling \$175 was validated.

#### E. Bereavement

**Division:** Human Resources

**Total Cost:** (\$150)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A three year analysis of trend data usage was reviewed and a reduction in this line was validated leaving a budget of \$150.

#### F. Special Program Materials

**Division:** Human Resources

**Total Cost:** (\$36)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A three year analysis of trend data usage was reviewed and a reduction in this line was validated leaving a budget of \$3,000.

#### G. Non-payroll benefits

**Division:** Human Resources

**Total Cost:** \$2,517

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The FY16 budget did not have associated benefits budgeted for \$32,904 temporary services funding. This cost to adequately budget for the benefits in FY17 is \$2,517.

#### H. Reclassification of HR Analyst to Sr. HR Analyst

**Division:** Human Resources

**Total Cost:** \$7,644

**Priority:** Continuation of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding allows the HR department to reclassify an HR Analyst to Sr. HR Analyst. This funding places the HR Department's staffing levels back to the FY16's original status. Total cost of the reclassification is \$7,427 for salary and benefits.

#### I. Temporary salary

**Division:** Human Resources

**Total Cost:** \$26,913

**Priority:** Strategic Plan

**Position(s):** Full Time Equivalent: 0; Part-Time: 1

**Description:** An addition of \$26,913 in the temporary salary funding line to be used to respond if necessary to a Human Resource Assessment report by a consultant. The total includes salary plus social security and medicare.

## FINANCE

The Finance Department focuses on the City's financial services, including debt service management, cash investments, payroll, payables, billing, collections and purchasing.

### BUDGET SUMMARY

					Variance
	FY 14-15	FY 15-16	FY 15-16	FY 16-17	FY 15-16 to
Expenditure by Division	Actual	Adopted	Adjusted	Recommend	FY 16-17
Accounting/Treasury Svcs	\$ 1,098,342	\$ 1,295,811	\$ 1,311,272	\$ 1,381,484	6.6%
Billing And Collections	\$ 498,781	\$ 569,205	\$ 567,999	\$ 639,603	12.4%
Budget	\$ 329,162	\$ -	\$ -	\$ -	0.0%
Purchasing	\$ 259,538	\$ 345,433	\$ 346,003	\$ 355,750	3.0%
Allocated Cost	\$ (132,563)	\$ (138,890)	\$ (138,890)	\$ (150,765)	8.5%
<b>Grand Total</b>	<b>\$ 2,053,260</b>	<b>\$ 2,071,559</b>	<b>\$ 2,086,384</b>	<b>\$ 2,226,072</b>	<b>7.5%</b>
<b>Expenditure by Category</b>					
Personnel	\$ 1,502,371	\$ 1,492,791	\$ 1,522,278	\$ 1,632,462	9.4%
Benefits	\$ 417,502	\$ 460,472	\$ 454,859	\$ 491,180	6.7%
Operating	\$ 231,367	\$ 256,035	\$ 226,555	\$ 250,441	-2.2%
Outlay	\$ 34,584	\$ 1,151	\$ 21,582	\$ 2,754	139.3%
Allocated Cost	\$ (132,563)	\$ (138,890)	\$ (138,890)	\$ (150,765)	8.5%
<b>Grand Total</b>	<b>\$ 2,053,260</b>	<b>\$ 2,071,559</b>	<b>\$ 2,086,384</b>	<b>\$ 2,226,072</b>	<b>7.5%</b>
<b>Authorized Positions</b>					
Accounting/Treasury Svcs	13	14	14	14	
Billing And Collections	7	7	7	8	
Budget	3	0	0	0	
Purchasing	4	5	5	5	
<b>Grand Total</b>	<b>27</b>	<b>26</b>	<b>26</b>	<b>27</b>	<b>1</b>

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## Division Descriptions

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The **Purchasing** division provides quality and economical materials and services that are promptly priced and purchased.

The **Billing and Collections** division handles the cash receipts for all accounts receivables to include rehab loans, assessments, demolition/lot cleaning liens, annual billing and the collection of beer/wine permits as well as miscellaneous invoices for in-person, mail, after-hours depository, drive-thru and draft payments. This division is also responsible for the delivery of mail to all City departments.

The **Accounting and Treasury Services** division is responsible for all financial transactions including accounts payable and receivable, management of fixed assets, preparation of the City's Comprehensive Annual Financial Report, filing of statutory reports, grant reporting, various state and federal tax filings, and the management of the City's cash and investment portfolio and debt issuance. Payroll is also processed in the Accounting and Treasury Services division.

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## Budget Overview

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The City continues to invest in the workforce by adding a 3% compensation increase for salary and corresponding benefits. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. The sections below represents further initiatives made to the budget specific to the department.

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## Budget Modifications

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### A. Legal Filing Fees

**Division:** Billing and Collections

**Total Cost:** (\$3,609)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A three year analysis of trend data usage was reviewed and a reduction in this line was validated. The reduction leaves a budget of \$34,391.

## B. Office Supplies

**Division:** Purchasing

**Total Cost:** (\$300)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A three year analysis of trend data usage was reviewed and a reduction totaling \$300 was removed.

## C. Auto Mileage

**Division:** Purchasing

**Total Cost:** (\$100)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A three year analysis of trend data usage was reviewed and a reduction totaling \$100 was removed.

## D. Office Supplies

**Division:** Billing and Collections

**Total Cost:** \$1,364

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** Funding in the amount of \$1,364 allows Finance Billing and Collections to cover the costs associated with Collections sending a final late notice prior to referring accounts to Legal for demand letters.

## E. Contract Services

**Division:** Accounting and Treasury Services

**Total Cost:** \$21,530

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding totaling \$21,530 allows for the continued contracted temporary services to assist with project management during the Finance Director position vacancy.

## F. One (1) Accountant

**Division:** Billing and Collections

**Total Cost:** \$77,390

**Priority:** Strategic Plan

**Position(s):** Full Time Equivalent: 1; Part-Time: 0

**Description:** The funding enables the Finance Dept. to hire a new, full-time accountant to improve the collection of delinquent housing loans and other accounts receivable. The funding of \$77,390 covers salary, benefits and associated operating expenses.

## INFORMATION TECHNOLOGY

The Information Technology department provides a wide array of services which support all departments through end-user client support, network infrastructure, software applications, and championing the use of technology to meet the City's strategic goals.

### BUDGET SUMMARY

Expenditure by Category	FY 14-15	FY 15-16	FY 15-16	FY 16-17	Variance
	Actual	Adopted	Adjusted	Recommend	FY 15-16 to FY 16-17
Personnel	\$ 977,479	\$ 1,167,482	\$ 1,167,482	\$ 1,475,214	26.4%
Benefits	\$ 275,368	\$ 332,491	\$ 332,491	\$ 373,615	12.4%
Operating	\$ 758,546	\$ 794,364	\$ 809,815	\$ 829,195	4.4%
Outlay	\$ 10,204	\$ 5,400	\$ 5,400	\$ 3,100	-42.6%
<b>Grand Total</b>	<b>\$ 2,021,597</b>	<b>\$ 2,299,737</b>	<b>\$ 2,315,188</b>	<b>\$ 2,681,124</b>	<b>16.6%</b>
<b>Authorized Positions</b>	<b>16</b>	<b>17</b>	<b>17</b>	<b>21</b>	<b>4</b>

### *Budget Overview*

The City continues to invest in the workforce by adding a 3% compensation increase for salary and corresponding benefits. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. The sections below represents further initiatives made to the budget specific to the department.

### *Base Budget Adjustments*

#### **A. One-time, Non-Recurring Expenditure Reduction: Office Furniture**

- Division:** Information Technology
- Total Cost:** (\$3,000)
- Priority:** One-Time Removal
- Position(s):** Full Time Equivalent: 0; Part-Time: 0
- Description:** FY16 one-time funding was removed in the FY17 base budget totaling \$3,000 for purchases of office furniture.

**B. One-time, Non-Recurring Expenditure Reduction: Data Processing**

**Division:** Information Technology

**Total Cost:** (\$2,400)

**Priority:** One-Time Removal

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** FY16 one-time funding was removed in the FY17 base budget totaling \$2,400 for purchases of phone and computer.

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**Budget Modifications**

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**A. Software Rental: Brainshark**

**Division:** Information Technology

**Total Cost:** (\$12,500)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** Reduction totaling \$12,500 was accepted due to infrequent use and use by only two departments of the software Brainshark. Additionally, an in-house solution potentially exists and is currently being investigated.

**B. Software Rental: GIS Hosting**

**Division:** Information Technology

**Total Cost:** (\$5,000)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The reduction was accepted due to an in-house solution offered.

**C. Software Rental: Surplus**

**Division:** Information Technology

**Total Cost:** (\$2,724)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A three year analysis of trend data usage was reviewed and a reduction in this line was validated.

**D. Non-payroll benefits**

**Division:** Information Technology

**Total Cost:** \$153

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The FY16 budget did not have associated benefits for \$2,000 for time and one-half. The cost to adequately budget for the benefits in FY17 is \$153.

#### E. Central Fleet participation

**Division:** Information Technology

**Total Cost:** \$4,513

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding of \$4,513 allows for the coverage of maintenance cost associated with a van being transferred to the IT department in FY17. It also allows the IT department to begin participating in the fleet replacement fund for future needs.

#### F. Reclassification: Client Services Supervisor to Client Services Manager

**Division:** Information Technology

**Total Cost:** \$6,745

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding allows the IT Dept. to reclassify the Client Services Supervisor (E6) to Client Services Manager (E7) due to taking on responsibilities associated with the position. Cost associated with this is an increase of \$5,642 in salary and \$1,101 in related benefits.

#### G. Common Area Maintenance (CAM) Fees

**Division:** Information Technology

**Total Cost:** \$15,907

**Priority:** Continuation of Services

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding in the amount of \$15,907 will cover the cost of common area maintenance fees associated with newly acquired property.

#### H. PC Replacement

**Division:** Information Technology

**Total Cost:** \$21,118

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding in the amount of \$21,118 allows the IT department to place multiple Lync Voice project servers into the Technology fund.

#### I. One (1) Network Administrator

**Division:** Information Technology

**Total Cost:** \$80,866

**Priority:** Strategic Plan

**Position(s):** Full Time Equivalent: 1; Part-Time: 0

**Description:** The funding enables the IT department to hire a Network Administrator to aid in the Technical Systems division with infrastructure deadlines related to undertakings such as Microsoft EA, Lync Voice, server updates. The cost associated includes \$77,266 in salary and benefits and \$3,600 for associated operational.

**J. Shift of IT positions from WPD; includes reclass request**

**Division:** Information Technology

**Total Cost:** \$211,721

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 3; Part-Time: 0

**Description:** This funding represents a shift from the Police Department's IT staff in the amount of \$207,291 for salary and benefits for a Computer Support Specialist, Technology Support Assistant and a Business Systems Analyst. This includes the proposed 3% compensation increase. Additionally, there is a reclassification request for the Technology Support Assistant (N4) to become a Computer Support Specialist (N6) totaling \$4,430. The reclassification will allow this position to work not only with the PD but city-wide thus increasing the responsibilities and skillset required. Note, there is an associated reduction in the PD departmental budget.

## SUNDRY APPROPRIATIONS

### NONDEPARTMENTAL

	FY 14-15 Actual	FY 15-16 Adopted	FY 15-16 Adjusted	FY 16-17 Recommended
Employee Recognition	\$ 4,813	\$ 12,000	\$ 12,000	\$ 12,000
City Facilities Storm Water	\$ 101,956	\$ 120,000	\$ 120,000	\$ 110,000
City Newsletters	\$ 68,128	\$ 85,000	\$ 79,500	\$ 85,000
Facilities Insurance	\$ 584,269	\$ 685,231	\$ 640,955	\$ 690,049
Unemployment Compensation	\$ 28,547	\$ 65,000	\$ 65,000	\$ 65,000
Workers' Compensation Claims	\$ 32,100	\$ 99,500	\$ 41,812	\$ 99,500
Dues - Associations	\$ 86,575	\$ 102,660	\$ 110,480	\$ 115,000
Claims Against the City	\$ 228,928	\$ 90,000	\$ 130,000	\$ 90,000
City Advertising	\$ 5,000	\$ 10,000	\$ 10,000	\$ 10,000
Medical Insurance - Regular	\$ 3,877	\$ 581,726	\$ 556,411	\$ 580,000
Medical Insurance - Retiree	\$ 1,303,512	\$ 1,450,000	\$ 1,389,315	\$ 1,450,000
New Hanover County Tax Collections	\$ 398,089	\$ 411,823	\$ 411,823	\$ 417,573
Independent Audit	\$ 71,500	\$ 82,000	\$ 144,000	\$ 85,000
Employee Parking	\$ 79,365	\$ 84,525	\$ 84,525	\$ 84,525
Municipal Elections	\$ -	\$ 70,000	\$ 70,000	\$ 20,000
Actuarial Studies	\$ 7,949	\$ 650	\$ 650	\$ 7,900
United Way Fund Raising Campaign	\$ 417	\$ 500	\$ 700	\$ 1,000
Wellness Program	\$ 6,082	\$ 2,500	\$ 5,063	\$ 25,000
City-Wide Training	\$ 5,054	\$ 20,000	\$ 20,000	\$ 20,000
City-Wide Tuition Reimbursement	\$ 28,870	\$ 30,000	\$ 30,000	\$ 35,000
Retirement Payout Estimate	\$ -	\$ 100,000	\$ 100,000	\$ 150,000
Records Retention	\$ 5,364	\$ 30,000	\$ 30,000	\$ 30,000
City Streets Storm Water	\$ 2,073,600	\$ 2,247,782	\$ 2,247,782	\$ 2,441,004
Strategic Planning	\$ 21,333	\$ -	\$ -	\$ 25,000
Technology Projects	\$ 1,500	\$ -	\$ 3,767	\$ 77,308
Rent - Coast Guard Spaces	\$ 21,000	\$ 29,250	\$ 29,250	\$ 17,625
Payments to NCDOT	\$ 12,475	\$ -	\$ -	\$ -
Bank Service Fees	\$ 40,389	\$ 40,600	\$ 42,050	\$ 42,503
City-Wide Intern Pool	\$ 5,501	\$ 61,250	\$ 36,750	\$ 53,825
Convention Center Hotel Costs	\$ 98,575	\$ -	\$ 10,817	\$ -
Economic Development Initiatives	\$ -	\$ 50,000	\$ 33,357	\$ 70,000
City Marketing	\$ -	\$ 15,000	\$ 15,000	\$ 20,000
Arts Council Strategic Plan	\$ -	\$ -	\$ -	\$ 703
Wilmington Downtown Inc	\$ 30,000	\$ 30,000	\$ 30,000	\$ -

	FY 14-15 Actual	FY 15-16 Adopted	FY 15-16 Adjusted	FY 16-17 Recommended
InnovateNC	\$ -	\$ -	\$ 15,173	\$ -
Legislative Affairs	\$ 40,756	\$ 50,000	\$ 50,000	\$ 50,000
Miscellaneous	\$ 2,617	\$ 300,000	\$ 47,850	\$ 112,937
Leadership Development	\$ 6,656	\$ 17,000	\$ 17,000	\$ 20,000
Office Space Assessment	\$ 21,120	\$ -	\$ 85,021	\$ 355,000
Accounting Move/Rent	\$ -	\$ -	\$ -	\$ 546,955
DMV Tax Collection Fees	\$ 103,898	\$ 99,678	\$ 99,678	\$ 111,236
Cost Recovery Agreements	\$ -	\$ -	\$ 5,000	\$ -
Vision Self Insurance	\$ (12,019)	\$ -	\$ -	\$ -
Dental Self Insurance	\$ (96,668)	\$ -	\$ 30,000	\$ -
Disease Management	\$ 353,900	\$ 360,000	\$ 360,000	\$ 360,000
HRA Retiree and Administrative Fees	\$ 7,515	\$ 66,833	\$ 66,833	\$ 64,944
FSA Administrative Fees	\$ 14,088	\$ 16,002	\$ 16,002	\$ 16,350
Employment Medical	\$ 105,581	\$ 100,000	\$ 100,000	\$ 100,000
Employee Assistance Program	\$ 10,266	\$ 9,527	\$ 9,527	\$ 10,557
OPEB Contribution Trust	\$ 416,423	\$ -	\$ 1,278,390	\$ 874,875
Retiree Health Claims Audit	\$ 534	\$ 800	\$ 800	\$ 800
Health Claims Audit	\$ 800	\$ 800	\$ 800	\$ 800
Separation Allowance Police	\$ 250,000	\$ 250,000	\$ 250,000	\$ 350,000
Burn Pit Costs	\$ 6,291	\$ -	\$ -	\$ -
Wave Transit Subsidy	\$ 1,442,822	\$ 1,442,822	\$ 1,442,822	\$ 1,323,550
Voluntary Annexation Costs	\$ (406)	\$ -	\$ -	\$ 7,000
Special Purpose Grant Match	\$ -	\$ 100,000	\$ 85,000	\$ 175,278
Allocated Costs	\$ (1,438,710)	\$ (1,521,077)	\$ (1,521,077)	\$ (1,644,492)
<b>Total</b>	<b>\$ 6,590,232</b>	<b>\$ 7,899,382</b>	<b>\$ 8,939,826</b>	<b>\$ 9,766,305</b>

The FY 2016-17 General Fund Nondepartmental budget includes funding for general City expenditures not attributable to a specific City departments. Some highlights for the allotments are as follows:

An increase in the expense for storm water fees associated with City-owned streets includes a 5.9% increase in the storm water utility rate from \$7.23 to \$7.66.

A transfer from the Debt Service for the City's OPEB contribution totaling \$874,875 is reflected. This is the last year of the contribution resulting from refinancing to apply the savings from the 2014 Refunding LOBs.

Funding for WAVE Transit was budgeted in the amount of \$1,323,550 for operating costs.

## SUNDRY'S PUBLIC SERVICE AGENCY APPROPRIATIONS

The City provides funding to public service agencies through the General Fund, Community Development Block Grant, and HOME Investment Partnership funds that provide services consistent with the City Council's strategic focus areas, Department of Housing and Urban Development (HUD) national guidelines, and the priorities of the City's Five-year Consolidated Plan for CDBG/HOME. Applications for these funds are considered through a competitive process for two consecutive years of funding that is appropriated annually by City Council through the budget process. Fiscal Year 2017 is the first year of the biennial process.

### Public Service Agencies - General Fund

The agencies listed here received funding through the City's application process and are funded from the General Fund.

