FY15-16 Adopted Budget in Brief

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NHC Public Affairs

NEW HANOVER COUNTY
ADOPTED BUDGET

FISCAL YEAR 2015-2016

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NEW HANOVER COUNTY • NORTH CAROLINA

• ESTABLISHED 1729 •

OUR VISION
for NEW HANOVER COUNTY

A vibrant, prosperous, diverse coastal community committed to building a sustainable future for generations to come.

MISSION STATEMENT

New Hanover County is committed to progressive public policy, superior service, courteous contact, judicious exercise of authority, and sound fiscal management to meet the needs and concerns of our citizens today and tomorrow.

The New Hanover County
Board of Commissioners

June 2011

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NEW HANOVER COUNTY
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Rounding of numbers in adopted budget document preparation has been used in the tables and text to make the adopted budget document easily understood and readily comparable with other data. Minor discrepancies in tables between totals and sums of components may occur due to rounding.

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NEW HANOVER COUNTY

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TIM BURGESS
Assistant County Manager

June 22, 2015

To the New Hanover County Board of Commissioners:

I am pleased to present to you the FY2015-16 Budget for New Hanover County as adopted on June 22, 2015. This document represents the County's budget and strategic plan for the upcoming fiscal year. The Adopted Budget for Fiscal Year 2015-16 is presented as follows:

- General Fund tax rate of 57.4 cents
- Fire Service District of 7.0 cents
- Environmental Management Fund tipping fee of $52/ton
  (No increase projected for five years)

The adopted budget reflects the following changes to the recommended budget.

Expenditures

- Reduction in funding to the New Hanover County Public School system by $1,081,440 by rolling back the average daily membership allocation to $2,600 from the proposed $2,640.
- Reduction in debt service by $2,138,546 by adjusting the debt schedule to reflect one interest payment for both the community college bonds and the first installment of the public school bonds – the updated debt schedule reflected an interest-only approach for 18 months on the balance of community college bonds and the first installment of the public school bonds.
- Reduction in the capital improvement plan by $160,000 by reducing the number of elevator replacements at the judicial center from 5 to 4.
- Reduction in funding to the community college by $550,000 by reducing its capital investments.
- Reduction in childcare subsidies by $225,200 by lowering the projected participation rate to 100 children.
- Reduction in funding to the juvenile justice service review by $150,000 but still making money available for a degree of analysis.
- General Fund funding of Cape Fear Community College capital reduced by $1,261,133 to be funded through bond premiums instead.

Revenues

- Increase in ad valorem tax rate of 2 cents per $1,000.
- Increase in estimated sales taxes of $1,624,361 by projected growth of an additional 3 percent over the recommended budget.
- Appropriation of an additional $1.7 million from fund balance for recurring expenses but still maintaining the 21 percent fund balance policy.

I look forward to working with you toward the execution of the FY15-16 budget.

Sincerely,

Chris Coudriet
County Manager

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April 30, 2015

New Hanover County Board of Commissioners:

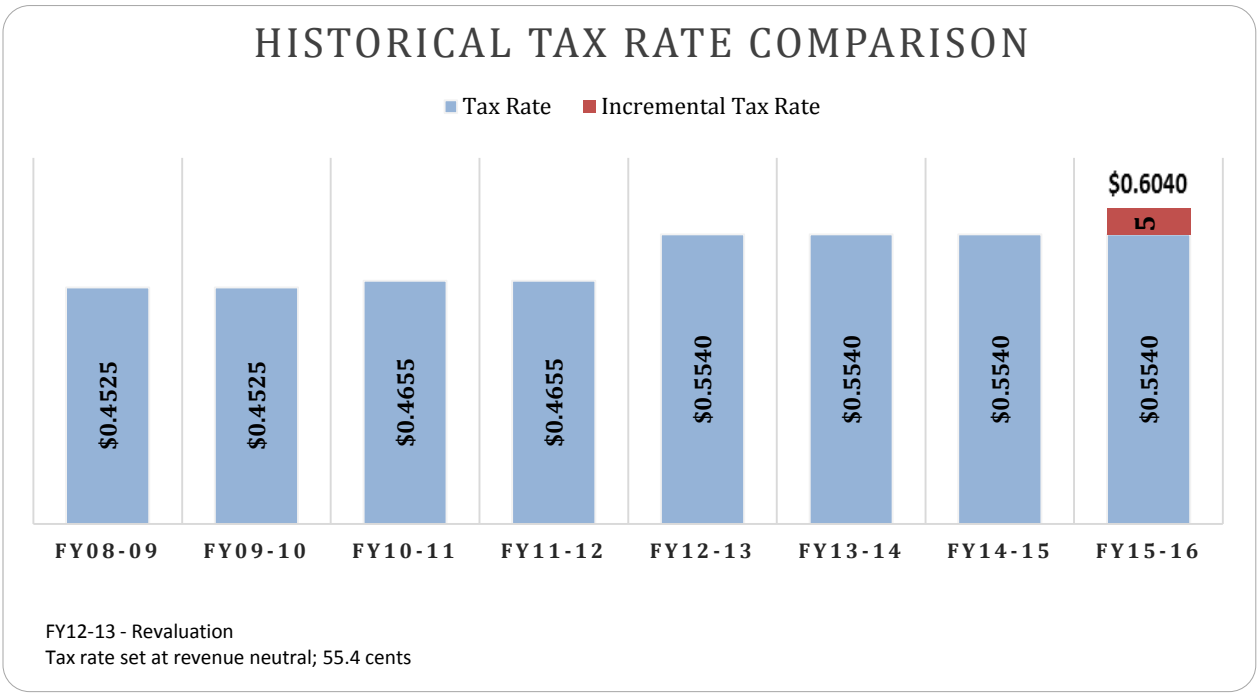
It is my honor and privilege to serve the New Hanover County Board of Commissioners (Board) as its county manager. Chief among my responsibilities to the Board is to present the County administration's recommended budget for fiscal year (FY) 15-16. In keeping with the current County administration philosophy the focus of the FY15-16 budget is strategic management. Primarily, the recommended budget:

- advances the County's strategic direction;
- aligns resources to meet Board-identified priorities;
- meets ongoing, prior obligations, and
- plans for the long term operating and financial sustainability of New Hanover County.

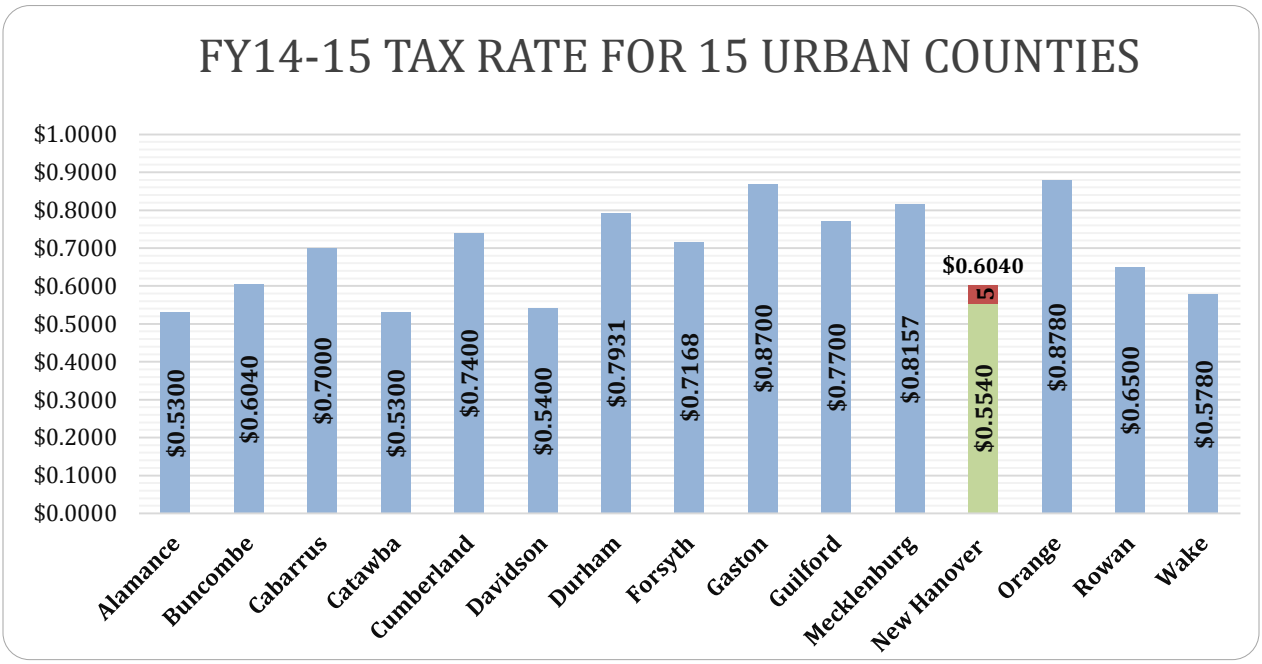
The proposed spending plan is both progressive and future-oriented by the investments it recommends, and it is fiscally sound. The budget accomplishes what the Board has identified as necessary and meets the Board's priorities, and it does so with competitive taxes and fees. This is evident when one considers other southeastern North Carolina local government units and the County's peer group (Triple A bond rated counties) across the state.

