

## 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.

### **80/20 CAPITAL DEBT PLAN**

The FY 2013 through FY 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. Funding was also accelerated to facilitate project completion with the appropriation of funding needs from FY 2014 into FY 2013 and from FY 2016 into FY 2015.



## FY 2015-16 Adopted Budget CAPITAL IMPROVEMENT PROGRAM

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 2013 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 the continuation of the current allocation of 5 cents of the tax rate, as well as the potential for additional cents of the tax rate. 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 seven-year period covering fiscal years 2016 through 2022 for all categories except Storm Water which is a five-year period covering fiscal years 2016 through 2020. 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 seven-year projected cost of \$24,870,919. 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 seven year projected cost of \$20,764,985.

The **Public Facilities** program consists of funding for various public improvements. The seven-year projected cost for this program is \$10,647,295.

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.



FY 2015-16 Adopted Budget  
CAPITAL IMPROVEMENT PROGRAM

CAPITAL IMPROVEMENT COST SUMMARY BY PROGRAM

Fiscal Years 2015-16 Through 2021-22

	2015-16	2016-17	2017-18	2018-19	2019-20	2021-2022	Total 2016-2022	2018-2022 2nd 80/20 Plan
<b>Streets &amp; Sidewalks</b>	-	4,002,383	5,087,808	4,993,600	3,710,374	7,076,754	24,870,919	20,868,536
<b>Parks &amp; Recreation</b>	-	2,956,800	2,113,396	2,530,502	9,487,355	3,676,932	20,764,985	17,808,185
<b>Public Buildings &amp; Facilitie</b>	-	325,500	1,096,699	8,079,184	363,493	782,419	10,647,295	10,321,795
<b>Storm Water</b>	<u>1,000,000</u>	<u>5,560,000</u>	<u>8,920,000</u>	<u>4,950,000</u>	<u>1,000,000</u>	<u>-</u>	<u>21,430,000</u>	<u>-</u>
<b>Total, Cost Summary</b>	<u>1,000,000</u>	<u>12,844,683</u>	<u>17,217,903</u>	<u>20,553,286</u>	<u>14,561,222</u>	<u>11,536,105</u>	<u>77,713,199</u>	<u>48,998,516</u>

CAPITAL IMPROVEMENT REVENUE SUMMARY BY SOURCE

Fiscal Years 2015-16 Through 2019-20

	2015-16	2016-17	2017-18	2018-19	2019-20	2021-2022	Total 2016-2022	2018-2022 2nd 80/20 Plan
<b>Debt Service Fund</b>	-	1,974,623	1,659,581	3,120,657	2,712,244	2,307,221	11,774,326	9,799,703
<b>Installment Financing - 80/20 Plan</b>	-	5,310,060	6,638,322	12,482,629	10,848,978	9,228,884	44,508,873	39,198,813
<b>Revenue Bonds</b>	-	4,560,000	7,470,000	2,300,000	-	-	14,330,000	-
<b>Storm Water Fund</b>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,450,000</u>	<u>2,650,000</u>	<u>1,000,000</u>	<u>-</u>	<u>7,100,000</u>	<u>-</u>
<b>Total, Revenue Summary</b>	<u>1,000,000</u>	<u>12,844,683</u>	<u>17,217,903</u>	<u>20,553,286</u>	<u>14,561,222</u>	<u>11,536,105</u>	<u>77,713,199</u>	<u>48,998,516</u>

## STREETS AND SIDEWALKS

Project Costs									
		Original Five-Year 80/20 Plan		Second Five Year 80/20 Plan					
		Year 4	Year 5	Year 6	Year 7	Year 8	Total Year 6 -10	Rolling Seven Year Total	
Code	Project Title	Estimated 2015-16	Estimated 2016-17	Estimated 2017-18	Estimated 2018-19	Estimated 2019-20	Total	2016-2022	
05SR10	Streets Rehabilitation	-	3,527,853	2,000,000	2,000,000	2,000,000	10,000,000	13,527,853	
2MF160	Multimodal Transportation Center	-	-	284,872	-	-	284,872	284,872	
14ST30	Kerr Ave Bicycle Facilities	-	352,922	-	-	-	-	352,922	
4SW100	Sidewalk Rehab/Repairs	-	-	250,000	500,000	500,000	2,250,000	2,250,000	
05BR20	Bridge Repair	-	121,608	9,672	793,600	10,374	990,400	1,112,008	
13ST10	Coordinated Improvements w/CFPUA	-	-	690,000	700,000	700,000	3,490,000	3,490,000	
4SW200	Pedestrian/Bike Improvements	-	-	300,000	500,000	500,000	1,800,000	1,800,000	
4WT100	WTA Grant Match (buses,shelters,benches)	-	-	525,128	-	-	525,128	525,128	
TBD	Brick Street Rehabilitation	-	-	250,000	500,000	-	750,000	750,000	
TBD	Riverwalk South Handrails	-	-	403,636	-	-	403,636	403,636	
06ST20	Front & Red Cross Signal	-	-	374,500	-	-	374,500	374,500	
<b>Total - Streets and Sidewalks Recommended</b>		<b>-</b>	<b>4,002,383</b>	<b>5,087,808</b>	<b>4,993,600</b>	<b>3,710,374</b>	<b>20,868,536</b>	<b>24,870,919</b>	

Funding Plan									
		Estimated 2015-16	Estimated 2016-17	Estimated 2017-18	Estimated 2018-19	Estimated 2019-20	Total	Rolling Seven Year Total	
Funding Source		2015-16	2016-17	2017-18	2018-19	2019-20	Total Year 6 -10	2016-2022	
Debt Service Fund		-	800,477	1,017,562	998,720	742,075	4,173,707	4,974,184	
Installment Financing - 80/20 Plan		-	3,201,906	4,070,246	3,994,880	2,968,299	16,694,829	19,896,735	
<b>Total Funding 80/20 Plan</b>		<b>-</b>	<b>4,002,383</b>	<b>5,087,808</b>	<b>4,993,600</b>	<b>3,710,374</b>	<b>20,868,536</b>	<b>24,870,919</b>	

LEGEND

	Orange fill = Original Five-Year 80/20 Plan
	Blue fill = Second Five Year 80/20 model