<b>General Fund Competitive Agencies</b>	<b>FY 14-15 Actual</b>	<b>FY 15-16 Adopted</b>	<b>FY 15-16 Adjusted</b>	<b>FY 16-17 Recommended</b>
Coastal Horizons	\$ 95,041	\$ 66,180	\$ 68,169	\$ 71,474
Domestic Violence	\$ -	\$ -	\$ -	\$ 25,073
Elderhaus	\$ 19,231	\$ 19,231	\$ 19,231	\$ 20,385
YWCA Lower Cape Fear	\$ -	\$ -	\$ -	\$ 5,174
Phoenix Employment Ministries	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Kids Making It Woodworking	\$ 30,288	\$ 30,288	\$ 30,288	\$ 32,711
Brigade Boys & Girls Club	\$ 70,819	\$ 70,819	\$ 70,819	\$ 52,045
American Red Cross	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,800
Good Shepherd Ministries	\$ -	\$ 12,487	\$ 12,487	\$ -
Southside Community Development	\$ -	\$ -	\$ -	\$ 25,000
Food Bank of North Carolina	\$ 14,853	\$ 14,853	\$ 14,853	\$ 15,744
Cape Fear Area United Way/Blue Ribbon Commission	\$ 30,000	\$ 30,000	\$ 30,000	\$ 32,400
Cape Fear United Way/BRC Summer Youth Employment	\$ -	\$ -	\$ -	\$ 30,000
Wilmington Coastal Boxing	\$ 4,102	\$ 10,000	\$ 15,898	\$ -
Communities in Schools in Cape Fear	\$ 19,808	\$ 19,808	\$ 19,808	\$ 21,393
Ability Garden	\$ 6,500	\$ 6,500	\$ 6,500	\$ 7,020
Historic Wilmington Foundation	\$ 11,723	\$ 11,723	\$ 11,723	\$ 12,426
Aging in Place Downtown	\$ 8,998	\$ 8,998	\$ 8,998	\$ 9,268
Cape Fear Literacy Council	\$ 13,581	\$ 13,581	\$ 13,581	\$ 14,667
LINC - Leading Into New Communities	\$ 36,561	\$ 36,972	\$ 58,951	\$ 72,975
AME Zion Housing CDC	\$ -	\$ 25,330	\$ -	\$ -
Cape Fear Housing Land Trust	\$ 21,767	\$ 21,767	\$ 21,767	\$ 22,420
Dreams	\$ 19,999	\$ 20,000	\$ 20,000	\$ 21,200
Wilmington Residential Adolescent Achievement	\$ 22,844	\$ 22,844	\$ 22,844	\$ 24,215
Community Boys and Girls Club	\$ 20,000	\$ 20,000	\$ 20,000	\$ 44,513
CF COG- Continuum of Care (10 Yr Plan)	\$ -	\$ 50,000	\$ 50,000	\$ 50,000
Wilmington Area Rebuilding Ministry	\$ -	\$ -	\$ -	\$ 40,000
<b>Total Competitive Process Agencies - General Fund</b>	<b>\$ 471,115</b>	<b>\$ 546,381</b>	<b>\$ 550,917</b>	<b>\$ 675,903</b>

Public Service Agencies - CDBG

The agencies listed here received funding through the City's application process and are funded from Federal entitlement funds associated with the Community Development Block Grant.

<b>CDBG Competitive Agencies</b>	<b>FY 14-15 Actual</b>	<b>FY 15-16 Adopted</b>	<b>FY 15-16 Adjusted</b>	<b>FY 16-17 Recommended</b>
Domestic Violence Shelter & Services, Inc.	\$ 32,251	\$ 32,151	\$ 32,151	\$ 9,650
Good Shepherd Ministries/Wilmington Int	\$ 114,107	\$ 101,620	\$ 108,621	\$ 117,523
Leading Into New Communities (LINC)	\$ 10,597	\$ 10,597	\$ 10,597	-
First Fruit Ministries	\$ 21,535	\$ 21,535	\$ 21,535	\$ 22,827
<b>Total Public Service Agencies - CDBG</b>	<b>\$ 178,490</b>	<b>\$ 165,903</b>	<b>\$ 172,904</b>	<b>\$ 150,000</b>
<b>Grand Total Competitive Process Agenci</b>	<b>\$ 649,605</b>	<b>\$ 702,284</b>	<b>\$ 713,821</b>	<b>\$ 825,903</b>

## CIVIC DEVELOPMENT PARTNER AGENCY APPROPRIATIONS

The City also provides funding to Civic Development Partner agencies through the General Fund such as those that provide economic and physical development, cultural and recreational programs, or boards and commissions that enhance the area and quality of life for its citizens. Applications through the General Fund for these agencies are also considered through a competitive process in January of each year.

Civic Development Partner Agencies

	<b>FY 14-15 Actual</b>	<b>FY 15-16 Adopted</b>	<b>FY 15-16 Adjusted</b>	<b>FY 16-17 Recommended</b>
Wilmington Business Development	\$ 86,087	\$ 87,551	\$ 87,551	\$ 100,000
Wilmington Downtown, Inc.	\$ 65,216	\$ 66,325	\$ 66,325	\$ 86,000
Wilmington Regional Film Commission	\$ 117,502	\$ 119,500	\$ 119,500	\$ 121,890
Entrepreneur Center	\$ 140,000	\$ 70,000	\$ 70,000	\$ 70,000
Cucalus Film Foundation	\$ 12,000	\$ 20,000	\$ 20,000	\$ 22,000
Arts Council	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Cameron Art Museum	\$ 10,000	\$ -	\$ -	\$ 10,000
Wilmington Jewish Film Festival	\$ -	\$ 2,000	\$ 2,000	\$ 2,000
Cape Fear Future	\$ 15,000	\$ 20,000	\$ 20,000	\$ -
Children's Museum of Wilmington	\$ -	\$ -	\$ -	\$ 10,000
<b>Total Civic Development Partner Agencies</b>	<b>\$ 470,805</b>	<b>\$ 410,376</b>	<b>\$ 410,376</b>	<b>\$ 446,890</b>

## OTHER GENERAL FUND AGENCY APPROPRIATIONS

Other General Fund agencies include those that provide quality of life for the citizens of the greater Wilmington region and are considered annually in the budget. These agencies do not go through an application process.

	FY 14-15 Actual	FY 15-16 Adopted	FY 15-16 Adjusted	FY 16-17 Recommended
Battleship Fireworks	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Thalian Hall Center for the Performing Arts	\$ 129,540	\$ 131,742	\$ 131,742	\$ 132,664
Community Arts Center	\$ 53,700	\$ 53,700	\$ 53,700	\$ 53,700
Flemington Soccerplex	\$ 35,000	\$ -	\$ -	\$ -
Children's Museum of Wilmington	\$ -	\$ 10,000	\$ 10,000	\$ -
Kids Making It Summer Jobs Program	\$ -	\$ -	\$ 50,000	\$ -
UNCW Track	\$ -	\$ -	\$ -	\$ 100,000

### Boards and Commissions

	FY 14-15 Actual	FY 15-16 Adopted	FY 15-16 Adjusted	FY 16-17 Recommended
Cape Fear Council of Governments*	\$ 20,044	\$ 20,044	\$ 12,224	\$ -
City Boards	\$ 9,176	\$ 6,500	\$ 22,500	\$ 6,500
Sister City Commission	\$ 1,680	\$ 2,500	\$ 2,500	\$ 2,500
<b>Total Other Agencies</b>	<b>\$ 279,140</b>	<b>\$ 254,486</b>	<b>\$ 312,666</b>	<b>\$ 325,364</b>

\*Cape Fear Council of Government dues in Dues and Associations FY17 \$20,420

### **Grand Total Agencies Funded through the General Fund**

**\$ 1,221,060    \$ 1,201,243    \$ 1,263,959    \$ 1,448,157**

## CONTINGENCY

	FY 14-15 Actual	FY 15-16 Adopted	FY 15-16 Adjusted	FY 16-17 Recommended
Contingency	\$ -	\$ 100,000	\$ 100,000	\$ 100,000
Contingency for Economic Development	\$ -	\$ 100,000	\$ -	\$ 100,000
<b>Total</b>	<b>\$ -</b>	<b>\$ 200,000</b>	<b>\$ 100,000</b>	<b>\$ 200,000</b>

Contingency funds are budgeted for unforeseen needs that may arise during the fiscal year. Any use of contingency funds must be approved by City Council.

ECONOMIC INCENTIVES

	<b>FY 14-15 Actual</b>	<b>FY 15-16 Adopted</b>	<b>FY 15-16 Adjusted</b>	<b>FY 16-17 Recommended</b>
Pharmaceutical Product Development	\$ 115,250	\$ 125,000	\$ 125,000	\$ 125,000
Castle Branch	\$ 50,000	\$ 50,000	\$ 100,000	\$ 50,000
Live Oak Bank	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
AAI Pharma	\$ -	\$ -	\$ 143	\$ 45,000
Wrightsville Beach Galleria	\$ -	\$ 7,224	\$ 7,224	\$ 7,224
Miscellaneous Incentives	\$ -	\$ -	\$ -	\$ 50,000
<b>Total</b>	<b>\$ 215,250</b>	<b>\$ 232,224</b>	<b>\$ 282,367</b>	<b>\$ 327,224</b>

Incentive payment agreements with PPD, Castle Branch, Live Oak Bancshares and AAI Pharma are recommended in FY 2017. Also included is a contractual payment to Wrightsville Beach for the annexation of the Galleria property as well as a miscellaneous incentive funding.

TRANSFERS

<b>Transfers</b>	<b>FY 14-15 Actual</b>	<b>FY 15-16 Adopted</b>	<b>FY 15-16 Adjusted</b>	<b>FY 16-17 Recommend</b>
Debt Service	\$ 9,334,832	\$ 9,334,832	\$ 9,971,933	\$ 9,334,832
Special Purpose Fund	\$ 703,038	\$ 724,855	\$ 841,182	\$ 661,356
CDBG/HOME Grant & Loan Administration	\$ 181,548	\$ 184,096	\$ 184,096	\$ 207,077
Capital Projects Streets and Sidewalks	\$ 403,731	\$ -	\$ 352,500	\$ 3,352,266
Capital Projects Parks and Recreation	\$ 345,355	\$ -	\$ 118,788	
Capital Projects Public Facilities	\$ 330,000	\$ -	\$ 510,850	\$ 35,000
Capital Projects Public Improvement	\$ 30,000			\$ 1,755,104
Solid Waste Management Fund				\$ 29,866
Technology Replacement Fund	\$ 480,000	\$ 480,000	\$ 480,000	\$ 349,915
Loan Fund: Rehabilitation	\$ 100,000			
Loan Fund: HOP Revolving				\$ 50,000
Loan Fund: Legal and Forgivable Loans				\$ 350,000
	<b>\$ 11,908,504</b>	<b>\$ 10,723,783</b>	<b>\$ 12,459,349</b>	<b>\$ 16,125,416</b>

The FY 2016-17 Sundry Transfers budget provides for approximately \$9.3 million to the Debt Service Fund, which represents existing debt service previously incorporated into the property tax rate. This level of funding will continue until that debt is retired.

Transfers to the Special Purpose Fund moves funding into life-to-date projects for various programs. The budget for FY 2017 includes:

Safelight	\$200,000
S.A.B.L.E.	\$161,201
Annual Affordable Housing Summit	\$7,000
Metropolitan Planning Administration	\$282,155
Downtown Business Alliance	\$11,000

The Metropolitan Planning Administration is the Transportation Planning division from the Planning, Development and Transportation Department.

The General Fund subsidizes the community development activities in the CD/HM Grant and Loan Administration Fund, which is funded primarily with Community Development Block Grant and HOME funds from the federal government. The General Fund contribution for FY 2017 is 27.5% of the total allotment for these activities.

Seven thousand dollars is included to support the fourth annual Affordable Housing Summit. The City anticipates the receipt of sponsorships to assist with the initiative.

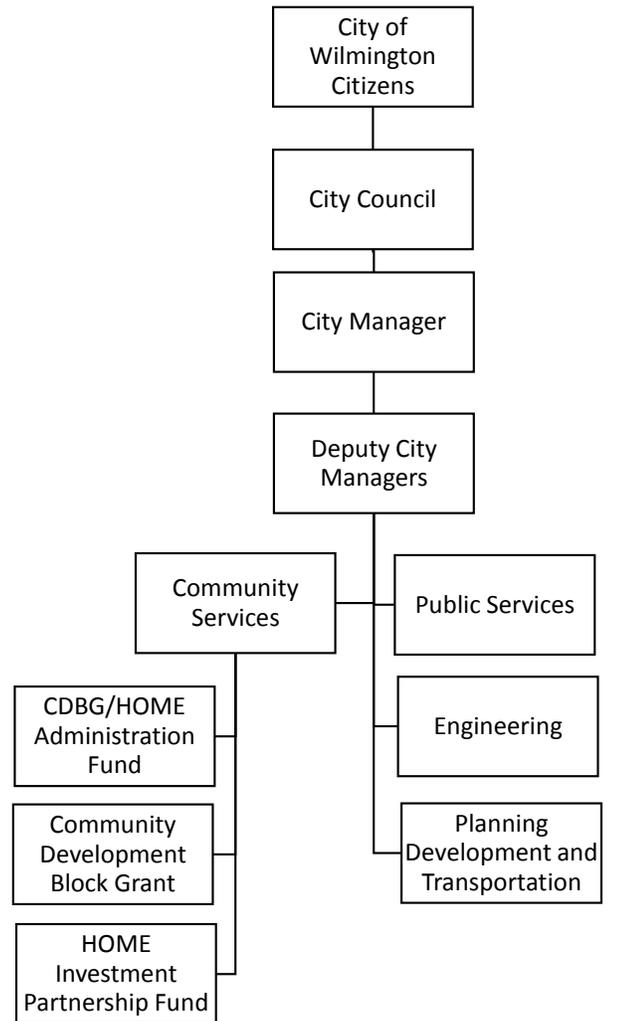
The \$349,915 to the Technology Replacement Fund provides for the costs associated with the City's transition to a hosted environment also known as cloud computing.

The General Fund is transferring \$50,000 in FY17 to support the Home Ownership Pool (HOP) program revolving loan fund to provide resources for moderate income workforce housing, those with income from 80% to 120% of area median income, looking to achieve the benefit of home ownership.

\$250,000 is being provided for deferred/forgivable loans for owner occupied home rehabilitations to include a program for minor repairs up to \$10,000 and housing rehabilitations projects up to \$75,000. This resource is available for households with income of 50% or less of area median income.

Additionally there is \$100,000 transfer to the to the Legal Fees & Forgivable Loans Loan fund to aid legal fees for foreclosed properties.

## Community Development



## COMMUNITY SERVICES

The Community Services department encompasses programs designed to improve the quality of life for all City residents regardless of age or economic standing.

### BUDGET SUMMARY

	FY 14-15	FY 15-16	FY 15-16	FY 16-17	Variance
<b>Expenditure by Division</b>	<b>Actual</b>	<b>Adopted</b>	<b>Adjusted</b>	<b>Recommend</b>	<b>FY 15-16 to FY 16-17</b>
Administration	\$ 202,301	\$ 212,257	\$ 214,557	\$ 213,221	0.5%
Code Enforcement	\$ 540,581	\$ 576,707	\$ 733,055	\$ 669,455	16.1%
Parks and Recreation	\$ 6,517,894	\$ 6,915,514	\$ 6,927,715	\$ 7,224,107	4.5%
Allocated Cost	\$ (46,572)	\$ (49,699)	\$ (49,699)	\$ (49,699)	0.0%
<b>Grand Total</b>	<b>\$ 7,214,205</b>	<b>\$ 7,654,779</b>	<b>\$ 7,825,628</b>	<b>\$ 8,057,084</b>	<b>5.3%</b>
<b>Expenditure by Category</b>					
Personnel	\$ 4,015,524	\$ 4,215,364	\$ 4,191,549	\$ 4,324,155	2.6%
Benefits	\$ 1,175,865	\$ 1,254,253	\$ 1,254,445	\$ 1,332,561	6.2%
Miscellaneous	\$ (1)	\$ -	\$ -	\$ -	
Operating	\$ 2,020,412	\$ 2,161,976	\$ 2,354,020	\$ 2,335,867	8.0%
Outlay	\$ 48,976	\$ 72,885	\$ 75,313	\$ 114,200	56.7%
Allocated Cost	\$ (46,572)	\$ (49,699)	\$ (49,699)	\$ (49,699)	0.0%
<b>Grand Total</b>	<b>\$ 7,214,205</b>	<b>\$ 7,654,779</b>	<b>\$ 7,825,628</b>	<b>\$ 8,057,084</b>	<b>5.3%</b>
<b>Authorized Positions</b>					
Administration	2	2	2	2	
Code Enforcement	7	5	5	6	
Parks and Recreation	75	75	74	77	
<b>Grand Total</b>	<b>84</b>	<b>82</b>	<b>81</b>	<b>85</b>	<b>4</b>

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### *Division Description*

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The **Administration** division's primary responsibility is the oversight, coordination, and management of all departmental activities.

The primary responsibility of the **Code Enforcement** division is to enforce City ordinances and educate citizens on maintaining a healthy and safe environment.

The **Parks and Recreation** division provides an array of services such as individual and team activities to youth and adults for improvement in mental health, health maintenance, and promotion of positive sportsmanship. It also provides outlets for social interaction, physical activity, environmental awareness, and to support community integration through creative programming for the total family and to make a positive impact towards their quality of life. It also offers opportunities for developing youth life skills through mentoring, drug prevention, success in school, and health related programs in the City's Community Centers, as well as operates and manages recreation facilities within the City such as the Hugh Morton Amphitheater, Halyburton Events Center and Fit for Fun Center. The Division conducts capital improvement planning and project management for new facilities including new parks, park renovations and greenways.

Additionally, **Parks, Landscape and Tree Maintenance** section found under Parks and Recreation maintains landscaping and trees in City greenways and supports over 50 public parks and playgrounds throughout the City. This division also manages and conducts clearance projects related to stop signs, stop lights and sight distances issues to enhance safety on City streets, as well as dangerous tree and limb removal from storm damage and general tree trimming maintenance. This division maintains and improves all recreation amenities throughout the City, including basketball courts, softball/baseball fields, tennis courts, multi-use fields, and Legion Stadium. The Division is responsible for maintaining open spaces, public lots and alleys City-wide. Additionally the division provides set-up and support for press conferences and special meetings throughout City departments.

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### *Budget Overview*

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The City continues to invest in the workforce by adding a 3% compensation increase for salary and corresponding benefits. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. The sections below represents further initiatives made to the budget specific to the department.

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## Budget Modifications

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### A. Office Supplies

**Division:** Community Development

**Total Cost:** (\$500)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A three year analysis of trend data usage was reviewed and a reduction in this line totaling \$500 was validated.

### B. Other Professional Services

**Division:** Administration

**Total Cost:** (\$290)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The reduction of \$290 results in consulting services from Goforward being cancelled.

### C. Computer Software

**Division:** Code Enforcement

**Total Cost:** (\$261)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** Due to lack of use, the cost estimation software reduction was accepted reducing the budget by \$261.

### D. Advertising

**Division:** Code Enforcement

**Total Cost:** (\$150)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A three year analysis of trend data usage was reviewed and a reduction in this line totaling \$150 was validated.

### E. Communication-Data Lines

**Division:** Code Enforcement

**Total Cost:** (\$145)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A three year analysis of trend data usage was reviewed and a reduction in this line totaling \$145 was validated.

**F. Printing/Copies**

**Division:** Code Enforcement

**Total Cost:** (\$96)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A three year analysis of trend data usage was reviewed and a reduction in this line totaling \$96 was validated.

**G. Uniforms and Clothing**

**Division:** Downtown Services

**Total Cost:** \$150

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding allows the Downtown Services division to purchase uniform shirts. A total of \$150 was added to the budget.

**H. Advertising**

**Division:** Downtown Services

**Total Cost:** \$300

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding totaling \$300 enables the Downtown Services division to increase advertising efforts.

**I. Business Travel**

**Division:** Recreation Intervention

**Total Cost:** \$500

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding of \$500 allows the Recreation Intervention division to travel to training and/or professional conferences.

**J. Business Travel**

**Division:** Recreation Admin

**Total Cost:** \$500

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding totaling \$500 allows for the Recreation Superintendent to attend the NCRPA Director's Conference.

**K. Advertising**

**Division:** Code Enforcement  
**Total Cost:** \$800  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** Funding totaling \$800 allows the Code Enforcement division to manage increased advertising for public hearings.

**L. Legal**

**Division:** Code Enforcement  
**Total Cost:** \$1,500  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding in the amount of \$1,500 in the Code Enforcement division allows staff to complete title work on cold cases.