It is my administrative opinion the only sustainable path forward to deliver on the County's strategic direction, address the Board's priorities, satisfy prior Board obligations, and protect the viability of County programs, is to ask the Board to adjust the property tax rate. Specifically, I am recommending the Board raise the property tax by 5 cents. If accepted, this would establish a New Hanover County property tax rate of 60.4 cents per $100 of assessed value.

New Hanover County's property tax is mostly unchanged since FY08-09, which includes the 1.3 cent tax increase in FY10-11 for lost revenue after the recession, and the revenue neutral tax rate for the current 55.4 cents established after the 2012 revaluation when the County lost approximately 15 percent of its property tax base. In the same time, the County has begun to pay fully on the $182 million in bonds the voters approved in 2006 and 2008. Today, the County's effective property tax rate is 51.70 cents and not the actual rate of 55.4 cents. The graph that follows illustrates the property tax rate since FY08-09:



As illustrated in the graph below, at the proposed property tax rate of 60.4 cents, New Hanover County is in a competitive position as compared to the other 15 North Carolina counties identified as urban:



The basis for the proposed property tax increase is to exclusively service debt obligations the County currently faces for voter-approved bonds in 2006 and 2008. In 2006 67 percent of those voting approved $18 million for mostly unincorporated park development, and in 2008 62 percent of those voting approved $164 million for new Cape Fear Community College (CFCC)

facilities. In FY15-16 the County will pay fully on the 2006 and 2008 bonds at a cost of $15+ million.

If the Board approves the property tax rate increase, each new dollar raised from the additional 5 cents will be set-aside in a debt service fund. I recommend the County establish a debt service fund so the Board, the community, and the individual taxpayer has certainty the incremental revenue raised from the property tax increase is only used for the stated purpose of servicing debt obligations. Every new dollar raised will be accounted for and spent only on voter-approved debt. It is not my ask or my intention for any of the proposed tax increase this year or in the future, to go toward funding general operations of the County government — only voter-approved debt.

It is important to note the County is fully responsible for the construction and ongoing operations and maintenance of the new parks and community college facilities built with bond proceeds. This spending plan and future spending plans assume and expect the natural growth in the tax base will meet those ongoing operational liabilities. The proposed property tax increase does not and will not fund the operational cost of these new facilities, i.e., maintenance, personnel, insurance, utilities, etc.

The FY15-16 recommended budget is as follows:

- the General Fund is proposed at $306.6 million, which is an increase of 1.3 percent from the FY14-15 revised budget;
- the Fire Service District Fund is proposed at $13.8 million, which is an increase of 4.9 percent from the FY14-15 revised budget;
- the Environmental Management Enterprise Fund is proposed at $12.9 million, which is a decrease of 18.7 percent from the FY14-15 revised budget;
- the spending plan in its entirety, with all funds, represents $350.9 million in operations, which is an increase of 4.3 percent.

ECONOMIC CONDITIONS

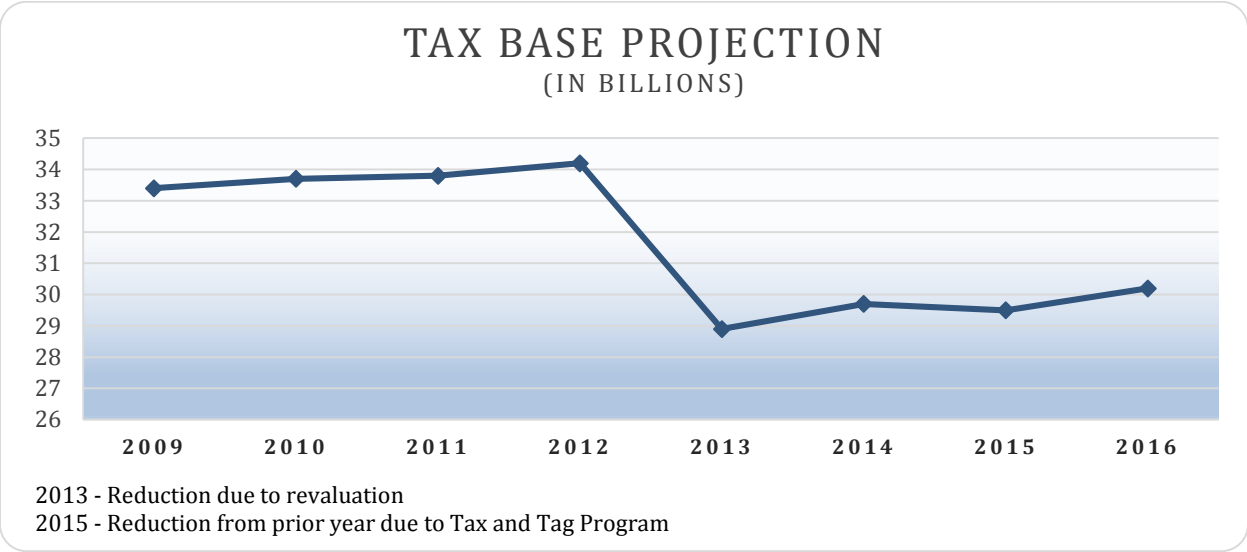
The local economy continues to show signs of recovery:

- the Register of Deeds' monthly collections continue to trend favorably; the current year's collections as compared to last year at the same time are up 22 percent.
- the unemployment rate dropped to 5.6 percent as reported in January 2015.
- single and multifamily permits experienced an increase over last year as compared to January of this year; as realtors predicted, home sales and prices rose across New Hanover County.
- more passengers boarded planes and arrived at the Wilmington International Airport (ILM) in February, marking a notable increase over the previous three years; in addition, the amount of cargo unloaded at ILM increased in February 2015.
- tourism, one of the major industries in New Hanover County was estimated at $478 million in 2013, which was a 4 percent increase over 2012; figures for 2014 have yet to be released.

These are small but positive steps forward in measuring the local economy.

New Hanover County is experiencing population growth at a slower rate than the County experienced prior to the recession. During the period before the recession, the County experienced annual growth of 4.6 percent. Since the recovery only 2 percent annual growth, on average, was experienced, and 2 percent annual growth is projected through 2019. New Hanover County's 2014 estimated population is 218,000 (Office of State Budget and Management, 2014).

We should not expect rates of increase in the property tax base that we had prior to the economic recession. Future growth is trending in the right direction; the property tax base has grown a total of 4 percent since FY12-13 after the tax base lost $5 billion in the 2012 property revaluation. The following graph identifies the tax base trend since 2009 – the first year of economic recovery:



The recession had a similar, negative impact on sales tax receipts, which have increased a total of 5 percent over FY07-08 collections. I expect a modest growth in annual sales tax collections going forward, but the current General Assembly debate about redistribution of local sales taxes calls my expectation into question.

At the national level, *Kiplinger's Economic Outlooks* for April 2015 anticipated national growth in GDP at 3 percent. Overall, short term interest rates are expected to stay below 3.75 percent. Business spending is anticipated to grow by 5 percent. New housing starts and sales are projected at 20 percent growth. Inflation of 1 percent is forecasted for 2015 and 4.5 percent growth in retail sales should be expected nationally.

REVENUES

This spending plan is balanced with a proposed 60.4 cent property tax rate. As already noted, the recommended 5 cent property tax increase is narrowly constructed to pay for the ongoing annual debt service for certain voter-approved debt. Those particular bonds represent $182 million in original County indebtedness.

The increase in the tax base for FY15-16 is 2.4 percent, which is ahead of each fiscal year since the 2012 revaluation. The base for the General Fund is estimated at $30.2 billion. With a 98.5 percent collection rate, the value of a penny is $3 million. The base for FY15-16, however, still lags behind the base in FY11-12 (final fiscal year before the 2012 revaluation) by approximately 13 percent.

The County is currently conducting revaluation, which will be effective January 1, 2017 and will provide the base for the FY17-18 budget. The revaluation process being used is known as a "full measure and list," and results in a site visit by a County appraiser to every County parcel, which numbers approximately 95,000.

The tax base for the Fire Service District is estimated at $11.6 billion. With a 98.5 percent collection rate, the value of a penny is $1.1 million.

Fund balance in FY15-16 for the General Fund is recommended to be appropriated in the amount of $6.7 million, which is less than the amount appropriated in the current fiscal year. Current projections of expenditures and revenues indicate appropriating fund balance at $6.7 million will comply with the County's 21 percent fund balance policy, and it is a reasonable action to take in that fund balance in FY15-16 is used to pay for certain capital and one-time expenditures, rather than serving as an accounting function to balance the budget. Appropriation of fund balance for capital and one-time expenditures is possible because of the County's overall strong financial position and previous funding strategies, and it represents best-management practices, which should comport to the strategy for budget development going forward.

Sales tax is projected to increase 12 percent over the FY14-15 budget. The increase is based on prior year experience and continued local economic recovery.

Despite an increase of $19 million in property taxes and $6.5 million in sales tax over the FY14-15 revised budget, other sources of revenue decreased. These decreases in revenues include reductions in appropriated fund balance ($10 million), installment debt receipts ($9 million), and Health and Human Services revenue ($3.2 million).

Because of the continued economic recovery, an increase in charges for services and fees is projected at 2 percent, which positively affects Planning and Inspections and Register of Deeds.

Several County departments are requesting modifications to individual fee structures; the proposed changes are outlined in the fee revisions for FY15-16 document.

