

## 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. This CIP addresses specific projects and a financing strategy covering the fiscal years of 2011-12 through 2015-16. This specific program provides individual project decisions consistent with City Council goals and objectives and within a framework of identified priorities and funding resources.

## CAPITAL IMPROVEMENT PROGRAM SUMMARY

The Capital Improvement Program spans a five-year period covering fiscal years 2011-12 through 2015-16. 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 projected cost of \$30,187,500. FY 2011-12 funding is programmed for sidewalk and street rehabilitation and repair efforts, pedestrian and bike improvements, bridge repair, river walk assessments and multi-use path debt payments to NCDOT.

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 cost of \$3,890,000. FY 2011-12 funding is programmed for park facilities general maintenance.

The **Public Facilities** program consists of funding for various public improvements. The five-year projected cost for this program is \$11,685,410. FY 2011-12 funding is programmed to provide for building maintenance, ADA (Americans with Disabilities Act) improvements and repair and maintenance for parking facilities.

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 \$17,113,500 over five years.

**CAPITAL IMPROVEMENT COST SUMMARY BY PROGRAM**  
Fiscal Years 2011-12 Through 2015-16

	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>Total</b>
<b>Streets &amp; Sidewalks</b>	1,564,500	8,225,900	6,727,000	6,543,100	7,127,000	30,187,500
<b>Parks &amp; Recreation</b>	100,000	450,000	435,000	200,000	2,705,000	3,890,000
<b>Public Buildings &amp; Facilities</b>	1,666,450	3,212,960	4,281,000	1,965,000	560,000	11,685,410
<b>Storm Water</b>	<u>863,500</u>	<u>1,500,000</u>	<u>3,355,000</u>	<u>2,920,000</u>	<u>8,475,000</u>	<u>17,113,500</u>
<b>Total, Cost Summary</b>	<u><b>4,194,450</b></u>	<u><b>13,388,860</b></u>	<u><b>14,798,000</b></u>	<u><b>11,628,100</b></u>	<u><b>18,867,000</b></u>	<u><b>62,876,410</b></u>

**CAPITAL IMPROVEMENT REVENUE SUMMARY BY SOURCE**  
Fiscal Years 2011-12 Through 2015-16

	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>Total</b>
<b>General Fund</b>	2,944,500	9,288,860	7,693,000	7,708,100	10,392,000	38,026,460
<b>Revenue Bonds</b>	-	-	-	1,420,000	3,750,000	5,170,000
<b>Storm Water Fund</b>	863,500	1,500,000	3,355,000	1,500,000	4,725,000	11,943,500
<b>Installment Debt</b>	-	2,600,000	3,750,000	1,000,000	-	7,350,000
<b>Parking Facility Fund</b>	386,450	-	-	-	-	386,450
<b>Total, Revenue Summary</b>	<u><b>4,194,450</b></u>	<u><b>13,388,860</b></u>	<u><b>14,798,000</b></u>	<u><b>11,628,100</b></u>	<u><b>18,867,000</b></u>	<u><b>62,876,410</b></u>

**STREETS AND SIDEWALKS**

**Project Costs**

		Adopted		Estimated		Estimated		Estimated		Estimated		Total		
Code	Project Title	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16		
4SW100	Sidewalk Rehab/Repairs	150,000	a	-		150,000	a	150,000	a	150,000	a	150,000	a	600,000
05SR10	Streets Rehabilitation	750,000	a	1,000,000	a	3,500,000	a	4,500,000	a	4,500,000	a	4,500,000	a	18,000,000
4SW200	Pedestrian/Bike Improvements	-		250,000	a	500,000	a	500,000	a	500,000	a	500,000	a	2,250,000
05BR20	Bridge Repair	-		39,500	a	123,300	a	43,000	a	133,100	a	47,000	a	385,900
2MF160	Multimodal Transportation Center	-		-		600,000	a	-		-		-		600,000
TBD	Kerr Avenue Bicycle Facilities (incl. sidewalks)	-		-		468,000	a	672,000	a	-		-		1,140,000
4SW400	Military Cutoff Multi-use Path - Debt to DOT	178,000	a	178,000	a	-		-		-		-		178,000
10ST20	Independence Blvd Screen Wall	-		-		-		-		-		-		-
08SR10	Transportation Reserve	-		-		250,000	a	250,000	a	250,000	a	250,000	a	1,000,000
08ST20	Front Street Improvements (Chestnut to Grace & Phase II Grace to Walnut)	-		-		76,000	a	582,000	a	380,000	a	-		1,038,000
TBD	Water & Market St. Streetscaping	-		-		229,000	a	-		-		-		229,000
TBD	Cinema Drive	-		-		-		-		600,000	a	-		600,000
12ST10	Skyway Bridge Property Acquisition	-		-		1,400,000	b	-		-		-		1,400,000
TBD	Dawson & Wooster Phase I	-		-		-		-		-		300,000	a	300,000
06ST20	Front & Red Cross Signal	-		-		303,600	a	-		-		-		303,600
TBD	North/South 17th Street	-		-		-		-		-		250,000	a	250,000
TBD	North 3rd St. Bridge Project	-		-		-		-		-		350,000	a	350,000
11ST10	Riverwalk Assessment/Improvements (Shoreline Stabilization)	-		97,000	a	466,000	a	-		-		-		563,000
TBD	Sign Inventory & Assessment	-		-		88,000	a	30,000	a	30,000	a	30,000	a	178,000
07PK45	Cross City Trail	-		-		-		-		-		500,000	a	500,000
TBD	Wayfinding Signage	-		-		72,000	a	-		-		-		72,000
TBD	Brick Street Rehabilitation	-		-		-		-		-		250,000	a	250,000
	<b>Total Streets and Sidewalks</b>	<b>1,078,000</b>		<b>1,564,500</b>		<b>8,225,900</b>		<b>6,727,000</b>		<b>6,543,100</b>		<b>7,127,000</b>		<b>30,187,500</b>