## PARKS AND RECREATION

### Project Costs

		Original Five-Year 80/20 Plan		Second Five Year 80/20 Plan				Rolling Seven Year Total
		Year 4	Year 5	Year 6	Year 7	Year 8	Total Year 6 - 10	2016-2022
Code	Project Title	Estimated 2015-16	Estimated 2016-17	Estimated 2017-18	Estimated 2018-19	Estimated 2019-20		
05PK10	Park Facilities Maintenance	-	200,000	436,720	449,822	463,316	2,318,606	2,518,606
07PK20	Alderman Preserve Phase II	-	1,325,000	-	-	-	-	1,325,000
07PK49	Empie Park Improvements	-	1,251,800	-	-	-	-	1,251,800
06PK30	Parks, Recreation and Open Space Master Plan Update	-	-	-	37,450	-	37,450	37,450
14ED10	N. Downtown Park Site Development Ph 1	-	180,000	1,546,176	-	-	1,546,176	1,726,176
14ED10	N. Downtown Park Site Development Ph 2	-	-	-	1,307,390	8,693,772	10,001,162	10,001,162
14ED10	N. Downtown Park Site Development Ph 3	-	-	-	-	330,267	3,038,451	3,038,451
TBD	Hardee Field Improvements	-	-	-	735,840	-	735,840	735,840
TBD	Replacement of Skatepark Office	-	-	72,500	-	-	72,500	72,500
07PK30	Wade Park Building Demolition	-	-	58,000	-	-	58,000	58,000
<b>Total - Parks and Recreation Recommended</b>		-	<b>2,956,800</b>	<b>2,113,396</b>	<b>2,530,502</b>	<b>9,487,355</b>	<b>17,808,185</b>	<b>20,764,985</b>

### Funding Plan

		Estimated 2015-16	Estimated 2016-17	Estimated 2017-18	Estimated 2018-19	Estimated 2019-20	Total 2016-2022	Rolling Seven Year Total 2016-2022
<b>Funding Source</b>								
Debt Service Fund		-	591,360	422,679	506,100	1,897,471	3,561,637	4,152,997
Installment Financing - 80/20 Plan		-	2,365,440	1,690,717	2,024,402	7,589,884	14,246,548	16,611,988
<b>Total Funding</b>		-	<b>2,956,800</b>	<b>2,113,396</b>	<b>2,530,502</b>	<b>9,487,355</b>	<b>17,808,185</b>	<b>20,764,985</b>

LEGEND

	Orange fill = Original Five-Year 80/20 Plan
	Blue fill = Second Five Year 80/20 model

## PUBLIC FACILITIES

### Project Costs

		Original Five-Year 80/20 Plan		Second Five Year 80/20 Plan				
		Year 4	Year 5	Year 6	Year 7	Year 8	Total Year 6 -10	Rolling Seven Year Total
Code	Project Title	Estimated 2015-16	Estimated 2016-17	Estimated 2017-18	Estimated 2018-19	Estimated 2019-20		2016-2022
05MF10	Building Maintenance	-	325,500	329,699	346,184	363,493	1,821,795	2,147,295
15MF10	Future Administrative Facilities	-	-	767,000	7,733,000	-	8,500,000	8,500,000
<b>Total - Public Facilities Recommended</b>		-	<b>325,500</b>	<b>1,096,699</b>	<b>8,079,184</b>	<b>363,493</b>	<b>10,321,795</b>	<b>10,647,295</b>

### Funding Plan

		Estimated 2015-16	Estimated 2016-17	Estimated 2017-18	Estimated 2018-19	Estimated 2019-20	Total Total Year 6 -10	Rolling Seven Year Total 2016-2022
<b>Funding Source</b>								
Debt Service Fund		-	65,100	219,340	1,615,837	72,699	2,064,359	2,129,459
Installment Financing - 80/20 Plan		-	260,400	877,359	6,463,347	290,794	8,257,436	8,517,836
<b>Total Funding</b>		-	<b>325,500</b>	<b>1,096,699</b>	<b>8,079,184</b>	<b>363,493</b>	<b>10,321,795</b>	<b>10,647,295</b>

LEGEND

	Orange fill = Original Five-Year 80/20 Plan
	Blue fill = Second Five Year 80/20 model

## STORM WATER

### Project Costs

Code	Project Title	Recommended 2015-16	Estimated 2016-17	Estimated 2017-18	Estimated 2018-19	Estimated 2019-20	TOTAL
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	5,000,000
<b>Total - Storm Water Projects</b>		<b>1,000,000</b>	<b>5,560,000</b>	<b>8,920,000</b>	<b>4,950,000</b>	<b>1,000,000</b>	<b>21,430,000</b>

### Funding Plan

Funding Source	Estimated 2014-15	Estimated 2015-16	Estimated 2016-17	Estimated 2017-18	Estimated 2018-19	TOTAL
f = Stormwater Pay-Go	1,000,000	1,000,000	1,450,000	2,650,000	1,000,000	7,100,000
b2 = Revenue Bonds	-	4,560,000	7,470,000	2,300,000	-	14,330,000
<b>Total Funding</b>	<b>1,000,000</b>	<b>5,560,000</b>	<b>8,920,000</b>	<b>4,950,000</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, the 5.9% rate increases approved through FY 2018 would need to continue.

**Project Title:** Annual Storm Drain Rehab  
**Project No:** 07DC20  
**Requesting Department:** Public Services  
**Division:** Storm Water



**Project Description:** Project involves rehabilitating sections of existing storm drain that are in need of repair because of joint failures, excessive maintenance costs, root intrusion, and collapse. Types of repair include pipe lining, internal repairs, or full replacement of the system.

**Project Justification:** The drainage system is aging and rehabilitation is essential to minimize potential failures.

**FY 2014-15 Appropriation:** \$ 500,000  
**Current Project Budget:** \$ 4,219,074  
**Expenditures to Date:** \$ 2,725,094

**Project Start Date:** Ongoing  
**Project Completion Date:** Ongoing  
**FY 2015-16 Dept. Request:** \$ 1,000,000

Project Appropriation						
	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	Total
Construction	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000

Funding Source						
	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	Total
Storm water PAYGO	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000

\*This is a maintenance project that will have no future operating impacts

## **STREETS AND SIDEWALKS CAPITAL PROJECT DESCRIPTIONS**

### **STREETS REHABILITATION – 05SR10; ANNUAL APPROPRIATION**

Contracted rehabilitation and resurfacing of streets within the City street network by means of projects with scope that includes but is not limited to road construction practices such as full depth reclamation and stabilization, milling and resurfacing, surface treatments, and pavement restoration and preservation techniques. Projects are necessary due to the rapidly deteriorating condition of the streets network. Poor street conditions and ride quality are listed as top priorities in the most recent citizen survey.

