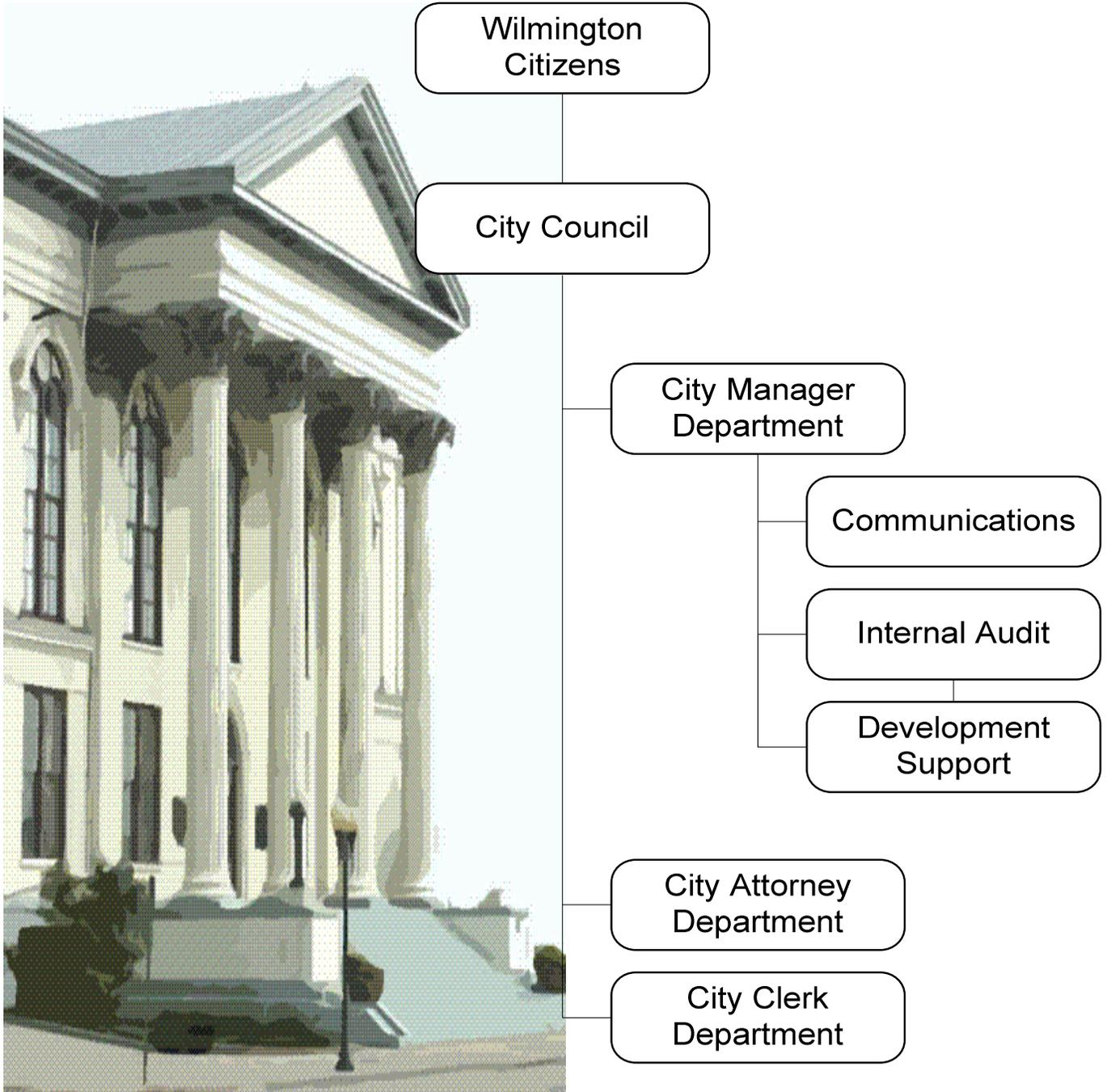


Governance Offices



City Hall
102 N. Third Street
Wilmington, NC

City Council

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

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

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

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

BUDGET SUMMARY

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted	% Change FY 08-09 to FY 09-10
Expenditures by Category					
Personnel	107,483	107,460	107,460	107,460	
Benefits	33,444	37,047	37,047	36,908	
Operating	54,636	58,966	58,966	40,498	
Capital Outlay	-	-	-	-	
Total	195,563	203,473	203,473	184,866	-9.1%

The FY 2009-10 adopted City Council budget reflects a 9% decrease associated with reductions across numerous departmental operating accounts including printing, consumables, training and professional development and business travel.

City Clerk

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

BUDGET SUMMARY

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted	% Change FY 08-09 to FY 09-10
Expenditures by Category					
Personnel	104,492	114,986	114,986	113,248	
Benefits	28,976	30,175	30,175	30,784	
Operating	21,733	38,506	42,506	32,622	
Capital Outlay	-	-	-	-	
Total	155,201	183,667	187,667	176,654	-3.8%
Authorized Positions	2	2	2	2	

The City Clerk FY 2009-10 adopted budget reflects a 3.8% decrease from FY 2008-09 adopted levels. Minor decreases in the contracted temporary services and the city code amendment account have contributed to this change, as has anticipated savings resulting from a revised departmental copier policy implemented in FY 2008-09.



*To provide quality services
that enhance the safety,
livability, and prosperity of
our community.*



City Manager's Office

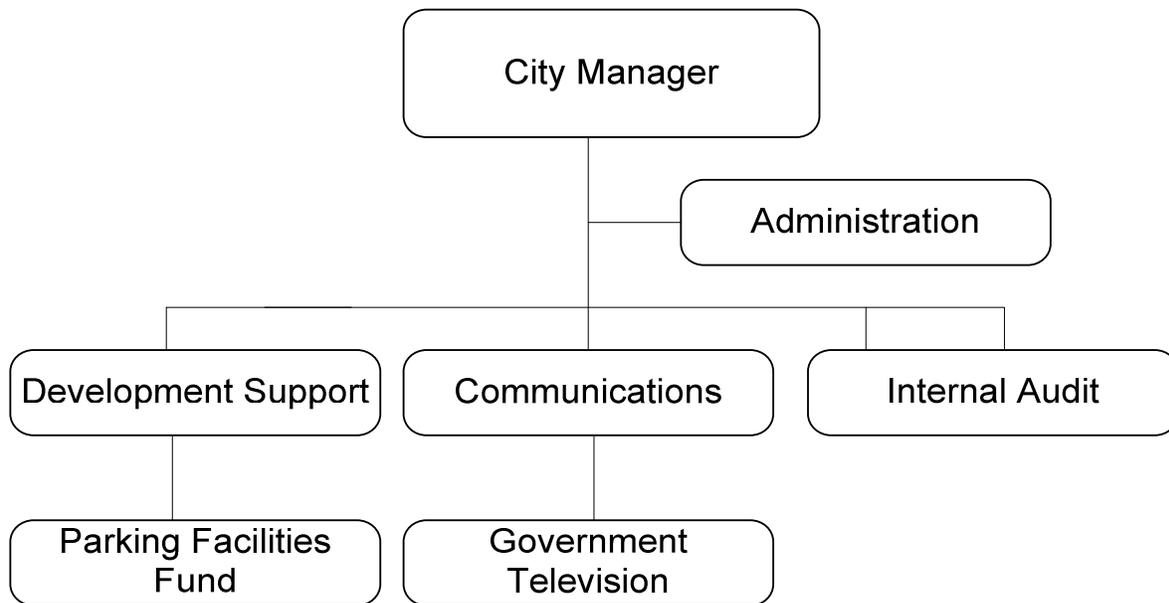
FY 2009-2010

City Manager
Sterling Cheatham

CITY MANAGER

Mission Statement

“It is the goal of the City Manager’s Office to assist City Council in policy development, to provide effective management of the organization, and to respond to concerns of the community.”