**Funding Plan**

		Adopted		Estimated		Estimated		Estimated		Estimated		Total		
Code	Funding Source	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16		
a =	General Fund	1,078,000		1,564,500		6,825,900		6,727,000		6,543,100		7,127,000		28,787,500
b =	Installment Debt	-		-		1,400,000		-		-		-		1,400,000
b1=	General Obligation	-		-		-		-		-		-		-
	<b>Total Funding</b>	<b>1,078,000</b>		<b>1,564,500</b>		<b>8,225,900</b>		<b>6,727,000</b>		<b>6,543,100</b>		<b>7,127,000</b>		<b>30,187,500</b>

**Project Title:** Bridge Repair  
**Project No:** 05BR20  
**Requesting Department:** Development Services  
**Division:** Engineering



**Project Description:** Federal law requires the City to inspect bridges within its corridors every two years to ensure repair and maintenance of bridges in a safe condition. The City routinely contracts with NCDOT to conduct inspections. Although some repairs and routine maintenance are performed by City crews, this project provides funding for minor contracted repairs that may be required under future inspections.

**Project Justification:** The project is required to provide safe infrastructure and transportation and is required to keep streets open where bridges exist. The work is necessary to correct maintenance issues in a timely manner as well as adhere to federal mandates to maintain bridges in a safe condition for public use.

<b>FY 2010-11 Appropriation:</b>	\$ -	<b>Project Start Date:</b>	Ongoing
<b>Current Project Budget:</b>	\$ 41,650	<b>Project Completion Date:</b>	Ongoing
<b>Expenditures to Date:</b>	\$ 202,350	<b>FY 2011-12 Dept. Request:</b>	\$ 39,500

Project Appropriation						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
Construction		123,300		133,100		256,400
Engineering	39,500		43,000		47,000	129,500
						385,900

Funding Source						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
General Fund	39,500	123,300	43,000	133,100	47,000	385,900

Operating Cost Impact						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
	N/A	N/A	N/A	N/A	N/A	

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

**Project Title:** Riverwalk Assessment/Improvements  
**Project No:** 11ST10  
**Requesting Department:** Development Services  
**Division:** Engineering



**Project Description:** This project addresses stabilization of the river bank at three pocket parks located in Muter's Alley, Orange Street and Ann Street. Pipe repairs and the installation of a bulkhead are contained within the project scope.

**Project Justification:** Project will address structural deficiencies of brick and timber walking surfaces and prevent damage to the existing Riverwalk structure.

**FY 2010-11 Appropriation:** \$ 164,722  
**Current Project Budget:** \$ 6,722  
**Expenditures to Date:** \$ 158,000

**Project Start Date:** March, 2010  
**Project Completion Date:** Fall, 2011  
**FY 2011-12 Dept. Request:** \$ 97,000

Project Appropriation						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
Engineering	97,000	-	-	-	-	97,000
Construction	-	466,000	-	-	-	466,000
						563,000

Funding Source						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
General Fund	97,000	466,000	-	-	-	563,000

Operating Cost Impact						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
	N/A	N/A	N/A	N/A	N/A	

**Project Title:** Military Cutoff Multi-use Path- Debt to DOT  
**Project No:** 4SW400  
**Requesting Department:** Development Services  
**Division:** Transportation Planning



**Project Description:** Funding is included in accordance with an amendment to the agreement with NCDOT for the construction of the multi-use path along Military Cutoff. The FY 11-12 scheduled payment represents the final fiscal year of funding toward a three year commitment.

**Project Justification:** In accordance with terms of agreement with NCDOT.

**FY 2010-11 Appropriation:** \$ 178,000  
**Current Project Budget:** \$ 284,000  
**Expenditures to Date:** \$ 723,951

**Project Start Date:** FY 2009  
**Project Completion Date:** FY 2012  
**FY 2011-12 Request:** \$ 178,000

Project Appropriation						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
Construction	178,000	-	-	-	-	178,000

Funding Source						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
General Fund	178,000	-	-	-	-	178,000

Operating Cost Impact						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
	N/A	N/A	N/A	N/A	N/A	N/A

**FY 2011-12 Adopted Budget  
CAPITAL IMPROVEMENT PROGRAM**

**Project Title:** Streets Rehabilitation  
**Project No:** 05SR10  
**Requesting Department:** Public Services  
**Division:** Streets



**Project Description:** The Street Rehabilitation project is the City's ongoing maintenance/rehabilitation project and includes, but is not limited to, road construction practices such as full depth reclamation and stabilization, milling, resurfacing, surface treatments and pavement preservation techniques.