NEW HANOVER COUNTY STRATEGIC PLAN

In 2011 the New Hanover County Board of Commissioners adopted a strategic plan to guide decision making and budget allocation. Each of the three budgets, inclusive of this proposed spending plan, that I have recommended to the Board have focused on implementing the County's plan and funding Board-identified priorities.

In March 2015 the Board met to review the strategic plan and identify specific priorities for FY15-16. The Board reaffirmed its commitment to the overall strategy and identified three areas to focus near term policy:

- Economic Development and Intelligent Growth
- Superior Public Education
- Superior Public Health and Safety

The entire FY15-16 budget recommendation is designed to deliver on the priorities identified by the Board.

EXPENDITURES

The primary drivers in the budget's spending growth are specific to new debt service and funding for both the New Hanover County Public Schools system and Cape Fear Community College (CFCC). The recommended budget includes an increase of $3.1 million for the New Hanover County Public Schools System to support current expense and school capital/maintenance, and $3.8 million for CFCC in the form of new operating expenses and debt service.

Total growth over the FY14-15 revised budget is attributed to a recommended $6.9 million increase in current public education (k-12 and community college) operations and debt service.

Economic Development and Intelligent Growth

The primary strategy the County is using to deliver on the policy goal of economic development and intelligent growth is reflected by promoting a strong, diverse economy and high quality job growth.

For the second time in as many years, the Board established economic development as its first-among-equals priority. Consecutive community surveys in late 2012 and 2014 clearly identified the single highest priority of taxpayers is more jobs and better jobs.

In 2012 the County established three strategic measures of success to assess over the five-year period beginning July 2012 and ending June 2017. These measures include:

- create a policy environment that encourages private investment of at least $1 billion,
- target industry and business clusters that will spur creation of 6,000 new jobs locally, and
- increase the average weekly wage by 10 percent.

To aid the community in meeting these measures of success, I am recommending that New Hanover County:

- fund $500,000 for opportunistic economic development investments;
- fund $25,000 above the contracted amount to the Wilmington Film Commission for marketing and advocacy in these uncertain times for the film industry;

- continue funding $50,000 above the contracted amount for Wilmington Business Development to advance recommendations from the Garner Economics report – Pathways to Prosperity;
- fund $20,000 for the second of a three -year commitment to the Southeastern Partnership for the three County micromarketing alliances;
- fund incentives in FY15-16 for PPD- $300,000, General Electric- $175,000, Castle Branch- $50,000, Fortron- $100,000, and Live Oak- $65,000.

The most obvious industrial corridor in New Hanover County is US 421 – current land uses and zoning define that fact. However, the absence of robust water and sewer capacity along the corridor has stunted build out of the land along US 421. As a result, the parcels are not achieving their highest and best use, and tax base expansion and job growth is slowed.

What is colloquially known as *The Garner Report* identified, in 2014, the County has land for industrial development but it does not have marketable sites for industrial development. The reason: a lack of infrastructure in areas most ripe for industrial development – most noted is the US 421 corridor. In joint priority-setting with the Wilmington City Council, the Board selected "[re]building New Hanover County as a specific strategy for wealth creation. The governing bodies and staff have interpreted this to largely mean infrastructure development along US 421.

The Cape Fear Public Utility Authority, the County, and the City of Wilmington entered into an Interlocal Agreement (ILA) in early 2015 that initiates construction of two 8-inch sewer force mains under the Cape Fear River. The sewer force mains compliment a water line extension along US 421 to the Flemington Community. The opportunity to fully construct a properly sized and operational water and sewer system along US 421 now exists.

As part of the FY15-16 budget, I am recommending the County commit to a $12 million investment that extends a 12-inch water line and two 8-inch sewer force mains from the Isabel Holmes Bridge to the Pender County line. I propose funding construction through limited obligation bonds (LOBs) beginning with $12 million borrowed in FY15-16. Once initiated, the County and the private sector should plan for operational availability readiness of both the water and sewer lines in three to four years.

Water and Sewer along US 421 is embedded as part of the proposed 5-year capital improvement plan. The associated debt service payments on the LOBs are estimated on average at $798,000 annually for the life of the debt. The debt plan for US 421 water and sewer maintains the County within its debt management policy, and the ongoing debt obligation will be served without an associated property tax increase.

Public transportation is becoming more and more important to business development, and as such, in 2014 the Board directed a two-year increase in funding for the Cape Fear Public Transportation Authority/WAVE. The funds are intended to ensure WAVE financial and operational viability.

Funding in the amount of $158,000 is designated as the second of two annual payments to build the WAVE fund balance, and $275,000 is intended to support operating expenses of countywide WAVE fixed routes serving northern New Hanover County e.g., the CFCC north campus, and southern areas e.g., Monkey Junction and Pleasure Island. An amount of $5,000 is also

recommended for public shelters along WAVE routes. In addition to the direct County contribution of $438,000, the FY15-16 budget includes over $700,000 in estimated payment to WAVE to support medical and independent life transport for County residents.
In summer 2015 the County Planning Board will recommend to the Board a first-of-its-kind comprehensive development plan for unincorporated New Hanover County. Spurring development that brings to life the comprehensive development plan will require an extensive overhaul of the County's existing land use development ordinance.

In the FY15-16 proposed spending plan, I am recommending $500,000 to secure technical assistance in developing and ultimately presenting over the next few years a revised New Hanover County Development Ordinance. The long-term policy goal of economic development and intelligent growth is dependent upon a comprehensive development plan and the associated tools that work together and compel development consistent with the plan.

I am recommending the County appropriate $300,000 from the General Fund to partner with the United States Army Corps of Engineers, for the purpose of dredging the Carolina Beach Inlet to the authorized template of eight feet. A healthy, well-functioning inlet ensures a vibrant recreational and commercial fishing economy in New Hanover County.

The General Assembly authorized the County to use Room Occupancy Taxes collected in the unincorporated district (U-district) for maintenance of the inlet(s). However, I propose the County use General Fund revenue first to determine the efficacy of the eight-feet theory to preserve the build-up of cash in the U-district Fund. The U-district Fund is most effectively used, in my opinion, for the cost of ongoing maintenance after the efficacy of the dredged template is known.

Superior Public Education

The primary strategy the County is using to deliver on the policy goal of superior public education is reflected by preparing [all] students to be successful in a 21st Century world.

Publically supported education is, perhaps, the most critical component of our community's long term success. As such, the County is committed to ensuring superior public education and educational facilities through robust funding to the New Hanover Public Schools system and Cape Fear Community College.

The Board of Education and the Cape Fear Community College Board of Trustees made significant increase requests for next fiscal year. While my recommendation includes measurable increases to both education systems, the requests of both governing bodies are not fully funded. However, increased funding between the New Hanover County Public Schools system and Cape Fear Community College is recommended at $6.9 million.

New Hanover County Public Schools

Recommended funding for public schools to include current expense and capital is $74.7 million. This represents an increase of $3.8 million for operating and $250,000 for capital. This $4.1 million or 6 percent increase is offset by a decrease of $1 million in *Transfer to Capital Projects* from FY14-15, for a net increase of $3.1 percent.

In addition to direct public school system funding, the County also provides $600,000 of maintenance through the Parks and Gardens Department for landscaping and field repairs and more than $1.4 million in local funding for School Resource Officers (SROs) to augment the state-funded SROs.

While we estimate only about 20 percent of households in New Hanover County have children 18 or younger, the local public school system and charter schools are growing, which create more demand and burden on current expense. The public school system recommended increases are driven by student enrollment and an administrative plan that funds current expense at a defined, per pupil allocation also known as average daily membership (ADM). ADM-driven funding with a recognized and agreed to metric offers more predictable planning for both the school system and the County administration.

Specifically, the proposed administrative plan, which we have been working toward since FY 2013-2014, is to fund the school system at $2,700 ADM by FY16-17 and $3 million in capital by the fiscal year beginning July 1, 2015. In keeping with the aim of the administrative plan, the FY15-16 recommended ADM funding is $2,640 and capital is programmed for $3 million. It is important to note the annual capital appropriation is not and does not work the elements of the 2014 school bond. These capital dollars go toward maintenance of existing public school facilities.

In addition to the ADM formula and capital agreement, I am recommending one-time funding in the amount of $316,500. It is my recommendation the school board appropriate nearly half of these dollars for a one-time, 1 percent bonus to veteran teachers that did not receive increases of any measure as part of the FY14-15 state budget; fund scholarships for four recipients due to the loss of the State Teaching Fellows Program; and increase funding for the school-based mental health counselors provided by the New Hanover County Public Health Department.

The County will issue its first portion of authorized 2014 voter-approved general obligation school bonds in FY15-16. The County will absorb approximately $900,000 in bond payments in FY15-16 with no corresponding tax increase to cover that payment. However, 4 cents will likely be needed next fiscal year to satisfy the 20-year $160 million debt obligation.

Cape Fear Community College

As proposed, funding for CFCC provides $12.2 million for facility operations and $17.5 million for debt service. This is a combined increase of $3.8 million or 15 percent more than the FY14-15 revised budget.

The increase is directly related to new debt service, ongoing facility maintenance, and induced operating expenses related to new community college facilities to include Union Station and the fine arts and humanities building.