### **MULTIMODAL TRANSPORTATION CENTER – 2MF160; PROJECTED FY 2018**

This project is for the construction of a multimodal transportation facility in downtown that will provide a centralized location for public transportation and a station for future passenger rail to Wilmington. The project, which is jointly funded by NCDOT, will allow travelers to switch between various modes of travel to, from and within the City. The City of Wilmington and North Carolina Department of Transportation has taken control of the final tracts of property for this center. The next step is to complete the required environmental document. The City has provided the local match funding in the amount of \$1,000,000 for property acquisition. The requested funding is for the construction of the transit portion of the transportation center

### **KERR AVENUE BICYCLE FACILITIES – 14ST30; PROJECTED FY 2017**

This project would provide for the construction of 4-foot demarcated bicycle lanes and 5-foot sidewalks on Kerr Avenue between the Martin Luther King Jr. Parkway and Randall Parkway and multi-use trail on Kerr Avenue from the Randall Parkway to Patrick Avenue. The NCDOT plans to widen Kerr Avenue to a multi-lane divided facility between the Martin Luther King Jr. Parkway and Randall Parkway. The Wilmington MPO encouraged NCDOT to consider the installation of demarcated bicycle lanes as part of the Kerr Avenue project. The construction of these bike lanes would provide a connection to the bike lanes on Randall Parkway (part of the Cross-City Trail) and promote the use of alternative modes of transportation within the community. Sidewalks have been identified as a high priority infrastructure item, especially along major thoroughfares. If the City desires to include bike lanes and sidewalks, the City would be responsible for providing a portion of this funding. It would be more cost effective and efficient to install these bike lanes, sidewalks and multi-use trail as part of the NCDOT project. The North Carolina Department of Transportation, City of Wilmington and Wilmington MPO have recently adopted a "complete streets" policy. The construction of these improvements is consistent with this policy.

### SIDEWALK REHAB/REPAIRS – 4SW100; PROJECTED FY 2020

Project provides for repairs and rehabilitation to existing sidewalks and American with Disability Act (ADA) ramps within the City sidewalk inventory. Project scope is to repair and mitigate hazardous and non-compliant sidewalks and ramps within the City. It is an important program with a goal of improving pedestrian access and mobility throughout the City's sidewalk network.

### BRIDGE REPAIR – 05BR20; PROJECTED FY 2020

Wilmington historically has contracted with North Carolina Department of Transportation (NCDOT) to have their consultant conduct inspections of city-owned bridges. Some repairs are routine maintenance items to be done by City crews. Other specialty items will need to be contracted. Additionally, structural repairs are expected to be necessary on some bridges in the near future. This project is to provide an allowance for minor contracted repairs that may be required under future inspections. Any major repair may require additional appropriations if and when identified. Federal law requires the City to inspect their bridges every 2 years and to perform mandatory corrective work.

### COORDINATED IMPROVEMENTS WITH CFPUA – 13ST10; PROJECTED FY 2020

This project proposes annual funding for street improvements to be performed as enhanced restoration for the Cape Fear Public Utility Authority (CFPUA) water and sanitary sewer rehabilitation program. This project combines and is an extension of previous projects such as: Front Street Improvements (Market St to Chestnut St); Water Street/Riverfront Park Project; and Third Street This project will provide the necessary flexibility to respond to inter-agency coordination needs, such as the impending Water Street Project from Princess Street to Walnut Street. By coordinating the streetscape improvements work with CFPUA projects, a significant cost-savings will be realized. In addition, it is a common-sense approach to repair the subsurface utility infrastructure as a first step before making surface improvements. This avoids the demolition and replacement of recently-constructed infrastructure.

### PEDESTRIAN/BIKE IMPROVEMENTS – 4SW200; PROJECTED FY 2020

Project provides funding for the construction of new bicycle and pedestrian facilities throughout the City. Project's primary focus is to fund projects designed to improve bicycle and pedestrian accessibility in areas ranked high in need by the Pedestrian/Bike Improvement Team (PBIT). Project is driven by high demand for bike paths and sidewalks as determined by the citizen survey and also identified need for bicycle and pedestrian facilities as determined in the Walk Wilmington Pedestrian Planning Study, Cape Fear Commutes, and Parks and Rec Open Space Plan.

### WTA GRANT MATCH (BUSES, SHELTERS, BENCHES) – 4WT100; PROJECTED FY 2018

The Cape Fear Public Transportation Authority operates and manages the public transportation system that serves the City of Wilmington and New Hanover County. The Authority utilizes federal,

state and local funding sources. The project will be used mainly for the purchase of replacement buses with some funds also being used for the purchase of amenities such as shelters and benches.

#### **BRICK STREET REHABILITATION – TBD; PROJECTED FY 2018**

Project provides for the rehabilitation, reconstruction, and repair of the City's historic brick street inventory. The historic brick streets inventory has been deteriorating for many years due to normal wear and tear but primarily due to utility cuts done many years ago and patched using asphalt. Brick streets are an important component to the City's historical character and to the unique character of the neighborhoods encompassed by the brick street network.

#### **RIVERWALK SOUTH HANDRAILS – TBD; PROJECTED FY 2018**

The existing handrails were installed using the original detail developed under the Riverwalk South project (2001). This railing system is maintenance-intensive and requires frequent checking and tightening of set screws on collars to prevent loss of railings. The new railing system developed under the Riverwalk North (Phase 1) project eliminates this maintenance requirement by eliminating the need for collars. This also improves public safety by anchoring the railings into the timber posts.

#### **FRONT & RED CROSS SIGNAL – 06ST20; PROJECTED FY 2018**

Currently Front and Red Cross street intersection is a four-way stop sign. This has functioned well in the past, however with the construction of CFCC Parking Deck and Union Station Building, Wilmington Convention Center, and redevelopment of the north downtown, the projected traffic volume at this intersection has increased substantially. In addition, there is a high volume of pedestrian traffic at this intersection due to the CFCC campus across several blocks in the surrounding area. This project was originally included in the North Downtown Streetscape Project (06ST20), however due to a shortage of funding, the construction of this new signal did not occur.