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

CITY MANAGER

City Focus Area:	Collaborative Communication				
		FY 07-08 Actual	FY 08-09 Actual	FY 09-10 Estimate	Target
City Focus Area Strategy:	Improve the use of technology as a means to achieve more efficient communication between and among employees, elected officials, stakeholders, citizens, and the public at-large.				
Departmental Goal:	To serve the citizens of our community as well as City employees, mayor and council by providing prompt, helpful and courteous replies to all phone calls, inquiries, and request for information and assistance.				
Objective:	To document, track and report on telephone, email, walk-in or online requests with the implementation of new software.				
Objective:	To make available or respond to inquiries for information or assistance in a timely and effective manner.				
Measure:	% of inquiries resolved in some manner within 24 hours	NA	95%	99%	99%
Measure:	% of key communicator emails distributed according to monthly schedule	NA	NA	85%	85%
Measure:	100% Cablecast of regularly scheduled City Council and Planning Commission Meetings	100%	100%	100%	100%
Measure:	Percent webcast of regularly scheduled City Council and Planning Commission Meetings	100%	100%	100%	100%
Measure:	Successful implementation of Dialogics (Reverse 911) system	NA	Nov 2008	NA	NA

This is a select representation from the goals, objectives, and performance measures managed by the City Manager's Department

City Manager

BUDGET SUMMARY

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted	% Change FY 08-09 to FY 09-10
Expenditures by Division					
Administration	464,045	578,258	605,275	638,217	
Communications	399,309	312,959	302,380	390,518	
Budget Office	324,915	356,299	348,785	-	
Internal Audit	103,162	108,486	104,671	80,515	
Development Support	52,395	195,727	193,227	129,788	
Allocated Costs	-	(94,135)	(94,135)	(94,135)	
Total	1,343,826	1,457,594	1,460,203	1,144,903	-21%
Expenditures by Category					
Personnel	928,655	1,147,109	1,147,109	924,798	
Benefits	224,502	269,618	269,618	200,487	
Operating	190,669	133,002	136,211	111,753	
Capital Outlay	-	2,000	1,400	2,000	
Allocated Costs	-	(94,135)	(94,135)	(94,135)	
Total	1,343,826	1,457,594	1,460,203	1,144,903	-21%
Authorized Positions					
Administration	5	5	5	6	
Communications	4.5	4	4	5	
Budget Office	4	4	4	-	
Internal Audit	1	1	1	1	
Development Support	1	2	2	1	
Total	15.5	16	16	13	(3)

The adopted FY 2009-10 City Manager budget reflects an overall decrease of 21% primarily associated with the elimination of one Budget Analyst position, elimination of one Economic Development Liaison position in Development Support, and the transfer of the Budget division and all programmed funding to the Finance department for FY 2009-10.

The Internal Audit budget has been reduced with the elimination of the division's internship program in FY 2009-10.

Key factors contributing to overall divisional operating reductions are office supplies, mileage, dues and subscriptions, advertising, professional training and development and business travel.

Allocated funding represents the Assistant to the City Manager with responsibilities to oversee and support the convention center project. Seventy-five percent of the costs associated with this position are allocated to the Convention Center Operating Fund.

Two positions, including Legislative Support and Graphics Design, have been transferred from Development Services to the City Manager's budget for FY 2009-10.

City Manager

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

ADMINISTRATION

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted
Expenditures by Category				
Personnel	339,802	433,178	433,178	494,186
Benefits	76,173	93,343	93,343	97,250
Operating	48,070	51,737	50,978	46,781
Capital Outlay	-	-	27,776	-
Total	464,045	578,258	605,275	638,217
Authorized Positions	5	5	5	6

The adopted FY 2009-10 City Manager budget reflects adjustments in several benefit accounts and personnel funding for the hiring of a Deputy City Manager during FY 2008-09. The increased position count is due to the transfer in of a Legislative Support position from Development Services for the upcoming fiscal year. Operating has been increased to continue activities associated with this position as well.

The overall decrease in operating is primarily attributed to reductions in dues and subscriptions, advertising, training and professional development and business travel.

City Manager

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

COMMUNICATIONS

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted
Expenditures by Category				
Personnel	229,681	211,125	211,125	270,150
Benefits	58,285	53,187	53,187	66,448
Operating	111,343	46,647	36,668	51,920
Capital Outlay	-	2,000	1,400	2,000
Total	399,309	312,959	302,380	390,518
Authorized Positions	4.5	4	4	5

The FY 2009-10 Communications budget reflects a continuation of current services with increases in operating for the scheduled replacement purchase of electronic broadcast equipment associated with Government Television (GTV).

A Graphic Design position has been transferred from Development Services to the Communications division budget for FY 2009-10.

City Manager

The **Budget** division coordinates the preparation of the annual operating and capital budget including financial forecasting. Budget ensures fiscal control over City expenditures, conducts program evaluations and analysis assistance projects, and coordinates the development and progress of the City’s Strategic Plan.

BUDGET AND EVALUATION

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted
Expenditures by Category				
Personnel	246,423	267,397	267,397	-
Benefits	64,339	67,485	67,485	-
Operating	14,153	21,417	13,903	-
Capital Outlay	-	-	-	-
Total	324,915	356,299	348,785	-
Authorized Positions	4	4	4	-

The Budget Office has been consolidated into the Finance Department for FY 2009-10 as this change will allow for a single department to have responsibility for all fiscal activities and functions of the City.

City Manager

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

INTERNAL AUDIT

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted
Expenditures by Category				
Personnel	75,829	82,767	82,767	58,000
Benefits	16,831	18,611	18,611	15,395
Operating	10,502	7,108	3,293	7,120
Capital Outlay	-	-	-	-
Total	103,162	108,486	104,671	80,515
Authorized Positions	1	1	1	1

The Internal Audit adopted budget has been reduced by 26% resulting from the elimination of the division's internship program in FY 2009-10. The remaining operating budget provides for a continuation of current services.

City Manager

The **Development Support** division provides resources for economic development guidance and management of the Economic Development Action Plan (EDAP). The division is responsible for business development and recruitment to attract and retain higher-wage jobs as well as parking management and incentives in the central business district.

DEVELOPMENT SUPPORT

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted
Expenditures by Category				
Personnel	36,920	152,642	152,642	102,462
Benefits	8,874	36,992	36,992	21,394
Operating	6,601	6,093	3,593	5,932
Capital Outlay	-	-	-	-
Allocated Costs	-	(94,135)	(94,135)	(94,135)
Total	52,395	101,592	99,092	35,653
Authorized Positions	1	2	2	1

The 65% overall reduction in the Development Support adopted divisional budget results from the elimination of a Economic Development Liaison position and associated operating.

The remaining allocated budget is for the Assistant to the City Manager with responsibilities to oversee and support the convention center project. Seventy-five percent of the costs associated with this position are allocated to the Convention Center Operating Fund.

City Attorney

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

BUDGET SUMMARY

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted	% Change FY 08-09 to FY 09-10
Expenditures by Category					
Personnel	560,397	601,901	601,901	677,572	
Benefits	137,369	142,639	142,639	135,056	
Operating	50,306	59,539	51,831	49,749	
Capital Outlay	-	-	8,785	-	
Total	748,072	804,079	805,156	862,377	7%
Authorized Positions	8	8	8	8	

The FY 2009-10 adopted budget for the City Attorney reflects an increase of 7% overall. Operating has been reduced for postage, office supplies, filing fees and in accordance with anticipated savings resulting from a revised departmental copier policy implemented in FY 2008-09.

Personnel funding levels have been adjusted to increase flexibility in the replacement of the City Attorney scheduled to retire in FY 2009-10.