Early Childhood Preparedness

A key metric for superior public education is the County goal of ensuring that at least 80 percent of our children entering the public, private, or home-school kindergarten setting by 2017 are ready to be there – they are ready to be there academically, socially, and emotionally. It is the

County administration's determination the County government has a direct and relevant role in delivering on the goal. As such, I am recommending education initiatives that extend beyond funding to the New Hanover County Public School system.

Specifically, I am recommending continued support and expansion of the County's primary early literacy program: Every Child Ready to Read.

In early 2015 the Board committed to a capital plan for replacement of the current Myrtle Grove Library, which is undersized for its patron use and limits the capacity for the Library staff to offer dedicated early childhood reading initiatives. The replacement branch planned for the intersection of 17th Street Extension and South College Road addresses the deficiencies.

The recommended budget plans for relocation of the Carolina Beach library branch to Snows Cut Crossing Shopping Center from its current location on Cape Fear Boulevard. The proposed relocation accomplishes a number of benefits to the residents of Pleasure Island and southern New Hanover County. Most prevalent are preservation of the branch on the island, a near doubling of the capacity to 4,000 square feet, and the ability to provide regular early childhood reading programs at the Carolina Beach branch. Island adults benefit from relocation through an expanded print collection and more access to technology resources for career development, business planning, and the like.

I am of the opinion to help accomplish the goals of more and better jobs and more children ready for kindergarten takes a commitment to augmenting childcare subsidy the County receives from the state and federal governments. The proposed spending plans include $673,000 to expand the number of families and children served by childcare subsidy. On average, it will allow some 150 additional children access to childcare, freeing more parents to pursue employment opportunities. Each child will be supported in a highly rated childcare center that is consistent with the standards of North Carolina Smart Start funding.

The Department of Social Services (DSS) and the Community Child Protection Team have both called for County investment in childcare subsidy to give working families the security they need to fully contribute to the local economy and to maximize the safety of children by helping to place them in well-regarded childcare facilities.

I am also recommending the County, in partnership with the Soil and Water Conservation District, establish four Outdoor Environmental Learning Centers (OELCs) at NC Pre-K schools in the County. OELCs are designed to allow teachers to conduct hands-on educational activities for four-, five-, and six-year-olds that have proven to improve standardized testing and classroom behavior. These activities include water quality, soil, forestry, wildlife and stewardship.

Superior Public Health and Safety

The primary strategy the County is using to deliver on the policy goal of superior public health and safety is reflected by increasing the safety and security of the community.

Health and Human Services

In the policy areas of public health, social services, and senior resources, much of FY14-15 focused on developing a tactical plan to implement elements of the County's Health and Human Services Functional Collaboration plan. The FY15-16 recommended budget accommodates the following plan elements:

The relocation of Health Services to the new Public Health Clinic to make space available in the main Public Health Department building for co-locating Social Services Medicaid Eligibility, Food and Nutrition, and Child Services Teams, or portions of Teams, for improved service delivery. This allows for improved patient flow during their clinic visit and serving customers holistically without having to visit separate locations.

Through the reorganization of work space and a thorough review of the work processes, the need for administrative support positions has shifted among the three Health and Human Services agencies and County Finance. This will allow for the realignment of certain work responsibilities to improve internal work flow. Additionally, this realignment provides the County with the opportunity to refocus human capital where they are most needed for improved service delivery. Human capital-repurposing allows the County to add capacity to DSS and forego the need to request 9 [new] positions. Only two new positions are being requested to assist with the increase in the DSS caseload.

More effective use of the public health clinic space allows the WIC Program to be integrated into the Public Health Clinic building, which will accommodate all Public Health Department Personal Health Services being provided from a single location. Paper files, storage, and supply areas will be purged, reorganized, and in some instances physically relocated. A document scanning project will be implemented in order to eliminate unnecessary paper and file cabinets; lessening the need and expense of physical storage.

Throughout FY15-16, New Hanover County will continue to look for opportunities to improve the efficiency and effectiveness of Health and Human Services delivery to improve the experience and outcomes for the clients/patients the programs serve.

CoastalCare and its successor Trillium Health Resources

The delivery of services for mental health, substance abuse, and developmental disabilities (MH, SA & DD) continues to evolve in North Carolina. July 1, 2015 will represent the third significant policy change for New Hanover County since mental health reform began in 2002. In that time the functions of MH, SA & DD transitioned from largely a public service function to a private provider network with public agencies focusing on administrative duties; Southeastern Center merged with Carteret and Onslow counties to form CoastalCare only a few years ago, and in July 2015 CoastalCare is merging with East Carolina Behavioral Health to form Trillium Health Resources. The only consistency for the past 13 years is "change," and it is *change* that has eroded the presence of MH, SA & DD services locally.

New Hanover County historical funding to CoastalCare has mostly been used to operate a crisis facility known as The Harbor is located at 2023-1 South 17th Street. With immediate and easy

access to mental health and substance abuse services fading, the effect of crisis for individuals is becoming more prevalent.

I am recommending the County increase funding above the base allocation ($2.2 million) to CoastalCare and its successor Trillium Health Resources by $100,000. These dollars are intended to extend the Cape Fear Behavioral Health Urgent Care Center's operational hours by three hours each day. If this appropriation is authorized, the crisis center will be available to those in need from 8 a.m. to 10 p.m. Monday through Friday and 10 a.m. to 9 p.m. on Saturday; the Cape Fear Behavioral Health Urgent Care Center's is closed for admissions on Sunday. When the Cape Fear Behavioral Health Urgent Care Center's is not open for admissions, those in crisis often take an action that ultimately involves law enforcement or they admit themselves to the New Hanover Regional Medical Center Emergency Department.

Environmental Management

The Environmental Management Fund is balanced with a 5.45 percent reduction in the tip fee lowering it to $52 per ton. If approved, this will be the second consecutive year the County lowers the tip fee. Prior to FY14-15 the tip fee was $59 per ton. I am able to recommend a reduced fee without compromising on policies initiated in the current budget. Tip fees of $12 million are based on collection of approximately 240,000 tons in FY15-16 – the operating budget for the year is $12.9 million.

The 5.45 percent reduction saves the City of Wilmington $76,000 in tip fees next year coupled with more than $100,000 in current year savings, and the tip fee reduction could result in savings for unincorporated households that contract with a private hauler for municipal solid waste (MSW) collection.

FY15-16 expenses decreased almost $3 million or 18.7 percent compared to FY14-15 revised budget because of natural fluctuation in capital needs, the final dissolution of the WASTEC division, and payment of installment debt. I am confident that the tip fee can remain at $52 per ton through FY19-20.

While the program to aggressively modify the disposal and management of construction and demolition (C&D) materials has not yet been fully implemented, from August 2014 to February 2015 a Board-sanctioned pilot program that waived tipping fees for clean construction materials did result in the diversion of over 2,650 tons of C&D. The diversion resulted in over $118,000 in savings for contractors. Diversion created by the planned and funded C&D expanded-operation adds 16 years of life to the County's landfill bringing total remaining life, to include southern property expansion, of the site to 73 years.

The reduction of the tip fee to $52 is based on the following assumptions:

- estimated 3 percent increase in tons received at the landfill in FY16-17 and that this amount remains consistent through FY19-20;
- unrestricted fund balance will be 8 percent of fund expenses;
- fund balance above 8 percent will be reserved to supplement the Transfer to the Post Closure Fund to off-set that long-term liability.

A $52 tip fee allows the County to continue to do the following:

- fund its operating obligations for landfill management, recycling functions, household hazardous waste and administration;
- fund closure and post closure responsibilities by $1.16 million annually;
- fund the capital reserve by $250,000 annually;
- fund capital project expenses of approximately $2.7 million in FY15-16 as well as anticipated capital project costs through FY19-20.

Public Safety

In July 2012 the County, as part of its strategic plan, set out to reduce juvenile recidivism by 5 percent by June 2017. To sustain the goal, which the County has already achieved, I am recommending that we continue to fund prevention and intervention programs aimed at-risk youth. Specifically, I am recommending the County:

- expand prevention programs managed by the County's Department of Youth Empowerment Services targeted to public housing communities in high-victim areas;
- continue outside agency funding for Communities in Schools, Dreams, Kids Making It, Wilmington's Residential Adolescent Achievement Place (WRAAP), and the One Love Tennis program. (Each of these programs offers direct service to at-risk youth throughout the County);
- increase funding to $25,000 for the Blue Ribbon Commission on Youth Violence.

For any number of years the General Assembly has debated the appropriate age for the purposes of being considered an adult in a judicial consequence context. In North Carolina a person as young as 16 can be considered an adult and will proceed through the judicial system as an adult. Anyone under 18 is customarily considered a minor. Juvenile justice leaders in the State of North Carolina continue to advance legislative ideas of moving the age from 16 to 18, thereby, treating anyone younger than 18 as a juvenile for judicial consequence.

It is in the best interest for New Hanover County to begin thinking and planning today for the future reality of more young men and women in the juvenile justice system because of an age change from 16 to 18. What does the future look like in terms of programming, support, and space? The answer should be secured through an independent review of New Hanover County's current conditions, a demographic analysis, and forecasting of future need. I am recommending $250,000 in the budget to initiate this review, and suggest the Board ask The Honorable Jay Corpening, Chief District Court Judge, to lead the review effort.

As required by General Statute 62A-46(e)(4A-5), I am recommending the County commit to developing a backup 911 center that can also double as a backup emergency operations center, which will enable the County to maintain 911 coverage in an event the primary 911 Communications Center is out of service or cannot safely and effectively operate at the primary location. I have included $1 million, funded with an E-911 grant and surcharge revenues, in the capital improvement plan to establish the backup.