## **PARKS AND RECREATION CAPITAL PROJECT DESCRIPTIONS**

### **PARK FACILITIES MAINTENANCE – 05PK10; ANNUAL APPROPRIATION**

This project provides for repairs/maintenance in City Parks, amenities and grounds to include: Park amenities (tables, benches, athletic supplies, goals, repairs due to age or vandalism, shelters, fencing, tennis court resurfacing etc); Landscaping enhancements (mulch, prep work for new landscapes or upgrades to existing, Cross City Trail, Olsen Park and Althea Gibson Tennis Complex/Empie Park); playgrounds (ADA play mulch, repairs, replacements, upgrades to existing structures, signs and repairs due to vandalism); special projects (additional park upgrades, amenity upgrades, new park amenities, expansion of existing landscapes, irrigation installation, repairs and upgrades); enhancements to Gary Shell Cross City Trail, Olsen Park, Althea Gibson Tennis Complex and future park locations) dog waste stations/supplies.

### **ALDERMAN PRESERVE PHASE II – 07PK20 (PROJECTED FY 2017)**

Formally Piney Ridge Nature Preserve, Alderman Park is a project included in the 2006 Parks and Greenspace Bond. Phase II includes elevated pedestrian trails throughout the 39 acre tract. It is being developed jointly with the property owner and the NC Coastal Land Trust. In addition to providing public accessibility to the entire tract with the additional trails, Phase II constructs a permanent entrance. Currently, the City leases school property for the main entrance and parking is limited.

### **EMPIE PARK IMPROVEMENTS – 07PK49; PROJECTED FY 2017**

Phase two of the Empie Park Tennis Complex (Althea Gibson Tennis Complex) consists of the construction of five additional tennis courts additional parking with a connection of the main parking lot to Caswell Street storm water pond and landscaping and renovation of the eight original courts. The master plan for the tennis complex at Empie Park identified 16 new tennis courts. Based upon the 2007 project budget, five courts were removed from the project. Based upon the City's standard for recreation facilities (City Parks, Recreation and Open Space Master Plan 2010-2015), the City needs an additional 28 courts to adequately meet public demand.

### **PARKS, RECREATION AND OPEN SPACE MASTER PLAN UPDATE – 06PK30; PROJECTED FY 2017**

The North Carolina Recreation and Parks Association recommends agencies update their long range plans every five years. Wilmington's current plan contains recommendations through 2015. Parks and Recreation Master Plans serve to build upon current assets and identify new opportunities and partnerships. The plan is intended to provide direction to staff, advisory committees and elected officials to enhance parks, recreational and cultural services in a strategic and sustainable approach.

### **N. DOWNTOWN PARK SITE DEVELOPMENT PH 1 - 14ED10; PROJECTED FY2017**

Development of waterfront park areas and public spaces are a major part of the Vision 2020 recommendations. A park near the Holmes Bridge on the north end of the River walk were identified as priorities in the 2010-2015 Parks, Recreation & Open Space Master Plan. Development of a downtown park was also identified in the 2006 Parks and Recreation Bond project. This opportunity for a large North Downtown Riverfront Park became a reality when City Council approved the purchase of this approx. 6.63 acres in November 2013. The design and construction of the proposed basic infrastructure is necessary for future development of this park property.

### **N. DOWNTOWN PARK SITE DEVELOPMENT PH 2 - 14ED10; PROJECTED FY 2020**

Phase II Development of an urban park in the Northern Riverfront District to include a performance stage, restrooms, formalizing of the event lawn, enhanced utilities, improved load-in area, sidewalks and promenades, landscaping and site furnishings,

### **N. DOWNTOWN PARK SITE DEVELOPMENT PH 3 - 14ED10; PROJECTED FY 2020**

Phase III Development of an urban park in the Northern Riverfront District to include enhanced site amenities which may include additional restrooms, a classroom/storage building, outdoor classroom, a splash pad and playground.

### **HARDEE FIELD IMPROVEMENTS - TBD; PROJECTED FY 2019**

This project will make various improvements to bring this facility up to date, improve user experience and make facility more aligned with improvements that have been completed at Legion Stadium. Some projects include replace existing press box, installing dedicated Wi-Fi, replace aging bleachers, adding a canopy over some seating, replacing the scoreboard and sound system and installing synthetic turf on infield.

### **REPLACEMENT OF SKATE PARK OFFICE - TBD; PROJECTED FY 2018**

This project would replace the Skate park office, a pre-fabricated, residential grade shed that was intended to serve in a temporary fashion.

### **WADE PARK BUILDING DEMOLITION - 07PK30; PROJECTED FY 2018**

In 2008, the City completed the Wade (Bethel) Park storm water and park project which includes a storm water retention pond, multi-use path, picnic shelter, restrooms, playground and interpretive signage. A pre-existing 700SF building remained on site with future plans to rehab the building into a meeting/classroom facility. Due to a shift in resources, staff now recommends demolishing the



FY 2015-16 Adopted Budget  
CAPITAL IMPROVEMENT PROGRAM

building Wade Park experiences a significant amount of vandalism/criminal activity. Demolishing the building could aid in reducing this activity by removing a blight.

## **PUBLIC BUILDINGS AND FACILITIES CAPITAL PROJECT DESCRIPTIONS**

### **BUILDING MAINTENANCE – 05MF10; ANNUAL APPROPRIATION**

The scope of this project is to make improvements to multiple City facilities. The improvements are imperative to ensure that City facilities continue to function as a safe place to do business for both our employees and citizens. Added additional funding after engineering study at Godwin Stadium confirmed concrete problems. It is necessary to continuously improve existing facilities to ensure our citizens receive services in properly functioning, safe facilities. If general improvements are neglected, it will result in greater cost in future years.

### **FUTURE ADMINISTRATIVE FACILITIES – TBD; PROJECTED FY 2018**

This project would consolidate administrative and customer service functions to enhance public access as well as improve interdepartmental coordination.