**M. Legal Filing Fees**

**Division:** Code Enforcement  
**Total Cost:** \$1,564  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** Funding in the amount of \$1,564 in the Code Enforcement division accommodates an increase in filing fees in the amount of \$1,564 due to the number of structure cases being prepared for hearing and in REM foreclosure.

**N. Reclassification: Admin Support Assist to Admin Support Tech**

**Division:** Code Enforcement  
**Total Cost:** \$4,901  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding totaling \$4,901 is in place to reclassify an Administrative Support Assistant to an Administrative Support Technician in the Community Services Code Enforcement division.

**O. Stand-by: After hours response**

**Division:** Tree Management  
**Total Cost:** \$7,410  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The Community Services Tree Management division will utilize \$7,410 to allow for a stand-by program, sharing 24/7 response responsibilities with the Public Services' Streets and Stormwater divisions. This funding enables the division to budget for non-exempt personnel to respond to after hours events.

**P. Northern Downtown: Grounds Technician part-time employee**

**Division:** Parks & Landscape

**Total Cost:** \$12,918

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 1

**Description:** This funding totaling \$12,918 enables the Parks and Landscape division to maintain the Northern Riverwalk on weekends with part-time temporary staff.

**Q. Other Professional Services**

**Division:** Community Development

**Total Cost:** \$15,000

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding totaling \$15,000 enables the Community Development division to work with a consulting service to assist with preparation of AFFH-Analysis for Further Fair Housing as required by HUD.

**R. Skatepark: Recreation Assistant part-time employee**

**Division:** Recreation Facilities

**Total Cost:** \$16,148

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 1

**Description:** The funding of \$16,148 enables the Community Services Recreation Facilities division to hire a part time Recreation Assistant to staff the Greenfield Grind skate park.

**S. Pool contract**

**Division:** Recreation Facilities

**Total Cost:** \$16,977

**Priority:** Strategic Plan

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding of \$16,977 enables the Recreation Facilities division to contract with an outside vendor to manage the City pools, increasing youth programs.

**T. Part-time Seasonal Staff Supporting Concessions**

**Division:** Concessions

**Total Cost:** \$22,499

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 6

**Description:** The funding allows Community Services to enhance existing funds to hire additional temporary staff in the Concessions division, given that current temporary staff can only work 19 hours per week and cannot exceed those hours or they fall into another employee category. In order to sustain current service levels and allow coverage for the seasonal concessions work, funding in the amount of \$22,499 for additional staff is

needed. Funding will support 5 part-time food and beverage servers and 1 recreation specialist.

#### U. Other Professional Services

**Division:** Community Development

**Total Cost:** \$25,000

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding in the amount of \$25,000 allows the Community Development division to pay for consulting services to prepare job procedure manuals for all positions in CD Housing Section including loans, at the recommendation of the Internal Audit.

#### V. Tree Maintenance Contracts

**Division:** Tree Management

**Total Cost:** \$33,023

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding totaling \$33,023 enables the Tree Management division to expand an existing tree maintenance contract to include additional stump removal, allowing staff time to be dedicated to other tree services and addressing the tree management backlog.

#### W. Other Professional Services

**Division:** Concessions

**Total Cost:** \$35,000

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A total of \$35,000 was added to the budget. The funding covers an increase in concession revenue shares for Legion and Amphitheater facility users.

#### X. One (1) Code Enforcement Officer

**Division:** Code Enforcement

**Total Cost:** \$82,465

**Priority:** Strategic Plan

**Position(s):** Full Time Equivalent: 1; Part-Time: 0

**Description:** The funding enables the Code Enforcement division to hire one (1) additional Code Enforcement officer. Total cost includes salary and benefits (\$52,261) and associated operating costs (\$30,204), totaling \$82,465 which includes the cost of a vehicle.

#### Y. Site Clean Up

**Division:** Code Enforcement

**Total Cost:** \$120,000

**Priority:** Continuation of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding enables the Code Enforcement division to complete asbestos surveys, abatement and demolitions for backlog violations. A total of \$120,000 was added to the budget.

**Z. Inland Greens, small parks and city right-of-ways**

**Division:** Parks & Landscape

**Total Cost:** \$239,668

**Priority:** Strategic Plan

**Position(s):** Full Time Equivalent: 3; Part-Time: 0

**Description:** The funding allows the Parks and Landscape division to staff and maintain Inland Greens, right-of-ways and additional smaller parks with a Crew Leader, Senior Grounds Tech, Facilities Tech at \$142,758. The funding includes landscaping equipment \$2,500, materials and supplies \$2,000, plant materials \$1,000, and a F350 Crew Cab, JD Out Front mower, and mini Skid Steer for \$90,000.

## CDBG/HOME GRANT AND LOAN ADMIN FUND

The CDBG/HOME Grant and Loan Fund was established in FY 2010 to capture the costs associated with the City's community development and housing activities.

### BUDGET SUMMARY

	FY 14-15	FY 15-16	FY 15-16	FY 16-17	Variance
Expenditure by Division	Actual	Adopted	Adjusted	Recommend	FY 15-16 to FY 16-17
Finance	\$ 169,699	\$ 189,419	\$ 191,865	\$ 195,777	3.4%
Community Development	\$ 260,680	\$ 294,221	\$ 294,291	\$ 344,862	17.2%
Housing Development	\$ 187,504	\$ 223,519	\$ 223,503	\$ 212,253	-5.0%
<b>Grand Total</b>	<b>\$ 617,883</b>	<b>\$ 707,159</b>	<b>\$ 709,659</b>	<b>\$ 752,892</b>	<b>6.5%</b>
<b>Expenditure by Category</b>					
Benefits	\$ 109,551	\$ 145,223	\$ 145,211	\$ 144,598	-0.4%
Operating	\$ 122,311	\$ 102,550	\$ 130,262	\$ 143,090	39.5%
Personnel	\$ 386,021	\$ 459,386	\$ 434,186	\$ 465,204	1.3%
<b>Grand Total</b>	<b>\$ 617,883</b>	<b>\$ 707,159</b>	<b>\$ 709,659</b>	<b>\$ 752,892</b>	<b>6.5%</b>
<b>Authorized Positions</b>					
Administration	2	2	2	2	
Code Enforcement	3	3	3	3	
Parks and Recreation	4	4	4	3	
<b>Grand Total</b>	<b>9</b>	<b>9</b>	<b>8</b>	<b>8</b>	<b>-</b>

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### *Budget Overview*

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The City continues to invest in the workforce by adding a 3% compensation increase for salary and corresponding benefits. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. The sections below represents further initiatives made to the budget specific to the department.

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## Budget Modifications

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### A. Office Supplies

**Division:** Accounting and Treasury Services  
**Total Cost:** (\$64)  
**Priority:** Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The reduction of \$64 was removed using a three year trend analysis.

### B. Fiscal Support Technician (#1) correction

**Division:** Accounting and Treasury Services  
**Total Cost:** \$1,297  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding enhancement request totaling \$1,297 corrects the base budget going forward due to incorrect hourly rate.

### C. Reclassification: Admin Support Assist to Fiscal Support Technician

**Division:** Accounting and Treasury Services  
**Total Cost:** \$3,418  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding in the amount of \$3,418 allows a reclassification of the Administrative Support Assistant to Fiscal Support Technician to perform more complex accounting tasks.

## COMMUNITY DEVELOPMENT BLOCK GRANT

The Community Development Block Grant (CDBG) Entitlement Program provides annual grants on a formula basis to entitled cities and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons.

### BUDGET SUMMARY

Expenditure by Category	FY 15-16 Adopted	FY 16-17 Recommend	Variance FY 15-16 to FY 15-17
<b>Housing</b>			
Home Ownership Program (HOP)	\$ 166,574	\$ 227,398	37%
Housing Delivery Costs	\$ 205,000	\$ 205,000	0%
Undesignated	\$ 100,000	\$ -	-100%
<b>Subtotal</b>	<b>\$ 471,574</b>	<b>\$ 432,398</b>	<b>-8%</b>
<b>Public Facilities</b>			
LINC	\$ 10,597	\$ -	-100%
Domestic Violence	\$ 32,151	\$ 9,650	-70%
First Fruit Ministries	\$ 21,535	\$ 22,827	6%
Good Shepherd	\$ 101,620	\$ 117,523	16%
<b>Subtotal</b>	<b>\$ 165,903</b>	<b>\$ 150,000</b>	<b>-10%</b>
<b>Program Administration and Planning</b>			
CDBG Activities	\$ 249,119	\$ 236,100	-5%
<b>Subtotal</b>	<b>\$ 249,119</b>	<b>\$ 236,100</b>	<b>-5%</b>
<b>Public Services</b>			
Community Boys and Girls	\$ -	\$ 40,000	100%
Child Development Center	\$ -	\$ 33,000	100%
<b>Subtotal</b>	<b>\$ -</b>	<b>\$ 73,000</b>	<b>100%</b>
<b>Grand Total</b>	<b>\$ 886,596</b>	<b>\$ 891,498</b>	<b>1%</b>

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### *Budget Overview*

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In program year 2016-17, the City anticipates \$871,498 in CDBG entitlement funds (\$10,398 decrease) and \$484,147 in HOME entitlement funds (\$ 44,710 increase). One hundred percent of CDBG funds are anticipated to be used for the benefit of low-to-moderate income persons.

The proposed projects and programs for implementation in the coming fiscal year include projects to increase the supply of affordable rental housing; foster homeownership; preserve and rehabilitate existing housing stock; and provide services and support for the homeless, including ex-offenders, victims of domestic violence and at-risk youth. Resources are made available to provide for services to improve neighborhoods and serve citizens, including at-risk youth.

## HOME INVESTMENT PARTNERSHIP FUND

The HOME Investment Partnerships Program (HOME) provides formula grants to States and localities that communities use - often in partnership with local nonprofit groups - to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people.

### BUDGET SUMMARY

Expenditure by Category	Variance		
	FY 15-16 Adopted	FY 16-17 Recommend	FY 15-16 to FY 15-17
Housing	\$ 620,493	\$ 528,432	-15%
Undesignated	\$ 225,000	\$ -	-100%
Beacon Management	\$ 226,573	\$ -	-100%
CHDO - Cape Fear Regional CDC	\$ -	\$ 178,649	100%
Housing Rehabilitation	\$ -	\$ 277,161	100%
Non-CHDO Housing	\$ 168,920	\$ 72,622	-57%
<b>Subtotal</b>	<b>\$ 689,437</b>	<b>\$ 587,147</b>	<b>-15%</b>
Program Administration and Planning	\$ 68,944	\$ 58,715	-15%
HOME Planning and Administration	\$ 68,944	\$ 58,715	-15%
<b>Subtotal</b>	<b>\$ 68,944</b>	<b>\$ 58,715</b>	<b>-15%</b>
<b>Grand Total</b>	<b>\$ 689,437</b>	<b>\$ 587,147</b>	<b>-15%</b>

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### *Budget Overview*

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In program year 2016-17, the City anticipates \$871,498 in CDBG entitlement funds (\$10,398 decrease) and \$484,147 in HOME entitlement funds (\$ 44,710 increase). One hundred percent of CDBG funds are anticipated to be used for the benefit of low-to-moderate income persons.

The proposed projects and programs for implementation in the coming fiscal year include projects to increase the supply of affordable rental housing; foster homeownership; preserve and rehabilitate existing housing stock; and provide services and support for the homeless, including ex-offenders, victims of domestic violence and at-risk youth. Resources are made available to provide for services to improve neighborhoods and serve citizens, including at-risk youth.

## PLANNING, DEVELOPMENT AND TRANSPORTATION

The Planning, Development and Transportation department is comprised of the Planning and Traffic Engineering divisions. The department provides technical support to ensure growth and redevelopment contribute to the quality of life in the City of Wilmington.

### BUDGET SUMMARY

Expenditure by Division	FY 14-15	FY 15-16	FY 15-16	FY 16-17	Variance
	Actual	Adopted	Adjusted	Recommend	FY 15-16 to FY 16-17
Administration	\$ 265,918	\$ 314,664	\$ 316,441	\$ 328,083	4.3%
Planning	\$ 1,154,392	\$ 1,584,701	\$ 1,689,229	\$ 1,518,862	-4.2%
Transportation Traffic	\$ 3,311,475	\$ 3,531,109	\$ 3,531,121	\$ 3,576,950	1.3%
<b>Grand Total</b>	<b>\$ 4,731,785</b>	<b>\$ 5,430,474</b>	<b>\$ 5,536,791</b>	<b>\$ 5,423,895</b>	<b>-0.1%</b>
<b>Expenditure by Category</b>					
Benefits	\$ 620,703	\$ 678,184	\$ 678,184	\$ 771,918	13.8%
Operating	\$ 1,844,816	\$ 2,389,006	\$ 2,489,066	\$ 2,086,495	-12.7%
Outlay	\$ 59,938	\$ -	\$ 5,017	\$ 12,700	100.0%
Personnel	\$ 2,206,327	\$ 2,363,284	\$ 2,364,524	\$ 2,552,782	8.0%
<b>Grand Total</b>	<b>\$ 4,731,785</b>	<b>\$ 5,430,474</b>	<b>\$ 5,536,791</b>	<b>\$ 5,423,895</b>	<b>-0.1%</b>
<b>Authorized Positions</b>					
Administration	3	3	3	3	
Planning	15	17	17	18	
Transportation Traffic	22	23	23	23	
	<b>40</b>	<b>43</b>	<b>43</b>	<b>44</b>	<b>1</b>

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### *Division Description*

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The management of the Planning, Development and Transportation operational divisions is the primary activity of the **Administration** division.

The **Traffic Engineering** division provides an array of professional traffic engineering and transportation services. These services include traffic signal design, timing, repair, and maintenance for over 216 intersections. Also included are the installation and maintenance of traffic signs and pavement markings on City streets. Traffic Engineering manages several special programs such as Street Lights and the

Neighborhood Traffic Management Program. The Safelight program, which serves to reduce the number of traffic incidents and people injured by red light runners, is also managed through this division.

The **Planning** division is comprised of the Zoning, Development Review and Long-Range planning sections. The Zoning section assists citizens with information on permitted uses, dimensional requirements for property and referrals to the appropriate City staff. This section is also responsible for official interpretations of the zoning code, issuing a variety of permits and conducting zoning inspections. Development Review staff reviews current development projects for City code compliance and construction release. Long-Range planning staff draft and maintain plans pertaining to future land use to effectively guide growth and development. The Historic Preservation Unit housed in the Planning division administers the design review process in the City's Historic District.

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### **Budget Overview**

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The City continues to invest in the workforce by adding a 3% compensation increase for salary and corresponding benefits. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. The sections below represents further initiatives made to the budget specific to the department.

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### **Base Budget Adjustments**

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#### **A. One-time, Non-Recurring Expenditure Reduction: Contracted Services**

**Division:** Planning  
**Total Cost:** (\$300,000)  
**Priority:** One-Time Removal  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** FY16 one-time funding was removed in the FY17 base budget totaling \$300,000 used for contracted services to aid in the development of the Comprehensive Plan.

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### **Budget Modifications**

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#### **A. Non-payroll benefits**

**Division:** Planning  
**Total Cost:** \$1,164  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The FY16 budget for non-payroll rollover benefits such as time and 1/2, temporary etc. were not included. The increase of \$1,164 corrects that error in the FY17 budget.

**B. Upgrade Flashing Yellow Arrow on NCDOT signals**

**Division:** Traffic  
**Total Cost:** \$10,000  
**Priority:** Strategic Plan  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding totaling \$10,000 aids in the upgrading of two NCDOT signals to Flashing Yellow Arrow design.

**C. Street Lights: Approved TRC Items**

**Division:** Traffic  
**Total Cost:** \$12,892  
**Priority:** Strategic Plan  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding in the amount of \$12,892 will allow the Traffic division to accept street lighting associated with developments that have been approved by the TRC Development Review Process.

**D. One (1) Associate Planner**

**Division:** Planning  
**Total Cost:** \$73,171  
**Priority:** Strategic Plan  
**Position(s):** Full Time Equivalent: 1; Part-Time: 0  
**Description:** The funding in the amount of \$73,171 allows the PDT department to hire an Associate Planner who will aid in the plan review processing and permitting and zoning activities thus elevating the Assistant Director's time to work on major projects occurring around the city and aiding the Historic Preservation Planner as well as the Urban Designer as needed. The funding represents \$69,019 in salary and benefits and \$4,152 in operational costs.

## PUBLIC SERVICES

The Public Services department is responsible for streets, City buildings and facilities, stormwater services (managed through the Storm Water enterprise fund) and solid waste services (managed through the Solid Waste enterprise fund).

### BUDGET SUMMARY

	FY 14-15	FY 15-16	FY 15-16	FY 16-17	Variance
<b>Expenditure by Division</b>	<b>Actual</b>	<b>Adopted</b>	<b>Adjusted</b>	<b>Recommend</b>	<b>FY 15-16 to FY 16-17</b>
Administration	\$ 442,983	\$ 496,367	\$ 497,209	\$ 487,422	-1.8%
Buildings	\$ 2,641,543	\$ 2,896,279	\$ 2,910,045	\$ 3,047,656	5.2%
Streets	\$ 2,000,790	\$ 2,209,784	\$ 2,217,068	\$ 2,210,235	0.0%
Allocated Cost	\$ (128,419)	\$ (165,660)	\$ (165,660)	\$ (162,606)	-1.8%
<b>Grand Total</b>	<b>\$ 4,956,897</b>	<b>\$ 5,436,770</b>	<b>\$ 5,458,662</b>	<b>\$ 5,582,707</b>	<b>2.7%</b>
<b>Expenditure by Category</b>					
Personnel	\$ 1,772,097	\$ 1,922,773	\$ 1,910,158	\$ 1,963,139	2.1%
Benefits	\$ 520,103	\$ 591,437	\$ 592,024	\$ 621,798	5.1%
Operating	\$ 2,780,100	\$ 3,088,220	\$ 3,119,980	\$ 3,160,376	2.3%
Outlay	\$ 13,017	\$ -	\$ 2,160	\$ -	
Allocated Cost	\$ (128,419)	\$ (165,660)	\$ (165,660)	\$ (162,606)	-1.8%
<b>Grand Total</b>	<b>\$ 4,956,897</b>	<b>\$ 5,436,770</b>	<b>\$ 5,458,662</b>	<b>\$ 5,582,707</b>	<b>2.7%</b>
<b>Authorized Positions</b>					
Administration	5	5	5	5	
Buildings	9	9	9	10	
Streets	25	25	25	25	
<b>Grand Total</b>	<b>39</b>	<b>39</b>	<b>39</b>	<b>40</b>	<b>1</b>

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### *Division Description*

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The **Administration** division is responsible for oversight and management of all Public Services divisions, as well as employee development and overall financial and budget development and management. The division also houses the compliance, sustainability, and safety programs.

The **Streets** Division's mission is to maintain a simple, dependable street and sidewalk system, allowing people in Wilmington to travel safely and efficiently. To fulfill this mission, the division provides a dependable and well-maintained street system and coordinates street and sidewalk rehabilitation projects.

The Public **Buildings** division manages maintenance needs in City-owned buildings and property through a combination of preventative, corrective, and emergency maintenance.

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## Budget Overview

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The City continues to invest in the workforce by adding a 3% compensation increase for salary and corresponding benefits. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. The sections below represents further initiatives made to the budget specific to the department.

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## Budget Modifications

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### A. Natural Gas

**Division:** Buildings  
**Total Cost:** (\$5,702)  
**Priority:** Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The reduction was supported with natural gas trend data.

### B. Maintenance Contracts

**Division:** Buildings  
**Total Cost:** \$2,600  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding in the amount of \$2,600 allows the Public Services' Dept. to meet the increased contract need for the janitorial services at the Municipal building at 305 Chestnut . The current service provides two days per week for the five-story side of the building. This enhancement will allow the Facilities division to maintain the current level of service.