Because emergency communication technology continues to evolve, the County's current system is becoming obsolete, which means the current 800 MHz radio software needs to be upgraded to the most recent version. The upgrade ensures the operating system is at correct standards. I am including $2 million, also funded with an E-911 grant and surcharges, in the capital improvement plan for this upgrade.

Fire Services District

I am pleased to recommend a reduction in the Fire Service District tax rate from 7.9 cents per $100 of value to 7 cents. This equates to an 11 percent reduction in the district's tax rate and its associated ratepayers. I am able to recommend the rate decrease without compromising on our public safety goal or the financial integrity of the Fire Service District Fund.

The single objective of the FY15-16 fire service budget is ensuring an effective and efficient fire service. It is the operational goal to have the right apparatus, with the right resource(s), arrive at every scene as quickly and safely as possible.

I am recommending $10,000 for the continued installation and selected replacement of fire hydrants in the unincorporated County. Hydrants increase the efficiency and effectiveness of fire operations by allowing firefighters to focus on direct fire suppression, as opposed to truck and haul of water. In addition, fire hydrants improve insurance rates for both residential and business owners. Northern New Hanover County is currently rated 4/9E, and southern New Hanover County is rated 4.

The fire service is in need of a replacement fire engine so it can rotate out a 15-year-old inefficient engine from its response plan. The cost of maintenance and operation exceeds the value of maintaining the apparatus. As such, the budget recommends $615,000 for the engine's replacement.

In 2014 New Hanover County negotiated an option to purchase the Ogden Fire Station. The impetus for securing the option centered on the age of station and the near-term need to begin a full-scale renovation or replacement of the station. Based on a response analysis, the station's current location remains optimal. However, to facilitate an on-site renovation or replacement, the fire service district would incur the expense. The facility, currently owned by the Ogden Volunteer Fire Association, does not have the capacity to raise revenue to fund such an endeavor, nor does it have a response duty; the County ended volunteer association response obligations in October 2010. The recommended budget includes $650,000 to acquire the Ogden Fire Station from the Association.

New Hanover County Fire Services has restructured its fee schedule to closely mirror the City of Wilmington Fire Department's to increase consistency and the ease of doing business.

Effective County Management: The Model of Good Governance

I have articulated an administrative goal of ensuring that New Hanover County establishes itself as *The Model of Good Governance*. A goal needs measures, and I assess our good governance successes by embedding our organizational values of Professionalism, Integrity, Innovation,

Stewardship, and Accountability throughout the organization and asking that each County employee manage themselves by these basic business principles:

- ensure New Hanover County government is effective in meeting the outcomes expected by the Board of Commissioners and our citizens, and efficient in how we manage business and deliver results;
- ensure New Hanover County government is easy to do business with and consistent in how we do business;
- ensure New Hanover County government is responsive to its end users, that is understand and act on their needs, and professional in all that we do as an organization.

Most important to delivering on *The Model of Good Governance* is investing in our County team. It is not lost on me the success of this organization is directly attributed to the passion, talent, and commitment to public service our staff demonstrates day in and day out. As such, I am recommending the following:

- 1.7 percent market adjustment based on the southeast CPI-U yearly average; the adjustment will take effect the first full pay period of the fiscal year.
- 2 percent merit pool with a range of potential merit awards effective with the first pay period in the second quarter of the fiscal year.
- continued emphasis on County staff wellness through health incentives, education, and fitness.

Identifying the right-sized staffing model is also critical to our success to deliver on *The Model of Good Governance*. I am recommending new positions to achieve right-sized operations.

The following is a summary of requested and recommended positions:

Fund	Requested	Recommended	Recommended Positions
General Fund	22	6	3 custodians and 1 mechanic in Property Mgmt 2 DSS Universal Caseworker Supervisors
Fire Service District	7	0	
Environmental Management	1	1	Environmental Technician

I am recommending three new Custodial Positions for Property Management to service additional square footage space at 320 Chestnut and the new clinic space at public health. With the additional personnel, the County will remain below the recommended industry standard for custodians per square foot. A new Mechanic is also recommended in Property Management to service the County's fleet and allow more extensive repairs be done by staff rather than higher costs via local repair shops.

Medicaid and food and nutrition applications and recertification continue to grow at rather high rates; since 2009 at the beginning of the recession caseloads in these programs have still grown by 58 percent. Per a letter dated February 2, 2015 from the state: *If a County has no plans to add additional permanent staff that County will be required to submit a letter to the Department of*

Health and Human Services, outlining why additional staff are not needed to manage the increased workload and caseload growth.

I have determined DSS needs at least 11 new positions to meet the operational demands and meet any caseload ratio reasonably defined as acceptable by the state. To secure the 11 positions, I am only asking the Board to authorize two new positions – Universal Caseworker Supervisors. I am able to achieve the new capacity by reassigning 9 positions made available as part of implementing the County's Health and Human Services Functional Collaboration plan. This represents the very kind of efficiency and repurposing of human capital promised when the Board sanctioned the collaboration plan.

The Governor's Highway Safety grant has partially funded 4 Deputies in the Sheriff's Office for the past 4 years. As a result of the grant funding expiring at the end of first quarter in the new fiscal year, I recommend these positions be County funded for the remaining 3 quarters of the year. These positions are essential to increasing the safety and security of the community.

An Environmental Technician position is recommended as support for the solid waste treatment improvements directed by the state and federal government. The technician position will align with the plant's operational schedule, which means, the individual will not join the department until the third quarter of the fiscal year.

Salary lag of $2 million is budgeted in the General Fund to acknowledge that not all positions are filled for the entire fiscal year. This management strategy will require careful monitoring and control of positions by the Executive Leadership Team; however, the County meets it salary lag projections year-over-year.

CAPITAL PLANNING

Capital Improvement Plan

I am recommending the Board adopt the first-ever 5-year capital improvement plan (CIP). Adoption of the plan communicates and acknowledges the high-priority capital needs the County faces; it defines the timeline for addressing those needs; it identifies the expected revenue sources to implement the plan. The County will reexamine its CIP annually.

For FY15-16, I am recommending a $6.8 million commitment to the first year of the CIP. General Fund revenue in the amount of $1.6 million is included to fund capital projects that include:

- replacement of County elevators at a cost of $800,000;
- replacement of HVAC units at the Main and Northeast Libraries at a cost of $253,000;
- countywide drainage projects at a cost of $140,000;
- health department phase two renovations at a cost of $414,000.

Projects recommended for funding that do not anticipate revenue from the General Fund include:

- 800MHz Public Safety Radio System Upgrade at a cost of $2 million;

- backup 911 Center and Emergency Operations Center at a cost of $1 million;
- water and sewer extension along Highway 421 will be funded with LOBs.

The majority of revenue for the first year of the CIP comes in the form of E-911 grants and surcharges, fundraising, escrow funds, and loan proceeds.

Capital Outlay

A total of $2.1 million of capital outlay is recommended in the General Fund for FY15-16, and I am proposing pay-as-you-go as the model for funding those capital outlays.

Noted below are capital outlay examples recommended for funding in the budget. (This list is not all-inclusive, and the full set of capital outlay recommendations can be found in the budget document).

- funding of $200,000 for the Register of Deeds is recommended to purchase and install movable shelving for the efficient use of space and retrieval of record books when they relocate to 320 Chestnut Street;
- funding in the amount of $635,000 is recommended to support the County's information technology needs;
- funding in the amount of $706,000 for the County's motor vehicle fleet as determined by the vehicle appraisal system. *[A total of 30 vehicles (25 for the Sheriff's Office and 3 for other General Fund Departments and 2 for DSS) are identified for replacement. Additionally, 1 non-replacement vehicle for Parks and Gardens and 1 non-replacement vehicle for the Sheriff's Office are suggested. Because of a 50% reimbursement for DSS, it is more cost effective to purchase vehicles rather than pay mileage reimbursement to agency employees. The new vehicle for the Sheriff's Office is being purchased with ABC funds.] Global Positioning System (GPS) will be installed on these vehicles to conserve fuel and ensure employee safety.*

As an aside, the County expects to assume occupancy at its historical administrative building in December 2015. This renovation will provide a completely new interior while retaining the historical structure, which was originally built in the 1950s, that fits well within the historic district in downtown Wilmington. 320 Chestnut will primarily house court functions that are currently dispersed throughout the downtown area, and will it also house the Register of Deeds and Community Justice Services**.**

CONCLUSION

Summary

There are a number of unknowns that remain on the horizon as I present the FY15-16 recommended budget:

- the ebb and the flow of the economic recovery statewide and locally;
- the sunset of the state film incentive and its associated loss of sales taxes locally;
- the pending pieces of legislation that converts sales taxes to a state sales tax and

redistributes funds via a per capita formula.

Although uncertainty in decisions made by other levels of government or the overall trend in the economy are always part of the budget matrix, it does not stand in the way of the County meeting its responsibility of recommending, approving, and ending each fiscal year with a balanced budget in accordance with North Carolina General Statutes. FY15-16 is no different.

The budget that I am recommending is structurally balanced, adheres to the County debt management and fund balance policies, and moves the County toward the Board's vision for the future.