**Competence, diligence, and integrity:
Ensuring a quality workforce**



Human Resources

FY 2009-2010

Director of Human Resources
Al Ragland

HUMAN RESOURCES

Mission Statement

“The City of Wilmington’s Human Resource Department recognizes the driving force behind the City’s success is its employees. To better serve our customers effectively, HR prides itself on providing the framework for assuring mutual expectations of the City and its workforce are clearly articulated through quality, equitable and consistent services. HR is committed to providing the services, resources, and direction needed to support our workforce through recruitment, hiring, retention of a qualified and diverse workforce, equal employment opportunity, technical assistance, training, and risk management.”



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

HUMAN RESOURCES

City Focus Area:		VIBRANT ECONOMY			
		FY 07-08 Actual	FY 08-09 Actual	FY 09-10 Estimate	Target
City Focus Area Strategy:	Increase the number of higher paying jobs available for all citizens.				
Departmental Goal:	To provide a variety of services to City departments designed to remove barriers to performance, to assess employee developmental needs, to increase employee skills through training, coaching and mentoring to increase the number of City employees available for promotions, i.e., supervisory and management positions.				
Objective:	To provide meaningful and current training that enhances employee skills, proficiencies and competencies.				
Measure:	Number of training programs offered	New Measure	39	15	20
Measure:	Identify each work life balance and benefit program	New Measure	3	18	18
Measure:	Internal candidates selected for above entry level positions that are open to external recruiting	New Measure	14% of non-entry level openings	25% of non-entry level openings	50% of non-entry level openings
Measure:	Decrease in the number of "does not meet" scores on performance evaluations	New Measure	New Measure	4%	<=3%

This is a select representation from the goals, objectives, and performance measures managed by the Human Resources Department

Human Resources

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

BUDGET SUMMARY

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted	% Change FY 08-09 to FY 09-10
Expenditures by Category					
Personnel	508,559	510,657	502,951	494,005	
Benefits	112,041	113,934	113,934	104,293	
Operating	119,236	143,631	97,724	78,288	
Capital Outlay	-	-	53,613	-	
Total	739,836	768,222	768,222	676,586	-11.9%
Authorized Positions	8	8	8	8	

The FY 2009-10 adopted budget for the Human Resources department has been reduced by 11.9%. Major reductions in operating have resulted with the elimination of several employee activities including the annual picnic and the annual service awards breakfast.

Advertising and printing costs have been reduced in accordance with an ongoing position vacancy and hiring freeze, which has lessened the need for those selected functions.

Provisions in the Employee Assistance Program provider policy have been revised and resulted in a significant savings with no anticipated interruption or reduction in the current level of service provided.



Finance Department

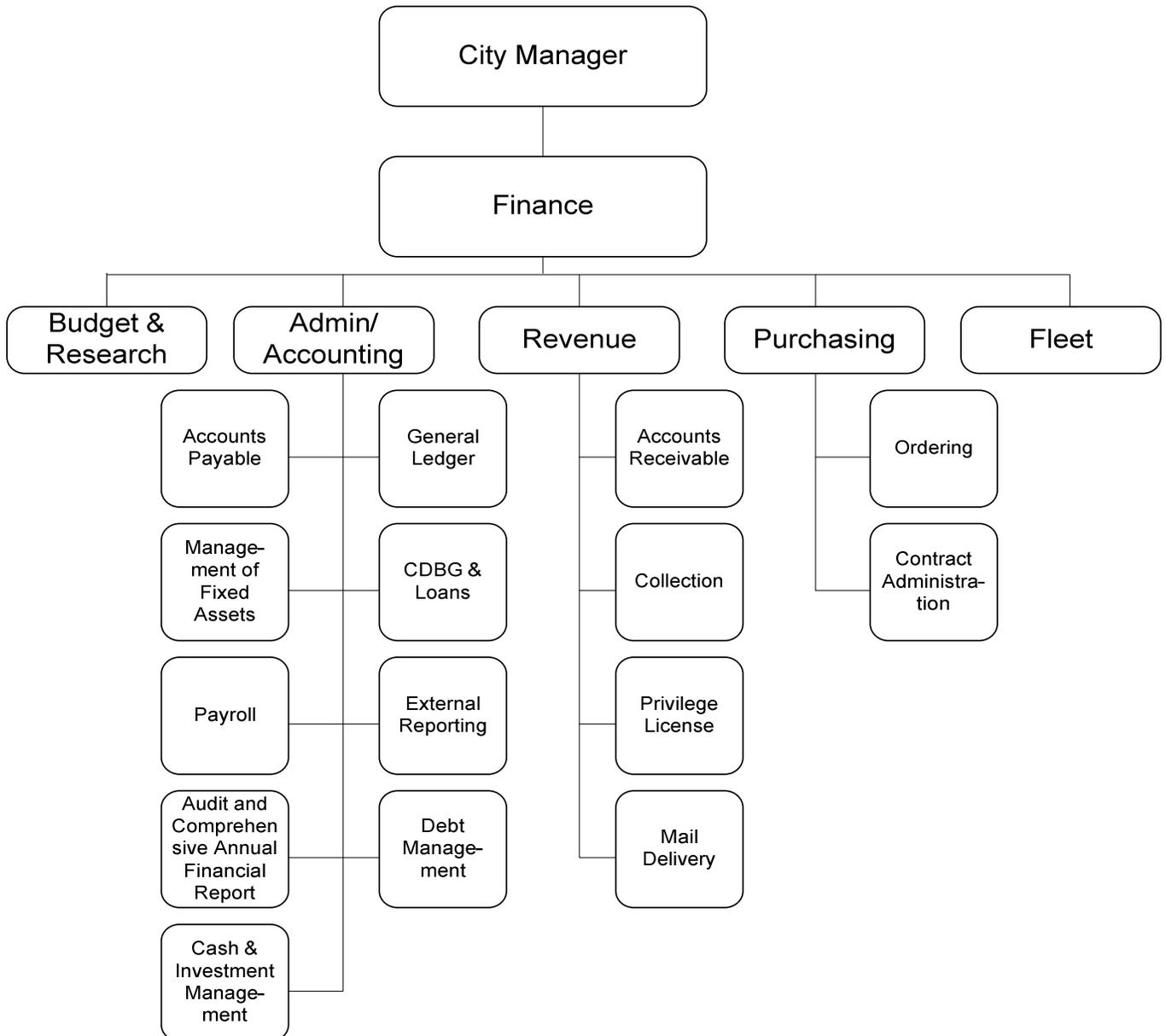
FY 2009-2010

Finance Director
Debra H. Mack

FINANCE

Mission Statement

“The mission of the Finance Department is to provide quality, responsive financial management services to the City organization and to ensure prudent use and maintenance of the City’s financial resources and physical assets.”



The **Finance** department focuses on the City’s financial services, including debt service management, cash investments, payroll, payables, billing, collections, budget and purchasing.

FINANCE

City Focus Area:	VIBRANT ECONOMY				
		FY 07-08 Actual	FY 08-09 Actual	FY 09-10 Estimate	Target
City Focus Area:	A vibrant economy is essential to the on-going economic well being of citizens, businesses, arts and culture organizations, and public and private institutions within the City and region.				
Departmental Goal:	To verify that grant funds provided through the Community Development Block Grant are spent appropriately.				
Objective:	To conduct a monitoring visit on 100% of recipients of grant funds during the grant year.				
Measure:	% of funds that received a monitoring visit during the grant year	100%	100%	100%	100%
Department Goal:	To provide for minority and women owned business enterprise (MWBE) participation in all construction contracts.				
Objective:	Increase MWBE participation in construction contracts through outreach efforts in order to obtain bids that meet the MWBE participation goal in 65% of the construction bids and to have a total MWBE participation of 14%.				
Measure:	Average MWBE participation per contract	9%	17%	10%	14%
Measure:	Percent of contracts meeting MWBE goals	50%	53%	65%	65%
Measure:	Total MWBE participation	9%	14%	14%	14%

This is a select representation from the goals, objectives, and performance measures managed by the Finance Department

