



July 1, 2010

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

I am pleased to present to you the FY 2010-11 Annual Budget for the City of Wilmington as adopted by City Council on June 15, 2010. This document represents the City's comprehensive budget plans and policies for the upcoming fiscal year.

The *FY 2010-11 Recommended Budget* was presented to City Council on May 4, 2010 and included the Budget Message, which follows this letter. The Recommended Budget was made available for public inspection on the City's website, in the City Manager's office, the City Clerk's office, the New Hanover County Library (main branch), the Budget Office at 305 Chestnut Street, and to individuals upon request. In accordance with the North Carolina Local Government Budget and Fiscal Control Act, a notice of public hearing was published in two local newspapers to encourage public input into the budget process. A public hearing was held on the Recommended Budget on May 18, 2010. City Council also held a budget work session on May 24, 2010.

During the budget deliberations, City Council made very few changes to the Recommended Budget. Listed below is a summary of the changes which are incorporated in the appropriate sections of this document:

#### **EXPENDITURE CHANGES:**

##### **General Fund**

- Salary and benefits in the amount of \$55,540 for a Code Enforcement Officer was added to the budget for the monitoring and licensing of Internet Sweepstakes Cafes.

##### **Convention Center Fund**

- An amount of \$2,799,698 was reduced from the recommended debt service appropriation as the project to date budget is adequate to support the upcoming debt service.
- An amount of \$314,204 was added to the cost for food and beverage expense as provided by SMG in their budget proposal for purchases for resale.

**Special Purpose Fund**

- A decrease of \$2,485,494 was made in the Room Occupancy Tax transfer to the Convention Center Fund as a result of the net expenditure decrease in debt service in the Convention Center Fund.

**REVENUE CHANGES:**

**General Fund**

- Privilege License Revenue in the amount of \$55,540 was included for the licensing of Internet Sweepstakes Cafes.

**Convention Center Fund**

- A decrease of \$2,485,494 was made in Room Occupancy Tax revenue as a result of the net expenditure decrease in debt service.

**Special Purpose Fund**

- A decrease of \$2,485,494 was made in the Room Occupancy Tax revenue appropriation as a result of the net expenditure decrease in debt service in the Convention Center Fund.

The first reading of the FY 2010-11 Adopted Budget was held on June 1, 2010 and the second reading was held on June 15, 2010. There were no further changes to the *“Recommended Budget.”*

Sincerely,



Sterling B. Cheatham  
City Manager



May 4, 2010

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

In accordance with § 159-11 of the North Carolina General Statutes, I am pleased to present the *Recommended Budget* for the City of Wilmington for the fiscal year beginning July 1, 2010 and ending June 30, 2011.

The total net budget for FY 2011 is \$126,157,869 and represents a 2.75% increase over the current adopted budget of \$122,778,183. The General Fund is the largest component of this total with expenditures of \$84,290,848, an increase of 4.4% or \$3.5 million over the current adopted amount of \$80,723,416. The Recommended General Fund budget complies with the City Council's policy of maintaining a fund balance of 15 to 20 percent of the budgeted expenditures. The recommended appropriated fund balance transfer is \$322,528, representing a significantly reduced reliance on the use of fund balance. It is a budget that has support programs funded at the minimum level and continues the critical core services. Funding below the recommended level will require the reduction of essential City services and programs. This budget requests a 3.75 cent tax increase.

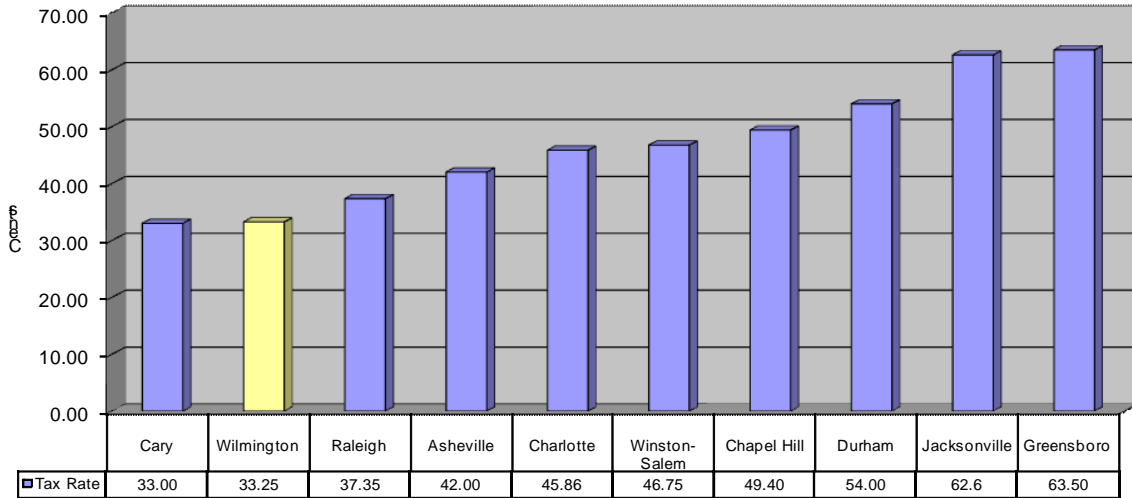
Since 2008, the City has not only managed the repercussions of the nearly \$3.4 million County tax calculation error, it has also adapted to the extended economic downturn. Over the past two years, the City has responded to financial constraints by proactively and critically evaluating what we do, by reducing services, by the use of retirement incentives, and by reviewing every non-public safety vacancy for elimination. The impact on essential services has been minimized by the willingness of City employees to accept additional workloads and responsibilities at reduced wage and benefit levels. We have set as goals continuing the jobs of current employees and their pay in exchange for challenging all of us to do more with less.

**Reduced State Funding**

In the current year, the deteriorating financial condition of the State has resulted in the retention of two-thirds of our Beer and Wine revenues (\$311,690). We also continue to be concerned that the State’s financial issues may impact us again next year by the withholding of revenue generated locally that is supposed to come back to us.

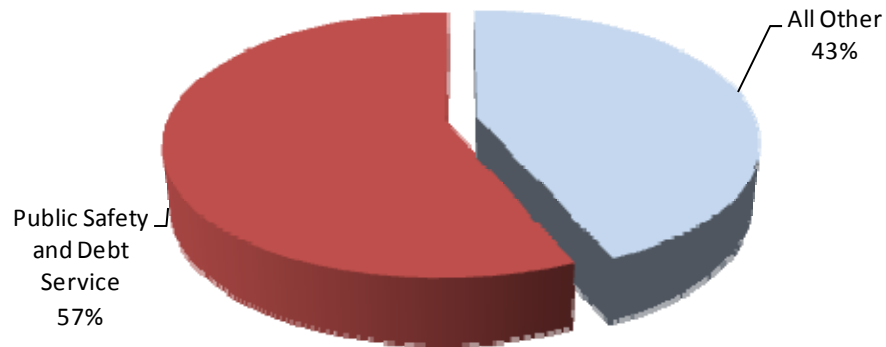
The economy is anemic but slowly recovering. As we face the upcoming fiscal year, we continue to experience declining revenues. We cannot afford to wait, lose further momentum and erode the years of progress made in enhancing the quality of life in the community. A tax rate adjustment is needed to provide adequate revenues to support core programs. Our tax rate presently is one of the lowest among comparable non-electric cities. Many of these are contemplating an increase to address present circumstances.

FY 2009-10 Adopted Tax Rates  
for Non-Electric Cities of 50,000 Population and Above



The fiscal 2007 forecast presented to Council projected General Fund revenue of \$90 million and General Fund expenditures of \$96 million. Over the past two years, we have significantly reduced expenditures well below the forecasted amounts to bring them more in line with the reality of our steep decline in revenues. Continued losses in revenue include a reduction in sales tax projections of 5% or \$.7 million. Powell Bill revenues are anticipated to decrease 6% or \$0.1 million, and investment earnings projections are reduced 66% or \$.3 million below the current fiscal year. Since 2008, these three revenue sources have declined over \$2.6 million, \$.8 million and \$1 million respectively, for a total loss of \$4.4 million, the equivalent of 3 cents on the tax rate. Our ability to continue providing essential services to citizens is now challenged to the degree that we must recommend a property tax increase. Recommended reductions already impact public safety as well as recreation, economic development, code enforcement, building maintenance and capital projects and infrastructure improvements. Further reductions would have a measurable adverse impact on core services; nothing else is left.

FY 2011 General Fund  
Recommended Budget  
Public Safety and Debt to All Other



**Tax Rate Adjustment 3.75 Cents**

It is important to note that this Recommended Budget is balanced at a 37 cent tax rate, requiring a 3.75 cent increase. This tax increase, as well as the elimination of positions, reductions in service delivery, adjustments to employee health benefits, delay of capital projects and use of fund balance were measures used to allow us to continue core operations in this budget.

The Recommended Budget does not include merit increases or reinstate the City's deferred compensation contribution. Unlike furloughs, the effects of these cuts are permanent reductions of current wages and pension benefits. Over the last two years, city employees have lost an average of more than \$4,600 each as a result of these cuts.

The Recommended Budget will affect citizens, employees and other stakeholders. Every group is being asked to sacrifice in order to maintain the essential core services of the City. Implementation of this budget within the guidelines of the City's core values of respect, professionalism, integrity, service and safety will ensure the enjoyment of Wilmington's continued prosperity.

**Recommended Budget for Fiscal Year 2010-11**

The following provides a review of the major components of the proposed budget for Fiscal Year 2010-11.

**Revenues:**

The net operating and capital budget is \$126,157,869, which includes a General Fund total operating budget of \$84,290,848. The significant revenue components of the budgetary plan are:

- ❖ An ad valorem tax rate of 37 cents per \$100. This is 3.75 cents higher than the current tax rate of 33.25 cents and represents a \$6.3 million increase in revenue over the adopted 2009-2010 budget. For over 10 years we have been able to avoid a real property tax increase (except for the tax error in 2009). Of this increase, \$1.1 million is attributable to growth in the tax base over the current year and the remaining \$5.2 million is a result of the 3.75 cent increase. The following table shows the effect of the tax increase on the average City homeowner:

City of Wilmington Median Home Value \$184,649			
Current Tax 0.3325	Proposed Tax 0.37	Annual Increase	Monthly Impact
\$613.96	\$683.20	\$69.24	\$5.77

- ❖ Local sales taxes are projected at \$14.2 million, a reduction of \$.7 million below the current year. As mentioned earlier, the decline over the past three years represents approximately \$2.6 million in revenue lost to the City. Sales tax revenue for the City is further negatively impacted for any ad valorem tax increase implemented by New Hanover County – the effect of which is delayed one fiscal year.
- ❖ Beginning undesignated General Fund Balance for Fiscal Year 2009-10 was \$18.6 million and is projected to be \$13.8 at year end, representing 16.36% of the General Fund budget. The City Council has established a fiscal policy goal of maintaining an undesignated fund balance equal to 15% to 20% of expenditures. This estimate exceeds the policy goal and the recommended use of \$.3 million in Fiscal Year 2010-11 will not violate this policy, but leaves us on the lower end of the range.