My recommendation does make investments in early childhood education, partnerships aimed at economic development, a more robust system of public health and safety, and in a smart investment in the County's team; however, those investments are readily absorbed by the natural growth in the property tax base and other existing sources of revenue.

The County's continued commitment to public education is the single largest driver of increased County spending year-over-year**:**

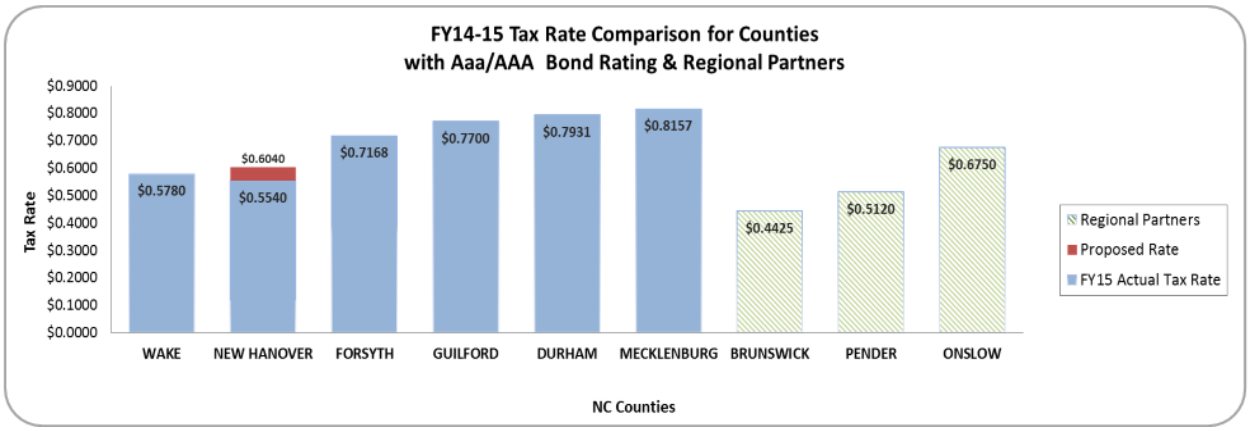
Public education operational and debt service spending accounts for 40 percent of the County General Fund.

The difference between the FY14-15 revised budget and what I am proposing for FY15-16 is 1.3 percent. In real dollars that represents $4 million. Combined, the proposed increases to public education, including operations and debt service, are $6.9 million. For a high level summary of expense and revenue changes proposed in the FY15-16 budget, please reference the attachment *Changes Between FY14-15 Revised and FY15-16 Recommended* following the budget message.

As already outlined, if the Board accepts my recommendation to raise the property tax rate to pay for voter-approved debt beginning July 1, 2015, I recommend those dollars be assigned to a debt service fund so that all additional revenues are limited to debt service and not absorbed by the general fund for County government operations. All new revenues will be used only to pay for the voter-approved debt obligations.

When the Board adopted its strategic plan in 2011 it clearly noted that an evidence of success is measured by the County's ability to meet its obligations and service priorities without compromising on its commitment to compete regionally and statewide with competitive tax and fee rates. I am of the opinion the County has done just that, and that by accepting my recommendation of a property tax rate that is 60.4 cents per $100 of value the County does not lose ground to our competitors nor does it create an undue tax burden for our taxpayers. The current proposed property tax rate increase is specific to decisions endorsed by the voters in the form of bond referenda in 2006 and 2008.

Please note the graph that follows demonstrates our relative competitiveness to other double, Triple A bond rated counties and our regional partners:



In November 2014 more than 60 percent of those voting approved a $160 million New Hanover County school bond. As noted often and consistently leading to the bond referendum, approval and the ultimate sale of these bonds will impact future County budgets. In the future, I will recommend any tax increase for the voter-approved school bonds be set-aside in the debt service fund. Just as with my recommendation for FY15-16, I will recommend the set-aside to offer clarity that any revenue raised via a school-bond tax increase is being used only to fund voter-approved debt. Induced operating expenses related to the school bond, e.g., maintaining Porters Neck Elementary, shall be borne by natural growth in the tax base.

I cannot avoid noting that while the first impact of the debt service payment will be felt in the coming year (FY15-16), the first impact of those debt obligations on the tax rate has been delayed until FY16-17. Throughout the school bond referendum debate, my administrative opinion was and remains that a property tax increase is necessary to pay for those obligations. I represented it as a 4 cent increase with a ramp down over the life of the bonds, and the 20 year life-average of the rate increase at 3 cents. I do not, based on projected growth in the tax base, expect that administrative opinion to vary much as we move toward FY16-17. To begin satisfying those debt obligations timely and at the lowest level of impact, it will require the Board to consider another property tax increase beginning July 1, 2016.

In Closing

While the responsibility falls upon me as County Manager to recommend a balanced budget, as a governing Board you would not be in position to consider a strategic and balanced budget for FY15-16 without tireless work from the Budget office, to whom I am greatly indebted, the County's Executive Leadership Team, our department directors, and the entire County team.

I look forward to working with you toward the adoption of the FY15-16 Budget for New Hanover County.

Sincerely,

Chris Coudriet
County Manager

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MAJOR INITIATIVES FY15-16

1. Stimulate, through business-friendly County policies and processes, at least $1 billion of private investment to grow the county's tax base
   - Continue funding $50,000 above the contracted amount for Wilmington Business Development to advance recommendations from the Garner Economics report – Pathways to Prosperity
   - Fund $500,000 to overhaul existing land use regulations to align with the County's comprehensive development plan
   - Fund $300,000 for the full dredging template of the Carolina Beach Inlet ensuring its safe passage

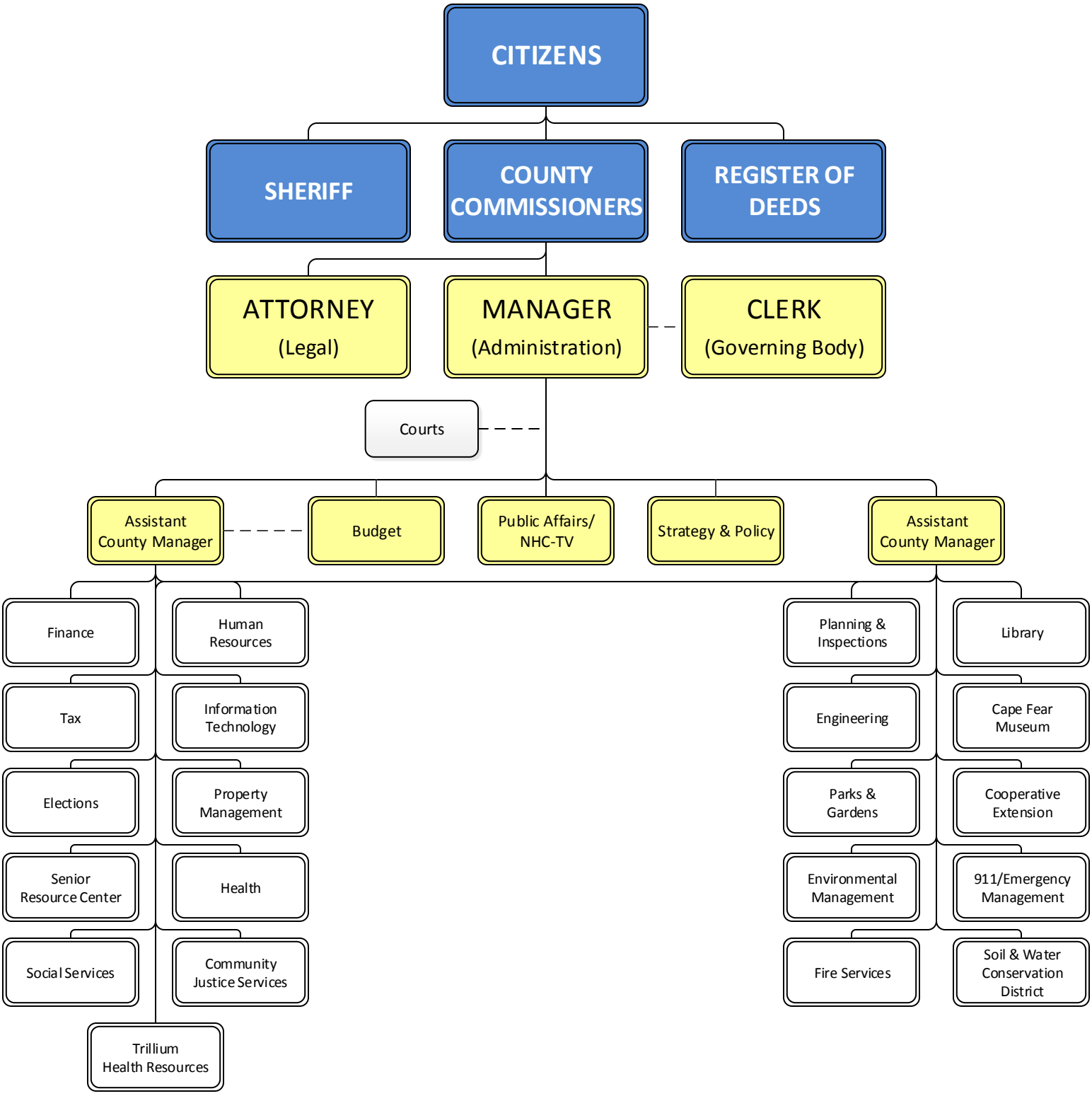
2. Create an environment that encourages the private sector to create at least 6,000 new, better jobs in targeted industry clusters
   - Fund $25,000 above the contracted amount to the Wilmington Film Commission for marketing and advocacy in these uncertain times for the film industry
   - Fund $20,000 for the second of a three year commitment to the Southeastern Partnership for the three County micromarketing alliances
   - Increase funding for Schools Current Operations $3 million
   - Increase funding for CFCC Current Operations $0.9 million
   - Issue limited obligation bonds for the purpose of constructing water and sewer extensions along US 421