**Project Justification:** To improve the safety and longevity of the City's existing paved streets.

**FY 2010-11 Appropriation:** \$ 750,000  
**Current Project Budget:** \$ 2,197,732  
**Expenditures to Date:** \$ 2,500,185

**Project Start Date:** Ongoing  
**Project Completion Date:** Ongoing  
**FY 2011-12 Dept. Request:** \$ 3,500,000

Project Appropriation						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
Construction	1,000,000	3,500,000	4,500,000	4,500,000	4,500,000	18,000,000

Funding Source						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
General Fund	1,000,000	3,500,000	4,500,000	4,500,000	4,500,000	18,000,000

Operating Cost Impact						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
	N/A	N/A	N/A	N/A	N/A	

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

**Project Title:** Pedestrian/Bike Improvements  
**Project No:** 4SW200  
**Requesting Department:** Development Services  
**Division:** Transportation



**Project Description:** Walk Wilmington is a comprehensive plan adopted by Council and provides a coordinated and strategic effort to develop a safe, accessible and comfortable pedestrian system throughout the City. The plan prioritizes these pedestrian amenities into short-term and long-term improvements and the City's Bicycle/Pedestrian Improvement Team vets requests for design and construction of individual projects within the overall priorities.

**Project Justification:** The scope of funding for design and construction of various pedestrian and bike improvements align with the priorities, safety requirements and expectations of our citizens and user groups.

**FY 2010-11 Appropriation:** \$ -  
**Current Project Budget:** \$ 705,068  
**Expenditures to Date:** \$ 726,846

**Project Start Date:** Ongoing  
**Project Completion Date:** Ongoing  
**FY 2011-12 Dept. Request:** \$ 250,000

Project Appropriation						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
Construction	250,000	500,000	500,000	500,000	500,000	2,250,000

Funding Source						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
General Fund	500,000	500,000	500,000	500,000	500,000	2,500,000

Operating Cost Impact						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
	N/A	N/A	N/A	N/A	N/A	

PARKS AND RECREATION

Project Costs

Code	Project Title	Adopted 2010-11	Estimated 2011-12	Estimated 2012-13	Estimated 2013-14	Estimated 2014-15	Estimated 2015-16	Total
05PK10	Park Facilities Maintenance	-	100,000	a 200,000	a 200,000	a 200,000	a 200,000	<b>900,000</b>
3PK150	Riverfront Park Rehabilitation	-	-	250,000	a -	-	-	<b>250,000</b>
TBD	Coastline Docks	-	-	-	55,000	a -	-	<b>55,000</b>
11PK10	Natorium	700,000	b -	-	-	-	-	-
07PK41	Olsen Park Phase II	-	-	-	180,000	a -	-	<b>180,000</b>
07PK20	Alderman Preserve Phase II	-	-	-	-	-	1,325,000	a <b>1,325,000</b>
07PK49	Empie Park Improvements	-	-	-	-	-	1,180,000	a <b>1,180,000</b>
	<b>Total Parks and Recreation</b>	<b>700,000</b>	<b>100,000</b>	<b>450,000</b>	<b>435,000</b>	<b>200,000</b>	<b>2,705,000</b>	<b>3,890,000</b>

Funding Plan

Code	Funding Source	Adopted 2010-11	Estimated 2011-12	Estimated 2012-13	Estimated 2013-14	Estimated 2014-15	Estimated 2015-16	Total
<b>a =</b>	<b>General Fund</b>	-	100,000	450,000	435,000	200,000	2,705,000	<b>3,890,000</b>
<b>b =</b>	<b>Installment Debt</b>	700,000	-	-	-	-	-	-
	<b>Total Funding</b>	<b>700,000</b>	<b>100,000</b>	<b>450,000</b>	<b>435,000</b>	<b>200,000</b>	<b>2,705,000</b>	<b>3,890,000</b>

**Project Title:** Park Facilities Improvements  
**Project No:** 05PK10  
**Requesting Department:** Public Services  
**Division:** Parks & Landscape



**Project Description:** Scope of project includes improvements and repair to the City parks, landscaped areas, athletic and recreational facilities.

**Project Justification:** The scope of funding for ongoing repairs, enhancements and improvements meet safety requirements and expectations of our citizens and user groups. Identified needs are park amenities, mulch for new landscapes, repair of older playground equipment and enhancements to pedestrian walkways throughout Greenfield and Maides Parks.