### C. Park and area lighting conversion to LED

**Division:** Buildings

**Total Cost:** \$7,753

**Priority:** Strategic Plan

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding totaling \$7,753 enables the Public Services Dept. to continue to convert leased park and area lighting to LED. Duke Energy Progress recently opened up LED conversion to post-style light fixture styles. Post-style lights and additional identified park and area lighting will be converted with these funds, creating uniformity in lighting across the city.

### D. General Fund dumpster cost

**Division:** Buildings

**Total Cost:** \$21,492

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding totaling \$21,492 allows the city office and park dumpster cost to move from the enterprise Solid Waste division budget. Solid Waste is proposing a corresponding reduction.

### E. One (1) Facilities Technicians

**Division:** Buildings

**Total Cost:** \$44,076

**Priority:** Strategic Plan

**Position(s):** Full Time Equivalent: 1; Part-Time: 0

**Description:** The funding allows the Facilities division to hire one (1) facilities technicians to assist existing facilities specialists in repairing and maintaining over 1 million square feet of city facilities and buildings. There has been no staff additions since 2007, but the addition of over approximately 54,000 sq feet plus 4,400 linear feet and 111 lights on the Riverwalk. The total funding includes salary and benefits \$43,095 and associated operating costs \$980 for the technician.

### F. Utility and operating costs for new square footage

**Division:** Buildings

**Total Cost:** \$56,830

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding covers the utility costs and operating costs associated with increased square footage, specifically the electricity, water, sewer, refuse, natural gas, security and facilities operating costs associated with 1110 Castle St., Cinema Dr. Fire Station, Empie Park Phase 2 and additions to the Riverwalk. A total of \$56,830 was added to the budget.

## PUBLIC SERVICES: ENGINEERING

The Engineering Division provides civil engineering and related services. The Administration Section establishes Technical Standards and Specifications, processes contract payments, and oversees administrative functions. The Plan Review Section regulates private development stormwater permitting, variances, sureties, official acceptance, and encroachments. The Construction Management Section oversees engineering inspections for public and private development projects; performs constructability reviews; and administers the Right-of-Way Permit program. The Capital Projects group is comprised of three sections. The Project Management Section and Design Section implement Capital Improvement Program public infrastructure projects (e.g., bridges, roadway, pedestrian & bicycle, riverfront, facilities, streetscape, and utilities). The Geomatics Section provides professional surveying and mapping services for capital projects, legal, planning, police, and operations staff.

### BUDGET SUMMARY

Expenditure by Category	FY 14-15	FY 15-16	FY 15-16	FY 16-17	Variance
	Actual	Adopted	Adjusted	Recommend	FY 15-16 to FY 16-17
Personnel	\$ 1,497,933	\$ 1,745,911	\$ 1,745,911	\$ 1,908,566	9.3%
Benefits	\$ 440,143	\$ 559,489	\$ 559,902	\$ 432,448	-22.7%
Operating	\$ 144,685	\$ 193,367	\$ 192,072	\$ 186,614	-3.5%
Outlay	\$ (387,075)	\$ (338,032)	\$ (334,006)	\$ (312,724)	100.0%
<b>Grand Total</b>	<b>\$ 1,695,686</b>	<b>\$ 2,160,735</b>	<b>\$ 2,163,879</b>	<b>\$ 2,214,904</b>	<b>2.5%</b>
<b>Authorized Positions</b>	<b>26</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>-</b>

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### *Budget Overview*

The City continues to invest in the workforce by adding a 3% compensation increase for salary and corresponding benefits. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. The sections below represents further initiatives made to the budget specific to the department.

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### Base Budget Adjustments

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#### A. One-time, Non-Recurring Reduction: Motor Vehicles

**Division:** Engineering

**Total Cost:** (\$25,000)

**Priority:** One-Time Removal

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** FY16 one-time funding was removed in the FY17 base budget totaling \$25,000 for a vehicle provided for a bond inspector and manager authorized in FY16.

#### B. One-time, Non-Recurring Reduction: Data Processing

**Division:** Engineering

**Total Cost:** (\$9,588)

**Priority:** One-Time Removal

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** FY16 one-time funding was removed in the FY17 base budget totaling \$9,588 for equipment related to the one-time operational needs for the bond inspector and manager authorized in FY16.

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### Budget Modifications

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#### A. Advertising

**Division:** Engineering

**Total Cost:** (\$234)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** Due to the Engineering office being fully staffed, and the funds being used to recruit staff in prior years, the reduction of \$234 was accepted.

#### B. Time and One Half

**Division:** Engineering

**Total Cost:** \$3,230

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding of \$3,230 allows Engineering to cover overtime for contract administrator, engineering technicians, construction inspectors, and surveyors. The funding is needed to ensure proper inspection and compliance with NCDOT and FHA construction management and inspection requirements.

**C. Vacant Administrative position upgraded to Staff Engineer**

**Division:** Engineering

**Total Cost:** \$20,953

**Priority:** Strategic Plan

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding for this request totaling \$20,953 takes a vacant Administrative Support Specialist position (N4) and creates a Staff Engineer position (N7). A Staff Engineer will aid the department with the increased plan review requests. This position will effectively handle the responsibilities of the plan review and official acceptance process with the added benefit of technical review and handle the drainage plan reviews, which are less technical in nature. This would allow the Professional Engineering staff to concentrate on the more complex projects.

**D. Engineering Services Capital Projects Allocation**

**Division:** Engineering

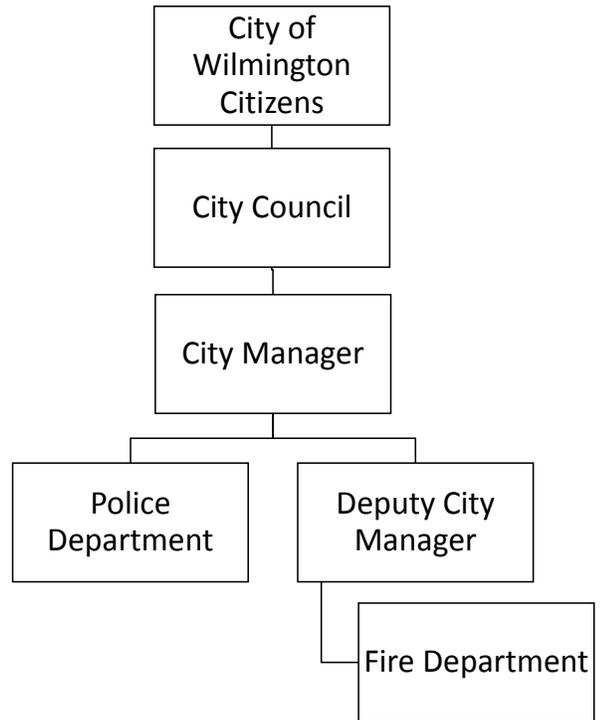
**Total Cost:** \$59,896

**Priority:** Strategic Plan

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding allows Engineering to properly capture the expected shortfalls between operating costs and revenues due to the reduction of force account charges over time. This reduction of revenue, presented in the budget book as allocated costs, from the City's Capital Projects increases the General Fund support by \$58,896. With less and less projects allowing charge back, this year begins a cycle where more annual funding will be required to support the City's Engineering Services in lieu of Capital Projects.

## Public Safety



## POLICE DEPARTMENT

The Police department provides a wide array of services aimed at protecting Wilmington residents and visitors through the prevention and reduction of crime, the enforcement of laws, and the promotion of community safety and wellbeing. Led by the Chief of Police, the department promotes Community Policing by targeting illegal drug activities, violent street crimes, and other quality of life problems.

### BUDGET SUMMARY

Expenditure by Division	FY 14-15	FY 15-16	FY 15-16	FY 16-17	Variance
	Actual	Adopted	Adjusted	Recommend	FY 15-16 to FY 16-17
Office of The Chief	\$ 2,446,137	\$ 2,681,045	\$ 2,670,100	\$ 3,339,644	24.6%
Planning And Research	\$ 467,357	\$ 422,803	\$ 422,203	\$ -	-100.0%
Criminal Investigations	\$ 4,321,228	\$ 4,735,586	\$ 3,662,607	\$ 3,429,910	-27.6%
Northwest Patrol	\$ 8,024,684	\$ 8,218,500	\$ 8,845,815	\$ 8,192,790	-0.3%
South East Patrol	\$ 4,993,701	\$ 4,935,855	\$ 5,189,965	\$ 5,496,695	11.4%
Special Investigations	\$ 91,786	\$ -	\$ 1,395,224	\$ 1,617,074	100.0%
Administrative Services	\$ 6,462,864	\$ 7,243,791	\$ 7,427,063	\$ 6,981,789	-3.6%
<b>Grand Total</b>	<b>\$ 26,807,757</b>	<b>\$ 28,237,580</b>	<b>\$ 29,612,977</b>	<b>\$ 29,057,902</b>	<b>2.9%</b>
<b>Expenditure by Category</b>					
Personnel	\$ 17,104,061	\$ 17,386,218	\$ 18,342,097	\$ 17,898,653	2.9%
Benefits	\$ 4,708,210	\$ 5,041,855	\$ 5,042,462	\$ 5,334,553	5.8%
Operating	\$ 4,863,199	\$ 5,590,002	\$ 5,831,321	\$ 5,568,665	-0.4%
Outlay	\$ 132,287	\$ 219,505	\$ 397,097	\$ 256,031	16.6%
<b>Grand Total</b>	<b>\$ 26,807,757</b>	<b>\$ 28,237,580</b>	<b>\$ 29,612,977</b>	<b>\$ 29,057,902</b>	<b>2.9%</b>
<b>Authorized Positions</b>					
Office Of The Chief	35	35	35	29	
Planning And Research	5	5	5	0	
Criminal Investigations	65	65	65	39	
Northwest Patrol	113	114	114	120	
South East Patrol	69	68	68	83	
Special Investigations	0	0	0	25	
Administrative Services	46	47	47	43	
<b>Grand Total</b>	<b>333</b>	<b>334</b>	<b>334</b>	<b>339</b>	<b>5</b>

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## *Division Description*

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The **Office of the Chief** is responsible for the oversight of all law enforcement services within the City of Wilmington to include internal investigations, policy development and review, inspections, and the targeting of criminal activity through crime analysis. This division will also coordinate departmental training. The Planning and Research duties were transferred to the Office of the Chief in FY17. Planning and Research allows for greater oversight and managerial authority of critical components that directly affect the overall operation of the department's divisions. Systematic research, planning and analysis is critical to compliance with national accreditation standards, departmental staffing, benchmarking and charting its overall direction.

The **Criminal Investigations** division (CID) investigates cases for criminal trials, recovers property, participates in a multi-agency fugitive task force, handles youth-related incidents, and oversees crime scene investigation. The unit also consists of drug enforcement teams, commercial robbery, violent crime task force, Alcoholic Beverage Control (ABC) section and the FBI- JTTF (Joint Terrorism Task Force).

The **Northwest Patrol Services** division is situated in the northwest portion of the City and is responsible for high visibility, proactive policing patrols utilizing a strategy that consists of crime prevention, crime detection, and perpetrator apprehension utilizing mobile, and foot and mounted conveyances.

The **Southeast Patrol Services** division is situated in the southeast portion of the City and is responsible for high visibility, proactive policing patrols utilizing a strategy that consists of crime prevention, crime detection, and perpetrator apprehension utilizing mobile and foot conveyances. The Patrol Organized Response Team, previously the Special Operations unit, consists of Traffic, K-9, and oversees the department's Emergency Response Team (ERT), Explosive Ordinance Disposal (EOD), harbor patrol and hostage negotiation units. This division also houses the School Resource Officers and Wilmington Housing Authority Officers.

The **Administrative Services Bureau** division maintains, controls and coordinates department information and functions related to records, property/evidence control and disposal, personnel, budget, grants, logistics and recruitment.

The **Special Investigations Division** (SID) is responsible for investigations involving illegal drugs, prostitution, or any investigation involving prescription drugs or the pharmacies that distribute legal prescription drugs within the City. SID also has members of Federal Task Forces for the U.S. Drug Enforcement Administration (DEA), U.S. Marshal Service, and U.S Alcohol Tobacco Firearms and Explosives (ATF)

The **Forensic Lab** is a regional lab, serving a six county area in Southeastern North Carolina. The lab provides forensics tests for criminal cases aiding the regional analysis needs in an efficient manner. The Lab applies for its own grant funding and yields funds from outside agencies. CSI, or Crime Scene

Investigations, falls under the Forensic Lab. The Forensic Lab and CSI manage the collection and analysis of evidence.

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### ***Budget Overview***

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The City continues to invest in the workforce by adding a 3% compensation increase for salary and corresponding benefits. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. The sections below represents further initiatives made to the budget specific to the department.

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### ***Base Budget Adjustments***

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#### **A. One-time, Non-Recurring Expenditure Reduction: Other Equipment**

**Division:** Admin Service Bureau

**Total Cost:** (\$77,505)

**Priority:** One-Time Removal

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** FY16 one-time funding was removed in the FY17 base budget totaling \$77,505 used for forensic hardware and items for the Police computer lab.

#### **B. One-time, Non-Recurring Expenditure Reduction: Motor Vehicles**

**Division:** NW Patrol

**Total Cost:** (\$72,000)

**Priority:** One-Time Removal

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** FY16 one-time funding was removed in the FY17 base budget totaling \$72,000 associated with four (4) vehicle purchases.

**C. One-time, Non-Recurring Expenditure Reduction: Other Equipment**

**Division:** Investigative Bureau  
**Total Cost:** (\$70,000)  
**Priority:** One-Time Removal  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** FY16 one-time funding was removed in the FY17 base budget totaling \$70,000 used for outfitting detectives authorized in FY16.

**Budget Modifications**

**A. Service Contracts**

**Division:** SE Patrol  
**Total Cost:** (\$18,180)  
**Priority:** Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The reduction of \$18,180 in service contract funding leaves \$121,000 in this line. The reduction is based on lack of need of Verizon air cards at this time.

**B. Uniforms and Clothing**

**Division:** Admin Services Bureau  
**Total Cost:** (\$3,354)  
**Priority:** Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** A three year analysis of trend data usage was reviewed and a reduction in this line was validated totaling \$3,354 leaving a budget of \$171,106.

**D. Shift of IT positions to IT from WPD**

**Division:**  
**Total Cost:** (\$207,291)  
**Priority:** Reduction  
**Position(s):** Full Time Equivalent: 3; Part-Time: 0  
**Description:** This reduction represents a shift from the Police Department's IT staff in the amount of \$207,291 for salary and benefits for a Computer Support Specialist, Technology Support Assistant and a Business Systems Analyst. This includes the proposed 3% compensation increase. The IT department has an associated enhancement.

**C. Uniforms and Clothing and Other Equipment**

**Division:** NW Patrol  
**Total Cost:** \$4,000  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding of \$4,000 will cover the purchase of two (2) night vision goggles.

#### D. Upgrade body cameras

**Division:** Admin Services Bureau

**Total Cost:** \$7,000

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding will be used toward upgrading (35) thirty-five body cameras to high definition at \$200 for 35 cameras, as they go out of service in the next fiscal year. This initiative totals \$7,000.

#### E. CSI unit training

**Division:** Admin Services Bureau

**Total Cost:** \$7,500

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding totaling \$7,500 covers specialized training covering a variety of topics for the CSI unit.

#### F. Casper Wire license

**Division:** Vice/Narcotics

**Total Cost:** \$8,000

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding allows the Police Dept. to purchase a Casper license, increasing use from one unit to a maximum of five units. A total of \$8,000 was added to the budget.

#### G. Part-time Gang Prevention Specialist

**Division:** NW Patrol

**Total Cost:** \$10,765

**Priority:** Strategic Plan

**Position(s):** Full Time Equivalent: 0; Part-Time: 1

**Description:** A grant-funded gang-prevention specialist has been working with the community, specifically youth ages 8-12 to redirect their focus on their future in a positive way. The grant is expiring at the end of June 2016. The Police Dept. will utilize this funding to continue to work with the community in this way. The funding covers part-time salary and benefits \$10,765.

#### H. DNA testing

**Division:** Investigative Bureau

**Total Cost:** \$15,000

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding of \$15,000 allows the Police Dept. to pay for third party DNA testing from LapCorp, providing data to inform court cases and DA requests.

**I. Training Room laptops**

**Division:** Office of the Chief

**Total Cost:** \$17,400

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding in the amount of \$17,400 will allow the Police Department to purchase (12) twelve training laptops for mobile training opportunities. The funding includes the laptop purchase as well as participation in the PC replacement fund.

**J. Specialized equipment for SWAT team**

**Division:** SE Patrol

**Total Cost:** \$18,905

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding totaling \$18,905 enables the Police Dept. to purchase SWAT-specific equipment.

**K. Narcotic investigations**

**Division:** Vice/Narcotics

**Total Cost:** \$20,000

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The Police Dept. will utilize this funding for Narcotic Investigations purpose. A total of \$20,000 was added to the budget.

**L. Other Equipment**

**Division:** Admin Services Bureau

**Total Cost:** \$20,875

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding in the amount of \$20,875 allows the Police Dept. to purchase livescan fingerprinting equipment for non-arrest documentation needed due to aging livescan device. The information is tied into state and national databases. The device holds information on fingerprints and mugshots.

**M. Other Equipment**

**Division:** Admin Services Bureau

**Total Cost:** \$22,275

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding allows the Police Dept. to purchase fifteen (15) conducted electrical weapons (Tasers). New versions administer a limited-time electrical current increasing safety to the officer and the community. This initiative totals \$22,275.

#### N. Other Equipment

**Division:** Admin Services Bureau  
**Total Cost:** \$23,770  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding totaling \$23,770 allows the Police Dept. to purchase ten (10) Motorola APX 6500 Portable Police Radios.

#### O. Other Equipment

**Division:** Admin Services Bureau  
**Total Cost:** \$35,250  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding totaling \$32,250 allows the Police Dept. to purchase ten (10) Motorola APX 6500 Mobile Police Radios.

#### P. Car video systems

**Division:** Admin Services Bureau  
**Total Cost:** \$41,200  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding in the amount of \$41,200 enables the Police Dept. to replace eight car video systems due to deterioration of older car video systems.

#### Q. Promotional processes

**Division:** Admin Services Bureau  
**Total Cost:** \$50,000  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** This funding covers testing associated with an 18-month lists of potential promotions. A total amount of \$50,000 was added to the budget.

#### R. Crime Scene Technician

**Division:** Admin Services Bureau  
**Total Cost:** \$50,182  
**Priority:** Strategic Plan  
**Position(s):** Full Time Equivalent: 1; Part-Time: 0  
**Description:** The funding will allow the Police Department to hire an additional (1) Crime Scene Technician. With no increase in the number of Crime Scene technicians in twelve years, there is an identified need for additional technicians. In 2015, Crime Scene technicians worked an additional 1,900 hours above their regular hours. Also, they are now expected to provide 24/7 support, which wasn't the case when the current eight (8) technicians came onboard. The position salary and benefits total \$49,832 and

associated operating cost \$350. Also, a sworn police officer position who recently retired will be shifted from this unit to the patrol unit in FY17 as an active officer.

#### S. Arrowhead phone technology upgrade

**Division:** Vice/Narcotics

**Total Cost:** \$51,000

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding totaling \$51,000 allows the Police Dept. to upgrade a special operations antennae. The current antennae needs to be replaced on the main unit due to cell phone companies going to 4G.