## **STORM WATER CAPITAL PROJECT DESCRIPTIONS**

### **CLEAR RUN BRANCH - 14DC10; PROJECTED FY2017**

This project will include stream restoration efforts for Clear Run Branch in the Bradley Creek watershed as well as improving drainage capacity for the outfall that drains New Center Drive. The extent of the project will be from the New Center ROW, thru commercial property along College Rd, possibly under College Rd, thru commercial property on the other side of College Rd down to and under Racine Drive, down to and under College Acres Drive and then down to and under Mallard Dr.

### **OLD MACUMBERS DRAINAGE IMPROVEMENTS - 15DC10; PROJECTED FY2017**

Old Macumbers Ditch was an old drainage outfall in Burnt Mill Creek watershed that has been mostly piped from Rankin St for 12 blocks near to the 17th and Dawson intersection. Significant flooding occurs in the area of 13th, 14th, Dock and Market St during heavy rain events. This project will address targeted areas that have notable flooding issues by improving the capacity of the drainage system. Those areas include the outfall at Rankin St, Dock St, Orange St and 16th, 17th and 18th Streets.

### **WHISPERING PINES/MASONBORO DRAINAGE IMPROVEMENTS - TBA; PROJECTED FY2017**

This project was identified in the 1998 Annex Area Master Plan prepared by Dewberry and Davis. It ranked 9th in priority out of 21 projects in both 1995 and 1998 annex areas. This project includes the improvement of drainage outfalls within the Whispering Pines, Grainger Point, Orchard Trace and Windward Oaks. In addition, 2 culvert locations draining under Masonboro Sound Rd will be upgraded.

### **ANNUAL STORM DRAIN REHABILITATION - 07DC20; ANNUAL APPROPRIATION**

Project involves rehabilitating sections of existing storm drain that are in need of repair because of joint failures, excessive maintenance costs, root intrusion, and collapse. Types of repair include pipe lining, internal repairs, or full replacement of the system.



## Debt Management

The City of Wilmington periodically issues long term debt to finance capital improvements and major equipment purchases. Examples of projects and major equipment financed by long term debt instruments include the construction of a new police station, the purchase of a new fire truck, the construction of a new roadway, etc. The City issues debt to finance these items to 1) spread out the costs of these items and preserve adequate cash flow to meet operating expenses, and 2) to equitably distribute the costs of these items among the current and future citizens of the City. Long term debt instruments utilized by the City of Wilmington include general obligation bonds, certificates of participation, limited obligation bonds, installment purchase contracts, and interlocal agreements.

The City continues to maintain a strong financial position, due in part to its effective management of long term debt. The City strives to maintain a balance between debt financing and the “pay-as-you-go” approach. City staff continually work to secure the most favorable interest rates for the City’s debt issues. The North Carolina Local Government Commission reviews all bonded debt issues and other debt issues of at least five years’ maturity to determine the City’s ability to repay the debt and maintain a solid financial position. Furthermore, for all bonded debt and some other debt instruments, the City receives a credit rating from Standard & Poor’s Ratings Group, Moody’s Investor’s Service and Fitch Ratings. The City’s current ratings of AAA, Aa1, and AA+ respectively, are an indicator of the City’s financial stability. The City’s credit ratings were affirmed in June 2015.



## Debt Management

### OUTSTANDING BONDED DEBT

The City of Wilmington's outstanding bonded debt is comprised of debt incurred from the issuance of general obligation bonds. General obligation bonds require voter approval because they pledge the taxing power of the City.

As of June 30, 2015, the total outstanding bonded debt for the City is \$22.9 million.

Outstanding general bonded debt is budgeted in the Debt Service Fund and retired with general tax revenues (property tax, sales tax, etc.) collected annually.



FY 2015-16 Adopted Budget  
CAPITAL IMPROVEMENT PROGRAM

**Outstanding Bonded Debt**

<b>ISSUE DATE</b>	<b>MATURITY DATE</b>	<b>SERIES</b>	<b>OUTSTANDING PRINCIPAL JUNE 30, 2015</b>	<b>PRINCIPAL TO BE RETIRED FY 2015-16</b>	<b>OUTSTANDING PRINCIPAL JUNE 30, 2016</b>
<i>General Debt</i>					
1-Aug-03	1-Mar-18	General 2/3rds - Series 2003A	765,000	255,000	510,000
9-Sep-08	1-Sep-28	Streets/Highway 2/3rds - Series 2008A	3,920,000	280,000	3,640,000
10-Sep-08	1-Sep-28	Public Improvement - Series 2008B	6,300,000	450,000	5,850,000
29-Jun-11	1-Jul-31	Public Improvement - Series 2011A 2/3rds	3,315,000	195,000	3,120,000
30-Jun-11	1-Jan-18	Public Improvement - Series 2011B Refunding	1,150,000	425,000	725,000
30-Jun-11	1-Jul-31	Public Improvement - Series 2011C	4,505,000	265,000	4,240,000
26-Jun-14	1-Jun-34	Public Improvement 2/3rds - Series 2014	2,895,000	155,000	2,740,000
<b>TOTAL GENERAL DEBT</b>			<b>22,850,000</b>	<b>2,025,000</b>	<b>20,825,000</b>
<b>TOTAL BONDED DEBT</b>			<b>22,850,000</b>	<b>2,025,000</b>	<b>20,825,000</b>

## Debt Management

### OTHER OUTSTANDING DEBT

The City also relies on other debt instruments to finance capital improvements and major equipment purchases. These other debt instruments do not pledge the taxing power of the City. In most cases, the physical asset being purchased or constructed is pledged as collateral in the event that the City defaults on its obligation. Other debt instruments utilized by the City include revenue bonds, certificates of participation, limited obligation bonds, installment purchase contracts, and interlocal agreements.

As of June 30, 2015, the total other outstanding debt for the City is \$197.6 million.

Total other outstanding general debt at June 30, 2015, is approximately \$95.1 million. Other outstanding general debt is budgeted in the Debt Service Fund and retired with general tax revenues (property tax, sales tax, etc.) collected annually.

Total other outstanding general debt at June 30, 2015, for the Convention Center Fund is approximately \$55.3 million and represents issuance for the construction of the Convention Center and Parking Deck. This debt is retired with proceeds from the room occupancy tax.

Total other outstanding debt at June 30, 2015, for the Solid Waste Management Fund is approximately \$.6 million. Outstanding debt for solid waste projects is retired with revenues earned from the solid waste enterprise.