**Debt and Capital Facility Costs:**

On May 2, 2006, in a collaborative effort with New Hanover County, voters approved a Parks Bond Initiative and a Transportation Bond Initiative. These totaled \$31.4 million in new capital costs for much needed improvements in the City. These projects are now coming to fruition and include:

- Independence Boulevard Improvements
- North Third Street Improvements
- Sidewalks
- Neighborhood Traffic Management
- Traffic Signal System Upgrade

- Baseball/Softball fields at Olsen Park (Phase I)
- ADA Improvements
- Alderman Park
- Annexation area parks
- Downtown parks
- Greenfield Park
- Love Grove Park
- Maides Park
- MLK Center
- Natatorium
- Northside Splash
- Bike/greenways
- Land purchase – Water Street Park Land
- 10<sup>th</sup>/Fanning
- Empie Park tennis courts

Without question, these improvements have enhanced the quality of life in the community and region. However, they all must be paid for over time in debt service costs. These also come due as the lion's share of debt costs for the Police Headquarters (opened in November 2006) are also being paid. These and related debt costs equate to 3.9 cents on the tax rate for 2011 and when coupled with basic streets and sidewalk capital costs, provides for an increase in the 2011 budget in excess of \$1.6 million. It is true that when these projects were considered the economic downturn now being experienced was not on anyone's radar. We believed a continued growing economy might accommodate these cost increases. We now know those projections did not hold. Nonetheless, the debt must be paid as we enjoy these enhancements. Over the next five years, these items equate to 3.55 cents on the property tax rate. This is a major driver of the recommendation for a tax rate increase.

**Operating Fund Expenditures:**

The FY 2010-11 budget funds the continuation of most essential services. The following are necessary and largely unavoidable increases included in the budget:

❖ Retiree health premiums	\$ 600,000
❖ Debt service and new capital cost increases	\$2,285,000
❖ State retirement contribution increase	\$ 600,000
❖ Fuel and energy increases	\$ 500,000
❖ Reinstatement of CIP street and sidewalk maintenance	\$ 200,000
❖ NHC increase for collection of taxes	\$ 104,000

**The following are reductions and efficiencies to be realized during this year that will be ongoing:**

Departmental personnel reductions resulted in the elimination of 18 positions:

City Manager	1
Finance	2
Information Technology	1
Community Services	3
Development Services	2
Police	6
Fire	1
Public Services	2

Note: All positions above were vacant.

The elimination of the above positions results in a savings of \$985,786. As a note of comparison, a one-week furlough of current employees would result in a savings of \$678,180.

**Other Key Service Reductions/Changes:**

- ❖ Reductions made in FY 2009-10 will remain in place, e.g., elimination of 4-H support, no funding for bulb and tree plantings, reduced special event funding, and reduced City Council contingency.
- ❖ Service reductions in recreation, economic development, marketing, newsletter and public information, plan review, planning, code enforcement, and building maintenance are recommended. Public safety services have been preserved where possible, although there will be an impact on the Police Department through staffing reductions and operationally through the elimination of the Model Block Program.
- ❖ There are a few new or expanded programs. These are the management and maintenance of Olsen Park, a partnership with NCDOT for various railroad crossing improvements, funding of ADA compliance projects and support for the Cape Fear Future Initiatives (\$20,000).
- ❖ Funding in the Capital Improvement Plan has been requested for street and sidewalk maintenance (\$900,000). A survey of citizens and discussion during Council meetings has revealed that street and sidewalk maintenance and repair are a high priority and therefore funding has been provided at the FY 10 level in an otherwise bare capital program.
- ❖ This budget has no provision for much needed reserves for economic development, strategic land acquisition or Riverwalk improvements. We hope to rebuild these reserves in the years ahead.



- ❖ Employee Compensation – There is no provision for merit increases in the Recommended Budget. This message affirms that the restoration of merit increases and full City contribution to the employee deferred compensation program will be a high priority in Fiscal Year 2011-12.
- ❖ Health Insurance – The increasing costs of health insurance claims has resulted in a renewal increase of 18 percent unless changes are made to the structure of our plan. We have opted to increase co-pays and out-of-pocket minimums and also offer an alternative to our basic PPO self-insured plan in the form of a health savings plan. The implementation of this recommendation will result in a less than 1% overall increase in costs.
- ❖ Fleet and Vehicle Fuel Costs – Based upon reviews of useful life for vehicles and heavy equipment, we have recalculated and extended the life cycle for vehicles and equipment. For example, large fire apparatus will now be amortized over a 20-year useful life instead of 10 or 15 years. Specifically, next year there will be very few vehicles replaced, with no replacements in the Police Department.
- ❖ Outside Agencies – No more than level funding to outside agencies is recommended. A list of recommended funding to the agencies is detailed on pages D-24 and D-25 of the budget document.
- ❖ Other Agencies – The City has ongoing contracts with the Wilmington Film Commission (WFC), Wilmington Industrial Development (WID) and Wilmington Downtown, Incorporated (WDI) that require annual increases in City support based on the change in the consumer price index (CPI). The City has requested that these agencies voluntarily accept level or reduced funding for FY 2010-11. As proposed, support for Wilmington Downtown Inc. has been reduced \$20,000 due to the elimination of the pass through portion for Pedestrian Art, and the WFC and WID funding will be the same level as the current adopted budget.
- ❖ WAVE transit subsidy – The City has received a request from WAVE for a \$35,000 increase in support due to fuel and contractual labor cost increases. The total amount requested and recommended is \$1,175,000.
- ❖ Debt Management – The City continues to provide approximately 11% of the General Fund for debt service. Despite the current economic climate, the City has maintained a strong financial position through prudent financial management and effective debt management. In March 2010, the City's credit rating of AA, AA+, and Aa2 was affirmed by Fitch, Standard & Poor's Rating Group and Moody's, respectively. Future use of fund balance must be carefully considered to avoid an adverse impact on the City's bond ratings.
- ❖ SafeLite Program – The City has committed to funding this program for FY 2011 with General Fund support of \$250,000. The program is continuing as a joint cost sharing venture with New Hanover County.

## **Other Funds**

- ❖ Rate increases for Solid Waste and Storm Water activities of 2% and 4%, respectively, will increase the average bill approximately 85 cents.
- ❖ Parking and Golf Course operations will also increase rates. A 25 cent increase in parking meter rates is proposed to be implemented mid-year. Golf rates will increase a modest \$1 on weekdays and \$3 on weekends.

## **Capital Improvement Plan**

- ❖ The program has been reduced to a level of funding that provides for only the most necessary projects, specifically in the capital maintenance areas. Included in the current fiscal year CIP are ADA Improvements (\$1,507,000), the Natatorium (\$700,000), Military Cutoff Multi-use Path Debt to DOT (\$178,000), sidewalk rehab/repairs (\$150,000) and street rehabilitation (\$750,000). The Water Street Parking Deck, which is to be self-supporting, is now scheduled for FY 2012. Next fiscal year and beyond will require a renewed commitment to comprehensive infrastructure construction and maintenance.
- ❖ Past City CIP budgets that have come to fruition this year have served to stimulate the local economy during these difficult times. Projects like the North Front Street Improvement Projects, the widening of Independence Boulevard and South Front Street Improvements have meant local jobs for our local residents and an improved environment for our residents and visitors.

## **The Future**

Economic crises present opportunities for reflection, innovation and change. The City of Wilmington is committed to accommodating change while preserving our citizens' quality of life and essential services. We continue to challenge each other to provide quality services while also identifying cost savings and improving processes. We have attempted to engage every employee in this quest. However, we cannot risk the future of our community by failing to modestly invest in infrastructure, services and people.

We continue to face new demands for services as new park space comes on line, annexation becomes a reality, our streets are improved, our Convention Center opens, and more visitors are attracted to our community. The tax increase of 3.75 cents is requested with much consternation, but is vital to continue supporting the long term goals of the City. This action, the expenditure reductions and the use of fund balance provide the means necessary to keep the City safe and thriving. The City needs this lifeline to preserve and protect its viability for the future.

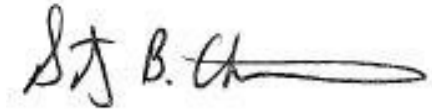
In closing, I would like to commend the City Council for their foresight and focus on taking strategic actions to rebuild our local economy. You have stayed very close to our economic plight throughout the year. Now we ask for your support in continuing to improve our community. We can look to a more vibrant and inclusive community as a result of tangible actions taken such as: the pending annexations, the completion of the downtown Convention

Center and the redevelopment of the Northern Downtown Riverfront District, street upgrades and neighborhood improvements. It is this leadership that will position the community for a bright future even during these tough economic times.

Last, I want to commend City departments who worked tirelessly and shared in the burden of preparation of this very challenging budget. I would like to especially thank the budget staff for the extra effort in putting this difficult Recommended Budget together.

We look forward to working with City Council as you consider this Recommended Budget.