Finance

BUDGET SUMMARY

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted	% Change FY 08-09 to FY 09-10
Expenditures by Division					
Administration	266,509	-	-	-	
Accounting	558,363	1,000,720	1,027,079	1,170,743	
Revenue	1,067,681	516,215	552,127	580,159	
Purchasing	583,546	436,742	383,414	356,999	
Allocated Costs	-	(91,896)	(91,896)	(176,517)	
Total	2,476,099	1,861,781	1,870,724	1,931,384	3.7%
Expenditures by Category					
Personnel	1,636,180	1,306,878	1,263,878	1,534,787	
Benefits	469,353	368,805	368,805	407,555	
Operating	370,206	277,994	288,072	165,559	
Capital Outlay	360	-	-	-	
Nondepartmental	-	-	41,865	-	
Allocated Costs	-	(91,896)	(91,896)	(176,517)	
Total	2,476,099	1,861,781	1,870,724	1,931,384	3.7%
Authorized Positions					
Administration	3	-	-	-	
Accounting	9	13	13	14	
Revenue	20	9	10	10	
Purchasing	8	6	5	5	
Total	40	28	28	29	1

The Finance Department FY 2009-10 budget reflects a 3.7% decrease over FY 2008-09 adopted levels. As indicated in the City Manager's Recommended Budget message, the Finance Department's adopted budget reflects the addition of Budget office staff and the transfer of two positions to the new Community Development and Home Grant and Loan Fund. Staff costs associated with management and reporting of the City's debt are shown as a credit and have been increased to more accurately reflect the amount of time spent on this activity. These expenditures are allocated to the Debt Service Fund. In addition, 80% of the expense associated with staff associated with site selection for facilities and easement acquisition for capital projects is also included as an allocated cost. This cost will be charged back to the respective capital projects which benefit from those activities.

Other operating reductions, the elimination of contracted temporary staff funding, the one-time reduction in the City's contribution to deferred compensation, a reduction for increased employee participation in the premium costs for health insurance, along with the allocated costs make up the reduction in the Finance department budget.

Finance

The management of the City's cash and investment portfolio and debt issuance program are the primary activities of Finance **Administration**.

ADMINISTRATION

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted
Expenditures by Category				
Personnel	204,239	-	-	-
Benefits	49,785	-	-	-
Operating	12,125	-	-	-
Capital Outlay	360	-	-	-
Total	266,509	-	-	-
Authorized Positions	3	-	-	-

Finance Administration and the accounting activities were merged into one cost center in FY 2008-09 as a result of departmental restructuring.

Finance

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

ACCOUNTING

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted
Expenditures by Category				
Personnel	383,308	697,736	654,736	873,853
Benefits	109,922	187,274	187,274	217,504
Operating	65,133	115,710	143,544	79,386
Nondepartmental	-	-	41,525	-
Allocated Costs		(91,896)	(91,896)	(124,000)
Total	558,363	908,824	935,183	1,046,743
Authorized Positions	9	13	13	14

Funding for the Accounting division for FY 2009-10 provides for the continuation of current services. The Budget Office has been consolidated into Finance Accounting to provide for single point of contact for all fiscal activities and functions of the City.

Staff costs associated with the management and reporting of the City's debt are shown as a credit to the Accounting division expenses. These expenditures are being allocated to the Debt Service Fund.

Two accounting positions associated with community development activities have been transferred to the new Community Development Block Grant and Home Grant and Loan Fund.

Finance

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

REVENUE

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted
Expenditures by Category				
Personnel	654,934	342,987	373,060	403,888
Benefits	197,751	102,545	112,984	124,443
Operating	214,996	70,683	66,083	51,828
Capital Outlay				
Total	1,067,681	516,215	552,127	580,159
Authorized Positions	20	9	10	10

Funding for the operations for the continued collection of all City receivables, privilege licenses and permits are reflected in the FY 09-10 budget. Operating costs have been reduced in keeping with reduction efforts for the fiscal year.

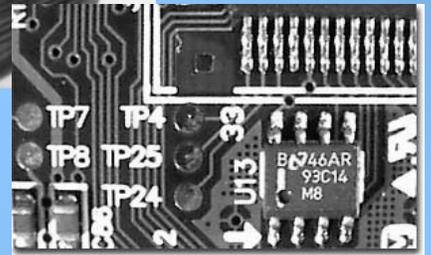
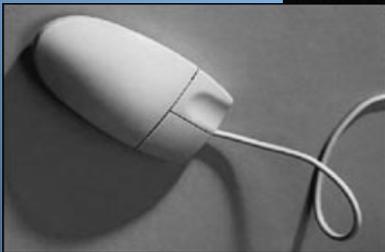
Finance

The **Purchasing** division provides quality and economical materials and services that are promptly priced and purchased. It also houses staff associated with site selection for facilities, property acquisition of easements related to capital projects, and other City property needs.

PURCHASING

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted
Expenditures by Category				
Personnel	393,699	266,155	236,082	257,046
Benefits	111,895	78,986	68,547	65,608
Operating	77,952	91,601	78,785	34,345
Allocated Costs	-	-	-	(52,517)
Total	583,546	436,742	383,414	304,482
 Authorized Positions	 8	 6	 5	 5

The FY 2009-10 budget for the Purchasing division provides for the continuation of current services. Operating costs have been reduced in keeping with reduction efforts for the fiscal year and 80% of staff costs associated with land and right-of-way acquisition are reflected as a credit to the division. These costs will be allocated to the capital projects that receive the benefit of this service.



Tools to Work Smarter

Information Technology

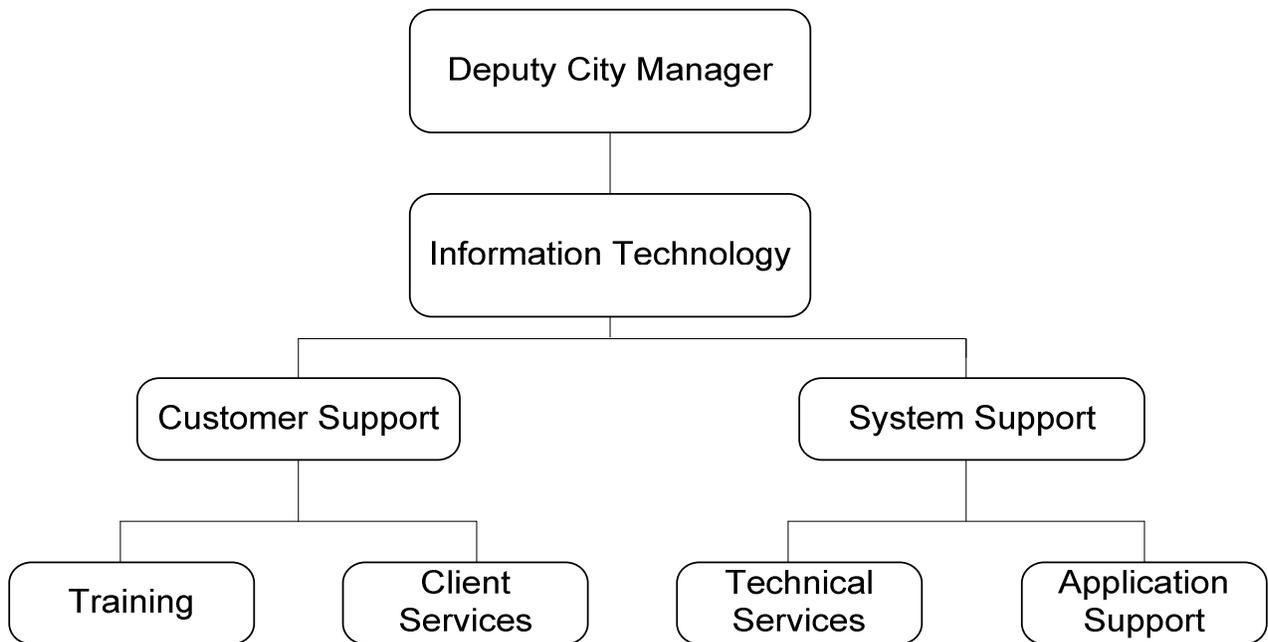
FY 2009-2010

Information Technology Director
Larry Bergman

INFORMATION TECHNOLOGY

Mission Statement

“The mission of the Information Technology department is to champion the use of technology for the continual improvement of processes and systems that allow the City to provide quality services to our Citizens.”