**FY 2010-11 Appropriation:** \$ -  
**Current Project Budget:** \$ 285  
**Expenditures to Date:** \$ 772,042

**Project Start Date:** Ongoing  
**Project Completion Date:** Ongoing  
**FY 2011-12 Dept. Request:** \$ 200,000

Project Appropriation						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
Construction/Other	100,000	200,000	200,000	200,000	200,000	900,000

Funding Source						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
General Fund	100,000	200,000	200,000	200,000	200,000	900,000

Operating Cost Impact						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
	N/A	N/A	N/A	N/A	N/A	

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

**PUBLIC FACILITIES**

**Project Costs**

		Adopted		Estimated		Estimated		Estimated		Estimated		Estimated	Total	
Code	Project Title	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16		
05MF10	Building Maintenance	-		255,000	a	268,000	a	281,000	a	295,000	a	310,000	a	1,409,000
TBD	Future Administrative Facilities	-		-		-		-		1,000,000	b	-		1,000,000
10MF10	WPD Firing Range/Training Facility	-		-		1,200,000	b	-		-		-		1,200,000
5MF113	ADA Improvements	1,507,000	a	1,025,000	a	-		-		-		-		1,025,000
TBD	Future Fire Stations	-		-		-		3,750,000	b	-		-		3,750,000
08RF30	Riverwalk/Bulkhead Reserve	-		-		250,000	a	250,000	a	250,000	a	250,000	a	1,000,000
TBD	Greenfield Boardwalk/Piers	-		-		-		-		420,000	a	-		420,000
TBD	Riverwalk: Coastline Inn & CFCC	-		-		305,200	a	-		-		-		305,200
10MF20	Conlon Pier Cofferdam Repair	-		-		1,189,760	a	-		-		-		1,189,760
12MF10	2nd Street Parking Facility Maintenance	-		386,450	p	-		-		-		-		386,450
	<b>Total Public Facilities</b>	<b>1,507,000</b>		<b>1,666,450</b>		<b>3,212,960</b>		<b>4,281,000</b>		<b>1,965,000</b>		<b>560,000</b>		<b>11,685,410</b>

**Funding Plan**

		Adopted		Estimated		Estimated		Estimated		Estimated		Estimated	Total	
Code	Funding Source	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16		
a =	General Fund	1,507,000		1,280,000		2,012,960		531,000		965,000		560,000		5,348,960
b =	Installment Debt	-		-		1,200,000		3,750,000		1,000,000		-		5,950,000
p =	Parking Facility Fund	-		386,450		-		-		-		-		386,450
	<b>Total Funding</b>	<b>1,507,000</b>		<b>1,666,450</b>	-	<b>3,212,960</b>		<b>4,281,000</b>	-	<b>1,965,000</b>		<b>560,000</b>		<b>11,685,410</b>

**Project Title:** Second St. Parking Facility Maintenance  
**Project No:** 12MF10  
**Requesting Department:** Parking  
**Division:** Parking



**Project Description:** Funds are programmed to maintain the infrastructure in the parking deck which serves residents, business and retail employees and their customers. Included in the repairs are sandblasting and treatment of corroded structural members and weld plates, repair of concrete landing pads in the stairwells and installation of new curbs and trench drains to address water infiltration.

**Project Justification:** The planned maintenance will serve to correct and prevent structural deficiencies and provide for a safe facility for all parking deck users.

<b>FY 2010-11 Appropriation:</b> \$	-	<b>Project Start Date:</b>	TBD
<b>Current Project Budget:</b> \$	-	<b>Project Completion Date:</b>	TBD
<b>Expenditures to Date:</b> \$	-	<b>FY 2011-12 Dept. Request:</b> \$	386,450

Project Appropriation						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
Construction	386,450	-	-	-	-	386,450

Funding Source						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
Parking Facility Fund	386,450	-	-	-	-	386,450

Operating Cost Impact						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
	N/A	N/A	N/A	N/A	N/A	

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

**Project Title:** ADA Improvements  
**Project No:** 5MF113  
**Requesting Department:** Public Services  
**Division:** Administration



**Project Description:** ADA improvements are required by Federal law. ADA improvements were required as a result of a recent courtesy visit by the Department of Justice. The Department of Public Services has a complete list of federally mandated improvements on which the City is required to act on in a timely manner and is available upon request.

**Project Justification:** It is imperative that the City ensure compliance of facilities to allow for accessibility to all employees and citizens.

**FY 2010-11 Appropriation:** \$ 1,507,000  
**Current Project Budget:** \$ 2,220,800  
**Expenditures to Date:** \$ 1,218,716

**Project Start Date:** Ongoing  
**Project Completion Date:** TBD  
**FY 2011-12 Request:** \$ 1,025,000

Project Appropriation						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
Construction	1,025,000	-	-	-	-	1,025,000

Funding Source						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
General Fund	1,025,000	-	-	-	-	1,025,000

Operating Cost Impact						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
	N/A	N/A	N/A	N/A	N/A	

**Project Title:** Building Maintenance  
**Project No:** 05MF10  
**Requesting Department:** Public Services  
**Division:** Buildings & Facilities



**Project Description:** These funds represent ongoing maintenance funding for all City facilities. The needs and demand for major repairs and maintenance projects are continuous throughout the City and are vital to its operation. Project examples include: roof resurfacing, HVAC system replacements and other structural repairs.

**Project Justification:** It is imperative to continually maintain City facilities to ensure the citizenry receives and staff provides services in properly functioning, safe facilities. If general improvements are neglected, greater costs will result in future years.