Respectfully submitted,

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

Sterling B. Cheatham  
City Manager

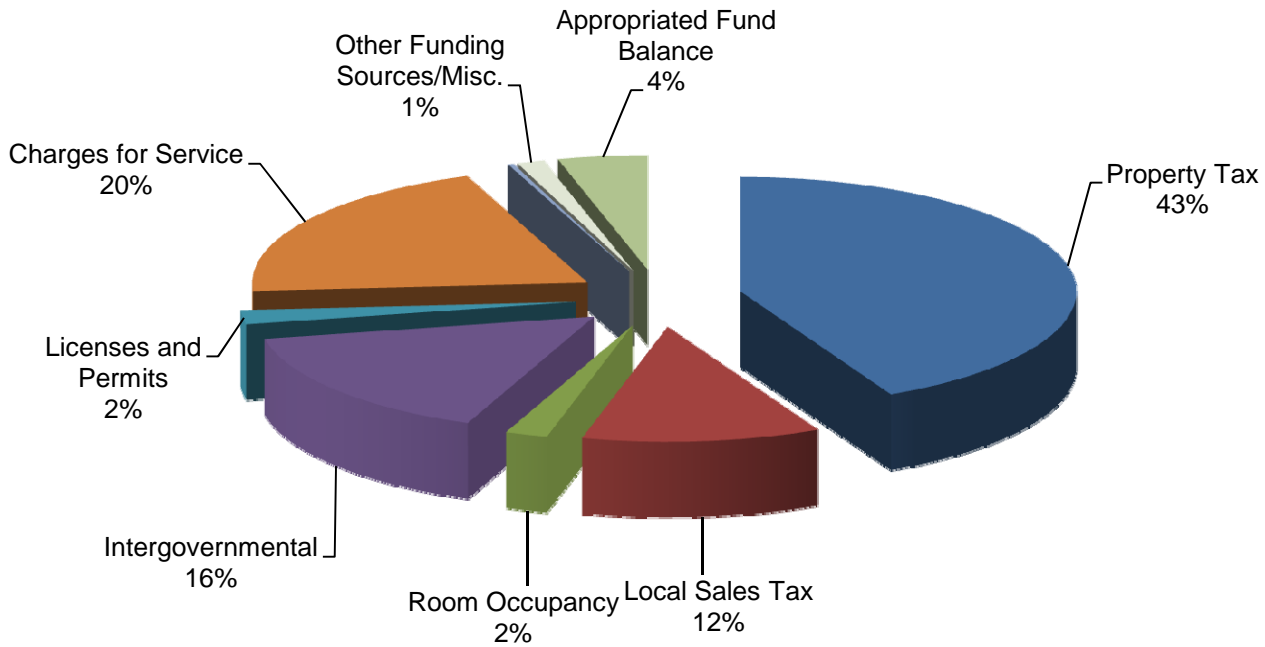
## REVENUE AND EXPENDITURE SUMMARY

	REVENUES			EXPENDITURES		
	Total Revenues	Less Approp Fm Other Funds	NET Revenues	Total Expenditures	Less Approp To Other Funds	NET Expenditures
<b>OPERATING FUNDS</b>						
General Fund	84,346,388	-	84,346,388	84,346,388	12,483,767	71,862,621
Storm Water Mgmt Fund	7,020,551	-	7,020,551	7,020,551	-	7,020,551
Solid Waste Mgmt Fund	8,374,368	-	8,374,368	8,374,368	-	8,374,368
<b>SUBTOTAL</b>	<b>99,741,307</b>	<b>-</b>	<b>99,741,307</b>	<b>99,741,307</b>	<b>12,483,767</b>	<b>87,257,540</b>
<b>PROGRAM FUNDS</b>						
Special Purpose Fund	2,568,991	50,000	2,518,991	2,568,991	2,518,991	50,000
CDBG Fund	893,000	-	893,000	893,000	405,000	488,000
CDBG/HOME Grant and Loan Fund	664,082	664,082	-	664,082	-	664,082
HOME Partnership Fund	761,907	-	761,907	761,907	60,000	701,907
Parking Facilities Fund	2,465,051	-	2,465,051	2,465,051	-	2,465,051
Golf Course Fund	1,122,431	-	1,122,431	1,122,431	-	1,122,431
Fleet Maintenance & Replacement Fund	6,105,412	-	6,105,412	6,105,412	-	6,105,412
Convention Center Fund	3,614,960	2,518,991	1,095,969	3,614,960	-	3,614,960
PC Replacement Fund	453,255	-	453,255	453,255	-	453,255
<b>SUBTOTAL</b>	<b>18,649,089</b>	<b>3,233,073</b>	<b>15,416,016</b>	<b>18,649,089</b>	<b>2,983,991</b>	<b>15,665,098</b>
<b>DEBT SERVICE FUNDS</b>						
Debt Service Fund	18,220,277	9,649,685	8,570,592	18,220,277	-	18,220,277
<b>CAPITAL PROJECT FUNDS</b>						
Streets & Sidewalks	1,078,000	1,078,000	-	1,078,000	-	1,078,000
Public Facilities	1,507,000	1,507,000	-	1,507,000	-	1,507,000
<b>SUBTOTAL</b>	<b>2,585,000</b>	<b>2,585,000</b>	<b>-</b>	<b>2,585,000</b>	<b>-</b>	<b>2,585,000</b>
<b>TOTAL ALL FUNDS</b>	<b>139,195,673</b>	<b>15,467,758</b>	<b>123,727,915</b>	<b>139,195,673</b>	<b>15,467,758</b>	<b>123,727,915</b>

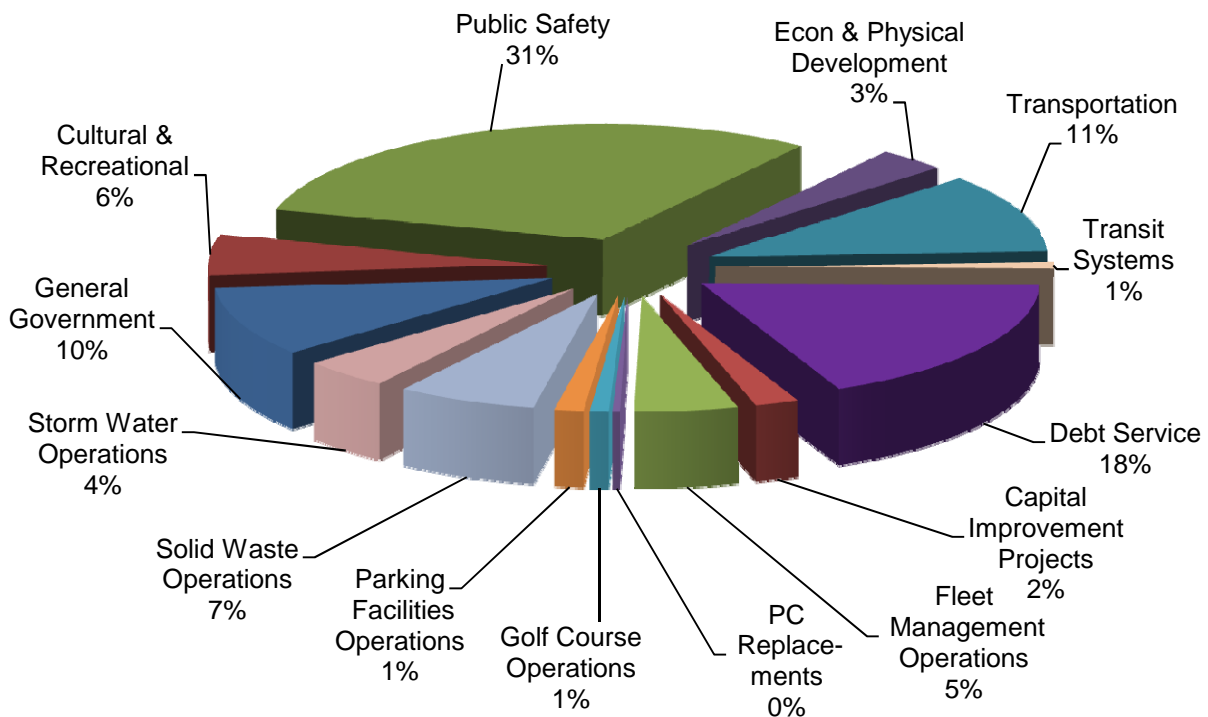
**TOTAL BUDGET SUMMARY**  
(Net of Interfund Transfers)

	<b>FY 08-09</b>	<b>FY 09-10</b>	<b>FY 10-11</b>	<b>% Change</b>
	<b>Actuals</b>	<b>Adopted</b>	<b>Adopted</b>	<b>FY 2009-10 to FY 2010-11</b>
<b>REVENUES</b>				
Property Tax	46,438,613	46,399,175	52,741,490	
Local Sales Tax	14,313,944	14,927,949	14,181,551	
Room Occupancy Tax	2,196,974	3,251,646	2,518,991	
Intergovernmental	22,245,921	20,497,760	19,493,785	
Licenses and Permits	2,363,585	2,520,449	2,467,959	
Charges for Service	22,688,790	24,389,480	25,038,567	
Interest Earnings	3,086,126	828,050	333,143	
Other Long Term Debt	16,251,926	4,573,033	-	
Miscellaneous	2,108,107	819,200	1,619,807	
Appropriated Fund Balance	-	4,571,441	5,332,622	
<b>TOTAL</b>	<b>131,693,986</b>	<b>122,778,183</b>	<b>123,727,915</b>	<b>0.8%</b>
<b>EXPENDITURES</b>				
General Government	10,306,695	10,507,220	12,066,026	
Cultural & Recreational	4,440,360	6,801,587	6,904,593	
Public Safety	41,215,511	37,972,160	38,057,826	
Econ & Physical Development	1,782,605	2,364,110	4,082,999	
Transportation	16,449,507	13,067,423	13,586,196	
Transit Systems	1,140,000	1,205,837	1,247,980	
Debt Service	20,408,792	25,422,902	22,344,754	
Capital Improvement Projects	40,299,816	1,885,000	2,585,000	
Fleet Management Operations	5,919,730	7,382,108	6,105,412	
PC Replacements	439,953	447,596	453,255	
Golf Course Operations	1,083,967	1,104,050	1,122,431	
Parking Facilities Operations	1,474,709	1,744,662	1,724,094	
Solid Waste Operations	7,803,467	7,925,954	8,250,018	
Storm Water Operations	4,773,868	4,947,574	5,197,331	
<b>TOTAL</b>	<b>157,538,980</b>	<b>122,778,183</b>	<b>123,727,915</b>	<b>0.8%</b>