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

INFORMATION TECHNOLOGY

City Focus Area:		COLLABORATIVE COMMUNICATION			
		FY 07-08 Actual	FY 08-09 Actual	FY 09-10 Estimate	Target
City Focus Area Strategy:	Improve the use of technology as a means to achieve more efficient communication between and among employees, elected officials, stake holders, citizens, and the public at large.				
Departmental Goal:	To provide excellent end user support to all City staff for their technology needs.				
Objective:	Provide highly rated computer support services to departments and staff.				
Objective:	Minimize work orders through asset management.				
Objective:	Provide priority services for emergency repairs.				
Measure:	Number of Work Orders	1,097	1,276	1,300	1,000
Measure:	Percent of priority work orders completed in 2 working days	95%	95%	95%	100%
Measure:	Percent of surveyed users who rate contacts with client services as satisfied or very satisfied	94%	95%	95%	100%
Department Goal:	To provide a reliable and secure data network for all City employees.				
Objective:	Maintain a high level of network reliability.				
Objective:	Provide all remote facilities with high speed network access.				
Measure:	Percent of operating system upgrades completed on schedule.	100%	100%	100%	100%
Measure:	Percent of network reliability survey results rated as satisfied or very satisfied	96.5%	97%	98%	100%
Measure:	Annual number of critical, unplanned interruptions to the network and servers	2	2	1	0

This is a select representation from the goals, objectives, and performance measures managed by the Information Technology Department

Information Technology

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

BUDGET SUMMARY

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted	% Change FY 08-09 to FY 09-10
Expenditures by Category					
Personnel	979,301	1,072,463	1,072,463	1,056,794	
Benefits	249,783	263,797	263,797	273,435	
Operating	629,893	1,007,415	975,308	707,645	
Capital Outlay	64,290	99,500	181,805	37,500	
Total	1,923,267	2,443,175	2,493,373	2,075,374	-15.1%
Authorized Positions	16	16	16	16	

The FY 2009-10 adopted budget reflects a decrease of 15.1% overall. Several factors have contributed to this decrease. Initial funding to implement several major projects incorporated within the IT budget during FY 2008-09 have been substantially completed, namely the Intelligov Request Tracking System and Development Services tracking software.

The formation of the Cape Fear Public Utility Authority (CFPUA) has resulted in the reduction of maintenance and licensing costs due to the removal of selected applications.

Incremental changes and the consolidation of departmental service and maintenance arrangements and software rental and licensing agreements have served to increase departmental efficiencies and decrease the overall IT operating budget in FY 2009-10 .

Sundry Appropriations

NONDEPARTMENTAL

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted
City Facilities - Storm Water	37,837	60,163	60,163	60,765
City Newsletters	-	110,000	80,000	110,000
Facilities Insurance	-	-	-	401,583
Unemployment Compensation	25,366	51,000	51,000	25,000
Workers' Compensation Claims	592,175	599,175	589,175	589,175
Dues-Associations	56,335	58,400	63,500	64,100
Claims Against the City	96,035	90,000	90,000	90,000
City Advertising	29,170	35,000	4,500	40,000
Medical Insurance - Retiree	557,293	605,000	605,000	596,348
New Hanover County Tax Collections	696,297	801,300	801,300	812,000
Property Taxes to New Hanover County	215	10,000	10,000	10,000
Independent Audit	91,500	91,500	189,400	91,500
Employee Parking	64,800	65,000	63,800	65,000
Municipal Elections	131,565	-	-	-
Actuarial Studies	-	-	-	5,900
Citizen's Academy	-	10,000	-	-
United Way	1,326	700	770	700
Wellness Program	2,857	20,000	1,000	5,000
Elderly/Disabled Subsidy - Solid Waste	113,549	125,000	125,000	-
Elderly/Disabled Subsidy - Storm Water	91,735	95,000	95,000	-
Elderly/Disabled Subsidy - Water/Sewer	21,675	25,000	25,000	-
Employee Suggestion Program	924	5,000	1,000	5,000
City-wide Training	14,741	40,000	26,500	30,000
City-wide Tuition Reimbursement	39,221	30,000	30,000	30,000
Castle Street Planning	44,727	-	5,273	-
City Streets - Storm Water	1,285,156	1,317,285	1,317,285	1,377,221
Class/Compensation Study	156,969	-	33,960	-
Pay Plan Adjustments	-	50,000	-	-
Consolidation Study/Facilitation	19,773	-	-	-
Downtown Retail Infrastructure Study	15,250	-	4,400	-
City-wide Technology Projects	13,025	40,000	3,450	10,000
Transit Passes	20	2,000	2,000	2,000
Safelight program	-	160,000	-	250,000
Rent - Coast Guard Spaces	19,500	19,500	20,700	20,700
Bank Service Fees	-	33,000	33,000	36,600
City-wide Intern Pool	343	30,400	12,400	30,400
City Marketing	-	25,000	-	25,000
Miscellaneous	7,823	10,000	21,479	10,000
IOG Benchmarking Study	10,000	10,000	10,000	10,000
Facility Rent 320 Chestnut Street	144,204	100,000	125,000	145,000
Leadership Development	19,608	15,000	11,400	15,000
Sales Tax Reallocation	571	-	-	-
Separation Allowance - Police	250,000	250,000	250,000	250,000
Fire Assessment Study	62,956	-	-	-

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted
Burn Pit Costs	14,577	25,000	40,475	25,000
Castle Street Environmental	9,393	17,000	75,407	17,000
Wave Transit Subsidy	1,132,000	1,140,000	1,140,000	1,140,000
Budget Reserve	-	70,398	411,538	-
Monkey Junction Annexation Costs	-	-	15,000	-
Special Purpose Grant Match	199,373	300,000	270,939	350,000
Retirement Incentive	-	-	-	(1,000,000)
Allocated Costs	-	(1,857,405)	(1,857,405)	(1,062,182)
Total	6,069,884	4,684,416	4,858,409	4,683,810

The FY 2009-10 General Fund Nondepartmental budget includes funding for general City expenditures not attributable to a specific City department. Some highlights for the allotments are as follows:

Insurance costs for all City facilities have been moved from Public Services departmental operating budget to the Sundry Nondepartmental budget. The budget is determined by the upcoming fiscal year premiums.

Unemployment compensation has been reduced based on prior and current year actuals.

City Advertising includes \$25,000 for the FY 2009-10 citizen survey that will be used to develop the 2012 - 2014 Strategic Plan.

Actuarial studies previously budgeted in the Finance department budget are now reflected in Sundry. This funding provides for annual studies associated with separation allowance for police and other post employment benefits (OPEB).

The Citizens Academy will not be funded for FY 2009-10 and the City's Wellness Program is significantly reduced as a result of budget pressures for the fiscal year.

The elderly/disabled subsidy for City Solid Waste, Storm Water, and Water and Sewer customers that qualify under the Homestead Act exemption will not be funded in FY 2009-10.

An increase in the expense for storm water fees associated with City-owned streets includes a 2% increase in the storm water utility rate from \$5.00 to \$5.10 per ERU for FY 2009-10.

Increased costs associated with the Safelight program operation are included in the budget.

The estimated overall budget reduction for the retirement incentive rolled out in April 2009 is reflected in the budget as a credit in Sundry.

Allocated costs represents a credit for overall General Fund expenditures in support of non-General Fund activities such as Storm Water, Solid Waste, Golf, and Parking. The offsetting expense for these services is found in each of the respective funds.