3. Ensure at least 80 percent of young ones entering kindergarten (public, private, or home-school systems) are ready to learn
   - New Hanover County Public Library's NHC Ready to Read continues to support and expand this initiative through Library and interdepartmental projects
   - Funds are included in the budget to establish four Outdoor Environmental Learning Centers (OELCs) at Pre-K schools in the County. This is being accomplished through the Soil and Water Conservation District

4. Reduce juvenile recidivism by at least 5 percent
   - Continue to fund Youth Empowerment Services, which provides prevention and intervention programs targeted at preventing and reducing crime for the at-risk youth and public housing communities in high-victim areas
   - Continue outside agency funding for Communities in Schools, Dreams, Kids Making It, Wilmington's Residential Adolescent Achievement Place (WRAAP), and the One Love Tennis program. (Each of these programs offers direct service to at-risk youth throughout the County).
   - Increase funding to $25,000 for the Blue Ribbon Commission, whose program results was a significant increase in the students' grade level achievement and mitigation of the decline in academic skills youth typically experience over the summer
   - Fund $100,000 for a comprehensive review of juvenile justice service delivery in response to increasing the age of juvenile justice to 18-years-old
   - Provide $25,000 in funding for the Children's Museum of Wilmington, which provides literacy services to at-risk youth throughout the County

5. Reduce obesity by an average of 6.5 percent
   - Expand Greenways to improve the health of the community, by providing safe and accessible areas for active living. Specifically, Middle Sound Loop Road Widening Project and South Smith Creek Trail, which will provide active recreation and physical fitness opportunities to at least 4,800 residents
   - Health Department continues to offer many programs to address obesity and uses resources to support community obesity reduction efforts in the County, which are carried out in partnerships with various community groups
   - Promote a wellness culture and environment with opportunities to engage in healthy behaviors at work, making healthier choices the norm
   - Gold level recipient of the American Heart Association's Fit-Friendly Worksites recognition program.
   - Implement at least nine criteria in the areas of physical activity, nutrition and culture, as outlined by the American Heart Association

NEW HANOVER COUNTY
Organizational Chart



As of July 1, 2015

NEW HANOVER COUNTY
POSITION SUMMARY BY FUNCTION

	ADOPTED FY11-12	ADOPTED FY12-13	ADOPTED FY13-14	ADOPTED FY14-15	ADOPTED FY15-16
General Fund:					
Cultural & Recreational	126	127	136	136	136
General Government	268	265	263	255	271
Human Services	495	471	497	506	493
Public Safety	553	582	609	635	638
Total General Fund	**1442**	**1445**	**1505**	**1532**	**1538**
Other Funds:					
Environmental Mgmt	31	31	31	31	32
Fire Service	98	98	118	127	127
Total Other Funds	**129**	**129**	**149**	**158**	**159**
TOTALS	**1571**	**1574**	**1654**	**1690**	**1697**

GENERAL FUND: Increased by 6 positions (four in Property Management and two in Department of Social Services). Several positions were transferred between functions primarily due to Health and Human Services reorganization.

ENVIRONMENTAL MANAGEMENT FUND: Increased by one due to recommendation of an Environmental Technician.

BUDGET FUNCTIONS

The County's General Fund budget is comprised of nine functions, which are named in the table below. All General Fund expenditures are classified into one of these nine functions. This is the budgetary level of expenditure control as adopted in the budget ordinance. Following is an outline of the Budget Functions for FY15-16:

General Government	Human Services	Public Safety
Administration – County Manager Board of Elections Budget Engineering Finance Governing Body - Commissioners Human Resources Information Technology Legal – County Attorney NHC-TV & Public Affairs Property Management Register of Deeds Soil and Water Tax	Trillium Health Resources Health Non-County Agencies Senior Resource Center Social Services	Community Justice Services Courts Emergency Management & 911 Communications Juvenile Services Non-County Agencies Planning & Inspections Sheriff's Office
Education	**Cultural and Recreational**	**Economic and Physical Development**
Cape Fear Community College New Hanover County Schools	Cooperative Extension Service Library Museum Non-County Agencies Parks and Gardens	Economic Development Non-County Agencies
Transfers	**Other**	**Debt Service**
Transfers Between Funds		Principal, Interest & Fees on Debt Installment Lease Payments

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NEW HANOVER COUNTY
SUMMARY OF EXPENDITURES AND REVENUES - ALL FUNDS [1]

EXPENDITURE SUMMARY	FY13-14 ACTUAL	FY14-15 REVISED	FY15-16 ADOPTED	$ Change	% Change
GENERAL & NEW HANOVER COUNTY SCHOOLS	$ 275,110,485	$ 302,533,974	$ 302,126,233	$ (407,741)	-0.13%
EMERGENCY TELEPHONE SYSTEM - ARTICLE 3[2]	381,986	603,210	3,452,285	2,849,075	472.32%
ROOM OCCUPANCY TAX[3]	4,340,647	4,223,385	14,206,617	9,983,232	236.38%
REVOLVING LOAN PROGRAM	16,128	62,497	-	(62,497)	-
ENVIRONMENTAL MANAGEMENT[4]	13,169,243	15,818,192	12,861,500	(2,956,692)	-18.69%
SPECIAL FIRE SERVICE DISTRICT[5]	11,400,239	13,131,176	13,780,088	648,912	4.94%
TOTAL EXPENDITURE ALL FUNDS	**$ 304,418,728**	**$ 336,372,434**	**$ 346,426,723**	**$ 14,286,547**	4.25%

REVENUE SUMMARY	FY13-14 ACTUAL	FY14-15 REVISED	FY15-16 ADOPTED	$ Change	% Change
GENERAL & NEW HANOVER COUNTY SCHOOLS	$ (277,137,708)	$ (302,533,974)	$ (302,126,233)	$ 407,741	-0.13%
EMERGENCY TELEPHONE SYSTEM - ARTICLE 3[2]	(625,567)	(603,210)	(3,452,285)	(2,849,075)	472.32%
ROOM OCCUPANCY TAX[3]	(9,181,095)	(4,223,385)	(14,206,617)	(9,983,232)	236.38%
REVOLVING LOAN PROGRAM	(13,814)	(62,497)	-	62,497	-
ENVIRONMENTAL MANAGEMENT[4]	(14,908,615)	(15,818,192)	(12,861,500)	2,956,692	-18.69%
SPECIAL FIRE SERVICE DISTRICT[5]	(11,977,342)	(13,131,176)	(13,780,088)	(648,912)	4.94%
TOTAL REVENUE ALL FUNDS	**$ (313,844,141)**	**$ (336,372,434)**	**$ (346,426,723)**	**$ (14,286,547)**	4.25%

[1]This presentation shows the total budgets of the various funds. The General Fund and NHC Schools Funds have been combined. For the purpose of this presentation, the General Fund includes the Automation Enhancement, Reappraisal Reserve, and Debt Service Funds. Transfers between the General Fund and other funds **have** been removed.

- The Automation Enhancement and Preservation Fund is a sub-fund of the General Fund which uses fees set aside by State mandate for computer and imaging technology improvements for the Register of Deeds.
- The Reappraisal Reserve Fund is a sub-fund of the General Fund which sets aside funds annually for the tax property reappraisal to be completed in FY16-17.
- The Debt Service Fund is a stand alone fund. It is included in the General Fund here for ease of presentation.

[2]Emergency Telephone System Fund increase is due to the FY15-16 911 Back-up Center and Replacement Radio System capital projects.

[3]Room Occupancy Tax increase reflects the appropriation of funds to support beach renourishment and dredging capital projects.

[4]Environmental Management decrease reflects the natural fluctuation in capital needs, final dissolution of the Wastec Division, and the payment of installment debt.

[5]Fire Services increase is due to the transitioning of personnel from firefighter positions to apparatus/operator positions.