**Total City Revenues FY 2010-11  
(Net of Interfund Transfers)**



**Total City Expenditures FY 2010-11  
(Net of Interfund Transfers)**

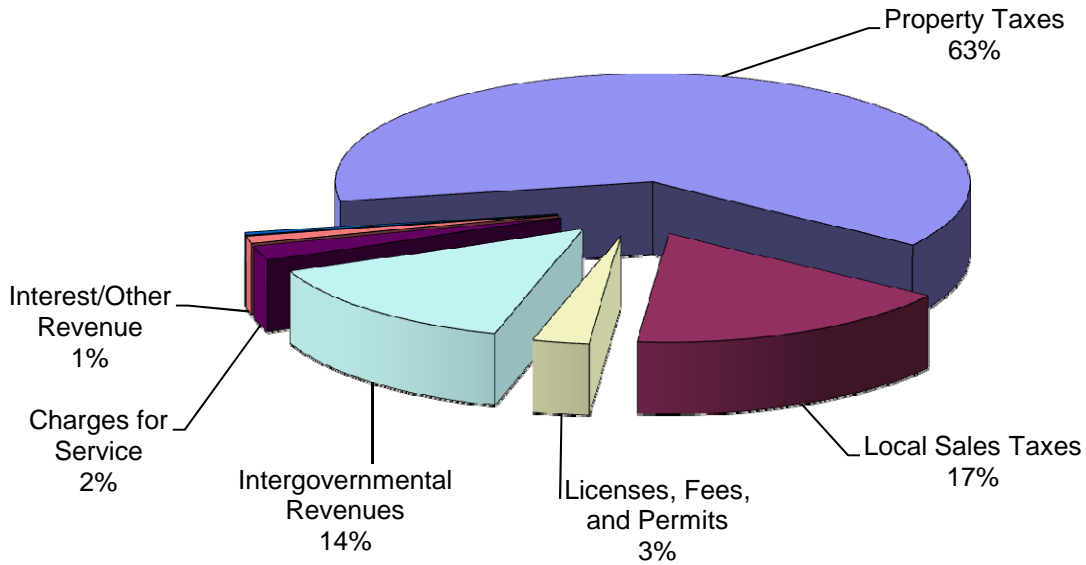


## GENERAL FUND BUDGET SUMMARY

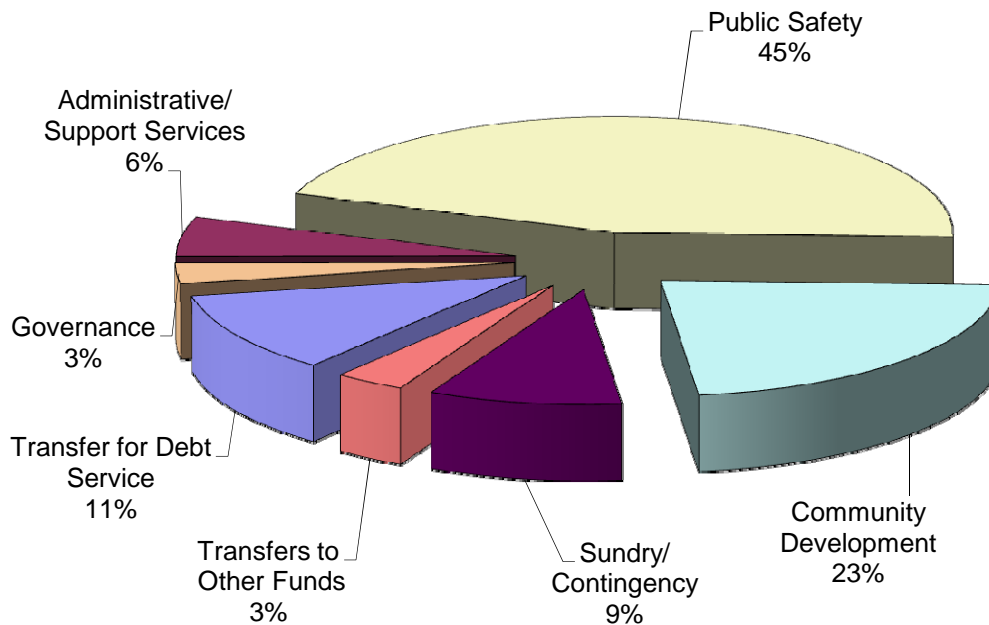
(Including Interfund Transfers)

	<b>FY 08-09 Actual</b>	<b>FY 09-10 Adopted</b>	<b>FY 09-10 Adjusted</b>	<b>FY 10-11 Adopted</b>	<b>% Change FY 09-10 to FY 10-11</b>
<b>REVENUES</b>					
Property Taxes	46,438,613	46,399,175	46,399,175	52,741,490	
Local Sales Taxes	14,313,944	14,927,949	14,927,949	14,181,551	
Licenses, Fees, and Permits	2,359,713	2,510,449	2,510,449	2,424,759	
Intergovernmental Revenues	12,538,597	12,384,472	11,852,345	11,961,959	
Charges for Current Services	2,035,535	2,085,171	2,085,171	1,865,491	
Fines and Forfeitures	71,255	126,200	126,200	126,200	
Interest Earnings	817,370	500,000	500,000	170,410	
Other Revenue	3,569,640	540,000	752,163	552,000	
Appropriated Fund Balance	-	1,250,000	2,955,119	322,528	
<b>Total</b>	<b>82,144,667</b>	<b>80,723,416</b>	<b>82,108,571</b>	<b>84,346,388</b>	<b>4.5%</b>
<b>EXPENDITURES</b>					
Governance					
City Council	192,456	184,866	184,866	189,996	
City Clerk	188,978	176,654	176,654	180,238	
City Manager	1,342,480	1,144,903	1,145,383	1,134,739	
City Attorney	783,543	862,377	963,002	782,783	
Human Resources	487,762	676,586	677,300	687,837	
Finance	1,740,148	1,931,384	1,933,673	1,837,202	
Information Technology	2,028,106	2,075,374	2,247,947	2,129,095	
Community Services	4,379,247	6,801,587	6,723,318	6,904,593	
Development Services	6,521,420	5,462,944	5,532,947	5,388,133	
Police	24,669,827	23,456,213	23,185,971	23,064,837	
Fire	15,252,495	14,515,947	14,122,947	14,992,989	
Public Services	7,774,694	6,293,095	6,159,342	6,804,303	
Sundry	6,000,507	5,839,747	7,288,846	7,665,876	
Contingency	-	132,550	117,650	100,000	
Transfers to Other Funds	11,956,865	11,169,189	11,648,725	12,483,767	
<b>Total</b>	<b>83,318,528</b>	<b>80,723,416</b>	<b>82,108,571</b>	<b>84,346,388</b>	<b>4.5%</b>

**General Fund Revenues FY 2010-11  
(Including Interfund Transfers)**



**General Fund Expenditures FY 2010-11  
(Including Interfund Transfers)**





# Compiled Budget

	GENERAL FUND	SOLID WASTE MANAGEMENT FUND	STORM WATER MANAGEMENT FUND	GOLF COURSE FUND	COMMUNITY DEVELOPMENT BLOCK GRANT FUND	CDBG/HOME GRANT AND LOAN FUND
<b>ESTIMATED REVENUES</b>						
<b>SOURCE</b>						
Property Tax	\$ 52,741,490	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sales Tax	\$ 14,181,551	-	-	-	-	-
Room Occupancy Tax	\$ -	-	-	-	-	-
Intergovernmental	\$ 11,961,959	57,332	-	-	888,447	-
Licenses and Permits	\$ 2,424,759	-	43,200	-	-	-
Charges for Service	\$ 1,865,491	8,311,715	6,940,387	1,074,510	-	-
Interest Earnings	\$ 170,410	5,321	36,964	7,771	-	-
Miscellaneous	\$ 678,200	-	-	-	4,553	-
Other Long Term Debt	\$ -	-	-	-	-	-
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 84,023,860</b>	<b>\$ 8,374,368</b>	<b>\$ 7,020,551</b>	<b>\$ 1,082,281</b>	<b>\$ 893,000</b>	<b>\$ -</b>
<b>EXPENDITURES</b>						
<b>FUNCTIONAL AREA</b>						
General Government	\$ 12,066,026	-	-	-	-	-
Cultural & Recreational	\$ 6,904,593	-	-	-	-	-
Public Safety	\$ 38,057,826	-	-	-	-	-
Econ & Physical Development	\$ -	-	-	-	488,000	664,082
Transportation	\$ 13,586,196	-	-	-	-	-
Transit Systems	\$ 1,247,980	-	-	-	-	-
Debt Service	\$ -	124,350	1,823,220	-	-	-
Capital Improvement Projects	\$ -	-	-	-	-	-
Fleet Management Operations	\$ -	-	-	-	-	-
PC Replacements	\$ -	-	-	-	-	-
Golf Course Operations	\$ -	-	-	1,122,431	-	-
Parking Facilities Operations	\$ -	-	-	-	-	-
Solid Waste Operations	\$ -	8,250,018	-	-	-	-
Storm Water Operations	\$ -	-	5,197,331	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 71,862,621</b>	<b>\$ 8,374,368</b>	<b>\$ 7,020,551</b>	<b>\$ 1,122,431</b>	<b>\$ 488,000</b>	<b>\$ 664,082</b>
<b>ESTIMATED REVENUES OVER/(UNDER) EXPENDITURES</b>						
	<b>\$ 12,161,239</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (40,150)</b>	<b>\$ 405,000</b>	<b>\$ (664,082)</b>
<b>OTHER FINANCING SOURCES/USES</b>						
<b>Transfers From Other Funds</b>						
General Fund	\$ -	-	-	-	-	199,082
Special Purpose Fund	\$ -	-	-	-	-	-
Golf Course Fund	\$ -	-	-	-	-	-
Storm Water Fund	\$ -	-	-	-	-	-
Community Development Block Grant Fund	\$ -	-	-	-	-	405,000
HOME Investment Partnership Fund	\$ -	-	-	-	-	60,000
<b>Transfers To Other Funds</b>						
Special Purpose Fund	\$ (50,000)	-	-	-	-	-
CDBG/HOME Grant and Loan Fund	\$ (199,082)	-	-	-	(405,000)	-
Storm Water Fund	\$ -	-	-	-	-	-
Convention Center Operating Fund	\$ -	-	-	-	-	-
Debt Service Fund	\$ (9,649,685)	-	-	-	-	-
Streets & Sidewalks Capital Projects	\$ (1,078,000)	-	-	-	-	-
Parks & Recreation Capital Projects	\$ -	-	-	-	-	-
Public Facilities Capital Projects	\$ (1,507,000)	-	-	-	-	-
Parking Facilities Fund	\$ -	-	-	-	-	-
Solid Waste Management Fund	\$ -	-	-	-	-	-
Capital Project Funds	\$ -	-	-	-	-	-
Appropriated Fund Balance	\$ 322,528	-	-	40,150	-	-
<b>TOTAL OTHER FINANCING SOURCES/USES</b>	<b>\$ (12,161,239)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 40,150</b>	<b>\$ (405,000)</b>	<b>\$ 664,082</b>
<b>ESTIMATED REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>						
	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