Sundry Appropriations

TRANSFERS

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted
Transfer to Debt Service Fund	8,055,000	8,686,875	8,686,875	9,077,784
Special Purpose Fund	1,302,121	50,000	259,061	50,000
CD/HM Grant & Loan Administration	-	-	-	356,405
Capital Projects Streets and Sidewalks	664,049	2,529,000	1,757,000	1,260,000
Capital Projects Parks and Recreation	300,000	325,000	275,000	425,000
Capital Projects Public Facilities	1,863,330	796,000	796,000	-
Storm Water Management Fund	25,000	-	-	-
Parking Facilities Fund	200,000	75,000	75,000	-
Solid Waste Management Fund	672,824	687,814	687,814	-
Homeownership Program (HOP)	250,000	250,000	250,000	-
Capital Projects Streets Powell Bill	600,951	-	-	-
Total	13,933,275	13,399,689	12,786,750	11,169,189

The FY 2009-10 budget provides for approximately \$9.1 million to the Debt Service Fund, which represents approximately 11% of the General Fund budgeted expenditures. This transfer will occur each year to fund existing debt payment commitments and future debt obligations.

The transfers to the Capital Project Funds are the pay-as-you-go payments for Streets Improvements, Parks and Recreation, and Public Facility Improvements. The specific projects are identified in the Capital Improvements Program section of this document.

A \$50,000 transfer will be made to the Special Purpose Fund which represents the City's commitment for the implementation of the ten-year plan to end chronic homelessness.

The FY 2009-10 budget includes the General Fund contribution in the amount of \$356,405 to the new CDGB/HOME Grant and Loan Fund for the City's community development activities.

The subsidy from the General Fund to the Solid Waste and Parking Facilities Funds will no longer be funded and the fourth installment to the Homeownership Program for low and moderate income families will be deferred until FY 2011.

Sundry Appropriations

AGENCY APPROPRIATIONS

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted
General Agencies				
Coastal Horizons	38,941	39,000	39,059	37,050
Child Advocacy Commission	10,000	23,000	23,000	21,850
Elderhaus	8,885	20,000	21,115	19,000
Wilmington Children's Museum	25,000	-	-	-
Girls, Inc.	14,999	15,000	15,001	14,250
Carousel Center	9,999	10,000	10,001	9,500
East Coast Solutions	4,685	-	-	-
Eastern Carolina Exchange	10,000	-	-	-
Family & Neighborhood Institute	11,401	25,000	38,599	23,750
Phoenix Employment Ministries	9,750	9,000	9,000	-
Kids Making It Woodworking	15,000	15,000	15,000	14,250
Brigade Boys & Girls Club	-	50,000	50,000	23,750
Cape Fear Resource Center	15,000	-	-	-
Food Bank of North Carolina	12,667	15,000	17,333	14,250
Wilmington Interfaith Network	16,386	-	1	-
VOA, Willow Pond	-	20,000	20,000	19,000
Cape Fear Literacy Council	-	10,000	10,000	9,500
American Red Cross	-	10,000	10,000	9,500
Dreams	-	17,500	17,500	16,625
Habitat for Humanity- Land Trust	-	26,500	26,500	-
Cape Fear Area United Way	-	-	5,000	5,000
Total General Agencies	202,713	305,000	327,109	237,275
Boards and Commissions				
Cape Fear Future	50,000	-	-	-
Council of Governments	17,784	18,035	18,035	18,035
City Boards	1,310	13,550	13,550	10,000
Port, Waterway & Beach Commission	1,500	1,500	1,500	1,500
Sister City Commission	2,616	4,000	2,500	2,500
Total Boards and Commissions	73,210	37,085	35,585	32,035
Economic and Physical Development Agencies				
Wilmington Industrial Development	77,400	80,496	80,496	80,496
Wilmington Downtown, Inc.	97,634	80,979	80,979	80,979
Wilmington Regional Film Commission	105,643	109,869	109,869	109,869
Cape Fear CDC	-	25,000	25,000	23,750
Southside Community Development Corp	-	-	15,000	-
Total Economic and Physical Development Agencies	280,677	296,344	311,344	295,094

AGENCY APPROPRIATIONS

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted
Cultural and Recreational Agencies				
Friends of Public Radio	7,858	-	2,142	-
Louise Cameron Art Museum	100,000	100,000	100,000	100,000
Battleship Fireworks	10,000	10,000	10,000	10,000
Thalian Hall Center for the Performing Arts	127,500	127,500	137,500	127,500
Martin Luther King, Jr. Celebration	-	3,000	-	3,000
Community Arts Center	53,700	53,700	53,700	53,700
Cape Fear Youth Soccer Association/Soccerplex	108,333	111,333	111,333	111,333
Home Front Heritage Coalition	6,500	-	-	-
Wilmington Black Expo	1,000	1,000	1,000	1,000
USS North Carolina Commissioning	50,000	-	-	-
Cucalorus Film Foundation	-	-	10,000	10,000
Total Cultural and Recreational Agencies	464,891	406,533	425,675	416,533
TOTAL GENERAL FUND AGENCIES	1,021,491	1,044,962	1,099,713	980,937

The City provides funding to outside agencies that provide services consistent with the City's objectives. This leveraging of dollars with volunteer efforts and other revenue sources increases community services offered to citizens. Contracts are executed with all agencies that receive City funds, which specify the terms and conditions of the contribution.

Wilmington Downtown, Inc., the Wilmington Film Office and Wilmington Industrial Development are budgeted at level funding for FY 2009-10. Correspondence with these agencies resulted in the consensus, despite contractual increases based on the CPI-U change (Consumer Price Index-All Urban) annual average increase at 3.8%.

Funding for General Agencies is in the second funding year of the biennial budget process for public service agencies. A 5% across the board reduction has been applied to all FY 2009-10 agency funding levels. Lastly, adopted FY 2008-09 funding for Phoenix Employment Ministries, Habitat for Humanity, and Brigade Boys and Girls Club is recommended to be funded from the Community Development Block Grant.

Funding for the fourth and final endowment payment to the Louise Cameron Art Museum is included.

The budget also reflects the City's contribution to the Cucalorus annual film festival.

Community Development Block Grant

AGENCY APPROPRIATIONS

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted
Public Service Agencies				
Domestic Violence Shelter & Services, Inc.	35,000	35,000	35,000	35,000
DREAMS of Wilmington	17,500	-	-	-
Good Shepherd Ministries - Operating	75,000	90,000	90,000	90,000
Leading Into New Communities (LINC)	38,000	38,000	38,000	38,000
Volunteers of America - Willow Pond	20,000	-	-	-
Salvation Army	15,000	-	-	-
Habitat for Humanity- Land Trust	-	5,000	5,000	5,000
Total CDBG Public Service Agencies	200,500	168,000	168,000	168,000
Cape Fear Area Resource Centers	167,115	-	-	-
Total CDBG Public Facilities & Northside Revitalization	167,115	-	-	-
TOTAL CDBG	367,615	168,000	168,000	168,000

The Community Development Block Grant agencies listed here are funded from Federal entitlement funds associated with the Block Grant.

Sundry Appropriations

CONTINGENCY

	FY 07-08 Actual	FY 08-09 Adopted	FY 08-09 Adjusted	FY 09-10 Adopted
Contingency	-	143,935	53,935	132,550
Total	-	143,935	53,935	132,550

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

ECONOMIC INCENTIVES

Guilford	66,667	67,000	67,000	-
Cellco	125,000	125,000	125,000	125,000
Southeastern Biotech Center	25,000	-	-	-
Wilmington Industrial Development	50,000	50,000	50,000	50,000
Miscellaneous Incentives	-	100,000	-	-
Total	266,667	342,000	242,000	175,000

The City Council agreed to contribute \$125,000 per year for seven years to Cellco, Partnership. The FY 2009-10 adopted budget includes the sixth installment of the commitment.

An incentive payment to Wilmington Industrial Development in the amount of \$50,000 is budgeted for attracting and retaining well paying jobs associated with the G.E. Nuclear division. This will be the fourth installment against a 5-year commitment.