#### T. Crime Prevention Specialist

**Division:** Office of the Chief

**Total Cost:** \$54,745

**Priority:** Strategic Plan

**Position(s):** Full Time Equivalent: 1; Part-Time: 0

**Description:** The funding allows the department to hire (1) one Crime Prevention Specialist to replace one sworn police officer in the Crime Prevention unit. This position is the first of the civilianization of the unit. The total of \$54,745 includes salary and benefits plus associated operating costs.

#### U. Ballistic vests

**Division:** Admin Services Bureau

**Total Cost:** \$87,543

**Priority:** Continuation of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding in the amount of \$87,543 allows the Police Department to replace expired ballistic vests.

#### V. Four (4) vehicles for Investigative personnel

**Division:** Investigative Bureau

**Total Cost:** \$98,505

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding allows for the purchase of four (4) unmarked vehicles for Investigative personnel due to the eight (8) detective positions added in FY16. A total of \$98,505 was added to the budget.

#### W. Real Time Crime Center Analyst positions

**Division:** Office of the Chief; Planning and Research Division

**Total Cost:** \$117,068

**Priority:** Strategic Plan

**Position(s):** Full Time Equivalent: 3; Part-Time: 0

**Description:** The funding allows the Police Department to hire analysts to staff the Real Time Crime Center. The funding includes salary and associated benefits for three (3) full-time positions funded for 9 months. There are no operational costs associated with these positions.

**X. Time and One Half**

**Division:** NW Patrol

**Total Cost:** \$119,069

**Priority:** Strategic Plan

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding allows the Police Dept. to cover over-time salary and benefits in the NW division. Increased patrols by officers in attempt to combat ongoing violence require more man hours than a regular shift can handle. The funding includes \$100,000 in salary plus benefits to total \$119,069.

**Y. Three (3) officers plus standard issued equipment**

**Division:** SE Patrol

**Total Cost:** \$173,901

**Priority:** Strategic Plan

**Position(s):** Full Time Equivalent: 3; Part-Time: 0

**Description:** The funding covers the salary and associated benefits to hire three (3) additional officers. A 2014 staffing study conducted by the Planning and Research division identified a need for an additional twenty-six (26) sworn positions. This is phase two of a multi-year position increase. Phase one saw the addition of eight (8) detectives to the Criminal Investigations Division. The additional officers are needed to keep up with and meet the current and future needs as the City continues to grow. Total funding covers salary and benefits (\$152,901) and associated equipment cost (\$21,000) covering the standard issued equipment. To outfit an officer, a uniform, traffic vest, riot helmet, ballistic vest, portable radio, weapon, duty belt, handcuffs, OC spray and tactical baton are needed. It should be noted that two additional officers will be shifted from civilian roles to active officer roles in FY17, netting five (5) additional officers on the street.

## POLICE DEPARTMENT: SABLE

The primary purpose of the Southeastern AirBorne Law Enforcement (SABLE) Air Unit is to support and increase the effectiveness of Officers in the field through aerial observation and communication.

The SABLE program is a regional, multi-agency effort shared between the Wilmington Police Department, Pender County Sheriff Department and New Hanover County Sheriff Department.

### BUDGET SUMMARY

	FY 15-16 Adopted	FY 16-17 Recommended
Expenditures by Category		
Personnel	\$ 131,113	\$ 154,893
Benefits	\$ 30,088	\$ 35,213
Operating	\$ 158,744	\$ 11,270
<b>Total</b>	<b>\$ 319,945</b>	<b>\$ 201,376</b>
<b>Authorized Positions</b>	<b>2</b>	<b>2</b>

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### *Budget Overview*

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The General Fund is providing a transfer of \$161,201 to the SABLE project in the Special Purpose fund to provide salary and related benefits for two full time Pilots as well as two part time pilots. A 3% compensation increase is reflected in this budget.

## FIRE DEPARTMENT

The Fire department provides a multitude of services dedicated to the life and property safety of residents and visitors by providing education and protection from fires and other related emergencies.

### BUDGET SUMMARY

Expenditure by Division	FY 14-15	FY 15-16	FY 15-16	FY 16-17	Variance
	Actual	Adopted	Adjusted	Recommend	FY 15-16 to FY 16-17
Administration	\$ 270,819	\$ 287,048	\$ 286,698	\$ 295,057	2.8%
Community Risk Reduction	\$ 185,983	\$ 220,918	\$ 222,798	\$ 287,618	30.2%
Fire And Life Safety	\$ 610,266	\$ 606,010	\$ 604,612	\$ 562,770	-7.1%
Fire Fighting	\$ 12,034,126	\$ 12,938,153	\$ 13,037,003	\$ 13,328,866	3.0%
Fire Fleet Maintenance	\$ -	\$ -	\$ -	\$ 354,197	100.0%
Support Services	\$ 2,412,413	\$ 2,382,190	\$ 2,447,494	\$ 2,162,116	100.0%
Training	\$ 589,030	\$ 562,064	\$ 544,650	\$ 473,384	-15.8%
<b>Grand Total</b>	<b>\$ 16,102,636</b>	<b>\$ 16,996,383</b>	<b>\$ 17,143,255</b>	<b>\$ 17,464,008</b>	<b>2.8%</b>
<b>Expenditure by Category</b>					
Personnel	\$ 10,614,919	\$ 11,204,291	\$ 11,299,411	\$ 11,424,043	2.0%
Benefits	\$ 3,189,216	\$ 3,460,483	\$ 3,460,483	\$ 3,590,970	3.8%
Operating	\$ 2,118,303	\$ 2,215,109	\$ 2,178,405	\$ 2,303,495	4.0%
Miscellaneous	\$ -	\$ -	\$ 48,332	\$ -	0.0%
Outlay	\$ 180,197	\$ 116,500	\$ 156,624	\$ 145,500	24.9%
<b>Grand Total</b>	<b>\$ 16,102,636</b>	<b>\$ 16,996,383</b>	<b>\$ 17,143,255</b>	<b>\$ 17,464,008</b>	<b>2.8%</b>
<b>Authorized Positions</b>					
Administration	3	3	3	3	
Community Risk Reduction	3	3	3	4	
Fire And Life Safety	7	7	7	7	
Fire Fighting	193	193	193	196	
Fire Fleet Maintenance	0	0	0	3	
Support Services	8	8	8	5	
Training	6	6	6	5	
<b>Grand Total</b>	<b>220</b>	<b>220</b>	<b>220</b>	<b>223</b>	<b>3</b>

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## *Division Descriptions*

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The **Administrative** division houses the Fire Chief who oversees the Department's coordination and management of all fire and emergency response activities.

The **Fire and Life Safety** division's primary responsibilities include the reduction of fires and unintentional injuries through inspections and public education.

The **Community Risk Reduction** division's primary focus is on public education with special emphasis on community involvement at the individual fire station level.

The **Firefighting** division maintains responsibility for two primary functions. The first relates to the firefighting units who are responsible for all ground operations which include confinement, extinguishment, salvage, and overhaul operations to reduce further damage. The second function relates to emergency medical services who are generally first on the scene and provide immediate care for life-threatening injuries, controlling the scene, and preparing for the arrival of advanced life support personnel.

The **Support Services** division's primary responsibilities focus on the maintenance of vehicles which consist of vehicle repairs, upgrades, safety inspections, testing, and preventive maintenance. The division also serves as the center for developing and conducting training programs that ensure fire personnel are maintaining required certifications. Support Services houses the Fire Fleet Maintenance section, which is responsible for maintaining the department's apparatus and vehicles in proper working condition. This includes periodic preventative maintenance to ensure the immediate availability for an emergency response.

The **Fire Training** division oversees expenditures and efforts for training and equipment in fire, water rescue, tactical rescue and hazardous materials. Battalion Chiefs will be assigned to each special team to monitor and effectively assess training needs and expenditures.

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## *Budget Overview*

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The City continues to invest in the workforce by adding a 3% compensation increase for salary and corresponding benefits. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. The sections below represents further initiatives made to the budget specific to the department.

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## Base Budget Adjustments

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### A. Motor Vehicles

**Division:** Fire Support

**Total Cost:** (\$90,000)

**Priority:** One-Time Removal

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** FY16 one-time funding was removed in the FY17 base budget totaling \$90,000 associated with three (3) vehicle purchases.

### B. Thermal Imaging Cameras

**Division:** Firefighting

**Total Cost:** (\$26,500)

**Priority:** One-Time Removal

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** FY16 one-time funding was removed in the FY17 base budget totaling \$26,500 related to thermal imaging cameras.

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## Budget Modifications

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### A. Reimbursements

**Division:** Fire and Life Safety

**Total Cost:** (\$11,000)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** Reduction in reimbursements due to film decline justified a \$11,000 reduction. An associated revenue reduction is included.

### B. Uniforms and Clothing

**Division:** Firefighting

**Total Cost:** (\$2,000)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A three year analysis of trend data usage was reviewed and a reduction in this line was validated. The reduction leaves a budget of \$96,520.

**C. Firefighting Equipment**

**Division:** Firefighting

**Total Cost:** (\$2,000)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A three year analysis of trend data usage was reviewed and a reduction in this line was validated leaving a budget of \$23,555.

**D. 24-hour operations supervision**

**Division:** Firefighting

**Total Cost:** -

**Priority:** Strategic Plan

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** An internal reorganization will allow for 24-hour supervision in the Fire Department. The reorganization creates three Assistant Operations Chiefs, resulting in 24-hr oversight. Existing resources are being directed towards this effort. Due to delay in hiring, many vacant and newly created positions will not be filled immediately causing no expected budget impact for FY17.

**E. Annual software licensing increase**

**Division:** Firefighting

**Total Cost:** \$3,750

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding in the amount of \$3,750 covers the annual inflation of the current NICT dashboard software needs of the department.

**F. Consumable Materials**

**Division:** Fire Support

**Total Cost:** \$4,000

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding totaling \$4,000 allows the department to keep up with inflation on station supplies. The majority of the account is used to maintain the Grainger "Keep Stock" program.

**G. Uniforms and Clothing**

**Division:** Fire Support

**Total Cost:** \$5,000

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding covers an expected increase in the uniform contract in the amount of \$5,000.

#### H. Tablets for operations

**Division:** Fire Support

**Total Cost:** \$8,060

**Priority:** Strategic Plan

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding allows the Fire Dept. to purchase tablets to aid the day-to-day operations in pre-incident planning, business safety surveys, hydrant inspections and smoke alarm installations. Funding totaling \$8,060 includes ten (10) tablets and associated data plans.

#### I. Stand-by: After hours response

**Division:** Fire and Life Safety

**Total Cost:** \$16,705

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding allows the department to pay non-exempt fire inspector personnel for stand-by time allowing for 24/7 coverage when needed. The funding includes salary \$14,000 plus benefits totaling \$16,705.

#### J. Mobile Inspection Hardware and software

**Division:** Fire Prevention and Fire Support

**Total Cost:** \$22,290

**Priority:** Strategic Plan

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding in the amount of \$22,290 allows for a mobile inspection program including mobile inspection software, participation in the PC replacement fund, mobile PCs for inspection software and software license to aid fire inspectors conducting inspections in the field.

#### K. Defibrillators and extrication air bags

**Division:** Firefighting

**Total Cost:** \$42,000

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** In FY16, funding for two defibrillators were authorized. The FY17 funding continues the department need to replace defibrillators over a period of years. The request funds two (2) defibrillators in the amount of \$7,000. Additionally, the funding will allow the Fire Department to replace 9 air bags used during extrication incidents that will reach their life-expectancy in FY17 costs \$35,000.

#### L. Vehicle Replacement

**Division:** Fire Support

**Total Cost:** \$45,000

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding will allow the replacement of existing (2) two vehicles, a 2005 Crown Vic (\$23K) and a 2010 pickup truck (\$22K) in the amount of \$45,000.

#### M. Medic Program

**Division:** Multiple Divisions

**Total Cost:** \$127,746

**Priority:** Strategic Plan

**Position(s):** Full Time Equivalent: 3; Part-Time: 0

**Description:** This funding allows for a Medic program aimed at reducing the number of responses by frontline apparatus when dispatched to an EMS incident. The request includes the vehicle (\$36,000), and staffing to include two (2) firefighters and one (1) master firefighter to be funded half year in FY17. Total cost for half year funding of the positions (\$76,616) and associated operating expenses (\$51,130) equals \$127,746. This represents a pilot program operating on one shift. Evaluation of the program will occur in FY17 for continuation.

#### N. Non-payroll benefits

**Division:** Multiple Divisions

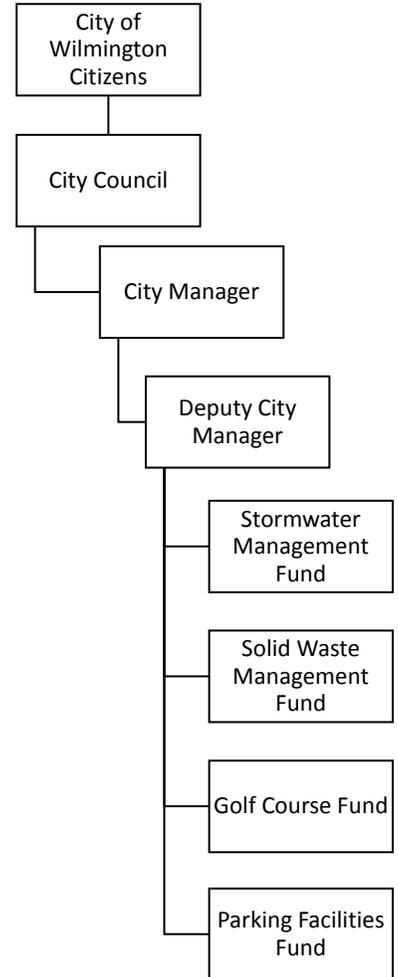
**Total Cost:** \$166,840

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** In the FY16 budget, benefits associated with temporary, time and 1/2, reimbursement etc. were not budgeted accordingly. Thus to budget them for FY17, inflates their base budget. Cost for this correction is \$166,840.

## Enterprise Funds



## STORMWATER MANAGEMENT FUND

The City of Wilmington's Stormwater Management division funded by the Stormwater Management enterprise fund, maintains and improves the public drainage system for the protection of the community and the environment.

### BUDGET SUMMARY

	FY 14-15	FY 15-16	FY 15-16	FY 16-17	Variance
Expenditure by Division	Actual	Adopted	Adjusted	Recommend	FY 15-16 to FY 16-17
Storm Water					
Maintenance	\$ 3,699,639	\$ 4,185,483	\$ 4,188,083	\$ 4,158,587	-0.6%
Storm Water Services	\$ 986,582	\$ 1,024,339	\$ 1,251,377	\$ 1,043,460	1.9%
Nondepartmental	\$ 10,412,635	\$ 4,432,740	\$ 4,747,240	\$ 5,098,174	15.0%
<b>Grand Total</b>	<b>\$ 15,098,856</b>	<b>\$ 9,642,562</b>	<b>\$ 10,186,700</b>	<b>\$ 10,300,221</b>	<b>6.8%</b>
<b>Expenditure by Category</b>					
Personnel	\$ 2,313,696	\$ 2,543,178	\$ 2,543,178	\$ 2,590,235	1.9%
Benefits	\$ 722,522	\$ 845,417	\$ 845,417	\$ 866,195	2.5%
Operating	\$ 1,602,227	\$ 1,755,299	\$ 1,984,937	\$ 1,745,617	-0.6%
Outlay	\$ 1,453	\$ 65,928	\$ 65,928		0.0%
Nondepartmental	\$ 10,458,957	\$ 4,432,740	\$ 4,747,240	\$ 5,098,174	15.0%
<b>Grand Total</b>	<b>\$ 15,098,856</b>	<b>\$ 9,642,562</b>	<b>\$ 10,186,700</b>	<b>\$ 10,300,221</b>	<b>6.8%</b>
<b>Authorized Positions</b>					
Storm Water	51	51	51	51	
Maintenance					
Storm Water Services	9	9	9	9	
<b>Grand Total</b>	<b>60</b>	<b>60</b>	<b>60</b>	<b>60</b>	<b>-</b>

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### *Division Descriptions*

The **Stormwater Maintenance** section is responsible for maintaining the public drainage system. Maintenance activities consist of two core components - open drainage, which includes ditches and ponds, and closed drainage, which is comprised of underground pipes and culverts.

The five core components of **Stormwater Services** include: management and planning, capital improvements, regulatory and enforcement activities, water quality, and operations and maintenance.

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### **Budget Overview**

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The City continues to invest in the workforce by adding a 3% compensation increase for salary and corresponding benefits. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. The sections below represents further initiatives made to the budget specific to the department.

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### **Base Budget Adjustments**

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#### **A. One-time, Non-Recurring Expenditure Reduction: Motor Vehicles**

**Division:** Stormwater - Stormwater Maintenance  
**Total Cost:** (\$30,400)  
**Priority:** One-Time Removal  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** FY16 one-time funding was removed in the FY17 base budget totaling \$30,400 used for the purchase of a pond mower and trailer.

#### **B. One-time, Non-Recurring Expenditure Reduction: Data Processing**

**Division:** Stormwater - Stormwater Maintenance  
**Total Cost:** (\$19,510)  
**Priority:** One-Time Removal  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** FY16 one-time funding was removed in the FY17 base budget totaling \$19,510 related to the purchase of scale house hardware and software.

#### **C. One-time, Non-Recurring Expenditure Reduction: Other Equipment**

**Division:** Stormwater - Stormwater Maintenance  
**Total Cost:** (\$16,018)  
**Priority:** One-Time Removal  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** FY16 one-time funding was removed in the FY17 base budget totaling \$16,018 related to the purchase of a leaf vacuum and concrete mixer.

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## Budget Modifications

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### A. Communication-Data Lines

**Division:** Stormwater - Stormwater Maintenance  
**Total Cost:** \$3,368  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding totaling \$3,368 covers the increased costs of push to talk phones for Stormwater staff. The need for communication with staff is essential to the operations of the division and continuing to provide core services.

### B. Revenue Recovery CFPUA

**Division:** Stormwater - Stormwater Maintenance  
**Total Cost:** \$8,000  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The CFPUA Revenue Recovery Fee has been an unbudgeted expense, resulting in operating funding being used to cover the cost. Funding in the amount of \$8,000 has been added to the budget and will more adequately budget for this expense in FY17.

### C. Stand-by: After hours response

**Division:** Stormwater - Stormwater Maintenance  
**Total Cost:** \$8,955  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The Public Services' Stormwater division will utilize \$8,955 in new monies to allow for a stand-by program, sharing 24/7 response responsibilities with the Public Services' Streets and Community Services' Tree Management divisions. This funding enables the division to budget for non-exempt personnel to respond to after hours events. The total includes salary plus benefits.

### D. Emergency pumping equipment

**Division:** Stormwater - Stormwater Maintenance  
**Total Cost:** \$32,000  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding in the amount of \$32,000 allows the Stormwater division to adequately budget to dispatch emergency pumping equipment to two flood prone areas. The locations are being addressed in upcoming capital projects.

## SOLID WASTE MANAGEMENT FUND

The City of Wilmington's Solid Waste Management division, funded by the Solid Waste Management fund, oversees the collection and disposal of City solid waste customer refuse. The division also oversees recycling, yard waste and bulky collection.