**FY 2010-11 Appropriation:** \$ -  
**Current Project Budget:** \$ 293,128  
**Expenditures to Date:** \$ 559,207

**Project Start Date:** Ongoing  
**Project Completion Date:** Ongoing  
**FY 2011-12 Dept. Request:** \$ 255,000

Project Appropriation						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
Construction	255,000	268,000	281,000	295,000	310,000	1,409,000

Funding Source						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
General Fund	255,000	268,000	281,000	295,000	310,000	1,409,000

Operating Cost Impact						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
	N/A	N/A	N/A	N/A	N/A	

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

STORM WATER

Project Costs

		Adopted	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Total
Code	Project Title	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16		
07DC20	Annual Storm Drain Rehabilitation	-	-	500,000	f 500,000	f 500,000	f 500,000	f 500,000	<b>2,000,000</b>
TBD	Brookshire/Beasley Drainage Project	-	-	1,000,000	f 2,855,000	f -	-	-	<b>3,855,000</b>
10DC30	Greenville Avenue/White Avenue	-	863,500	f -	-	-	-	-	<b>863,500</b>
TBD	Clear Run Branch	-	-	-	-	1,420,000	b3 3,750,000	b3	<b>5,170,000</b>
TBD	New Macumbers Outfall	-	-	-	-	1,000,000	f 4,225,000	f	<b>5,225,000</b>
	<b>Total Storm Water Projects</b>	-	<b>863,500</b>	<b>1,500,000</b>	<b>3,355,000</b>	<b>2,920,000</b>	<b>8,475,000</b>		<b>17,113,500</b>

Funding Plan

		Adopted	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Total
Code	Funding Source	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16		
f =	Stormwater PAYGO	-	863,500	1,500,000	3,355,000	1,500,000	4,725,000		<b>11,943,500</b>
b2 =	Revenue Bonds	-	-	-	-	-	-		-
b3 =	Revenue Bonds 2011	-	-	-	-	1,420,000	3,750,000		<b>5,170,000</b>
	<b>Total Funding</b>	-	<b>863,500</b>	<b>1,500,000</b>	<b>3,355,000</b>	<b>2,920,000</b>	<b>8,475,000</b>		<b>17,113,500</b>

**Project Title:** Greenville Avenue/White Avenue Drainage  
**Project No:** 10DC30  
**Requesting Department:** Public Services  
**Division:** Storm Water



**Project Description:** Improvements include establishing a functioning drainage system through Wrightsville Green subdivision on Bradley Creek and the areas upstream of this outfall along Greenville and White Aves. Problems addressed by this project include flooding and lack of a well-defined drainage system.

**Project Justification:** The project is needed to address flooding of streets and homes in the Wrightsville Green subdivision and homes on Greenville and White Aves. In addition, the project will provide for easements across private property for maintenance access.

<b>FY 2010-11 Appropriation:</b>	\$ -	<b>Project Start Date:</b>	July 2009
<b>Current Project Budget:</b>	\$ 151,372	<b>Project Completion Date:</b>	TBD
<b>Expenditures to Date:</b>	\$ 198,628	<b>FY 2011-12 Dept. Request:</b>	\$ 863,500

Project Appropriation						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
Land/ROW	850,000	-	-	-	-	850,000
Engineering	13,500	-	-	-	-	13,500
Construction	-	-	-	-	-	-
						863,500

Funding Source						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
Storm Water PAYGO	863,500	-	-	-	-	863,500

Operating Cost Impact						
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	Total
	N/A	N/A	N/A	N/A	N/A	

## 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, installment sales contracts, lease-purchase agreements, state loans, 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 IBCA Inc. The City’s current ratings of AA+, Aa1, and AA+ respectively, are an indicator of the City’s financial stability. The City’s credit ratings were upgraded by Standard and Poor’s Ratings Group from AA to AA+ in April 2008, and as a result of rating calibrations in May 2010 the following ratings were raised by Moody’s Investor’s Service from Aa2 to Aa1 and Fitch IBCA Inc. from AA to AA+ in May 2010.

## 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, 2011, the total outstanding bonded debt for the City will be \$37.9 million.

Total bonded debt at June 30, 2011, for the General Fund is approximately \$26.7 million or 70% of the City's total outstanding bonded debt. Outstanding general bonded debt is retired with general tax revenues (property tax, sales tax, etc.) collected annually.

Total bonded debt at June 30, 2011, for water and sewer projects is approximately \$11.2 million or 30% of the City's total outstanding bonded debt. The Cape Fear Public Utility Authority (CFPUA) did not defease the general obligation debt, however, CFPUA is responsible for making payments to the City for water and sewer general obligation debt through an interlocal agreement.