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 and Moody’s Investor’s Service and Fitch IBCA Inc. The City’s current ratings of AA+, Aa2, and AA respectively, are an indicator of the City’s financial stability. The City’s credit ratings were upgraded by Moody’s Investor’s Service from Aa3 to Aa2 in May 2005 and by Standard and Poor’s Ratings Group from AA to AA+ in April 2008.

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, 2009, the total outstanding bonded debt for the City will be \$39.3 million.

Total bonded debt at June 30, 2009, for the General Fund is approximately \$21.5 million or 55% of the City's total outstanding bonded debt. The City of Wilmington increased its bonded debt by \$14.6 million during FY 2009 for the purpose of street/highway and public improvements. Outstanding general bonded debt is retired with general tax revenues (property tax, sales tax, etc.) collected annually.

Total bonded debt at June 30, 2009, for water and sewer projects is approximately \$17.8 million or 44% 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.

Outstanding Bonded Debt

ISSUE DATE	MATURITY DATE	SERIES	OUTSTANDING PRINCIPAL JUNE 30, 2009	PRINCIPAL TO BE RETIRED FY 2009-10	OUTSTANDING PRINCIPAL JUNE 30, 2010
General Debt					
1-Oct-97	1-Apr-10	General Refunding - Series 1997B	308,468	308,468	-
1-Oct-97	1-Apr-14	Street / Park Improvements - Series 1997A	1,930,000	460,000	1,470,000
1-Aug-00	1-Feb-18	Public Improvements - Series 2000	2,400,000	125,000	2,275,000
1-Aug-03	1-Mar-18	General Two-Thirds' - Series 2003A	2,295,000	255,000	2,040,000
9-Sep-08	1-Sep-28	Streets/Highway 2/3rds - Series 2008A	5,605,000	285,000	5,320,000
10-Sep-08	1-Sep-28	Public Improvements - Series 2008B	9,000,000	450,000	8,550,000
TOTAL GENERAL DEBT			21,538,468	1,883,468	19,655,000
Water and Sewer Debt					
6-Feb-02	1-Jun-15	Water Synthetic Refunding - Series 2002	17,275,000	3,065,000	14,210,000
1-Oct-97	1-Apr-10	Water Refunding - Series 1997B	121,864	121,864	-
1-Oct-97	1-Apr-10	Sewer Refunding - Series 1997B	419,668	419,668	-
TOTAL WATER AND SEWER DEBT			17,816,532	3,606,532	14,210,000
TOTAL BONDED DEBT			39,355,000	5,490,000	33,865,000

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, 2009, the total other outstanding debt for the City will be \$183.1 million.

Total other outstanding debt at June 30, 2009, for the General Fund is approximately \$77.2 million. In April 2008, \$14.3 million in an installment purchase was made for various projects (Police Department Southeast Substation, Seagate Fire Station, Hilton Riverwalk Repairs, Multi-Modal, Water Street Park Land etc). In June 2008, \$12 million in installment debt was issued for development of parks. Other outstanding general debt is retired with general tax revenues (property tax, sales tax, etc.) collected annually.

Total other outstanding debt at June 30, 2009, for the Special Revenue Fund is approximately \$62.5 million. In April 2008, \$62.5 million in COPs were issued for the construction of the Convention Center and Parking Deck. Of this issue, \$46.6 million was for the Convention Center and \$ 15.9 million for the Parking Deck (\$7.2 million non-taxable and \$8.7 million taxable). This debt is retired with proceeds from the room occupancy tax.

Total other outstanding debt at June 30, 2009, for Storm Water Management is approximately \$14.7 million. In October 2007, \$10.9 million in revenue bond debt was issued to finance multiple storm water projects. At the same time \$3.2 million in revenue bonds was issued to refund general obligation debt from 1997 that was issued for drainage projects. Outstanding debt for storm water projects is retired with revenues earned from the storm water enterprise.

Total other outstanding debt at June 30, 2009, for Solid Waste is approximately \$.2 million. In May of 2006, the City issued \$6.0 million in short-term installment debt to purchase various pieces of equipment and carts for solid waste. Of the total debt, \$.9 million will be re-paid out of the Solid Waste Enterprise Fund. Outstanding debt for solid waste is retired with revenues earned from the solid waste enterprise.

Debt Management

OTHER OUTSTANDING DEBT, cont'd

Total other outstanding debt at June 30, 2009, for the Equipment, Maintenance and Replacement Fund is approximately \$3.7 million. In May of 2006, the City issued \$6.0 million in short-term installment debt to purchase various pieces of equipment and carts for solid waste. Of the total debt, \$5.1 million will be re-paid out of the Equipment, Maintenance and Replacement Fund. Outstanding debt for equipment, maintenance and replacement is retired with revenues earned from leasing the equipment to the user departments.

Total other outstanding debt at June 30, 2009, for the Parking Facilities Fund is approximately \$7.7 million. In January 2003, approximately \$9.2 million in COPs were issued for the construction of the Market Street parking deck. Revenue from the parking decks and the on-street parking program pay for this installment debt.

Total other outstanding debt at June 30, 2009, for water projects is approximately \$17.1 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.

Other Outstanding Debt

ISSUE DATE	MATURITY DATE	INSTRUMENT	PURPOSE	OUTSTANDING PRINCIPAL JUNE 30, 2009	PRINCIPAL TO BE RETIRED FY 2009-10	OUTSTANDING PRINCIPAL JUNE 30, 2010
General Debt						
1-Jun-07	1-Jun-12	Installment Purchase 2007 Suntrust - Various Equipment		671,641	222,764	448,877
18-Dec-01	18-Dec-21	Installment Purchase	Legion Stadium Renovations	3,437,500	275,000	3,162,500
15-Jan-03	1-Jun-28	COPS - 2003	Operations Center/Riverwalk Extension	2,954,966	213,569	2,741,397
29-Jul-04	1-Sep-29	COPS - 2004A	Operations Center/Fire Station	10,710,000	350,000	10,360,000
9-Jun-05	1-Jun-32	COPS - 2005	Police Headquarters/Operations Center	33,860,000	1,225,000	32,635,000
1-May-08	1-Jun-28	Installment Purchase 2008D - RBC Various Projects		13,555,000	715,000	12,840,000
1-Jun-08	1-Jun-29	Installment Debt	NHC Parks and Recreation Bonds	12,000,000	500,000	11,500,000
TOTAL GENERAL DEBT				77,189,107	3,501,333	73,687,774
Special Revenue Fund Debt						
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
1-May-08	1-Jun-16	2008C RBC - Parking Deck Taxable		8,745,000	-	8,745,000
TOTAL SPECIAL REVENUE FUND DEBT				62,495,000	-	62,495,000
Storm Water Management Debt						
9-Jun-05	1-Jun-32	COPS - 2005	Drainage Improvements	1,175,000	75,000	1,100,000
30-Oct-07	1-Jun-33	Storm Water Revenue Bonds - Series 2007		10,640,000	255,000	10,385,000
30-Oct-07	1-Jun-33	Storm Water Revenue Bonds Refunded 97 GO's		2,850,000	170,000	2,680,000
TOTAL STORM WATER MANAGEMENT DEBT				14,665,000	500,000	14,165,000
Solid Waste Enterprise Debt						
1-May-06	1-May-10	Installment Purchase 2006 Suntrust - Various Equipment		228,870	228,870	-
TOTAL SOLID WASTE ENTERPRISE DEBT				228,870	228,870	-
Equipment, Maintenance & Replacement Debt						
1-Jun-07	1-Jun-12	Installment Purchase 2007 Suntrust - Various Equipment		2,402,063	794,424	1,607,639
1-May-06	1-May-10	Installment Purchase 2006 Suntrust - Various Equipment		1,360,508	1,360,508	-
TOTAL EQUIPMENT, MAINTENANCE & REPLACEMENT DEBT				3,762,571	2,154,932	1,607,639
Parking Facilities Debt						
15-Jan-03	1-Jun-28	COPS 2003	Parking Facilities	7,680,034	406,431	7,273,603
TOTAL PARKING FACILITIES DEBT				7,680,034	406,431	7,273,603
Water Certificates of Participation (COPS)						
12-Apr-06	1-Jun-24	COPS 2006A	Refunding Water System	17,085,000	820,000	16,265,000
TOTAL WATER CERTIFICATES OF PARTICIPATION (COPS)				17,085,000	820,000	16,265,000
TOTAL OTHER DEBT				183,105,582	7,611,566	175,494,016

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. An annual transfer from the General Fund of approximately 10% of the total annual budget funds the debt payments.