### BUDGET SUMMARY

	FY 14-15	FY 15-16	FY 15-16	FY 16-17	Variance
<b>Expenditure by Division</b>	<b>Actual</b>	<b>Adopted</b>	<b>Adjusted</b>	<b>Recommend</b>	<b>FY 15-16 to FY 16-17</b>
Administration	\$ 415,056	\$ 433,352	\$ 438,552	\$ 424,913	-1.9%
Customer Refuse	\$ 3,702,913	\$ 3,722,697	\$ 3,727,697	\$ 3,673,959	-1.3%
Recycling	\$ 623,273	\$ 860,249	\$ 890,249	\$ 791,011	-8.0%
Yard Waste	\$ 2,729,546	\$ 1,643,367	\$ 1,640,167	\$ 1,858,362	13.1%
Downtown Collections	\$ 972,557	\$ 1,029,337	\$ 1,009,337	\$ 1,023,941	-0.5%
Bulky/Metal Collection	\$ 532,396	\$ 653,360	\$ 638,360	\$ 644,958	-1.3%
Nondepartmental	\$ 921,527	\$ 979,824	\$ 979,824	\$ 936,936	-4.4%
<b>Grand Total</b>	<b>\$ 9,897,267</b>	<b>\$ 9,322,186</b>	<b>\$ 9,324,186</b>	<b>\$ 9,354,080</b>	<b>0.3%</b>
Personnel	\$ 2,523,393	\$ 2,832,277	\$ 2,832,277	\$ 2,906,712	2.6%
Benefits	\$ 809,757	\$ 946,676	\$ 946,676	\$ 1,005,269	0.0%
Operating	\$ 5,589,187	\$ 4,563,409	\$ 4,565,409	\$ 4,505,163	-1.3%
Nondepartmental	\$ 974,931	\$ 979,824	\$ 979,824	\$ 936,936	-4.4%
<b>Grand Total</b>	<b>\$ 9,897,267</b>	<b>\$ 9,322,186</b>	<b>\$ 9,324,186</b>	<b>\$ 9,354,080</b>	<b>0.3%</b>
<b>Authorized Positions</b>					
Administration	5	5	5	5	
Customer Refuse	33	33	33	33	
Recycling	5	5	5	5	
Yard Waste	22	22	22	22	
Downtown Collections	11	11	11	11	
Bulky/Metal Collection	7	7	7	7	
<b>Grand Total</b>	<b>83</b>	<b>83</b>	<b>83</b>	<b>75</b>	<b>(8)</b>

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### *Division Description*

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The primary responsibility of the Solid Waste **Administration** is to provide leadership and direction for all operational sections. Other responsibilities include: telephone customer support, bulky pick up appointments, new customer support, assure proper billing information is sent to CFPUA and scheduling the cleaning, delivery, pick up, and repair of customer trash carts.

The **Customer Refuse Collection** section of Solid Waste Management provides residential trash collection to 30,000 City of Wilmington residents.

The **Recycling** section provides for the bi-weekly curbside collection of recyclable materials from City Solid Waste Customers.

The **Yard Waste** section provides for the weekly curbside collection of vegetative yard waste. Once collected, all yard waste is contractual processed through a commercial facility and hauled to the New Hanover County Landfill for reuse.

Commercial establishments in the Central Business District (CBD) can elect trash collection ranging from two times a week, to twice a day, seven times per week. The responsibility for this service is housed in the Downtown Collection section. Residents in the CBD have seven day per week collection. This section also includes daily servicing of over 250 brick trash receptacles and 100 ashtrays in the Central Business District and City parks. **Downtown Services** also maintain two public restrooms, pressure washes sidewalks and provides litter collection seven days a week, 18 hours per day. Downtown Services organizes all cleanup activities following the City's variety of festivals and events in the CBD.

The **Bulky** section oversees the City's call-in bulky, white goods, and electronic collection, and carrion service to veterinarian offices, commercial seafood establishments and City streets.

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### *Budget Overview*

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The City continues to invest in the workforce by adding a 3% compensation increase for salary and corresponding benefits. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. A total of 8 unfunded positions were removed in the FY17 budget. These position remained in previous years while a pilot program of using temporary services in lieu of those positions was evaluated. The program has been successful therefore the 8 positions are no longer required. The sections below represents further initiatives made to the budget specific to the department.

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## Budget Modifications

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### A. Landfill Disposal Fees

**Division:** Solid Waste - Multiple

**Total Cost:** (\$129,790)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The \$129,790 reduction is associated with an expected decrease of \$3/ton in NHC landfill fees as well as a \$10/ton reduction in recycling processing fees.

### B. Small Tools

**Division:** Solid Waste - Recycling

**Total Cost:** (\$54,368)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The reduction of \$54,368 is due to customer recycling carts, ashtrays and brick trash receptacles purchased in FY16 are not needed in FY17.

### C. Contracted Refuse Collection

**Division:** Solid Waste - Administration

**Total Cost:** (\$21,492)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The reduction totaling \$21,492 will allow the city office and park dumpster cost to move from the enterprise Solid Waste division budget to the general fund budget. Buildings is proposing a corresponding enhancement.

### D. Fuel

**Division:** Solid Waste - Customer Refuse

**Total Cost:** (\$8,918)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The reduction totaling \$8,918 eliminates the fuel costs associated with the twice per week refuse collection service.

### E. Revenue Recovery CFPUA

**Division:** Solid Waste - Administration

**Total Cost:** \$3,800

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The CFPUA Revenue Recovery Fee has been an unbudgeted expense, resulting in operating funding being used to cover the cost. The funding totaling \$3,800 will more adequately budget for this expense in FY17.

#### F. Small Tools

**Division:** Solid Waste - Refuse and Solid Waste - Recycling

**Total Cost:** \$15,000

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding of \$15,000 enhances the CBD refuse and recycling program, as well as the aesthetics of the CBD, with black, metal trash containers and grant-funded blue metal recycling containers. The grant application has been submitted to NCDEACS with City Council support and requires a 20% match (\$6,000).

#### G. Rover Bulky Program

**Division:** Solid Waste - Bulky/Metal Collection

**Total Cost:** \$29,866

**Priority:** Strategic Plan

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding totaling \$29,866 will allow Solid Waste Management to coordinate with the Wilmington Police Department to clean up City right of ways and illegal dumpsites, aiding in the 'Broken Window Theory', potentially reducing crime in the community. The Solid Waste office proposes one crew will work every other week on Wednesdays for a 10-hr shift earning overtime to clean dumpsites, remove debris from vacant properties and aid in outreach to encourage customers to use the Solid Waste bulky program.

#### H. Yard Waste and Electronic services

**Division:** Solid Waste - Yard Waste and Bulky Metal Collection

**Total Cost:** \$291,140

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding of \$291,140 allows the Solid Waste division to manage increased yard waste processing and additional hauling costs associated with yard waste. The current contract ended January 2016; Solid Waste Management is hauling the yard waste to NHC landfill until this is resolved. Additionally, funds are needed to continue the successful curbside electronic collection program. State funding for the program is no longer available. Currently, Solid Waste Management is working with NHC and a vendor to recycle electronics.

## GOLF COURSE FUND

### BUDGET SUMMARY

	FY 14-15	FY 15-16	FY 15-16	FY 16-17	Variance
<b>Expenditure by Division</b>	<b>Actual</b>	<b>Adopted</b>	<b>Adjusted</b>	<b>Recommend</b>	<b>FY 15-16 to FY 16-17</b>
Municipal Golf Course	\$ 1,031,966	\$ 1,250,441	\$ 1,276,451	\$ 1,298,367	3.8%
Inland Greens Course	\$ 74,695	\$ 81,617	\$ 81,617	\$ -	-100.0%
Nondepartmental	\$ 125,500	\$ 114,144	\$ 114,144	\$ 128,068	12.2%
<b>Grand Total</b>	<b>\$ 1,232,161</b>	<b>\$ 1,446,202</b>	<b>\$ 1,472,212</b>	<b>\$ 1,426,435</b>	<b>-1.4%</b>
 <b>Expenditure by Category</b>					
Personnel	\$ 489,465	\$ 503,955	\$ 507,043	\$ 517,882	2.8%
Benefits	\$ 142,940	\$ 154,675	\$ 154,675	\$ 164,396	6.3%
Miscellaneous	\$ 742	\$ 99,209	\$ 99,209	\$ 26,000	-73.8%
Operating	\$ 556,566	\$ 674,563	\$ 697,485	\$ 711,757	0.0%
Outlay	\$ 36,342	\$ 13,800	\$ 13,800	\$ -	-100.0%
Nondepartmental	\$ 6,106	\$ -	\$ -	\$ 6,400	100.0%
<b>Grand Total</b>	<b>\$ 1,232,161</b>	<b>\$ 1,446,202</b>	<b>\$ 1,472,212</b>	<b>\$ 1,426,435</b>	<b>-1.4%</b>
 <b>Authorized Positions</b>	 <b>11</b>	 <b>11</b>	 <b>11</b>	 <b>11</b>	 <b>-</b>

### *Budget Overview*

The City continues to invest in the workforce by adding a 3% compensation increase for salary and corresponding benefits. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. The sections below represents further initiatives made to the budget specific to the department.

### *Base Budget Adjustments*

#### **A. Transfer to Municipal Golf Course**

**Division:** Inland Greens  
**Total Cost:** (\$84,197)  
**Priority:** Transfer  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** Transferred one (1) employee, including salary and benefits and Inland Greens operating funding to Municipal Golf Course.

**A. Transfer to Municipal Golf Course**

**Division:** Muni

**Total Cost:** \$84,197

**Priority:** Transfer

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** Transferred one (1) employee, including salary and benefits and Inland Greens operating funding to Municipal Golf Course.

**B. One-time, Non-Recurring Expenditure Reduction: Budget Reserve**

**Division:** Muni

**Total Cost:** (\$73,209)

**Priority:** One-Time Removal

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** FY16 Budget reserve of \$73,209 was no longer needed.

**C. One-time, Non-Recurring Expenditure Reduction: Rolling Stock-Non Vehicle**

**Division:** Muni

**Total Cost:** (\$13,800)

**Priority:** One-Time Removal

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** FY16 one-time funding was removed in the FY17 base budget totaling \$13,800 for equipment purchases.

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**Budget Modifications**

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**B. Contracted Temporary Services**

**Division:** Muni

**Total Cost:** (\$2,000)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The reduction of \$2,000 in contracted temporary services was accepted, leaving a budget of \$66,000.

**C. Tournament Expenses**

**Division:** Muni

**Total Cost:** (\$1,000)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The reduction in tournament expenses totaling \$1,000 was removed using a three year trend data analysis, leaving a budget of \$7,000.

#### **D. Repairs and Maintenance - Buildings & Grounds**

**Division:** Muni

**Total Cost:** (\$500)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The reduction of \$500 in fuel was removed using a three year trend analysis, leaving a budget of \$500.

#### **E. Contracted Temporary Services**

**Division:** Muni

**Total Cost:** \$30,000

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding of \$30,000 enables the Golf fund to budget for four (4) full time seasonal contracted temporary employees for Municipal Course. The temporary staff will assist in golf course maintenance from April through September.

## PARKING FUND

### BUDGET SUMMARY

Expenditure by Division	FY 14-15	FY 15-16	FY 15-16	FY 16-17	Variance
	Actual	Adopted	Adjusted	Recommend	FY 15-16 to FY 16-17
Parking Facilities		\$ 341,855	\$ 341,855	\$ 95,000	-72.2%
Street Parking	\$ 985,149	\$ 1,034,352	\$ 997,555	\$ 1,213,397	17.3%
Market Street Deck	\$ 436,272	\$ 515,838	\$ 515,825	\$ 518,256	0.5%
Second Street Deck	\$ 300,482	\$ 372,340	\$ 372,340	\$ 358,373	-3.8%
Second Street Lot	\$ 235,348	\$ 220,760	\$ 255,836	\$ 270,062	22.3%
Water Street Deck	\$ 147,876	\$ 170,384	\$ 172,396	\$ 46,163	-72.9%
Hannah Block Lot	\$ 12,063	\$ 16,318	\$ 17,740	\$ 16,669	2.2%
Nondepartmental	\$ 3,720,624	\$ 815,561	\$ 1,126,580	\$ 1,749,370	114.5%
<b>Grand Total</b>	<b>\$ 5,837,813</b>	<b>\$ 3,487,408</b>	<b>\$ 3,800,127</b>	<b>\$ 4,267,290</b>	<b>22.4%</b>
Personnel	\$ 83,320	\$ 114,812	\$ 114,812	\$ 131,164	14.2%
Benefits	\$ 2,171,830	\$ 43,170	\$ 43,170	\$ 46,961	0.0%
Operating	\$ 1,735,763	\$ 2,110,010	\$ 2,111,632	\$ 2,228,717	5.6%
Outlay	\$ 265,977	\$ 106,000	\$ 106,000	\$ 60,000	-43.4%
Nondepartmental	\$ 60,819	\$ 6,000	\$ 6,078	\$ 6,078	1.3%
Debt Service	\$ 869,403	\$ 815,561	\$ 1,126,580	\$ 1,099,370	34.8%
Miscellaneous	\$ -	\$ 291,855	\$ 291,855	\$ 45,000	-84.6%
Transfers	\$ 650,700	\$ -	\$ -	\$ 650,000	100.0%
<b>Grand Total</b>	<b>\$ 5,837,813</b>	<b>\$ 3,487,408</b>	<b>\$ 3,800,127</b>	<b>\$ 4,267,290</b>	<b>22.4%</b>
<b>Authorized Positions</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>-</b>

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### *Budget Overview*

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The City continues to invest in the workforce by adding a 3% compensation increase for salary and corresponding benefits. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. The sections below represents further initiatives made to the budget specific to the department.

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## Budget Modifications

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### A. Capital Outlay - Other Equipment

**Division:** Street Parking

**Total Cost:** (\$46,000)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** New meters installed in FY16. Capital Outlay - Other Equipment for \$46,000 will not be needed in FY17.

### B. Maintenance Contracts

**Division:** Second Street Deck

**Total Cost:** (\$16,050)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The Parking division will be upgrading and/or replacing the existing Revenue Control Equipment with TIBA. This reduction is due to no longer needing the equipment maintenance contract related to the old equipment.

### C. Maintenance Contracts

**Division:** Market Street Deck

**Total Cost:** (\$9,200)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The Parking division will be upgrading and/or replacing the existing Revenue Control Equipment with TIBA. This reduction is due to no longer needing the equipment maintenance contract related to the old equipment.

### D. Electricity

**Division:** Second Street Deck

**Total Cost:** (\$4,760)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** LED bulbs are gradually bringing the cost of electricity down. The Parking division is replacing lighting fixtures with LED fixtures as needed.

**E. Sewer**

**Division:** Market Street Deck  
**Total Cost:** (\$2,330)  
**Priority:** Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** A three year analysis of trend data usage was reviewed and a reduction of \$2,330 was validated.

**F. Water**

**Division:** Market Street Deck  
**Total Cost:** (\$2,100)  
**Priority:** Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** A three year analysis of trend data usage was reviewed and a reduction of \$2,100 was validated.

**G. Software Rental/Licensing**

**Division:** Hannah Block Lot  
**Total Cost:** (\$1,200)  
**Priority:** Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** Due to increased use of the pay stations and a reduction in software user fees, \$1,200 was removed from the budget.

**H. Computer Software**

**Division:** Street Parking  
**Total Cost:** (\$1,160)  
**Priority:** Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The Parking division is cancelling an annual software subscription totaling \$1,160.

**I. Refuse**

**Division:** Second Street Deck  
**Total Cost:** (\$338)  
**Priority:** Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** A three year analysis of trend data usage was reviewed and a reduction of \$338 was validated.

**J. Repairs and Maintenance**

**Division:** Second Street Lot

**Total Cost:** (\$200)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** Reduction totaling \$200 is due to antennae inventory supply from the Water Street Deck demolition.

**K. Communication-Data Lines**

**Division:** Hannah Block Lot

**Total Cost:** (\$168)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A three year analysis of trend data usage was reviewed and a reduction of \$168 was validated.

**L. Water**

**Division:** Second Street Deck

**Total Cost:** (\$100)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A three year analysis of trend data usage was reviewed and a reduction of \$100 was validated.

**M. Repairs and Maintenance**

**Division:** Hannah Block Lot

**Total Cost:** (\$100)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The reduction in the amount of \$100 is due to new inventory supply from the Water St. deck demolition slated for the Fall of 2016.

**N. Refunds**

**Division:** Second Street Lot

**Total Cost:** (\$50)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A three year analysis of trend data usage was reviewed and a reduction of \$50 was validated.

**O. Refunds**

**Division:** Street Parking  
**Total Cost:** (\$50)  
**Priority:** Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** A three year analysis of trend data usage was reviewed and a reduction of \$50 was validated.

**P. Refunds**

**Division:** Water Street Deck  
**Total Cost:** (\$121,571)  
**Priority:** Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The reduction in the amount of \$121,571 is due to the expected Water St. deck demolition slated for the Fall of 2016. All operating funding was removed except for the first quarter of FY17. Funding includes reductions in contracted temporary services, refuse, utility costs, repairs and maintenance, bank charges and software.

**Q. Communication-Data Lines**

**Division:** Second Street Lot  
**Total Cost:** \$8  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding in the amount of \$8 is in place to cover pay station overages.

**R. Other Utilities**

**Division:** Second Street Deck  
**Total Cost:** \$15  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding of \$15 allows the Parking division to adequately budget for other utilities.

**S. Property Taxes**

**Division:** Second Street Lot  
**Total Cost:** \$78  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding in the amount of \$78 covers increased property taxes for the Second St. lot based on actuals.

#### T. Maintenance Contracts

**Division:** Hannah Block Lot

**Total Cost:** \$84

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding totaling \$84 allows the Parking division to adequately budget for an increase in a maintenance contract agreement.

#### U. Other Utilities

**Division:** Market Street Deck

**Total Cost:** \$94

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding in the amount of \$94 allows the Parking division to adequately budget for other utilities.

#### V. Office Supplies

**Division:** Street Parking

**Total Cost:** \$100

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding of \$100 allows the Parking division to purchase a new office chair for the new Parking Manager.

#### W. Other Professional Services

**Division:** Hannah Block Lot

**Total Cost:** \$300

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding totaling \$300 allows the Parking division to adequately budget for an increase in a contract agreement.

#### X. Electricity

**Division:** Second Street Lot

**Total Cost:** \$400

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The Second Street Lot added an additional pay station resulting in increased electricity usage totaling \$400.

#### Y. Business Travel

**Division:** Street Parking  
**Total Cost:** \$500  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding of \$500 allows the Parking division to participate in the Carolina Parking Assoc. & IPI conference.

#### Z. Printing Services

**Division:** Second Street Lot  
**Total Cost:** \$1,000  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding of \$1,000 enables the Parking division to replace current signs missing or in disrepair.

#### AA. Bank Charges

**Division:** Second Street Lot  
**Total Cost:** \$1,031  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding in the amount of \$1,031 allows the Parking division to pay for increased bank charges, based on an increase use in transient and monthly customers using bank cards.

#### BB. Bank Charges

**Division:** Hannah Block Lot  
**Total Cost:** \$1,435  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** There is an increase in use at the Hannah Block parking lot, thus an increase in bank fees. This funding of \$1,435 allows the Parking division to adequately budget for those fee increases.

#### CC. Other Professional Services

**Division:** Second Street Lot  
**Total Cost:** \$1,678  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding in the amount of \$1,678 allows the Parking division to adequately budget for an increase in a contract agreement.

#### **DD. Bank Charges**

**Division:** Market Street Deck  
**Total Cost:** \$1,735  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding totaling \$1,735 allows the Parking division to pay for increased bank charges, based on an increase use in transient and monthly customers using bank cards.

#### **EE. Repairs and Maintenance**

**Division:** Second Street Deck  
**Total Cost:** \$2,000  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding totaling \$2,000 covers the repairs and maintenance associated with cameras.

#### **FF. Overhire for Parking Manager - 1 Month**

**Division:** Street Parking  
**Total Cost:** \$3,657  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding totaling \$3,657 enables the Parking division to over hire a Parking Manager position by one month, given the upcoming Parking Manager retirement.