# Compiled Budget

	HOME INVESTMENT PARTNERSHIP FUND	PARKING FACILITIES FUND	EQUIPMENT MAINTENANCE & REPLACEMENT FUND	COMPUTER REPLACEMENT FUND	DEBT SERVICE FUND	SPECIAL PURPOSE FUND
<b>ESTIMATED REVENUES</b>						
<b>SOURCE</b>						
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sales Tax	-	-	-	-	-	-
Room Occupancy Tax	-	-	-	-	-	2,518,991
Intergovernmental	727,462	-	200,000	-	5,658,585	-
Licenses and Permits	-	-	-	-	-	-
Charges for Service	-	2,329,052	3,870,797	453,255	-	-
Interest Earnings	-	18,656	48,000	-	46,021	-
Miscellaneous	34,445	-	-	-	-	-
Other Long Term Debt	-	-	-	-	-	-
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 761,907</b>	<b>\$ 2,347,708</b>	<b>\$ 4,118,797</b>	<b>\$ 453,255</b>	<b>\$ 5,704,606</b>	<b>\$ 2,518,991</b>
<b>EXPENDITURES</b>						
<b>FUNCTIONAL AREA</b>						
General Government	-	-	-	-	-	-
Cultural & Recreational	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Econ & Physical Development	701,907	-	-	-	-	50,000
Transportation	-	-	-	-	-	-
Transit Systems	-	-	-	-	-	-
Debt Service	-	740,957	-	-	18,220,277	-
Capital Improvement Projects	-	-	-	-	-	-
Fleet Management Operations	-	-	6,105,412	-	-	-
PC Replacements	-	-	-	453,255	-	-
Golf Course Operations	-	-	-	-	-	-
Parking Facilities Operations	-	1,724,094	-	-	-	-
Solid Waste Operations	-	-	-	-	-	-
Storm Water Operations	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 701,907</b>	<b>\$ 2,465,051</b>	<b>\$ 6,105,412</b>	<b>\$ 453,255</b>	<b>\$ 18,220,277</b>	<b>\$ 50,000</b>
<b>ESTIMATED REVENUES OVER/(UNDER) EXPENDITURES</b>						
	<b>\$ 60,000</b>	<b>\$ (117,343)</b>	<b>\$ (1,986,615)</b>	<b>\$ -</b>	<b>\$ (12,515,671)</b>	<b>\$ 2,468,991</b>
<b>OTHER FINANCING SOURCES/USES</b>						
<b>Transfers From Other Funds</b>						
General Fund	-	-	-	-	9,649,685	50,000
Special Purpose Fund	-	-	-	-	-	-
Golf Course Fund	-	-	-	-	-	-
Storm Water Fund	-	-	-	-	-	-
Community Development Block Grant Fund	-	-	-	-	-	-
HOME Investment Partnership Fund	-	-	-	-	-	-
<b>Transfers To Other Funds</b>						
Special Purpose Fund	-	-	-	-	-	-
CDBG/HOME Grant and Loan Fund	(60,000)	-	-	-	-	-
Storm Water Fund	-	-	-	-	-	-
Convention Center Operating Fund	-	-	-	-	-	(2,518,991)
Debt Service Fund	-	-	-	-	-	-
Streets & Sidewalks Capital Projects	-	-	-	-	-	-
Parks & Recreation Capital Projects	-	-	-	-	-	-
Public Facilities Capital Projects	-	-	-	-	-	-
Parking Facilities Fund	-	-	-	-	-	-
Solid Waste Management Fund	-	-	-	-	-	-
Capital Project Funds	-	-	-	-	-	-
Appropriated Fund Balance	-	117,343	1,986,615	-	2,865,986	-
<b>TOTAL OTHER FINANCING SOURCES/USES</b>	<b>\$ (60,000)</b>	<b>\$ 117,343</b>	<b>\$ 1,986,615</b>	<b>\$ -</b>	<b>\$ 12,515,671</b>	<b>\$ (2,468,991)</b>
<b>ESTIMATED REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>						
	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

# Compiled Budget

	STREETS & SIDEWALKS CIP	PUBLIC FACILITIES CIP	CONVENTION CENTER FUND	TOTAL
<b>ESTIMATED REVENUES</b>				
<b>SOURCE</b>				
Property Tax	\$ -	\$ -	\$ -	\$ 52,741,490
Local Sales Tax	-	-	-	\$ 14,181,551
Room Occupancy Tax	-	-	-	\$ 2,518,991
Intergovernmental	-	-	-	\$ 19,493,785
Licenses and Permits	-	-	-	\$ 2,467,959
Charges for Service	-	-	193,360	\$ 25,038,567
Interest Earnings	-	-	-	\$ 333,143
Miscellaneous	-	-	902,609	\$ 1,619,807
Other Long Term Debt	-	-	-	\$ -
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,095,969</b>	<b>\$ 118,395,293</b>
<b>EXPENDITURES</b>				
<b>FUNCTIONAL AREA</b>				
General Government	-	-	-	\$ 12,066,026
Cultural & Recreational	-	-	-	\$ 6,904,593
Public Safety	-	-	-	\$ 38,057,826
Econ & Physical Development	-	-	2,179,010	\$ 4,082,999
Transportation	-	-	-	\$ 13,586,196
Transit Systems	-	-	-	\$ 1,247,980
Debt Service	-	-	1,435,950	\$ 22,344,754
Capital Improvement Projects	1,078,000	1,507,000	-	\$ 2,585,000
Fleet Management Operations	-	-	-	\$ 6,105,412
PC Replacements	-	-	-	\$ 453,255
Golf Course Operations	-	-	-	\$ 1,122,431
Parking Facilities Operations	-	-	-	\$ 1,724,094
Solid Waste Operations	-	-	-	\$ 8,250,018
Storm Water Operations	-	-	-	\$ 5,197,331
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,078,000</b>	<b>\$ 1,507,000</b>	<b>\$ 3,614,960</b>	<b>\$ 123,727,915</b>
<b>ESTIMATED REVENUES OVER/(UNDER) EXPENDITURES</b>				
	<b>\$ (1,078,000)</b>	<b>\$ (1,507,000)</b>	<b>\$ (2,518,991)</b>	<b>\$ (5,332,622)</b>
<b>OTHER FINANCING SOURCES/USES</b>				
Transfers From Other Funds				
General Fund	1,078,000	1,507,000	-	\$ 12,483,767
Special Purpose Fund	-	-	2,518,991	\$ 2,518,991
Golf Course Fund	-	-	-	\$ -
Storm Water Fund	-	-	-	\$ -
Community Development Block Grant Fund	-	-	-	\$ 405,000
HOME Investment Partnership Fund	-	-	-	\$ 60,000
Transfers To Other Funds				
Special Purpose Fund	-	-	-	\$ (50,000)
CDBG/HOME Grant and Loan Fund	-	-	-	\$ (664,082)
Storm Water Fund	-	-	-	\$ -
Convention Center Operating Fund	-	-	-	\$ (2,518,991)
Debt Service Fund	-	-	-	\$ (9,649,685)
Streets & Sidewalks Capital Projects	-	-	-	\$ (1,078,000)
Parks & Recreation Capital Projects	-	-	-	\$ -
Public Facilities Capital Projects	-	-	-	\$ (1,507,000)
Parking Facilities Fund	-	-	-	\$ -
Solid Waste Management Fund	-	-	-	\$ -
Capital Project Funds	-	-	-	\$ -
Appropriated Fund Balance	-	-	-	\$ 5,332,622
<b>TOTAL OTHER FINANCING SOURCES/USES</b>	<b>\$ 1,078,000</b>	<b>\$ 1,507,000</b>	<b>\$ 2,518,991</b>	<b>\$ 5,332,622</b>
<b>ESTIMATED REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>				
	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## APPROPRIATIONS BY FUND

### Operating Funds

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	<b>FY 08-09 Actuals</b>	<b>FY 09-10 Adopted</b>	<b>FY 10-11 Adopted</b>	<b>% Change</b>
<b>010 GENERAL FUND</b>	83,318,528	80,723,416	84,346,388	
<i>Less Appropriations to Other Funds</i>	<i>(11,956,865)</i>	<i>(11,169,189)</i>	<i>(12,483,767)</i>	
<b>NET GENERAL FUND</b>	<b>71,361,663</b>	<b>69,554,227</b>	<b>71,862,621</b>	
<b>050 STORM WATER MANAGEMENT FUND</b>	6,145,123	6,494,610	7,020,551	
<i>Less Appropriations to Other Funds</i>	<i>(187,170)</i>	<i>(200,000)</i>	-	
<b>NET STORM WATER MANAGEMENT FUND</b>	<b>5,957,953</b>	<b>6,294,610</b>	<b>7,020,551</b>	
<b>056 SOLID WASTE MANAGEMENT FUND</b>	8,037,182	8,159,668	8,374,368	
<i>Less Appropriations to Other Funds</i>	-	-	-	
<b>NET SOLID WASTE MANAGEMENT FUND</b>	<b>8,037,182</b>	<b>8,159,668</b>	<b>8,374,368</b>	
<b>TOTAL OPERATING FUNDS</b>	<b>97,500,833</b>	<b>95,377,694</b>	<b>99,741,307</b>	<b>4.6%</b>
<i>Less Appropriations to Other Funds</i>	<i>(12,144,035)</i>	<i>(11,369,189)</i>	<i>(12,483,767)</i>	
<b>NET OPERATING FUNDS</b>	<b>85,356,798</b>	<b>84,008,505</b>	<b>87,257,540</b>	<b>3.9%</b>