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 \$34.9 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 2009-10 debt service payments for water and sewer projects not being defeased are approximately \$5.9 million.

The annual debt service payment in the Parking Facilities Fund is approximately \$.7 million in FY 2009-10. 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 2009-10. In October 2007, \$10.9 million in revenue bond debt was issued to finance multiple storm water projects. At the same time \$3.2 million in revenue bonds was issued to refund general obligation debt from 1997 that was issued for drainage projects. Debt service payments related to the \$1.5 million June 2005, COPS issue are also included in the schedule. 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 \$2.2 million in FY 2009-10. Revenues earned from leasing the equipment to the user departments will be used for these debt service payments.

Debt Management

OUTSTANDING BONDED DEBT AND OTHER DEBT SCHEDULES, cont'd

The annual debt service payment in the Solid Waste Fund is approximately \$.2 million in FY 2009-10. These debt service payments will be paid this fiscal year, FY 2009-10. Revenues from the solid waste fee will be used for these debt service payments.

The annual debt service payment in the Special Revenue Fund is approximately \$2.9 million in FY 2010. The first two years of payments are capitalized interest. In April 2008, \$62.5 million in COPs were issued for the construction of the Convention Center and Parking Deck. Of this issue, \$46.6 million was for the Convention Center and \$15.9 million for the Parking Deck (\$7.2 million non-taxable and \$8.7 million taxable). 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
2009-10	5,384,801	4,295,533	9,680,335	4,426,532	1,477,238	5,903,769
2010-11	5,149,615	4,095,286	9,244,901	3,875,000	1,300,432	5,175,432
2011-12	5,211,400	3,900,282	9,111,682	3,870,000	1,151,028	5,021,028
2012-13	5,748,569	3,694,887	9,443,456	3,870,000	1,001,750	4,871,750
2013-14	5,853,569	3,456,936	9,310,505	3,865,000	852,398	4,717,398
2014-15	5,393,569	3,189,380	8,582,949	3,365,000	698,338	4,063,338
2015-16	5,408,569	2,953,955	8,362,524	1,055,000	557,995	1,612,995
2016-17	5,433,569	2,715,752	8,149,321	1,105,000	505,245	1,610,245
2017-18	5,373,569	2,473,756	7,847,325	1,165,000	449,995	1,614,995
2018-19	4,303,569	2,231,511	6,535,080	1,220,000	391,745	1,611,745
2019-20	4,303,569	2,038,671	6,342,240	1,285,000	330,745	1,615,745
2020-21	4,528,569	1,845,450	6,374,019	1,350,000	266,495	1,616,495
2021-22	4,391,069	1,643,289	6,034,358	1,415,000	198,995	1,613,995
2022-23	4,248,569	1,448,984	5,697,553	1,485,000	128,245	1,613,245
2023-24	4,030,000	1,257,268	5,287,268	1,550,000	65,875	1,615,875
2024-25	4,030,000	1,075,452	5,105,452			
2025-26	4,035,000	894,179	4,929,179			
2026-27	4,035,000	713,485	4,748,485			
2027-28	4,035,000	531,609	4,566,609			
2028-29	3,300,000	349,733	3,649,733			
2029-30	1,870,000	211,460	2,081,460			
2030-31	1,330,000	131,950	1,461,950			
2031-32	1,330,000	65,975	1,395,975			
2032-33						
2033-34						
Totals	98,727,575			34,901,532		

Annual Debt Service Requirements Outstanding Bonded Debt and Other Debt

FISCAL YEAR	Parking Facilities Fund			Storm Water Utility Fund			Equipment, Maintenance & Repl		
	PRINCIPAL	INTEREST	TOTAL PAYMENT	PRINCIPAL	INTEREST	TOTAL PAYMENT	PRINCIPAL	INTEREST	TOTAL PAYMENT
2009-10	406,431	345,460	751,891	500,000	682,879	1,182,879	2,154,931	103,335	2,258,267
2010-11	406,431	331,285	737,716	515,000	662,379	1,177,379	823,960	45,005	868,964
2011-12	401,431	315,085	716,516	540,000	641,054	1,181,054	783,680	14,371	798,050
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			
Totals	7,680,034			14,665,000		-	3,762,570		

Annual Debt Service Requirements Outstanding Bonded Debt and Other Debt

FISCAL YEAR	Solid Waste Enterprise Fund			Golf Course Enterprise Fund			Special Revenue Fund - Conv Center		
	PRINCIPAL	INTEREST	TOTAL PAYMENT	PRINCIPAL	INTEREST	TOTAL PAYMENT	PRINCIPAL	INTEREST	TOTAL PAYMENT
2009-10	228,870	4,844	233,714				-	2,967,011	2,967,011
2010-11							1,305,000	2,967,011	4,272,011
2011-12							1,360,000	2,908,808	4,268,808
2012-13							1,425,000	2,848,152	4,273,152
2013-14							1,485,000	2,784,597	4,269,597
2014-15							1,550,000	2,718,366	4,268,366
2015-16							2,045,000	2,649,236	4,694,236
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
Totals	228,870			-			62,495,000		

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, 2009, the City of Wilmington could legally issue an additional \$925 million of debt. The City's net debt as of June 30, 2009, is estimated at 1.37% of the assessed valuation of the City, well below the 8% legal limit. The City's net debt as of June 30, 2010 is projected at 1.29% of the assessed valuation of the City.

Legal Debt Margin

	AS OF JUNE 30,2009	AS OF JUNE 30,2010
Estimated Assessed Valuation (As Per FY 2008-09 TR2 and FY 2009-10 Budget)	13,952,621,358	14,099,500,000
Legal Debt Limit (8% of Assessed Valuation)	1,116,209,709	1,127,960,000
Amount of Debt Applicable to Legal Debt Limit - NET DEBT		
Total Bonded Debt	39,355,000	33,865,000.00
Total Other Debt (excluding Revenue Bonds)	169,615,582	162,429,015.88
Total Gross Debt	208,970,582	196,294,015.88
Minus Bonded Debt for Water Enterprise Operations	17,816,532	14,210,000
TOTAL NET DEBT	191,154,050	182,084,016
PERCENT OF ASSESSED VALUATION	1.37%	1.29%
LEGAL DEBT MARGIN	925,055,659	945,875,984

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, 2009, the City of Wilmington’s outstanding net debt per capita is estimated at approximately \$892. As of June 30, 2010, it is estimated at approximately \$823.

Net Direct Debt Per Capita

	<u>AS OF JUNE 30, 2009</u>	<u>AS OF JUNE 30, 2010</u>
Estimated City Population	101,753	102,771
Total Debt	222,460,582	209,359,016
Less year-end balance debt service fund	8,013,472	8,765,448
Less self-supporting debt	123,733,007	116,016,242
Net Direct Debt	90,714,103	84,577,326
Net Direct Debt Per Capita	892	823

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 2009-10, debt service for net debt (debt to be retired with general tax revenues) totals approximately 9.7 million. With a total General Fund operating budget of approximately 80.7 million, this represents 11.99% 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 2009-2010 OPERATING BUDGET	FY 2009-2010 TOTAL DEBT SERVICE	FY 2009-2010 % OF OPERATING BUDGET
General Fund	80,723,416	9,680,335	11.99%



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