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 2011-12 Adopted Budget  
CAPITAL IMPROVEMENT PROGRAM

**Outstanding Bonded Debt**

ISSUE DATE	MATURITY DATE	SERIES	OUTSTANDING PRINCIPAL JUNE 30, 2011	PRINCIPAL TO BE RETIRED FY 2011-12	OUTSTANDING PRINCIPAL JUNE 30, 2012
<b>General Debt</b>					
1-Aug-03	1-Mar-18	General 2/3rds - Series 2003A	1,785,000	255,000	1,530,000
9-Sep-08	1-Sep-28	Streets/Highway 2/3rds - Series 2008A	5,040,000	280,000	4,760,000
10-Sep-08	1-Sep-28	Public Improvements - Series 2008B	8,100,000	450,000	7,650,000
29-Jun-11	1-Jul-31	Public Improvement - Series 2011A 2/3rds	3,660,000	-	3,660,000
30-Jun-11	1-Jan-18	Public Improvement - Series 2011B Refunding	3,120,000	355,000	2,765,000
30-Jun-11	1-Jul-31	Public Improvement - Series 2011C	5,000,000	-	5,000,000
<b>TOTAL GENERAL DEBT</b>			<b>26,705,000</b>	<b>1,340,000</b>	<b>25,365,000</b>
<b>Water and Sewer Debt</b>					
6-Feb-02	1-Jun-15	Water Synthetic Refunding - Series 2002	11,185,000	2,985,000	8,200,000
<b>TOTAL WATER AND SEWER DEBT</b>			<b>11,185,000</b>	<b>2,985,000</b>	<b>8,200,000</b>
<b>TOTAL BONDED DEBT</b>			<b>37,890,000</b>	<b>4,325,000</b>	<b>33,565,000</b>

Note: The Water and Sewer General Obligation Debt 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

### 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, installment sales contracts, lease-purchase agreements, state loans, and interlocal agreements.

As of June 30, 2011, the total other outstanding debt for the City will be \$197.0 million.

Total other outstanding debt at June 30, 2011, for the General Fund is approximately \$99.0 million. Other outstanding general debt is retired with general tax revenues (property tax, sales tax, etc.) collected annually.

Total other outstanding debt at June 30, 2011, for the Special Revenue Fund is approximately \$61.3 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, 2011, for Storm Water Management is approximately \$13.7 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, 2011, for the Equipment, Maintenance and Replacement Fund is approximately \$.8 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, 2011, for the Parking Facilities Fund is approximately \$6.9 million. Revenue from the parking decks and the on-street parking program pay for this installment debt.

Total other outstanding debt at June 30, 2011, for water projects is approximately \$15.4 million and represents COPs issued to purchase a 12,000-customer private water system (Dobo System). The 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.

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 2011-12 Adopted Budget  
CAPITAL IMPROVEMENT PROGRAM

**Other Outstanding Debt**

ISSUE DATE	MATURITY DATE	INSTRUMENT	PURPOSE	OUTSTANDING PRINCIPAL JUNE 30, 2011	PRINCIPAL TO BE RETIRED FY 2011-12	OUTSTANDING PRINCIPAL JUNE 30, 2012
<b>General Debt</b>						
1-Jun-07	1-Jun-12	Installment Purchase 2007	Suntrust - Various Equipment	217,831	217,831	-
18-Dec-01	18-Dec-21	Installment Purchase	Legion Stadium Renovations	2,887,500	275,000	2,612,500
15-Jan-03	1-Jun-28	COPS - 2003	Operations Center/Riverwalk Extension	2,527,828	213,569	2,314,259
29-Jul-04	1-Sep-29	COPS - 2004A	Operations Center/Fire Station	10,010,000	400,000	9,610,000
9-Jun-05	1-Jun-32	COPS - 2005	Police Headquarters/Operations Center	31,340,000	1,320,000	30,020,000
1-May-08	1-Jun-28	Installment Purchase 2008D	RBC Various Projects	12,125,000	715,000	11,410,000
1-Jun-08	1-Jun-29	Installment Debt	NHC Parks and Recreation Bonds	11,000,000	500,000	10,500,000
8-Apr-10	1-Jun-16	LOB 2010A	Various Projects	4,600,000	-	4,600,000
8-Apr-10	1-Jun-30	LOB 2010B - BABs	Various Projects	19,270,000	-	19,270,000
30-Jun-10	1-Aug-30	Installment Debt	NHC Parks and Recreation Bonds	5,065,808	253,058	4,812,750
<b>TOTAL GENERAL DEBT</b>				<b>99,043,967</b>	<b>3,894,458</b>	<b>95,149,509</b>
<b>Special Revenue 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 RBC - Parking Deck Non-Taxable		7,190,000	-	7,190,000
8-Apr-10	1-Jun-30	LOB 2010B - BABs	Refunding of 2008C COPS	7,500,000	1,425,000	6,075,000
<b>TOTAL SPECIAL REVENUE FUND DEBT</b>				<b>61,250,000</b>	<b>1,425,000</b>	<b>59,825,000</b>
<b>Storm Water Management Debt</b>						
9-Jun-05	1-Jun-32	COPS - 2005	Drainage Improvements	1,025,000	75,000	950,000
30-Oct-07	1-Jun-33	Storm Water Revenue Bonds - Series 2007		10,121,000	279,000	9,842,000
30-Oct-07	1-Jun-33	Storm Water Revenue Bonds Refunded 97 GO's		2,504,000	186,000	2,318,000
<b>TOTAL STORM WATER MANAGEMENT DEBT</b>				<b>13,650,000</b>	<b>540,000</b>	<b>13,110,000</b>
<b>Equipment, Maintenance &amp; Replacement Debt</b>						
1-Jun-07	1-Jun-12	Installment Purchase 2007	Suntrust - Various Equipment	783,680	783,680	-
<b>TOTAL EQUIPMENT, MAINTENANCE &amp; REPLACEMENT DEBT</b>				<b>783,680</b>	<b>783,680</b>	<b>-</b>
<b>Parking Facilities Debt</b>						
15-Jan-03	1-Jun-28	COPS 2003	Parking Facilities	6,867,172	401,431	6,465,741
<b>TOTAL PARKING FACILITIES DEBT</b>				<b>6,867,172</b>	<b>401,431</b>	<b>6,465,741</b>
<b>Water Certificates of Participation (COPS)</b>						
12-Apr-06	1-Jun-24	COPS 2006A	Refunding Water System	15,415,000	885,000	14,530,000
<b>TOTAL WATER CERTIFICATES OF PARTICIPATION (COPS)</b>				<b>15,415,000</b>	<b>885,000</b>	<b>14,530,000</b>
<b>TOTAL OTHER DEBT</b>				<b>197,009,819</b>	<b>7,929,569</b>	<b>189,080,250</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 Reserve Fund.