Total other outstanding debt at June 30, 2015, for the Equipment, Maintenance and Replacement Fund is approximately \$2.9 million. Outstanding debt for equipment, maintenance and replacement is retired with revenues earned from leasing the financed equipment to the user departments.

Total other outstanding debt at June 30, 2015, for the Storm Water Management Fund is approximately \$25.0 million. Outstanding debt for storm water projects is retired with revenues earned from the storm water enterprise.

## Debt Management

### OTHER OUTSTANDING DEBT, cont'd

Total other outstanding debt at June 30, 2015, for the Parking Facilities Fund is approximately \$7.1 million. Revenue from the parking decks and the on-street parking program pay for the majority of this installment debt; however, a portion of this debt is paid with general tax revenues.

Total other outstanding debt at June 30, 2015, for water projects is approximately \$11.6 million and represents COPs issued to purchase a 12,000-customer private water system (Dobo System). The Cape Fear Public Utility Authority (CFPUA) did not defease the COPs, however, the CFPUA is responsible for making payments to the City for water COPs debt through an interlocal agreement. Debt service for water projects is budgeted in the Debt Service Fund

Due to the CFPUA not defeasing the debt above, bond rating agencies will continue to use this debt in calculating the City's total debt per capita.



FY 2015-16 Adopted Budget  
CAPITAL IMPROVEMENT PROGRAM

**Other Outstanding Debt**

ISSUE DATE	MATURITY DATE	INSTRUMENT	PURPOSE	OUTSTANDING PRINCIPAL JUNE 30, 2015	PRINCIPAL TO BE RETIRED FY 2015-16	OUTSTANDING PRINCIPAL JUNE 30, 2016
<b>General Debt</b>						
1-Jun-08	1-Jun-29	Installment Debt	NHC Parks and Recreation Bonds	9,000,000	500,000	8,500,000
8-Apr-10	1-Jun-16	2010A LOBs	Various Projects	1,150,000	1,150,000	-
8-Apr-10	1-Jun-30	2010B LOBs - BABs	Various Projects	19,270,000	-	19,270,000
30-Jun-10	1-Aug-30	Installment Debt	NHC Parks and Recreation Bonds	4,053,577	253,058	3,800,520
27-Jun-12	1-Jun-30	2012 LOBs	Refunding	19,837,500	1,552,000	18,285,500
30-Jul-14	1-Jun-32	2014A LOBs	Refunding of 2005 COPs	20,885,000	-	20,885,000
30-Jul-14	1-Jun-18	2014B LOBs	Refunding of 2005 COPs - Taxable	2,310,000	765,000	1,545,000
26-Jun-15	1-Jun-35	2015A LOBs	Various Projects	16,130,000	-	16,130,000
26-Jun-15	1-Jun-20	2015B LOBs	Various Projects - Taxable	2,432,657	580,563	1,852,094
<b>TOTAL GENERAL DEBT</b>				<b>95,068,734</b>	<b>4,800,620</b>	<b>90,268,114</b>
<b>Convention Center Fund Debt</b>						
1-May-08	1-Jun-38	2008A COPs	Convention Center	46,560,000	-	46,560,000
1-May-08	1-Jun-28	2008B COPs	Parking Deck Non-Taxable	7,190,000	425,000	6,765,000
8-Apr-10	1-Jun-30	2010B LOBs - BABs	Refunding of 2008C COPs - Taxable	1,590,000	1,590,000	-
<b>TOTAL CONVENTION CENTER FUND DEBT</b>				<b>55,340,000</b>	<b>2,015,000</b>	<b>53,325,000</b>
<b>Solid Waste Fund</b>						
27-Jun-13	1-Jun-18	Installment Debt	Recycling Carts	570,000	190,000	380,000
<b>TOTAL Solid Waste Fund Debt</b>				<b>570,000</b>	<b>190,000</b>	<b>380,000</b>
<b>Equipment, Maintenance and Replacement Fund</b>						
15-Mar-15	1-Mar-22	Installment Debt	Sanitation Trucks	2,863,064	403,064	2,460,000
<b>TOTAL Solid Waste Fund Debt</b>				<b>2,863,064</b>	<b>403,064</b>	<b>2,460,000</b>
<b>Storm Water Management Debt</b>						
30-Oct-07	1-Jun-33	2007 Revenue Bonds	Various Projects	3,700,000	545,000	3,155,000
30-Jul-14	1-Jun-32	2014A LOBs	Refunding of 2005 COPs	680,000	-	680,000
26-Jun-15	1-Jun-40	2015A Revenue Bonds	Various Projects	6,965,000	-	6,965,000
26-Jun-15	1-Jun-40	2015A Revenue Bonds	Refunding of 2007 Revenue Bonds	12,460,000	-	12,460,000
26-Jun-15	1-Jun-22	2015B Revenue Bonds	Various Projects - Taxable	1,240,000	160,000	1,080,000
<b>TOTAL STORM WATER MANAGEMENT DEBT</b>				<b>25,045,000</b>	<b>705,000</b>	<b>24,340,000</b>
<b>Parking Facilities Debt</b>						
27-Jun-12	1-Jun-30	2012 LOBs	Refunding	4,932,500	338,000	4,594,500
26-Jun-15	1-Jun-20	2015B LOBs	Refunding - Taxable	2,177,343	519,437	1,657,906
<b>TOTAL PARKING FACILITIES DEBT</b>				<b>7,109,843</b>	<b>857,437</b>	<b>6,252,406</b>
<b>Water Certificates of Participation (COPS)</b>						
12-Apr-06	1-Jun-24	2006A COPs	Refunding - Water System	11,630,000	1,055,000	10,575,000
<b>TOTAL WATER CERTIFICATES OF PARTICIPATION (COPS)</b>				<b>11,630,000</b>	<b>1,055,000</b>	<b>10,575,000</b>
<b>TOTAL OTHER DEBT</b>				<b>197,626,641</b>	<b>10,026,122</b>	<b>187,600,520</b>

The Water Certificates of Participation (COPS) is being paid by the Cape Fear Public Utility Authority (CFPUA) through Interlocal Agreement. This debt was not defeased by the CFPUA and will remain the City's debt.

## Debt Management

### OUTSTANDING BONDED DEBT AND OTHER DEBT SCHEDULES

This schedule outlines the annual payment of principal and interest on all of the City's outstanding bonded and other debt for the life of the debt instruments. Debt service for general bonded and general other debt is budgeted in the Debt Service Fund. Annual debt service payments in the Debt Service Fund for general bonded and general other debt are approximately \$11.8 million in FY2015-16.