#### **GG. Repairs and Maintenance**

**Division:** Second Street Deck  
**Total Cost:** \$3,680  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding totaling \$3,680 allows the Parking division to cover the service and repair needs on the buildings and grounds it manages.

#### **HH. Other Professional Services**

**Division:** Second Street Deck  
**Total Cost:** \$5,971  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding in the amount of \$5,971 allows the Parking division to adequately budget for an increase in the Second St. Deck contract.

## II. Other Professional Services

**Division:** Market Street Deck  
**Total Cost:** \$7,046  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding totaling \$7,046 allows the Parking division to adequately budget for an increase in the Market St. deck contract.

## JJ. Repairs and Maintenance

**Division:** Market Street Deck  
**Total Cost:** \$11,000  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding in the amount of \$11,000 will allow the Parking division to cover the increase in repairs and maintenance of equipment.

## KK. Repairs and Maintenance

**Division:** Market Street Deck  
**Total Cost:** \$12,120  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding totaling \$12,120 allows the Parking division to cover the service and repair needs on the buildings and grounds it manages.

## LL. Retirement Payout for Parking Manager

**Division:** Street Parking  
**Total Cost:** \$13,796  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding in the amount of \$13,796 allows for the Parking division to adequately budget for Separation Pay with related benefits for upcoming Parking Manager retirement.

## MM. Communication-Data Lines

**Division:** Street Parking  
**Total Cost:** \$14,530  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding of \$14,530 covers the 402 IPS Smart Meter 5% increase in fees.

## NN. Bank Charges

**Division:** Street Parking  
**Total Cost:** \$23,500

**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding totaling \$23,500 covers increased bank charge rates and account for an expanded parking coverage area by ten (10) to eleven (11) city blocks.

#### **OO. Lease Purchase Payments**

**Division:** Second Street Lot  
**Total Cost:** \$45,357  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding of \$45,357 allows the Parking division to adequately budget for an increase in lease purchase payments.

#### **PP. Repairs and Maintenance**

**Division:** Street Parking  
**Total Cost:** \$45,450  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding in the amount of \$45,450 allows the Parking division to repair or replace meters due to vandalism and to repaint on street parking stalls.

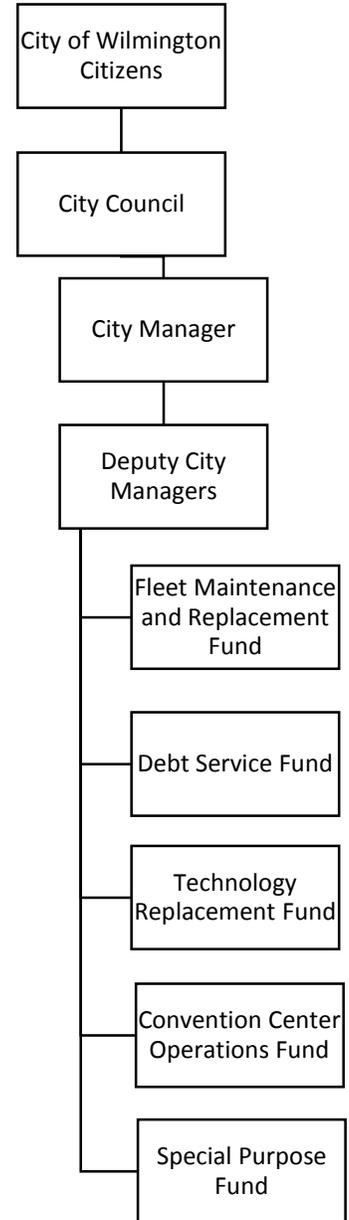
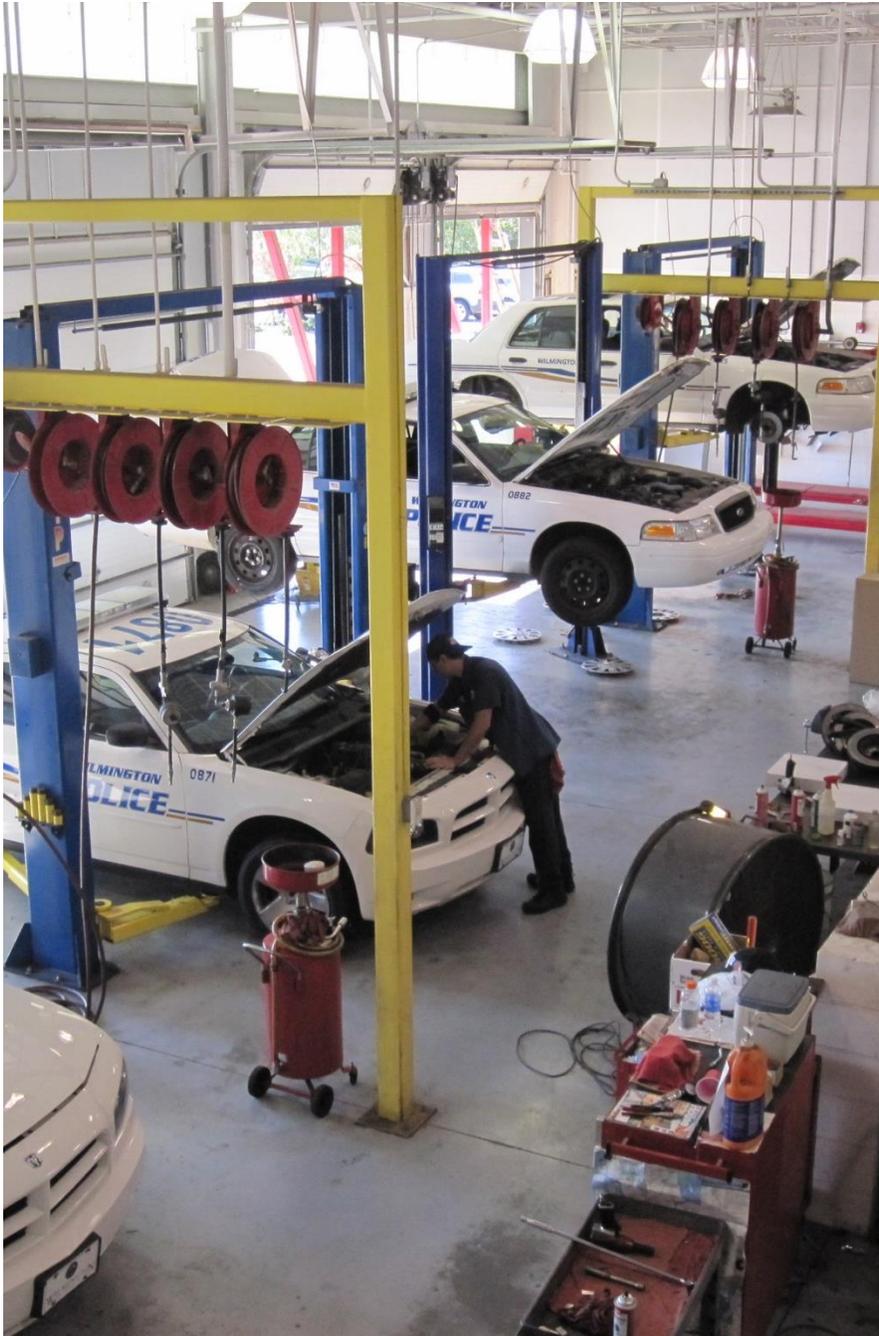
#### **QQ. Capital Outlay - Building**

**Division:** Parking Facilities  
**Total Cost:** \$50,000  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding totaling \$50,000 allows for the Park Wilmington office to be renovated.

#### **RR. Other Professional Services**

**Division:** Street Parking  
**Total Cost:** \$125,478  
**Priority:** Continuance of Service  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0  
**Description:** The funding in the amount of \$125,478 allows the Parking division to adequately budget for an increase in a contract agreement.

## Other Funds



## FLEET MAINTENANCE & REPLACEMENT FUND

### BUDGET SUMMARY

Expenditure by Division	FY 14-15	FY 15-16	FY 15-16	FY 16-17	Variance
	Actual	Adopted	Adjusted	Recommend	FY 15-16 to FY 16-17
Debt Service	\$ 18,573	\$ 443,205	\$ 443,205	\$ 446,777	0.8%
Fleet Operations	\$ 8,261,848	\$ 5,801,737	\$ 6,661,988	\$ 6,607,938	13.9%
<b>Grand Total</b>	<b>\$ 8,280,421</b>	<b>\$ 6,244,942</b>	<b>\$ 7,105,193</b>	<b>\$ 7,054,715</b>	<b>13.0%</b>
Personnel	\$ 559,695	\$ 610,972	\$ 611,092	\$ 607,230	-0.6%
Benefits	\$ 168,055	\$ 195,712	\$ 195,712	\$ 187,072	0.0%
Operating	\$ 1,165,058	\$ 1,273,600	\$ 1,274,100	\$ 1,279,950	0.5%
Outlay	\$ 6,451,070	\$ 2,834,953	\$ 4,344,093	\$ 4,063,686	43.3%
Nondepartmental	\$ 23,341	\$ -	\$ -	\$ -	0.0%
Debt Service	\$ 18,573	\$ 443,205	\$ 443,205	\$ 446,777	0.8%
Miscellaneous	\$ (105,371)	\$ 886,500	\$ 236,991	\$ 470,000	-47.0%
<b>Grand Total</b>	<b>\$ 8,280,421</b>	<b>\$ 6,244,942</b>	<b>\$ 7,105,193</b>	<b>\$ 7,054,715</b>	<b>13.0%</b>
<b>Authorized Positions</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>-</b>

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### *Budget Overview*

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The City continues to invest in the workforce by adding a 3% compensation increase for salary and corresponding benefits. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. The sections below represents further initiatives made to the budget specific to the department.

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## Budget Modifications

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### A. Equipment Replacement

**Division:** Finance - Fleet Services

**Total Cost:** (\$400,000)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The reduction of \$400,000 in fleet reserve for vehicle/equipment replacement was accepted and recommended by the Fleet division.

### B. Parts Clerk reclassify to lower grade

**Division:** Finance - Garage Operations

**Total Cost:** (\$22,798)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The reduction of \$22,798 to reclassify the Parks Clerk position to lower salary grade was accepted and aligns with the institution of the NAPA program. The reduction (19,074) includes salary plus associated benefits.

### C. Garage Parts

**Division:** Finance - Fleet Services

**Total Cost:** (\$16,500)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The reduction totaling \$16,500 of parts and sublet inventory was accepted and aligns with the institution of the NAPA program.

### D. Printing/Copies

**Division:** Finance - Garage Operations

**Total Cost:** (\$2,500)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A three year analysis of trend data usage was reviewed and a reduction of \$2,500 was validated.

### E. Office Supplies

**Division:** Finance - Garage Operations

**Total Cost:** (\$1,100)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** A three year analysis of trend data usage was reviewed and a reduction of \$1,100 was validated.

#### F. Small Tools

**Division:** Finance - Garage Operations

**Total Cost:** \$6,000

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding totaling \$6,000 allows Fleet to purchase small tools.

#### G. Improvements - Rolling Stock

**Division:** Finance - Fleet Services

**Total Cost:** \$233,529

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding in the amount of \$233,529 allows Fleet to purchase rolling stock needs in FY17.

#### H. Motor Vehicles

**Division:** Finance - Fleet Services

**Total Cost:** \$1,165,554

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The funding in the amount of \$1,165,554 enables the Fleet division to purchase vehicles in FY17.

## DEBT SERVICE FUND

This service/reserve fund was established in FY 2004-05 to set aside resources to meet current and future debt service requirements on general long-term debt.

### BUDGET SUMMARY

	FY 14-15	FY 15-16	FY 15-16	FY 16-17	Variance
	Actual	Adopted	Adjusted	Recommend	FY 15-16 to FY 16-17
Water & Sewer Bond Interest	\$ 88,259	\$ -	\$ -	\$ -	0.0%
Water & Sewer Installment Principal	\$ -	\$ -	\$ -	\$ 1,105,000	100.0%
Water & Sewer Installment Interest	\$ 608,495	\$ 557,995	\$ 557,995	\$ 505,245	-9.5%
Water & Sewer Fiscal Agent Fees	\$ 28,281	\$ 3,530	\$ 4,633	\$ 2,280	-35.4%
Bond Issuance	\$ 287,688	\$ -	\$ 30,000	\$ -	0.0%
Fiscal Agent Fees	\$ 57,676	\$ 59,286	\$ 61,793	\$ 70,206	18.4%
Bond Interest	\$ 876,148	\$ 819,906	\$ 819,906	\$ 874,136	6.6%
Installment Interest	\$ 3,512,080	\$ 4,642,860	\$ 4,642,860	\$ 4,053,301	-12.7%
Outstanding COPS	\$ 25,267,632	\$ -	\$ -	\$ -	0.0%
Outstanding NHC Parks Bonds	\$ -	\$ -	\$ 607,101	\$ -	0.0%
Reserve for Future Debt	\$ -	\$ 3,096,232	\$ 2,785,213	\$ 2,399,489	-22.5%
Bond Principal	\$ 4,390,000	\$ 2,025,000	\$ 2,025,000	\$ 2,166,340	7.0%
Installment Principal	\$ 6,258,558	\$ 6,337,099	\$ 6,337,099	\$ 5,085,371	-19.8%
Nondepartmental	\$ 61,249	\$ 82,611	\$ 86,611	\$ 85,588	3.6%
Transfer to Other Funds					
General Fund	\$ 416,423	\$ -	\$ 1,278,390	\$ 874,875	100.0%
Parking Facilities	\$ -	\$ -	\$ -	\$ 550,386	100.0%
Capital Projects Public Facilities	\$ 149,000	\$ 62,000	\$ 62,000	\$ 1,000,628	1513.9%
Capital Projects Streets and Sidewalks	\$ 1,605,752	\$ 2,407,598	\$ 2,407,598	\$ 650,910	-73.0%
Capital Projects Parks and Recreation	\$ 116,000	\$ 77,554	\$ 77,554	\$ 1,020,000	1215.2%
Capital Projects Parking	\$ 254,337	\$ 247,721	\$ 558,740	\$ 190,000	-23.3%
Allocated Cost	\$ 132,563	\$ 138,890	\$ 138,890	\$ 150,765	8.5%
<b>Grand Total</b>	<b>\$ 44,110,140</b>	<b>\$ 20,558,282</b>	<b>\$ 22,481,383</b>	<b>\$ 20,784,520</b>	<b>1.1%</b>

### *Budget Overview*

The City's general obligation bond rating was upgraded to AAA by Fitch Ratings in April 2016. This is the highest possible rating and matches the current AAA rating previously issued by Standard & Poor's. The higher bond rating results in lower interest costs on long-term debt. The credit rating agencies base their ratings on a number of factors. Both Fitch and Standard & Poor's cited the area's healthy and diverse economy, very strong financial management, budgetary flexibility provided by ample operating reserves, and manageable long-term obligations.

The Debt Service Fund will reserve approximately \$21.0 million to cover current and future debt obligations associated with the Capital Improvement Program. FY 2015 recognized the final GO Bond debt payments from the Authority and that debt has now retired with Other Debt remaining due. This debt is offset with revenues from the Authority to cover this obligation until it is retired.

The expenditures also reflect transfers of 20% of the FY 2017 project totals resultant from the implementation of the 80/20 capital plan. This plan provides for a dedicated \$0.0500 cents on the City's ad valorem rate to provide for an 80% financed, 20% pay-as-you-go plan for the City's recommended 5-year Capital Improvement Program for FY 2013 through FY 2017.

Effective July 1, 2015, the Debt Service Fund has a dedicated \$0.0200 cents on the City's tax rate due to an approved \$55M Bond Referendum for Streets and Sidewalks Improvements.

## TECHNOLOGY REPLACEMENT FUND

This internal service fund provides for the scheduled replacement of computers and other technology hardware in order to fully realize the benefits of improving technology and assures that the organization's workforce has the tools available to maximize productivity. The fund also provides for cloud computing services.

### BUDGET SUMMARY

Expenditure by Division	FY 14-15	FY 15-16	FY 15-16	FY 16-17	Variance
	Actual	Adopted	Adjusted	Recommend	FY 15-16 to FY 16-17
Technology Services	\$ 566,009	\$ 636,540	\$ 636,540	\$ 615,240	-3.3%
Technology Replacement	\$ 796,474	\$ 333,575	\$ 333,575	\$ 620,800	86.1%
<b>Grand Total</b>	<b>\$ 1,362,483</b>	<b>\$ 970,115</b>	<b>\$ 970,115</b>	<b>\$ 1,236,040</b>	<b>27.4%</b>

### *Budget Overview*

The technology replacement fund's FY17 budget continues to provide for the replacement of scheduled equipment including personal computers, docking stations, and other miscellaneous computer equipment.

### *Budget Modifications*

#### **A. General Fund Transfer**

**Division:** Technology Replacement Fund

**Total Cost:** (\$1,30,085)

**Priority:** Continuance of Service

**Position(s):** Full Time Equivalent: 0; Part-Time: 0

**Description:** The general fund transfer to the technology replacement fund was reduced by \$130,085 due to a more sustainable operation.

## CONVENTION CENTER OPERATIONS FUND

This operating fund was established in FY 2007-08 to set aside resources to meet operating expenditures associated with the construction and operation of the Convention Center.

### BUDGET SUMMARY

Expenditure by Division	FY 14-15	FY 15-16	FY 15-16	FY 16-17	Variance
	Actual	Adopted	Adjusted	Recommend	FY 15-16 to FY 16-17
Debt Service	\$ 4,230,883	\$ 185,322	\$ 185,322	\$ 4,018,494	2068.4%
Operating	\$ 4,242,824	\$ 4,005,936	\$ 4,004,202	\$ 4,941,267	23.3%
<b>Grand Total</b>	<b>\$ 8,473,707</b>	<b>\$ 4,191,258</b>	<b>\$ 4,189,524</b>	<b>\$ 8,959,761</b>	<b>113.8%</b>

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### *Budget Overview*

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The FY17 operational budget for the Convention Center Operations Fund reflects an increase of approximately 3.2% over FY16. This reflects an increase in anticipated revenues in rentals, food and beverage sales as well as parking revenues. Operational expenditures increased to accommodate the anticipated growth in activity at the CC. In addition to operations, an increase in Capital is reflected in FY17 due to capital facility maintenance and repair needs as well as equipment for the facility. SMG is providing \$100,000 toward capital improvements with other increases to include \$100,000 for marketing and sales efforts, \$220,000 for parking deck maintenance and repairs and \$290,000 in budget reserve.

The budget also funds personnel expenditures for food and beverage operations, and general administrative costs. Funding for the continued management by SMG, marketing by the Convention and Visitors Bureau (CVB), and the ongoing coordination and management by City staff is also included.

## SPECIAL PURPOSE FUND

The Special Purpose Fund is primarily supported by grants, donations to the City, and contributions from the General Fund for special purpose projects. Each project is identified with its own project title and code and is life-to-date.