Debt service for water and sewer projects is budgeted in the Debt Reserve Fund. The outstanding revenue bonds of \$67.2 million were defeased in August 2008 (FY 2009) by the CFPUA. However, the approximately \$26.6 million in water and sewer GO bonds and COPS were not defeased and will remain the City's debt. CFPUA will make annual payments to the City for this outstanding debt per the 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 the Bond Rating Agencies. The FY 2011-12 debt service payments for water and sewer projects not being defeased are approximately \$5 million.

The annual debt service payment in the Parking Facilities Fund is approximately \$.7 million in FY 2011-12. Revenues from the parking facilities and the on-street parking program are used to pay the debt service in the Parking Facilities Fund.

The annual debt service payment in the Storm Water Management Fund is approximately \$1.2 million in FY 2011-12. Revenues from the storm water utility fee will be used for these debt service payments.

The annual debt service payment in the Equipment, Maintenance and Replacement Fund is approximately \$.8 million in FY 2011-12. Revenues earned from leasing the equipment to the user departments will be used for these debt service payments.

The annual debt service payment in the Special Revenue Fund is approximately \$4.2 million in FY 2011-12. 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 Requirements Outstanding Bonded Debt and Other Debt

FISCAL YEAR	General Fund			Debt was not taken out by CFPUA Pmts will be made to the City by CFPUA W/S GO Bonds and COPS		
	PRINCIPAL	INTEREST	TOTAL PAYMENT	PRINCIPAL	INTEREST	TOTAL PAYMENT
2011-12	5,234,458	5,318,668	10,553,126	3,870,000	1,151,028	5,021,028
2012-13	7,211,627	5,310,144	12,521,770	3,870,000	1,001,750	4,871,750
2013-14	7,681,627	5,051,359	12,732,986	3,865,000	852,398	4,717,398
2014-15	7,291,627	4,750,443	12,042,070	3,365,000	698,338	4,063,338
2015-16	7,296,627	4,472,811	11,769,437	1,055,000	557,995	1,612,995
2016-17	7,316,627	4,184,262	11,500,888	1,105,000	505,245	1,610,245
2017-18	7,411,627	3,887,703	11,299,330	1,165,000	449,995	1,614,995
2018-19	6,416,627	3,570,969	9,987,595	1,220,000	391,745	1,611,745
2019-20	6,416,627	3,287,007	9,703,633	1,285,000	330,745	1,615,745
2020-21	6,641,627	2,999,998	9,641,625	1,350,000	266,495	1,616,495
2021-22	6,504,127	2,699,984	9,204,110	1,415,000	198,995	1,613,995
2022-23	6,361,627	2,402,026	8,763,652	1,485,000	128,245	1,613,245
2023-24	6,143,058	2,104,357	8,247,414	1,550,000	65,875	1,615,875
2024-25	6,143,058	1,813,088	7,956,146			
2025-26	6,148,058	1,519,563	7,667,620			
2026-27	6,148,058	1,223,815	7,371,873			
2027-28	6,148,058	924,786	7,072,844			
2028-29	5,414,610	623,199	6,037,809			
2029-30	3,984,610	365,176	4,349,786			
2030-31	2,044,610	165,915	2,210,525			
2031-32	1,790,000	75,175	1,865,175			
<b>Totals</b>	125,748,967			26,600,000		