Program Funds

	FY 08-09 Actuals	FY 09-10 Adopted	FY 10-11 Adopted	% Change
<b>021 SPECIAL PURPOSE FUND</b>	2,351,179	50,000	2,568,991	
<i>Less Appropriations to Other Funds</i>	(5,385)	-	(2,518,991)	
NET SPECIAL PURPOSE FUND	2,345,794	50,000	50,000	
<b>CONVENTION CENTER OPERATING</b>				
<b>022 FUND</b>	3,488,504	3,251,646	3,614,960	
<i>Less Appropriations to Other Funds</i>	-	-	-	
NET CONVENTION CENTER FUND	3,488,504	3,251,646	3,614,960	
<b>COMMUNITY DEVELOPMENT BLOCK</b>				
<b>023 GRANT FUND</b>	632,931	874,829	893,000	
<i>Less Appropriations to Other Funds</i>	-	(400,000)	(405,000)	
NET CDBG FUND	632,931	474,829	488,000	
<b>CDBG/HOME GRANT AND LOAN</b>				
<b>024 FUND</b>	-	816,405	664,082	
<i>Less Appropriations to Other Funds</i>	-	-	-	
NET CD/HM GRANT AND LOAN FUND	-	816,405	664,082	
<b>025 HOME PARTNERSHIP FUND</b>	724,998	804,741	761,907	
<i>Less Appropriations to Other Funds</i>	-	(60,000)	(60,000)	
NET HOME PARTNERSHIP FUND	724,998	744,741	701,907	
<b>055 PARKING FACILITIES FUND</b>	3,226,120	2,556,510	2,465,051	
<i>Less Appropriations to Other Funds</i>	(785,000)	-	-	
NET PARKING FACILITIES FUND	2,441,120	2,556,510	2,465,051	
<b>057 GOLF COURSE FUND</b>	1,163,967	1,104,050	1,122,431	
<i>Less Appropriations to Other Funds</i>	(80,000)	-	-	
NET GOLF COURSE FUND	1,083,967	1,104,050	1,122,431	
<b>FLEET MAINTENANCE &amp;</b>				
<b>061 REPLACEMENT FUND</b>	5,919,730	7,382,108	6,105,412	
<i>Less Appropriations to Other Funds</i>	-	-	-	
NET FLEET FUND	5,919,730	7,382,108	6,105,412	
<b>065 COMPUTER REPLACEMENT FUND</b>	439,953	447,596	453,255	
<i>Less Appropriations to Other Funds</i>	-	-	-	
NET COMPUTER REPLACEMENT FUND	439,953	447,596	453,255	
<b>TOTAL PROGRAM FUNDS</b>	<b>17,947,382</b>	<b>17,287,885</b>	<b>18,649,089</b>	<b>7.9%</b>
<i>Less Appropriations to Other Funds</i>	(870,385)	(460,000)	(2,983,991)	
<b>NET PROGRAM FUNDS</b>	<b>17,076,997</b>	<b>16,827,885</b>	<b>15,665,098</b>	<b>-6.9%</b>

Debt Service Funds

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	FY 08-09 Actuals	FY 09-10 Adopted	FY 10-11 Adopted	% Change
<b>015 DEBT SERVICE FUND</b>	14,805,369	20,056,793	18,220,277	
<i>Less Appropriations to Other Funds</i>	-	-	-	
<b>NET DEBT SERVICE FUNDS</b>	14,805,369	20,056,793	18,220,277	<b>-9.2%</b>

Capital Project Funds

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	FY 08-09 Actuals	FY 09-10 Adopted	FY 10-11 Adopted	% Change
<b>031 STREETS AND SIDEWALKS</b>	13,209,425	2,260,000	1,078,000	
<i>Less Debt and Appropriations to Other Funds</i>	(2,349,324)	(1,000,000)	-	
<b>NET STREETS AND SIDEWALKS</b>	10,860,101	1,260,000	1,078,000	
<b>032 STORM WATER/DRAINAGE</b>	3,463,292	5,770,000	-	
<i>Less Debt and Appropriations to Other Funds</i>	-	(5,570,000)	-	
<b>NET STORM WATER/DRAINAGE</b>	3,463,292	200,000	-	
<b>033 PARKS AND RECREATION</b>	2,727,447	425,000	700,000	
<i>Less Debt and Appropriations to Other Funds</i>	(300,000)	-	(700,000)	
<b>NET PARKS AND RECREATION</b>	2,427,447	425,000	-	
<b>034 PUBLIC FACILITIES</b>	24,217,873	1,800,000	1,507,000	
<i>Less Debt and Appropriations to Other Funds</i>	(881,487)	(1,800,000)	-	
<b>NET PUBLIC FACILITIES</b>	23,336,386	-	1,507,000	

	<b>FY 08-09 Actuals</b>	<b>FY 09-10 Adopted</b>	<b>FY 10-11 Adopted</b>	<b>% Change</b>
<b>035 PARKING FACILITIES</b>	120,315	-	-	
<i>Less Debt and Appropriations to Other Funds</i>	-	-	-	
<b>NET PARKING FACILITIES</b>	120,315	-	-	
<b>036 GOLF COURSE</b>	92,275	-	-	
<i>Less Debt and Appropriations to Other Funds</i>	-	-	-	
<b>NET GOLF COURSE</b>	92,275	-	-	
<b>TOTAL CAPITAL PROJECTS FUNDS</b>	<b>43,830,627</b>	<b>10,255,000</b>	<b>3,285,000</b>	
<i>Less Debt and Appropriations to Other Funds</i>	<i>(3,530,811)</i>	<i>(8,370,000)</i>	<i>(700,000)</i>	
<b>NET CAPITAL PROJECTS FUNDS</b>	<b>40,299,816</b>	<b>1,885,000</b>	<b>2,585,000</b>	<b>37.1%</b>
<b>GRAND TOTAL ALL FUNDS</b>	<b>174,084,211</b>	<b>142,977,372</b>	<b>139,895,673</b>	
<i>Less Debt and Appropriations to Other Funds</i>	<i>(16,545,231)</i>	<i>(20,199,189)</i>	<i>(16,167,758)</i>	
<b>NET ALL FUNDS</b>	<b>157,538,980</b>	<b>122,778,183</b>	<b>123,727,915</b>	<b>0.8%</b>

## CAPITAL DEBT SERVICE PROJECTS

	<b>FY 2009-10 Adopted</b>	<b>FY 2010-11 Adopted</b>
<b>031 - STREETS AND SIDEWALKS</b>		
General Obligation Bonds	1,000,000	-
Installment Financing	-	-
<b>034 - PUBLIC FACILITIES</b>		
Installment Financing	1,800,000	-
New Hanover County Parks Bonds	-	700,000
<b>032 - STORM WATER/DRAINAGE</b>		
Revenue Bonds	5,570,000	-
<b>TOTAL CAPITAL DEBT SERVICE PROJECTS</b>	<b>8,370,000</b>	<b>700,000</b>





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GENERAL FUND FINANCIAL FORECAST

	Actual FY 2008-09	Adopted FY 2009-10	Adjusted FY 2009-10	Estimated Actual FY 2009-10	Adopted FY 2010-11	Estimated FY 2011-12
<b>REVENUES</b>						
Property Taxes	46,437,631	46,399,175	46,399,175	46,122,551	52,741,490	53,788,420
Sales Taxes	14,313,944	14,927,949	14,927,949	14,346,255	14,181,551	14,181,551
Licenses, Fees, and Permits	2,360,696	2,510,449	2,510,449	2,229,401	2,424,759	2,475,894
Intergovernmental Revenues	12,538,597	12,384,472	11,852,345	11,553,637	11,961,959	12,231,407
Charges for Current Services	2,040,920	2,085,171	2,085,171	2,031,488	2,015,491	2,054,460
Fines and Forfeitures	71,255	126,200	126,200	60,508	126,200	126,200
Interest Earnings	817,370	500,000	500,000	265,613	170,410	172,114
Miscellaneous & Financing Proceeds	514,673	540,000	544,500	710,369	402,000	402,000
Transfers From Other Funds	3,049,582	-	207,663	-	-	-
Appropriated Fund Balance	-	1,250,000	2,955,119	-	322,528	-
<b>TOTAL REVENUES</b>	<b>82,144,668</b>	<b>80,723,416</b>	<b>82,108,571</b>	<b>77,319,822</b>	<b>84,346,388</b>	<b>85,432,046</b>
<b>EXPENDITURES</b>						
City Council	192,456	184,866	184,866	186,730	189,996	201,530
City Clerk	188,978	176,654	176,654	149,215	180,238	191,615
City Manager	1,342,480	1,144,903	1,145,383	1,072,466	1,134,739	1,206,560
City Attorney	783,543	862,377	963,002	933,479	782,783	831,795
Human Resources	487,762	676,586	677,300	597,132	687,837	729,698
Finance	1,740,148	1,931,384	1,933,673	1,775,083	1,837,202	1,955,986
Information Technology	2,028,106	2,075,374	2,247,947	2,231,800	2,129,095	2,240,149
Development Services	6,521,420	5,462,944	5,532,947	5,292,425	5,388,133	5,637,922
Community Services	4,379,247	6,801,587	6,723,318	6,129,766	6,904,593	7,309,310
Police	24,669,827	23,456,213	23,185,971	22,903,520	23,064,837	24,465,993
Fire	15,252,495	14,515,947	14,122,947	13,932,577	14,992,989	15,963,640
Public Services	7,774,694	6,293,095	6,159,342	6,242,183	6,804,303	7,152,809
<b>TOTAL DEPARTMENTS</b>	<b>65,361,156</b>	<b>63,581,930</b>	<b>63,053,350</b>	<b>61,446,376</b>	<b>64,096,745</b>	<b>67,887,007</b>
Nondepartmental	4,735,475	4,683,810	6,096,511	5,905,607	6,735,022	6,882,711
Outside Agencies	1,023,365	980,937	1,012,035	976,685	755,854	764,085
Economic Incentives	241,667	175,000	175,000	175,000	175,000	-
Inventory Changes	-	-	-	-	-	-
Contingency	-	132,550	107,650	-	100,000	100,000
Transfers to Other Funds	509,215	406,405	753,184	753,184	249,082	255,054
Transfer to Capital Project Funds	2,760,775	1,685,000	1,833,057	1,833,057	2,585,000	4,573,500
Transfer to Debt Reserve Fund	8,686,875	9,077,784	9,077,784	9,077,784	9,649,685	10,257,615
<b>TOTAL NONDEPARTMENTAL</b>	<b>17,957,372</b>	<b>17,141,486</b>	<b>19,055,221</b>	<b>18,721,317</b>	<b>20,249,643</b>	<b>22,832,966</b>
<b>TOTAL EXPENDITURES</b>	<b>83,318,528</b>	<b>80,723,416</b>	<b>82,108,571</b>	<b>80,167,693</b>	<b>84,346,388</b>	<b>90,719,973</b>
<b>SURPLUS / (SHORTFALL)</b>	<b>(1,173,860)</b>	<b>-</b>	<b>-</b>	<b>(2,847,871)</b>	<b>-</b>	<b>(5,287,927)</b>