Debt service for water projects is budgeted in the Debt Service Fund. The outstanding revenue bonds of \$67.2 million were defeased in August 2008 (FY 2009) by the CFPUA. However, the approximately \$17.2 million in water COPS were not defeased and will remain the City's debt. CFPUA makes annual payments to the City for this outstanding debt by interlocal agreement. The outstanding debt not being defeased by the CFPUA will continue to be used in calculating the City's total debt per capita by bond rating agencies. The FY 2015-16 debt service payments for water projects not being defeased are approximately \$1.6 million.

Annual debt service payments in the Parking Facilities Fund are approximately \$1.1 million in FY 2015-16. Revenues from the parking facilities and the on-street parking program are used to pay the majority of the debt service in the Parking Facilities Fund; however, a portion of the debt service is paid with general tax revenues.

Annual debt service payments in the Storm Water Management Fund are approximately \$1.7 million in FY 2015-16. Revenues from the storm water utility fee will be used for these debt service payments.

Annual debt service payments in the Convention Center Fund are approximately \$4.7 million in FY 2015-16. The related debt was issued for the construction of the Convention Center and Parking Deck. Revenues from the room occupancy tax will be used for these debt service payments.

Annual debt service payments in the Solid Waste Management Fund are approximately \$.2 million in FY 2015-16. Revenues from the solid waste programs are used to pay the debt service in the Solid Waste Fund.

Annual debt service payments in the Equipment, Maintenance and Replacement Fund are approximately \$.4 million in FY 2015-16. Revenues earned from leasing the equipment to the user departments are used for these debt service payments.



## Annual Debt Service Requirements Outstanding Bonded Debt and Other Debt

FISCAL YEAR	Debt Service Fund			Water debt not taken out by CFPUA Pmts are made to the City by CFPUA Water COPs		
	PRINCIPAL	INTEREST	TOTAL PAYMENT	PRINCIPAL	INTEREST	TOTAL PAYMENT
2015-16	6,825,620	4,970,799	11,796,420	1,055,000	557,995	1,612,995
2016-17	7,135,370	4,831,497	11,966,867	1,105,000	505,245	1,610,245
2017-18	8,018,620	4,607,280	12,625,901	1,165,000	449,995	1,614,995
2018-19	7,180,370	4,333,975	11,514,345	1,220,000	391,745	1,611,745
2019-20	7,575,213	4,050,999	11,626,211	1,285,000	330,745	1,615,745
2020-21	7,909,808	3,710,998	11,620,806	1,350,000	266,495	1,616,495
2021-22	7,779,808	3,340,958	11,120,765	1,415,000	198,995	1,613,995
2022-23	7,639,808	2,985,617	10,625,425	1,485,000	128,245	1,613,245
2023-24	7,413,058	2,634,421	10,047,478	1,550,000	65,875	1,615,875
2024-25	7,418,058	2,275,155	9,693,213			
2025-26	7,428,058	1,913,690	9,341,747			
2026-27	7,358,058	1,548,243	8,906,301			
2027-28	7,303,058	1,182,790	8,485,848			
2028-29	6,579,610	834,091	7,413,701			
2029-30	5,119,610	568,116	5,687,726			
2030-31	3,179,610	334,928	3,514,538			
2031-32	2,905,000	216,263	3,121,263			
2032-33	1,100,000	119,400	1,219,400			
2033-34	1,100,000	77,550	1,177,550			
2034-35	950,000	35,625	985,625			
<b>Totals</b>	117,918,735			11,630,000		



## Annual Debt Service Requirements Outstanding Bonded Debt and Other Debt

FISCAL YEAR	Parking Facilities Fund			Storm Water Management Fund		
	PRINCIPAL	INTEREST	TOTAL PAYMENT	PRINCIPAL	INTEREST	TOTAL PAYMENT
2015-16	857,437	262,646	1,120,083	705,000	968,213	1,673,213
2016-17	847,687	250,209	1,097,896	830,000	1,001,216	1,831,216
2017-18	844,437	230,326	1,074,763	855,000	972,769	1,827,769
2018-19	912,687	208,236	1,120,923	890,000	941,044	1,831,044
2019-20	492,845	180,039	672,884	920,000	908,059	1,828,059
2020-21	393,250	157,738	550,988	940,000	872,794	1,812,794
2021-22	393,250	138,075	531,325	970,000	836,394	1,806,394
2022-23	393,250	118,413	511,663	1,010,000	793,500	1,803,500
2023-24	395,000	98,750	493,750	1,055,000	743,700	1,798,700
2024-25	395,000	79,000	474,000	1,105,000	690,950	1,795,950
2025-26	395,000	59,250	454,250	1,065,000	654,200	1,719,200
2026-27	395,000	39,500	434,500	1,105,000	615,200	1,720,200
2027-28	395,000	19,750	414,750	1,145,000	574,725	1,719,725
2028-29				1,185,000	537,875	1,722,875
2029-30				1,240,000	478,625	1,718,625
2030-31				1,305,000	416,625	1,721,625
2031-32				1,360,000	362,975	1,722,975
2032-33				1,410,000	307,025	1,717,025
2033-34				740,000	249,025	989,025
2034-35				780,000	212,025	992,025
2035-36				820,000	173,025	993,025
2036-37				850,000	142,275	992,275
2037-38				885,000	110,400	995,400
2038-39				920,000	75,000	995,000
2039-40				955,000	38,200	993,200
<b>Totals</b>	<b>7,109,843</b>			<b>25,045,000</b>		