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

FISCAL YEAR	Parking Facilities Fund			Storm Water Utility Fund		
	PRINCIPAL	INTEREST	TOTAL PAYMENT	PRINCIPAL	INTEREST	TOTAL PAYMENT
2011-12	401,431	315,085	716,516	540,000	641,054	1,181,054
2012-13	406,431	299,085	705,516	555,000	618,441	1,173,441
2013-14	406,431	278,835	685,266	575,000	595,281	1,170,281
2014-15	406,431	258,585	665,016	595,000	570,781	1,165,781
2015-16	406,431	241,575	648,006	620,000	545,231	1,165,231
2016-17	406,431	224,363	630,794	640,000	518,719	1,158,719
2017-18	406,431	206,745	613,176	665,000	490,956	1,155,956
2018-19	406,431	188,925	595,356	695,000	460,656	1,155,656
2019-20	406,431	170,700	577,131	720,000	429,006	1,149,006
2020-21	406,431	151,969	558,400	745,000	396,231	1,141,231
2021-22	406,431	133,238	539,669	775,000	362,356	1,137,356
2022-23	401,431	114,000	515,431	515,000	326,250	841,250
2023-24	400,000	95,000	495,000	535,000	300,500	835,500
2024-25	400,000	76,000	476,000	560,000	273,750	833,750
2025-26	400,000	57,000	457,000	515,000	245,750	760,750
2026-27	400,000	38,000	438,000	540,000	220,000	760,000
2027-28	400,000	19,000	419,000	570,000	193,000	763,000
2028-29				595,000	164,500	759,500
2029-30				625,000	134,750	759,750
2030-31				655,000	103,500	758,500
2031-32				690,000	70,750	760,750
2032-33				725,000	36,250	761,250
<b>Totals</b>	<b>6,867,172</b>			<b>13,650,000</b>		

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

FISCAL YEAR	Equipment, Maintenance & Repl			Special Revenue Fund - Conv Center		
	PRINCIPAL	INTEREST	TOTAL PAYMENT	PRINCIPAL	INTEREST	TOTAL PAYMENT
2011-12	783,680	14,371	798,050	1,425,000	2,799,125	4,224,125
2012-13				1,460,000	2,773,048	4,233,048
2013-14				1,490,000	2,738,154	4,228,154
2014-15				1,535,000	2,691,815	4,226,815
2015-16				2,015,000	2,639,471	4,654,471
2016-17				1,455,000	2,559,092	4,014,092
2017-18				1,515,000	2,499,957	4,014,957
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>	783,680			61,250,000		

## 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 plus other outstanding debt minus 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, 2011, the City of Wilmington could legally issue an additional \$917 million of debt. The City's net debt as of June 30, 2011, is estimated at 1.50% of the assessed valuation of the City, well below the 8% legal limit. The City's net debt as of June 30, 2012 is projected at 1.43% of the assessed valuation of the City.

### Legal Debt Margin

	<b>AS OF JUNE 30,2011</b>	<b>AS OF JUNE 30,2012</b>
Estimated Assessed Valuation (As Per FY 2010-11 TR2)	14,098,655,168	14,174,900,000
Legal Debt Limit (8% of Assessed Valuation)	1,127,892,413	1,133,992,000
Amount of Debt Applicable to Legal Debt Limit - NET DEBT		
Total Bonded Debt	37,890,000	33,565,000
Total Other Debt (excluding Revenue Bonds)	184,384,819	176,920,250
Total Gross Debt	222,274,819	210,485,250
Minus Bonded Debt for Water Enterprise Operations	11,185,000	8,200,000
<b>TOTAL NET DEBT</b>	<b>211,089,819</b>	<b>202,285,250</b>
<b>PERCENT OF ASSESSED VALUATION</b>	<b>1.50%</b>	<b>1.43%</b>
<b>LEGAL DEBT MARGIN</b>	<b>916,802,595</b>	<b>931,706,750</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, 2011, the City of Wilmington's outstanding net debt per capita is estimated at approximately \$1,120. As of June 30, 2012, it is estimated at approximately \$1,063.

### Net Direct Debt Per Capita

	<u>AS OF JUNE 30, 2011</u>	<u>AS OF JUNE 30, 2012</u>
Estimated City Population	106,476	107,694
Total Debt	234,899,819	222,645,250
Less year-end balance debt service fund	6,472,415	6,056,831
Less self-supporting debt	109,150,852	102,130,741
Net Direct Debt	119,276,552	114,457,678
<b>Net Direct Debt Per Capita</b>	<b>1,120</b>	<b>1,063</b>

### NET DIRECT DEBT AS A PERCENT OF OPERATING

The amount of annual debt service for net debt as a percentage of the annual operating budget is another measure of a city's debt burden. For FY 2011-12, debt service for net debt (debt to be retired with general tax revenues) totals approximately 10.6 million. With a total General Fund operating budget of approximately 85.3 million, this represents 12.37% of the annual operating budget. It is recommended that annual debt service payments not exceed 15% - 20% of annual operating expenses. Most local governments in North Carolina are in the 10% - 15% range. No debt service for water and sewer projects, Stormwater Management Fund, Golf Enterprise Fund, Parking Facilities Fund or Special Revenue Fund (Convention Center) are paid with general tax revenues.

### Debt Service - % of Operating Budget

	FY 2011-12 OPERATING BUDGET	FY 2011-12 TOTAL DEBT SERVICE	FY 2011-12 % OF OPERATING BUDGET
General Fund	85,318,794	10,553,126	12.37%