Estimated FY 2012-13	Estimated FY 2013-14	Estimated FY 2014-15	Estimated FY 2015-16
54,856,288	55,945,514	57,056,524	58,473,062
14,465,182	14,754,486	15,049,575	15,425,815
2,525,412	2,588,547	2,653,261	2,719,593
12,296,958	12,363,820	12,432,020	12,505,913
2,094,591	2,135,921	2,178,492	2,030,902
126,200	126,200	126,200	126,200
173,835	177,312	180,858	185,380
402,000	402,000	402,000	402,000
-	-	-	-
-	-	-	-
<b>86,940,466</b>	<b>88,493,801</b>	<b>90,078,931</b>	<b>91,868,865</b>
210,737	220,378	230,474	241,047
200,571	209,957	219,792	230,099
1,266,058	1,328,506	1,394,054	1,462,854
872,321	914,841	959,454	1,006,263
764,579	801,156	839,513	879,737
2,050,352	2,149,333	2,253,158	2,362,064
2,334,525	2,433,107	2,536,091	2,643,680
5,872,460	6,117,303	6,372,926	6,639,823
7,645,732	7,998,558	8,336,614	8,723,382
25,507,145	26,596,676	27,736,909	28,930,411
16,727,503	17,528,623	18,368,837	19,250,070
7,446,559	7,753,043	8,043,967	8,376,283
70,898,541	74,051,482	77,291,787	80,745,713
6,879,575	7,030,843	7,044,158	7,204,530
772,564	781,296	790,291	799,555
-	-	-	-
-	-	-	-
100,000	100,000	100,000	100,000
261,206	267,542	274,069	280,791
4,471,500	4,425,000	4,557,750	4,694,483
11,590,787	12,321,006	13,097,230	13,097,230
24,075,632	24,925,688	25,863,498	26,176,588
<b>94,974,173</b>	<b>98,977,170</b>	<b>103,155,285</b>	<b>106,922,301</b>
<b>(8,033,706)</b>	<b>(10,483,369)</b>	<b>(13,076,354)</b>	<b>(15,053,436)</b>

### General Fund Forecast Assumptions & Provisions

- Property taxes are estimated at a zero percent growth until FY 2012 at which time it assumes a 2% increase.
- Sales Tax is projected with a 5% reduction in 2011 and remaining flat until 2013 at which time a 2% increase is forecast.
- Powell Bill revenue is forecast at a 6% decrease in 2011 over 2010 actual receipts and resumes a 2% upward trend in 2012.
- No merit or other employee pay adjustments are included in FY 2011 however; the resumption of the employee merit program is included in FY 2012 and all future years.
- Assumes the reinstatement of the full contribution to employee deferred compensation in FY 2012.
- Assumes no significant changes in fees.
- The operating budgets for all departments assume a 3% growth beginning in FY 2012 and all estimated future years.
- Provides for the continuation of a transfer to the Debt Service Fund based on the most current debt model.
- Assumes no negative revenue impact as a result of State budget pressures and no unfunded mandates.
- The transfer for capital project funding for all estimated years 2012 forward, reflects a generally level contribution for the continuation of an effort to provide funding for pay-as-you-go General Fund capital projects.
- Forecast years do not include the value of any voluntary annexations.

STORM WATER MANAGEMENT FUND FINANCIAL FORECAST

	Actual FY 2008-09	Adopted FY 2009-10	Adjusted FY 2009-10	Estimated Actual FY 2009-10	Adopted FY 2010-11	Estimated FY 2011-12
<b>REVENUES</b>						
Storm Water Utility Fees	4,876,401	5,104,012	5,104,012	5,149,188	5,406,647	5,785,112
City Streets SW Utility Fees	1,317,285	1,377,221	1,377,221	1,377,221	1,466,740	1,569,412
Storm Water Discharge Permits	3,872	10,000	87,000	5,000	43,200	100,000
NCDOT Drainage Maintenance	15,000	30,000	30,000	36,500	30,000	30,000
Transfer from Payment in Lieu	267,587	30,000	30,000	6,000	30,000	30,000
Interest Earnings	154,613	63,460	63,460	65,000	36,964	65,000
Proceeds Refunding Bonds	-	-	-	-	-	-
Issuance Premium Refunding	-	-	-	-	-	-
Miscellaneous	7,201	7,000	7,000	1,003	7,000	7,000
Appropriated Fund Balance	-	(127,083)	56,346	-	-	-
<b>TOTAL REVENUES</b>	<b>6,641,959</b>	<b>6,494,610</b>	<b>6,755,039</b>	<b>6,639,912</b>	<b>7,020,551</b>	<b>7,586,524</b>
<b>EXPENDITURES</b>						
Public Services	4,024,755	4,258,249	4,441,678	3,427,748	4,523,088	4,719,289
Nondepartmental	749,113	628,325	705,325	666,325	599,243	616,020
Debt Service/ Debt Reserve	1,184,085	1,347,036	1,347,036	1,184,529	1,823,220	1,556,614
Contingency	-	61,000	61,000	-	75,000	75,000
Transfer to Cap Projects Fund	187,170	200,000	200,000	200,000	-	850,000
<b>TOTAL EXPENDITURES</b>	<b>6,145,123</b>	<b>6,494,610</b>	<b>6,755,039</b>	<b>5,478,602</b>	<b>7,020,551</b>	<b>7,816,924</b>
<b>SURPLUS / (SHORTFALL)</b>	<b>496,836</b>	<b>-</b>	<b>-</b>	<b>1,161,310</b>	<b>-</b>	<b>(230,400)</b>

Estimated FY 2012-13	Estimated FY 2013-14	Estimated FY 2014-15	Estimated FY 2015-16
5,958,666	6,137,426	7,058,039	7,340,361
1,616,494	1,664,989	1,914,737	1,991,327
100,000	100,000	100,000	100,000
30,000	30,000	30,000	30,000
30,000	30,000	30,000	30,000
65,000	65,000	65,000	65,000
7,000	7,000	7,000	7,000
-	-	-	-
<b>7,807,160</b>	<b>8,034,415</b>	<b>9,204,777</b>	<b>9,563,688</b>
4,924,412	5,013,072	5,231,027	5,458,910
633,301	651,100	669,433	688,316
1,718,601	1,706,441	1,917,941	1,899,391
75,000	75,000	75,000	75,000
1,500,000	3,554,740	1,500,000	2,610,000
<b>8,851,314</b>	<b>11,000,353</b>	<b>9,393,401</b>	<b>10,731,617</b>
<b>(1,044,155)</b>	<b>(2,965,938)</b>	<b>(188,625)</b>	<b>(1,167,929)</b>

### Storm Water Forecast Assumptions & Provisions

- Storm Water Fee revenues are projected with a 1% growth in all estimated years and with a 4% and 6% rate increase in FY 2011 and FY 2012 respectively as outlined in the Storm Water rate model.
- A 3% increase in operating for all future years beginning in FY 2012 is forecast as well as the reinstatement of the City's merit plan.
- Assumes the reinstatement of full contribution to employee deferred compensation in FY 2012.
- The transfer for capital project funding for FY 10-11 and beyond reflects a contribution consistent with the Storm Water rate model.
- This forecast makes no assumption regarding any new debt associated with new capital improvement projects.

SOLID WASTE FUND FINANCIAL FORECAST

	Actual FY 2008-09	Adopted 2009-10	Adjusted 2009-10	Estimated Actual FY 2009-10	Adopted FY 2010-11	Estimated FY 2011-12
<b>REVENUES</b>						
Refuse Fees	7,725,282	8,001,665	8,001,665	7,968,464	8,241,715	8,324,132
Intergovernmental Revenue	46,887	57,332	57,332	40,000	57,332	57,905
Recycling Sales	27,175	10,000	10,000	20,000	10,000	10,000
Interest Earnings	40,803	24,150	24,150	10,500	5,321	5,321
Bag Sales Revenue	56,070	60,000	60,000	50,000	60,000	60,000
Other Revenue	5,804	-	-	-	-	-
Appropriated Fund Balance	-	6,521	136,548	-	-	-
<b>TOTAL REVENUES</b>	<b>7,902,021</b>	<b>8,159,668</b>	<b>8,289,695</b>	<b>8,088,964</b>	<b>8,374,368</b>	<b>8,457,358</b>
<b>EXPENDITURES</b>						
Administration	344,443	322,661	365,196	362,257	338,989	354,002
Customer Refuse	3,602,512	3,660,565	3,740,565	3,420,168	3,589,085	3,724,775
Recycling	814,436	822,667	829,144	845,682	921,793	958,454
Yard Waste	1,717,140	1,825,819	1,825,819	1,495,168	1,854,776	1,935,172
Special Services	400,214	527,330	447,551	402,484	-	-
Downtown Collection	346,392	295,654	376,448	436,283	863,833	901,155
Sundry	578,330	471,258	471,258	446,258	681,542	699,477
Debt Service	233,715	233,714	233,714	233,714	124,350	-
<b>TOTAL EXPENDITURES</b>	<b>8,037,182</b>	<b>8,159,668</b>	<b>8,289,695</b>	<b>7,642,014</b>	<b>8,374,368</b>	<b>8,573,035</b>
<b>SURPLUS / (SHORTFALL)</b>	<b>(135,161)</b>	<b>-</b>	<b>-</b>	<b>446,950</b>	<b>-</b>	<b>(115,677)</b>

Estimated FY 2012-13	Estimated FY 2013-14	Estimated FY 2014-15	Estimated FY 2015-16
8,407,373	8,491,447	8,576,362	8,662,125
58,484	59,069	59,660	60,257
10,000	10,000	10,000	10,000
5,321	5,321	5,321	5,321
60,000	60,000	60,000	60,000
-	-	-	-
-	-	-	-
<b>8,541,179</b>	<b>8,625,837</b>	<b>8,711,343</b>	<b>8,797,703</b>
369,708	386,139	403,331	421,318
3,865,936	4,012,803	4,165,621	4,324,644
996,665	1,036,495	1,078,017	1,121,305
2,019,219	2,107,085	2,198,953	2,295,009
-	-	-	-
940,168	980,950	1,023,584	1,068,157
717,949	736,976	756,573	776,759
-	-	-	-
<b>8,909,645</b>	<b>9,260,449</b>	<b>9,626,078</b>	<b>10,007,193</b>
<b>(368,466)</b>	<b>(634,611)</b>	<b>(914,735)</b>	<b>(1,209,490)</b>

### Solid Waste Forecast Assumptions & Provisions

- Provides for a 2% rate increase in FY 2010-11 with 1% of the increase to cover the FY 2009 increase in the New Hanover County tipping fee.