### BUDGET SUMMARY

		FY 15-16	FY 16-17	% Change
		Adopted	Recommended	to FY 16-17
<b>Convention Center - 05ED10</b>				
Debt/Operating	\$	945,399	\$ 5,131,886	
<b>Total</b>	<b>\$</b>	<b>945,399</b>	<b>\$ 5,131,886</b>	<b>442.8%</b>
<b>Metropolitan Planning Administration - MP1516</b>				
Personnel	\$	580,668	\$ 563,272	
Benefits	\$	179,593	\$ 174,425	
Operating	\$	433,108	\$ 184,862	
<b>Total</b>	<b>\$</b>	<b>1,193,369</b>	<b>\$ 922,559</b>	<b>-22.7%</b>
<b>Annual Housing Summit - 14EP10</b>				
Reserve	\$	7,000	\$ 7,000	
<b>Total</b>	<b>\$</b>	<b>7,000</b>	<b>\$ 7,000</b>	<b>0.0%</b>
<b>Red Light Cameras - Safelight - 08TR10</b>				
Operating	\$	1,166,425	\$ 1,669,595	
<b>Total</b>	<b>\$</b>	<b>1,166,425</b>	<b>\$ 1,669,595</b>	<b>43.1%</b>
<b>Downtown Business Alliance - 08CR20</b>				
Operating	\$	11,000	\$ 11,000	
<b>Total</b>	<b>\$</b>	<b>11,000</b>	<b>\$ 11,000</b>	<b>0.0%</b>
<b>Rail Re-Alignment Study - 16TR15</b>				
Operating	\$	-	\$ 300,000	
<b>Total</b>	<b>\$</b>	<b>-</b>	<b>\$ 300,000</b>	<b>100.0%</b>

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## *Budget Overview*

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Room Occupancy Tax revenues are recorded in the Special Purpose Fund to support the operating expenditures in the Convention Center operations fund.

The City of Wilmington serves as the Lead Planning Agency for the Wilmington Metropolitan Planning Organization (MPO). Due to additional funding sources now afforded the Transportation Management Area (TMA) designation bestowed upon the City in FY 2014, and to properly monitor, verify and record expenditures associated with the multiple funding sources as well as account for the multi-member match contributions, the Metropolitan Planning Administration Special Purpose project was established. MP1617 reflects funding for the continuation of transportation management.

The fourth annual affordable housing summit is scheduled for the fall of 2016. The funding represents the City's continued support of this initiative.

The budget for the continued operation of the Safelight program reflects the operating expenditures and the required 90% contribution of the total fines paid to the New Hanover County Board of Education. This year's budget is approximately 43% higher than FY 2016 primarily due to an increase in citations and late payment fees. The budget for FY16 was \$1,166,425 and the recommended budget for FY17 is \$1,669,596.

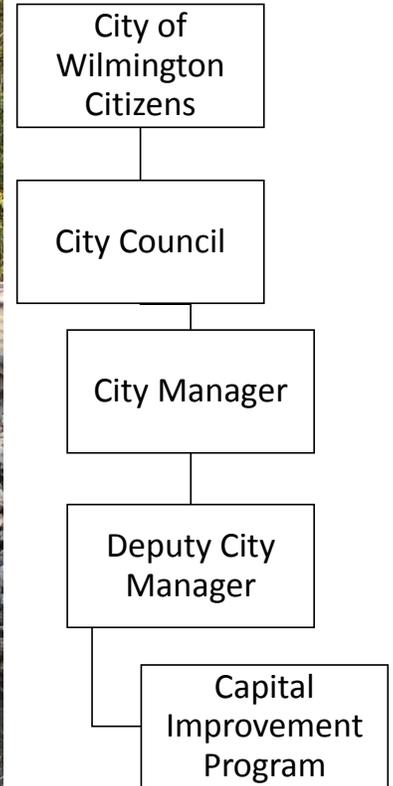
The UDAG and miscellaneous income project budget does not have an appropriation for FY 2017. This is an ongoing project however, and reflects prior year appropriation of loan repayment funds for the purposes of supporting the payment of back taxes associated with properties foreclosed upon by the City and rehabilitation loans to ensure clear title. These costs are not eligible under the CDBG or HOME programs.

The budget for the Affordable Housing Summit is an ongoing project and is funded with a transfer of \$7,000 from the General Fund.

Funding from available program income such as origination fees, course registration fees, and application fees from the Home Ownership Program (HOP) reflects prior year appropriation to continue support for the workshops, training and outreach to perspective homebuyers.

The budget for SABLE is also included in the Special Purpose Fund however, is presented under Public Safety with the Police Department budget.

## Capital Improvement Fund



## CAPITAL BUDGETING

Capital improvement programming is a critical procedure for identifying major facility needs, projecting fiscal resources, establishing priorities, and developing defined project schedules to meet the City of Wilmington capital needs. Capital projects, for the purpose of the Capital Improvement Program (CIP), are generally defined as fixed assets that have a useful life greater than five years and with a cost of \$50,000 or greater. Regular purchases of vehicles and equipment for routine operations and most maintenance and repair costs for City facilities are funded through the annual operating budget.

Once adopted by the City Council, the CIP becomes a policy document regarding the timing, location, character, and funding of future capital projects. It is recognized that the policy represented by the CIP reflects the best judgment of the City Council at the time, and that changing capital priorities, fiscal constraints, and additional needs are likely to become apparent before the program is completed.

The policy established by the CIP provides important guidance for City administration, boards, and commissions appointed by the City Council in regards to municipal governance as it relates to the following matters:

- Preparation of the capital portion of the annual operating budget
- Scheduling and prioritization of project planning and scheduling
- Financial modeling regarding the financing of debt
- Planning efforts of businesses, developers and community organizations

Capital improvement programming provides a bridge between general long-term and short-term project planning. In this process, the long-term objectives of the City are reviewed and translated into a more specific and well defined, multi-year program of five years.

### 80/10 CAPITAL DEBT PLAN

The FY 2012-13 through FY 2016-2017 CIP reflects a financing strategy implemented in FY 2013 that provides a dedicated \$0.0500 of the property tax rate for maintenance and new infrastructure needs. Eighty percent (80%) of the rate pays for debt and 20% pays for pay-as-you-go projects – 80/20 Capital Debt Plan. The projects represented in the plan are individual projects consistent with City Council goals and objectives and within a framework of identified priorities.

In order to put this plan into place, the Wilmington City Council adopted a tax rate of \$0.0300 cents over revenue neutral in the 2012 revaluation year for the FY 2012-13 budget. That three cents, in addition to the shifting of \$0.0200 cents from the General Fund, funded the plan (with the exception of Enterprise Fund projects such as Storm Water and Parking). The dedicated rate is restricted in the Debt Service Fund by Ordinance and as changes occur in future revaluation years, the tax rate can be adjusted as needed.

## FUTURE PROJECTS

The projects identified in FY 2018 and beyond represent project needs for the next five-year capital plan again with the exception of the Enterprise Fund projects. The funding of those projects assumes an additional tax rate will be required to support the projects. The tax rate would be based upon the allocated dollars recommend for the next 5 year CIP. The prioritization of the requested projects as well as the funding plan will be determined in the years of actual appropriation.

## STREETS AND SIDEWALKS GENERAL OBLIGATION BONDS

In November 2014, the voters of Wilmington approved the sale of General Obligation bonds to fund a list of projects located throughout the City. The total cost is projected to be \$55 million, with \$44 million in revenue from the sale of bonds and \$11 million from a dedication of an additional 2 cents on the tax rate. Funding for all approved bond projects has been appropriated and a complete list of can be found on the City's website.

## CAPITAL IMPROVEMENT PROGRAM SUMMARY

The Capital Improvement Program spans a six-year period covering fiscal years 2016-17 through 2021-22 for all categories except Storm Water which is a five-year period covering fiscal years 2016-17 through 2019-22. Project costs, descriptions, and funding plans are presented in four (4) programmatic categories which include Streets and Sidewalks, Parks and Recreation, Public Buildings and Facilities, and Storm Water.

The **Streets and Sidewalks** program addresses major thoroughfare needs, street maintenance and rehabilitation, sidewalk construction and repair at a six-year projected cost of \$43,347,163. The funding appropriation is planned so that two years of funding occurs in one year, and no funding is required in the following year.

The **Parks and Recreation** program provides for development of existing parks and funding for the maintenance and repair of various park facilities and structures throughout the City at a six year projected cost of \$14,751,809.

The **Public Facilities** program consists of funding for various public improvements. The six-year projected cost for this program is \$22,987,236.

The **Storm Water** program continues the City's efforts to proactively manage and mitigate the effects of storm water runoff, alleviate flooding, improve and maintain the drainage systems and drainage capacity of watercourses and containment structures City-wide at a projected cost of \$21,430,000 over five years.

**CAPITAL IMPROVEMENT COST SUMMARY BY PROGRAM**

Fiscal Years 2016-17 Through 2018-22

	2016-17	2017-18	2018-19	2019-20	2020-2021	2021-22	Total 2017-2022	2018-2022 2nd 80/20 Plan
<b>Streets &amp; Sidewalks</b>	7,354,649	2,518,456	9,821,200	7,233,270	5,963,200	10,456,388	43,347,163	35,992,514
<b>Parks &amp; Recreation</b>	2,956,800	886,500	535,300	640,766	2,306,455	7,425,988	14,751,809	11,795,009
<b>Public Buildings &amp; Facilities</b>	2,955,604	11,712,877	4,134,618	1,896,965	963,593	1,513,579	23,177,236	20,221,632
<b>Storm Water</b>	3,300,000	5,560,000	8,920,000	2,650,000	1,000,000	-	21,430,000	-
<b>Total, Cost Summary</b>	<b>16,567,053</b>	<b>20,677,833</b>	<b>23,411,118</b>	<b>12,421,001</b>	<b>10,233,248</b>	<b>19,395,955</b>	<b>102,706,208</b>	<b>68,009,155</b>

**CAPITAL IMPROVEMENT REVENUE SUMMARY BY SOURCE**

Fiscal Years 2016-17 Through 2018-22

	2016-17	2017-18	2018-19	2019-20	2020-2021	2021-22	Total 2017-2022	2018-2022 2nd 80/20 Plan
<b>General Fund</b>	5,142,370	-	-	-	-	-	-	-
<b>Debt Service Fund</b>	1,074,460	2,926,566	2,898,224	1,954,200	1,846,650	3,879,192	14,579,292	13,504,832
<b>Installment Financing - 80/20 Plan</b>	6,400,223	11,706,267	11,592,894	7,816,801	7,386,598	15,516,763	60,419,546	54,019,323
<b>Revenue Bonds</b>	1,300,000	4,560,000	7,470,000	-	-	-	13,330,000	-
<b>Parking Fund</b>	650,000	-	-	-	-	-	650,000	-
<b>Storm Water Fund</b>	2,000,000	1,000,000	1,450,000	2,650,000	1,000,000	-	8,100,000	-
<b>Total, Revenue Summary</b>	<b>16,567,053</b>	<b>20,192,833</b>	<b>23,411,118</b>	<b>12,421,001</b>	<b>10,233,248</b>	<b>19,395,955</b>	<b>97,078,838</b>	<b>67,524,155</b>

**STREETS AND SIDEWALKS**

		Second Five Year 80/20 Plan							
		Year 7		Year 8		Year 9		Year 10	
Code	Project Title	Estimated 2016-17	Estimated 2018-19	Estimated 2019-20	Estimated 2020-21	Estimated 2021-22	Total Year 6 - 10 Total	Rolling Six Year Total 2017-2022	
05SR10	Streets Rehabilitation	3,527,853	5,000,000	2,000,000	3,000,000	5,000,000	15,000,000	18,527,853	
14ST30	Kerr Ave Bicycle Facilities	352,922	-	-	-	-	-	352,922	
4SW100	Sidewalk Rehab/Repairs	-	500,000	-	1,000,000	1,000,000	2,500,000	2,500,000	
05BR20	Bridge Repair	121,608	813,200	22,761	403,200	24,035	1,284,953	1,406,561	
13ST10	Coordinated Improvements w/CFPUA	-	-	1,000,000	-	1,000,000	3,000,000	3,000,000	
4SW200	Pedestrian/Bike Improvements	500,000	500,000	-	500,000	500,000	2,000,000	2,000,000	
4WT100	WTA Grant Match (buses,shelters,benches)	-	520,000	-	-	-	520,000	520,000	
11ST10	Riverfront Assessment Update	53,500	-	2,372,353	-	-	53,500	53,500	
TBD	S Front Street Streetscape - Market to Orange	-	-	2,372,353	-	2,432,353	2,372,353	2,432,353	
TBD	Interchange Upgrade (Kerr & MLK)	-	560,000	-	560,000	-	560,000	560,000	
TBD	Interchange Upgrade (Eastwood & Military Cutoff)	183,447	-	-	560,000	-	560,000	560,000	
TBD	Market St Acorn lighting LED upgrade	-	488,000	-	-	-	488,000	488,000	
TBD	Independence Screen Wall Repair	-	-	500,000	500,000	500,000	2,000,000	2,000,000	
TBD	Brick Street Rehabilitation	500,000	2,000,000	-	-	-	2,000,000	2,000,000	
TBD	Chestnut & Grace St Improvement	259,772	-	-	-	-	259,772	259,772	
TBD	Riverwalk Red Cross Riverwalk Access	-	-	403,636	-	-	403,636	403,636	
TBD	Riverwalk South Handrails	-	-	374,500	-	-	374,500	374,500	
06ST20	Front & Red Cross Signal	-	-	-	-	-	-	-	
05BR20	Additional Bridge Repairs	702,266	-	-	-	-	702,266	702,266	
17ST10	23rd Street Connection (near Scientific Drive)	2,650,000	-	-	-	-	2,650,000	2,650,000	
	<b>Total - Streets and Sidewalks Recommended</b>	<b>7,354,649</b>	<b>9,821,200</b>	<b>7,233,270</b>	<b>5,963,200</b>	<b>10,456,388</b>	<b>35,992,514</b>	<b>43,347,163</b>	

		Funding Plan						
		Estimated 2017-18	Estimated 2018-19	Estimated 2019-20	Estimated 2020-21	Estimated 2021-22	Total Year 6 - 10 Total	Rolling Six Year Total 2017-2022
	<b>Funding Source</b>							
	General Fund	503,691	1,964,240	1,446,654	1,192,640	2,091,278	7,198,503	3,352,266
	Debt Service Fund	2,014,765	7,856,960	5,786,616	4,770,560	8,365,110	28,794,011	8,669,433
	Installment Financing - 80/20 Plan	2,518,456	9,821,200	7,233,270	5,963,200	10,456,388	35,992,514	34,677,730
	<b>Total Funding 80/20 Plan</b>	<b>2,518,456</b>	<b>9,821,200</b>	<b>7,233,270</b>	<b>5,963,200</b>	<b>10,456,388</b>	<b>35,992,514</b>	<b>39,994,897</b>
	<b>Recommended</b>	<b>2,518,456</b>	<b>9,821,200</b>	<b>7,233,270</b>	<b>5,963,200</b>	<b>10,456,388</b>	<b>35,992,514</b>	<b>43,347,163</b>

LEGEND  
 Peach fill = Original Five-Year 80/20 Plan  
 Blue fill = Second Five Year 80/20 model  
 Orange fill = General Fund



**PUBLIC FACILITIES**

Project Costs											
Second Five Year 80/20 Plan											
	Year 6	Year 7	Year 8	Year 9	Year 10	Total Year 6 - 10		Total Year 6 - 10		Rolling Six Year Total	
Code	Estimated 2017-18	Estimated 2018-19	Estimated 2019-20	Estimated 2020-21	Estimated 2021-22	Estimated 2017-18	Estimated 2018-19	Estimated 2019-20	Estimated 2020-21	Estimated 2021-22	Estimated 2017-2022
05MF10	775,883	-	910,024	-	1,139,829	775,883	-	910,024	-	1,139,829	3,151,236
TBD	8,778,182	-	-	-	-	8,778,182	-	-	-	-	8,778,182
TBD	195,790	939,618	986,941	963,593	373,750	1,957,701	939,618	986,941	963,593	373,750	3,085,942
TBD	349,076	-	-	-	-	349,076	-	-	-	-	349,076
TBD	862,696	-	-	-	-	862,696	-	-	-	-	862,696
17MF25	1,020,300	-	-	-	-	1,020,300	-	-	-	-	1,020,300
17MF30	35,000	3,195,000	-	-	-	3,230,000	3,195,000	-	-	-	6,425,000
17MF35	230,000	-	-	-	-	230,000	-	-	-	-	230,000
17MF40	200,000	-	-	-	-	200,000	-	-	-	-	200,000
17MF45	164,804	-	-	-	-	164,804	-	-	-	-	164,804
17MF45	80,000	-	-	-	-	80,000	-	-	-	-	80,000
3MF200	190,000	-	-	-	-	190,000	-	-	-	-	190,000
17MF15	300,000	-	-	-	-	300,000	-	-	-	-	300,000
17MF20	350,000	-	-	-	-	350,000	-	-	-	-	350,000
<b>Total - Public Facilities Recommended</b>	<b>11,712,877</b>	<b>4,134,618</b>	<b>1,896,965</b>	<b>963,593</b>	<b>1,513,579</b>	<b>11,712,877</b>	<b>4,134,618</b>	<b>1,896,965</b>	<b>963,593</b>	<b>1,513,579</b>	<b>20,221,632</b>

**Funding Plan**

	Estimated 2017-18	Estimated 2018-19	Estimated 2019-20	Estimated 2020-21	Estimated 2021-22	Total Year 6 - 10	Total Year 6 - 10	Rolling Six Year Total 2017-2022
<b>Funding Source</b>	<b>Estimated 2016-17</b>							
General Fund	1,790,104	-	-	-	-	1,790,104	1,790,104	5,251,354
Debt Service Fund	515,500	-	-	-	-	515,500	515,500	4,370,447
Installation Financing - 80/20 Plan	-	-	-	-	-	-	-	17,481,789
Parking Fund	650,000	-	-	-	-	650,000	650,000	1,135,000
<b>Total Funding 80/20 Plan</b>	<b>2,955,604</b>	<b>4,134,618</b>	<b>1,896,965</b>	<b>963,593</b>	<b>1,513,579</b>	<b>19,736,632</b>	<b>19,736,632</b>	<b>21,852,236</b>
<b>Total Funding - Public Facilities Recommended</b>	<b>2,955,604</b>	<b>4,134,618</b>	<b>1,896,965</b>	<b>963,593</b>	<b>1,513,579</b>	<b>20,221,632</b>	<b>20,221,632</b>	<b>28,238,590</b>

LEGEND  
 Orange fill = Original Five-Year 80/20 Plan  
 Blue fill = Second Five Year 80/20 model  
 Orange fill = General Fund

# STORM WATER

## Project Costs

Code	Project Title	Recommended	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	TOTAL
		2016-17	2017-18	2018-19	2019-20	2020-21	2019-20	2020-21	
14DC10	Clear Run Branch	2,300,000	2,300,000	2,300,000	-	-	-	-	6,900,000
15DC10	Old Macumbers Drainage Improvements	-	1,650,000	2,930,000	1,650,000	-	-	-	6,230,000
TBD	Whispering Pines/Masonboro Drainage Improvements	-	610,000	2,690,000	-	-	-	-	3,300,000
07DC20	Annual Storm Drain Rehabilitation	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
	<b>Total - Storm Water Projects</b>	<b>3,300,000</b>	<b>5,560,000</b>	<b>8,920,000</b>	<b>2,650,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>21,430,000</b>

## Funding Plan

Funding Source	Estimated	TOTAL						
	2016-17	2017-18	2018-19	2019-20	2020-21	2019-20	2020-21	
f = Stormwater Pay-Go	2,000,000	1,000,000	1,450,000	2,650,000	1,000,000	2,650,000	1,000,000	8,100,000
b2 = Revenue Bonds	1,300,000	4,560,000	7,470,000	-	-	-	-	13,330,000
<b>Total Funding</b>	<b>3,300,000</b>	<b>5,560,000</b>	<b>8,920,000</b>	<b>2,650,000</b>	<b>1,000,000</b>	<b>2,650,000</b>	<b>1,000,000</b>	<b>21,430,000</b>

Highlighted amounts represent capital spending not supported by storm water rates approved through Fiscal Year 2017-18. Therefore, to keep the projects funded as shown above, rate increases after Fiscal Year 2017-2018 would need to continue.