## Annual Debt Service Requirements Outstanding Bonded Debt and Other Debt

FISCAL YEAR	Convention Center Fund			Solid Waste Fund		
	PRINCIPAL	INTEREST	TOTAL PAYMENT	PRINCIPAL	INTEREST	TOTAL PAYMENT
2015-16	2,015,000	2,639,471	4,654,471	190,000	6,688	196,688
2016-17	1,455,000	2,559,092	4,014,092	190,000	4,256	194,256
2017-18	1,515,000	2,499,957	4,014,957	190,000	1,824	191,824
2018-19	1,580,000	2,437,331	4,017,331			
2019-20	1,645,000	2,370,923	4,015,923			
2020-21	1,715,000	2,299,787	4,014,787			
2021-22	1,790,000	2,225,325	4,015,325			
2022-23	1,870,000	2,146,355	4,016,355			
2023-24	1,955,000	2,062,233	4,017,233			
2024-25	2,045,000	1,969,184	4,014,184			
2025-26	2,145,000	1,871,832	4,016,832			
2026-27	2,245,000	1,769,677	4,014,677			
2027-28	2,355,000	1,662,720	4,017,720			
2028-29	2,465,000	1,550,500	4,015,500			
2029-30	2,590,000	1,427,250	4,017,250			
2030-31	2,720,000	1,297,750	4,017,750			
2031-32	2,855,000	1,161,750	4,016,750			
2032-33	2,995,000	1,019,000	4,014,000			
2033-34	3,145,000	869,250	4,014,250			
2034-35	3,305,000	712,000	4,017,000			
2035-36	3,470,000	546,750	4,016,750			
2036-37	3,640,000	373,250	4,013,250			
2037-38	3,825,000	191,250	4,016,250			
<b>Totals</b>	55,340,000			570,000		



## Annual Debt Service Requirements Outstanding Bonded Debt and Other Debt

FISCAL YEAR	Equipment, Maintenance & Repl		
	PRINCIPAL	INTEREST	TOTAL PAYMENT
2015-16	403,064	40,141	443,205
2016-17	410,000	36,777	446,777
2017-18	410,000	30,381	440,381
2018-19	410,000	23,985	433,985
2019-20	410,000	17,589	427,589
2020-21	410,000	11,193	421,193
2021-22	410,000	4,797	414,797
<b>Totals</b>	2,863,064		



## Debt Management

### LEGAL DEBT MARGIN

The North Carolina General Statutes set a legal limit on the amount of the debt that can be issued by a unit of local government. NCGS 159-55 sets the legal net debt limit at 8% of the City's assessed valuation. Net debt is total outstanding bonded debt (other than revenue bonds) plus other outstanding debt less bonded debt issued for water enterprise operations. The legal debt margin is the amount of debt that a unit of local government can legally incur at a given point in time.

As of June 30, 2015, the City of Wilmington could legally issue an additional \$856.0 million of debt. The City's net debt as of June 30, 2015, is estimated at 1.49% of the assessed valuation of the City, well below the 8% legal limit. The City's net debt as of June 30, 2016 is projected at 1.38% of the assessed valuation of the City.

### Legal Debt Margin

	<b>AS OF JUNE 30,2015</b>	<b>ESTIMATED AS OF JUNE 30,2016</b>
Assessed Valuation	13,151,604,593	13,394,731,714
Legal Debt Limit (8% of Assessed Valuation)	1,052,128,367	1,071,578,537
Amount of Debt Applicable to Legal Debt Limit - NET DEBT		
General Obligation Bonds	22,850,000	20,825,000
Other Debt (excluding Revenue Bonds)	173,261,641	163,940,519
Gross Debt	196,111,641	184,765,519
Less Bonded Debt for Water Enterprise Operations	-	-
<b>TOTAL NET DEBT</b>	<b>196,111,641</b>	<b>184,765,519</b>
<b>PERCENT OF ASSESSED VALUATION</b>	<b>1.49%</b>	<b>1.38%</b>
<b>LEGAL DEBT MARGIN</b>	<b>856,016,726</b>	<b>886,813,018</b>



## Debt Management

### NET DIRECT DEBT PER CAPITA

Net Direct Debt per capita is a measure used to compare the debt burdens of cities and other local governments. Net Direct debt per capita is the total of all long-term obligations less the year-end balance of the debt service fund and less self-supporting debt. As of June 30, 2015, the City of Wilmington's outstanding net debt per capita is estimated at approximately \$971. As of June 30, 2016, it is estimated at approximately \$868.

### Net Direct Debt Per Capita

	<u>AS OF</u> <u>JUNE 30, 2015</u>	<u>AS OF</u> <u>JUNE 30, 2016</u>
Estimated City Population	113,199	114,625
Total Debt	\$ 220,476,641	\$ 208,425,520
Less year-end balance debt service fund	\$ 9,789,477	\$ 12,885,709
Less self-supporting debt	\$ 100,724,919	\$ 96,018,855
Net Direct Debt	\$ 109,962,245	\$ 99,520,956
<b>Net Direct Debt Per Capita</b>	<b>\$ 971</b>	<b>\$ 868</b>

### NET DIRECT DEBT AS A PERCENT OF OPERATING BUDGET

The amount of annual debt service for net direct debt (to be retired with general tax revenues) as a percentage of the annual operating budget is another measure of a city's debt burden. It is the City's policy that annual debt service on tax supported debt shall not exceed 15% of the operating expenditures in the General Fund including inter-fund transfers. For FY 2015-16, debt service for tax supported debt totals approximately \$12.0 million. With a total General Fund operating budget of approximately \$94.7 million, this represents 12.64% of the annual operating budget. In FY 2012-13, Council approved the 80/20 Plan to reduce General Fund expenditures and secure funding for the capital projects by dedicating 5 cents of the tax rate to the Debt Service Fund for the Five Year Capital Improvement Plan. The dedicated tax will fund 80% of the debt costs and 20% for the Pay-Go or cash projects. As a result, it is appropriate to additionally report annual debt service on tax supported debt as a percentage of the operating budget for the General Fund and Debt Service Fund combined. For FY 2015-16, with a total General Fund and Debt Service Fund combined operating budget of approximately \$104.0 million, annual debt service for tax supported debt of approximately \$12.0 million represents 11.52% of the annual operating budget. No debt service for water projects, Stormwater Management Fund, Golf Enterprise Fund, Convention Center Fund or Equipment Maintenance and Replacement Fund are paid with general tax revenues. A portion of the debt service for the Parking Facilities Fund is paid with general tax revenues.



FY 2015-16 Adopted Budget  
CAPITAL IMPROVEMENT PROGRAM

**Debt Service - % of Operating Budget**

	<b>FY 2015-16 OPERATING BUDGET</b>	<b>FY 2015-16 TOTAL DEBT SERVICE</b>	<b>FY 2015-16 % OF OPERATING BUDGET</b>
General Fund	94,693,342	11,971,502	12.64%
General Fund and Debt Service Fund	105,916,792	11,971,502	11.30%