- Refuse collection fees assume a 1% customer growth rate.

- Salary and benefits assumes the reinstatement of the City's merit plan and contribution to employee deferred compensation in FY 2012.

- Assumes no increase in the New Hanover County disposal fee.

- No transfer from the General Fund is reflected in FY 2011 and all future years.

- Indirect Costs paid to the General Fund have been increased based on updated cost analysis.

GOLF COURSE FUND FINANCIAL FORECAST

	Actual FY 2008-09	Adopted FY 2009-10	Adjusted FY 2009-10	Estimated Actual FY 2009-10	Adopted FY 2010-11	Estimated FY 2011-12
<b>REVENUES</b>						
Daily Green Fees	507,446	500,000	500,000	538,612	552,510	552,510
Tournament Fees	7,065	7,000	7,000	7,000	7,000	7,000
Discount Card Fees	127,295	160,000	160,000	98,232	90,000	90,000
Cart Rental	294,898	275,000	275,000	300,000	275,000	275,000
Locker Fees	520	100	100	-	-	-
Concessions	151,390	150,000	150,000	162,280	150,000	150,000
Interest Earnings	31,111	11,950	11,950	12,000	7,771	7,771
Other Revenue	5,392	-	-	315	-	-
Appropriated Fund Balance	-	-	1,870	-	40,150	-
<b>TOTAL REVENUES</b>	<b>1,125,117</b>	<b>1,104,050</b>	<b>1,105,920</b>	<b>1,118,439</b>	<b>1,122,431</b>	<b>1,082,281</b>
<b>EXPENDITURES</b>						
Personnel	404,681	415,651	405,651	405,651	415,118	435,874
Benefits	114,629	112,997	112,997	109,997	117,417	129,746
Operating	384,213	412,419	424,352	424,352	394,321	406,151
Capital	67,601	36,000	35,937	35,937	74,500	50,000
Contingency	-	24,708	24,708	-	15,000	15,000
Nondepartmental Transfers	112,843	102,275	102,275	102,275	106,075	109,257
	80,000	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>1,163,967</b>	<b>1,104,050</b>	<b>1,105,920</b>	<b>1,078,212</b>	<b>1,122,431</b>	<b>1,146,028</b>
<b>SURPLUS / (SHORTFALL)</b>	<b>(38,850)</b>	<b>-</b>	<b>-</b>	<b>40,227</b>	<b>-</b>	<b>(63,747)</b>



Estimated FY 2012-13	Estimated FY 2013-14	Estimated FY 2014-15	Estimated FY 2015-16
552,510	552,510	552,510	552,510
7,000	7,000	7,000	7,000
90,000	90,000	90,000	90,000
275,000	275,000	275,000	275,000
-	-	-	-
150,000	150,000	150,000	150,000
7,771	7,771	7,771	7,771
-	-	-	-
-	-	-	-
<b>1,082,281</b>	<b>1,082,281</b>	<b>1,082,281</b>	<b>1,082,281</b>
457,668	480,551	504,579	529,807
136,233	143,045	150,197	157,707
418,335	430,885	443,812	457,126
100,000	50,000	50,000	50,000
15,000	15,000	15,000	15,000
112,535	115,911	119,388	122,970
-	-	-	-
<b>1,239,771</b>	<b>1,235,392</b>	<b>1,282,976</b>	<b>1,332,610</b>
<b>(157,490)</b>	<b>(153,111)</b>	<b>(200,695)</b>	<b>(250,329)</b>

### Golf Course Forecast Assumptions & Provisions

- Assumes a \$1 per round for weekday rounds and a \$3 increase in weekend rounds beginning 2011.
- Green Fees have remained consistent over the last two years and therefore forecast years reflect a continued conservative estimate.
- FY 2010-11 revenue projections for concessions also remains flat and all future years are forecast with zero growth.
- Discount card revenues are projected downward based on current year trends.
- Lease payments for golf carts are included in the operating expenditures in all estimated years.
- Beginning FY 11-12 the City's merit plan is anticipated to be reinstated and operating is reflected at a growth percentage of 3%.
- Assumes the reinstatement of full contribution to employee deferred compensation in FY 2012.

PARKING FUND FINANCIAL FORECAST

	Actual FY 2008-09	Adopted FY 2009-10	Adjusted FY 2009-10	Estimated		
				Actual FY 2009-10	Adopted FY 2010-11	Estimated FY 2011-12
<b>REVENUES</b>						
Parking Meters	764,861	756,600	756,600	753,100	865,600	874,256
Parking Fines	673,781	740,000	740,000	574,800	574,800	580,548
Parking Facility Charges	998,707	1,027,410	1,027,410	918,576	888,652	897,519
Interest Earnings	84,795	32,500	32,500	25,500	18,656	18,656
Transfers from Other Funds	-	-	-	-	-	-
Other Revenue	816	-	-	5	-	-
Appropriated Fund Balance	-	-	6,729	6,729	117,343	-
<b>TOTAL REVENUES</b>	<b>2,522,960</b>	<b>2,556,510</b>	<b>2,563,239</b>	<b>2,278,710</b>	<b>2,465,051</b>	<b>2,370,979</b>
<b>EXPENDITURES</b>						
Personnel	82,836	84,984	84,997	84,772	85,368	89,636
Benefits	26,071	26,610	26,610	27,810	27,990	29,390
Operating	1,361,204	1,430,093	1,442,939	1,407,003	1,504,261	1,528,978
Outlay	-	151,800	145,670	108,600	49,800	50,298
Nondepartmental	789,598	6,175	11,175	6,273	11,675	11,735
Debt Service	966,411	811,848	806,848	753,763	740,957	719,757
Contingency	-	45,000	45,000	-	45,000	45,000
<b>TOTAL EXPENDITURES</b>	<b>3,226,120</b>	<b>2,556,510</b>	<b>2,563,239</b>	<b>2,388,221</b>	<b>2,465,051</b>	<b>2,474,794</b>
<b>SURPLUS / (SHORTFALL)</b>	<b>(703,160)</b>	<b>-</b>	<b>-</b>	<b>(109,511)</b>	<b>-</b>	<b>(103,815)</b>

Estimated FY 2012-13	Estimated FY 2013-14	Estimated FY 2014-15	Estimated FY 2015-16
891,275	908,633	926,339	944,400
592,159	604,002	616,082	628,404
915,431	933,700	952,335	971,343
18,656	18,656	18,656	18,656
-	-	-	-
-	-	-	-
-	-	-	-
<b>2,417,520</b>	<b>2,464,992</b>	<b>2,513,413</b>	<b>2,562,803</b>
94,118	98,824	103,765	108,954
30,859	32,402	34,022	35,723
1,574,848	1,622,093	1,670,756	1,720,879
50,801	51,309	51,822	52,340
11,735	11,735	11,735	11,735
708,757	688,507	668,257	651,247
45,000	45,000	45,000	45,000
<b>2,516,118</b>	<b>2,549,870</b>	<b>2,585,357</b>	<b>2,625,878</b>
<b>(98,598)</b>	<b>(84,878)</b>	<b>(71,944)</b>	<b>(63,075)</b>

### Parking Facility Fund Forecast Assumptions & Provisions

- Parking meter revenues reflect a mid-year increase of \$0.25.
- Personnel and benefits in FY 11-12 reflect the reinstatement of the City's merit plan and operating reflects a 3% growth in keeping with inflation.
- Assumes the reinstatement of full contribution to employee deferred compensation in FY 2012.
- Assumes no revenue in leases for retail space as space became vacant just prior to budget development and no prospective tenants were identified.
- This forecast makes no assumption regarding any new debt associated with the potential acquisition of any new parking facilities.

## AUTHORIZED POSITION LISTING

The authorized position listing summarizes the net changes in positions for the fiscal years 2008-09 through the FY 2010-11 adopted budget.

	2008-09 Actual	2009-10 Adopted	2009-10 Adjusted	2010-11 Adopted
City Clerk	2	2	2	2
City Manager	16	13	12	12
City Attorney	8	8	8	8
Human Resources	8	8	8	8
Finance	28	29	27	27
Information Technology	16	16	15	15
Community Services	61	88	85	86
Development Services	81	48	46	46
Police	320	312	306	306
Fire	224	221	220	220
Public Services	94	67	65	65
<b>GENERAL FUND</b>	<b>858</b>	<b>812</b>	<b>794</b>	<b>795</b>
<b>CDBG/HOME GRANT AND LOAN FUND</b>	<b>-</b>	<b>12</b>	<b>10</b>	<b>10</b>
<b>FLEET FUND</b>	<b>15</b>	<b>14</b>	<b>14</b>	<b>14</b>
<b>PARKING FUND</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>SOLID WASTE MANAGEMENT FUND</b>	<b>93</b>	<b>92</b>	<b>92</b>	<b>92</b>
<b>GOLF ENTERPRISE FUND</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>
<b>STORM WATER MANAGEMENT FUND</b>	<b>59</b>	<b>59</b>	<b>59</b>	<b>59</b>
<b>ALL FUNDS</b>	<b>1,036</b>	<b>1,000</b>	<b>980</b>	<b>981</b>

Changes from FY 2010 Adopted to FY 2010 Adjusted include positions eliminated as a result of the retirement incentive program for the realization of ongoing savings.

The FY 10-11 Adopted Budget includes the addition of one (1) Code Enforcement Officer approved by City Council for the monitoring and licensing of Internet Sweepstakes Cafes.