NEW HANOVER COUNTY
GENERAL FUND EXPENDITURE COMPARISION

DEPARTMENTS:	FY13-14 ACTUAL EXPENSES	FY14-15 REVISED BUDGET	FY15-16 ADOPTED BUDGET	Difference Between FY14-15 Revised and FY15-16 Adopted $ Change	% Change
ADMINISTRATION - COUNTY MANAGER	**$911,528**	**$928,578**	**$874,304**	$ (54,274)	-5.8%
BOARD OF ELECTIONS[1]	**687,934**	**737,172**	**1,205,837**	468,665	63.6%
BUDGET	**491,391**	**501,709**	**510,671**	8,962	1.8%
COMMUNITY JUSTICE SERVICES	**1,606,913**	**1,633,340**	**1,728,804**	95,464	5.8%
COOPERATIVE EXTENSION	**422,474**	**542,469**	**537,778**	(4,691)	-0.9%
COURTS[2]	**441,434**	**426,724**	**465,750**	39,026	9.1%
EDUCATION:					
Cape Fear Community College[3]	**8,674,377**	**10,625,605**	**11,530,784**	905,179	8.5%
Cape Fear Community College Debt[4]	**12,364,516**	**15,314,730**	**14,948,496**	(366,234)	-2.4%
New Hanover County Schools Operating[5]	**64,740,640**	**67,879,109**	**70,610,100**	2,730,991	4.0%
New Hanover County Schools Capital[6]	**2,124,146**	**2,750,000**	**3,000,000**	250,000	9.1%
New Hanover County Schools Transfer to Capital Projects[7]	**-**	**1,000,000**	**-**	(1,000,000)	-100.0%
New Hanover County Schools Debt	**19,864,911**	**19,892,299**	**19,986,935**	94,636	0.5%
EMERGENCY MGMT & 911 COMMUNICATIONS	**5,162,772**	**5,481,182**	**5,505,111**	23,929	0.4%
ENGINEERING[8]	**847,469**	**800,570**	**605,759**	(194,811)	-24.3%
FINANCE[9]	**394,898**	**444,666**	**1,185,356**	740,690	166.6%
Nondepartmental[10]	**4,816,001**	**3,774,700**	**4,327,834**	553,134	14.7%
Economic Development[11]	**445,710**	**1,021,970**	**911,326**	(110,644)	-10.8%
Transfers[12]	**1,805,519**	**3,998,200**	**2,685,385**	(1,312,815)	-32.8%
Bonded Debt (Principal, Interest)	**2,355,146**	**2,763,760**	**2,708,678**	(55,082)	-2.0%
Fees Paid on Debt[13]	**88,570**	**79,361**	**90,617**	11,256	14.2%
Installment Debt Plus DSS Installment[14]	**10,071,685**	**11,949,853**	**11,151,269**	(798,584)	-6.7%
NHC-CFPUA Debt	**2,637,550**	**2,580,880**	**2,521,974**	(58,906)	-2.3%
GOVERNING BODY - COMMISSIONERS	**475,025**	**501,547**	**484,075**	(17,472)	-3.5%
HEALTH DEPARTMENT[15]	**13,493,654**	**13,468,140**	**12,682,833**	(785,307)	-5.8%
HUMAN RESOURCES	**680,615**	**754,477**	**809,440**	54,963	7.3%
INFORMATION TECHNOLOGY[16]	**6,423,653**	**7,276,938**	**7,230,919**	(46,019)	-0.6%
JUVENILE SERVICES	**224,341**	**208,375**	**199,325**	(9,050)	-4.3%
LEGAL - COUNTY ATTORNEY	**1,026,070**	**1,046,936**	**1,019,588**	(27,348)	-2.6%
LIBRARY[17]	**3,885,634**	**4,723,095**	**4,141,413**	(581,682)	-12.3%
MUSEUM[18]	**1,004,990**	**1,227,387**	**1,095,184**	(132,203)	-10.8%
NHC-TV AND PUBLIC AFFAIRS[19]	**587,911**	**707,911**	**482,766**	(225,145)	-31.8%
NON-COUNTY AGENCIES	**1,123,013**	**1,592,683**	**1,643,478**	50,795	3.2%
PARKS AND GARDENS[20]	**5,836,447**	**6,202,943**	**5,578,194**	(624,749)	-10.1%
PLANNING AND INSPECTIONS[21]	**3,516,201**	**4,051,910**	**4,689,308**	637,398	15.7%
PROPERTY MANAGEMENT[22]	**10,349,740**	**10,716,343**	**10,978,554**	262,211	2.4%
REGISTER OF DEEDS[23]	**1,339,193**	**1,803,626**	**1,471,999**	(331,627)	-18.4%
SENIOR RESOURCE CENTER	**2,097,199**	**2,361,933**	**2,360,177**	(1,756)	-0.1%
SHERIFF[24]	**40,312,710**	**40,859,534**	**42,653,892**	1,794,358	4.4%
SOCIAL SERVICES[25]	**36,600,294**	**43,382,501**	**41,181,275**	(2,201,226)	-5.1%
SOIL AND WATER CONSERVATION[26]	**-**	**70,655**	**155,646**	84,991	120.3%
TAX[27]	**3,031,326**	**4,299,044**	**3,914,282**	(384,762)	-8.9%
TRILLIUM HEALTH RESOURCES[28]	**2,146,885**	**2,151,117**	**2,261,117**	110,000	5.1%
TOTAL	**$275,110,485**	**$302,533,974**	**$302,126,233**	**-$407,741**	**-0.13%**

[1]Board of Elections– Increase due to the FY15-16 elections schedule requiring more temporary personnel and materials due to the increased number of election events
[2]Courts– Increase due to funds for Juvenile Justice Review
[3]CFCC– Increase due to ongoing facility maintenance needs and new facilities' operational needs
[4]CFCC Debt– Decrease due to scheduling of new debt payments
[5]NHC Schools Operating– Increase to move towards a per capita formula of $2,700 per student by FY16-17- (FY15-16-$2,600 per student)
[6]NHC Schools Capital– Increase in capital to $3 million from $2,750,000 in FY14-15
[7]NHC Schools Transfer– Decrease due to Schools use of $1,000,000 of their fund balance for the purchase of land for Porter's Neck School (FY14-15)
[8]Engineering– Decrease due to Storm Water Drainage funds moving to a Capital Project fund
[9]Finance– Increase due to a reorganizing health and human services financial personnel to Finance
[10]Non-Departmental- Increase due to a change in the way medical insurance expense is budgeted and the Countywide merit adjustment is budgeted in Non-Departmental
[11]Economic Development –Decrease due to the FY14-15 one-time NHC contribution to CFPUA for the Marquis Hills and Heritage Hills sewer capital projects
[12]Transfers– Decrease due to scope of capital projects planned for FY15-16 compared to those scheduled in FY14-15
[13]Fees Paid on Debt– Increase due to increased NHC Schools debt fees due to new debt
[14]Installment Debt– Decrease due to ad valorem and sales tax revenues increase, the decision was made in FY14-15 not to enter into installment debt.
[15]Health Department– Decrease due to reorganizing health and human services financial personnel to Finance and repurposing nine positions to Social Services
[16]Information Technology– Decrease due to less capital in FY15-16
[17]Library– Decrease due to Myrtle Grove land purchase during FY14-15
[18]Museum– Decrease due to Museum Strategic Plan budgeted in FY14-15
[19]NHC-TV –Decrease due to completion of Historic Courthouse digital conversion project in FY14-15
[20]Parks and Gardens– Decrease due to projects completed in FY14-15
[21]Planning and Inspections– Increase due to $500,000 to develop a revised development ordinance
[22]Property Management– Increase due to the addition of 4 positions and increased vehicle purchases
[23]Register of Deeds – Decrease due to the completion of a project in FY14-15
[24]Sheriff– Increase due to increase in inmates Health and Meals contract
[25]Social Services– Decrease due to change in approach to budgeting
[26]Soil and Water– Increase due to the incorporation of Soil and Water into New Hanover County for only a portion of FY14-15 and FY15-16 is for a complete year
[27]Tax– Decrease due to the Reappraisal Reserve Fund meeting their funding needs with lower general fund contribution
[28]Trillum Health Resources– Increase due to funding of extended crisis center hours

NEW HANOVER COUNTY
PERCENTAGE CHANGE OF BUDGETED EXPENDITURES BY ACTIVITY
GENERAL FUND

BUDGETED EXPENDITURES:	FY14-15 REVISED	FY15-16 ADOPTED	PERCENT DIFFERENCE
GENERAL GOVERNMENT DEPARTMENTS	$ 34,364,873	$ 35,257,030	2.60%
HUMAN SERVICES	61,638,341	58,785,052	-4.63%
PUBLIC SAFETY	11,921,531	12,708,298	6.60%
Sheriff's Office	40,859,534	42,653,892	4.39%
ECONOMIC & PHYSICAL DEVELOPMENT	2,048,203	1,943,354	-5.12%
CULTURAL & RECREATIONAL	12,867,694	11,544,369	-10.28%
EDUCATION	82,254,714	85,140,884	3.51%
EDUCATION DEBT	35,207,029	34,935,431	-0.77%
DEBT SERVICE	17,373,854	16,472,538	-5.19%
TRANSFERS	3,998,200	2,685,385	-32.84%
TOTAL BUDGETED EXPENDITURES	**$ 302,533,974**	**$ 302,126,233**	**-0.13%**

All departments were impacted by the 1.7% market adjustment of the salary schedule.

1) General Government Departments increase is primarily due to:
- **a)** The FY15-16 elections schedule has an increased number of election events.
- **b)** FY15-16 Nondepartmental increase due to Merit budgeted in FY15-16. No Merit was budgeted in FY14-15.
- **c)** FY15-16 Finance increase due to reorganizing health and human services financial personnel to Finance.

2) Human Services decrease is primarily due to change in budget approach for Department of Social Services. Health and Social Services Departments' budgets decreased due to reorganizing health and human services financial personnel to Finance.

3) Public Safety increase is primarily due to:
- **a)** a compreshive review of juvenile justice service delivery.
- **b)** increases in inmate health contract and meals contract.

4) Economic and Physical Development decrease is due to the FY14-15 one-time NHC contribution to Cape Fear Public Utility Authority for sewer development along U.S. 421 corridor.

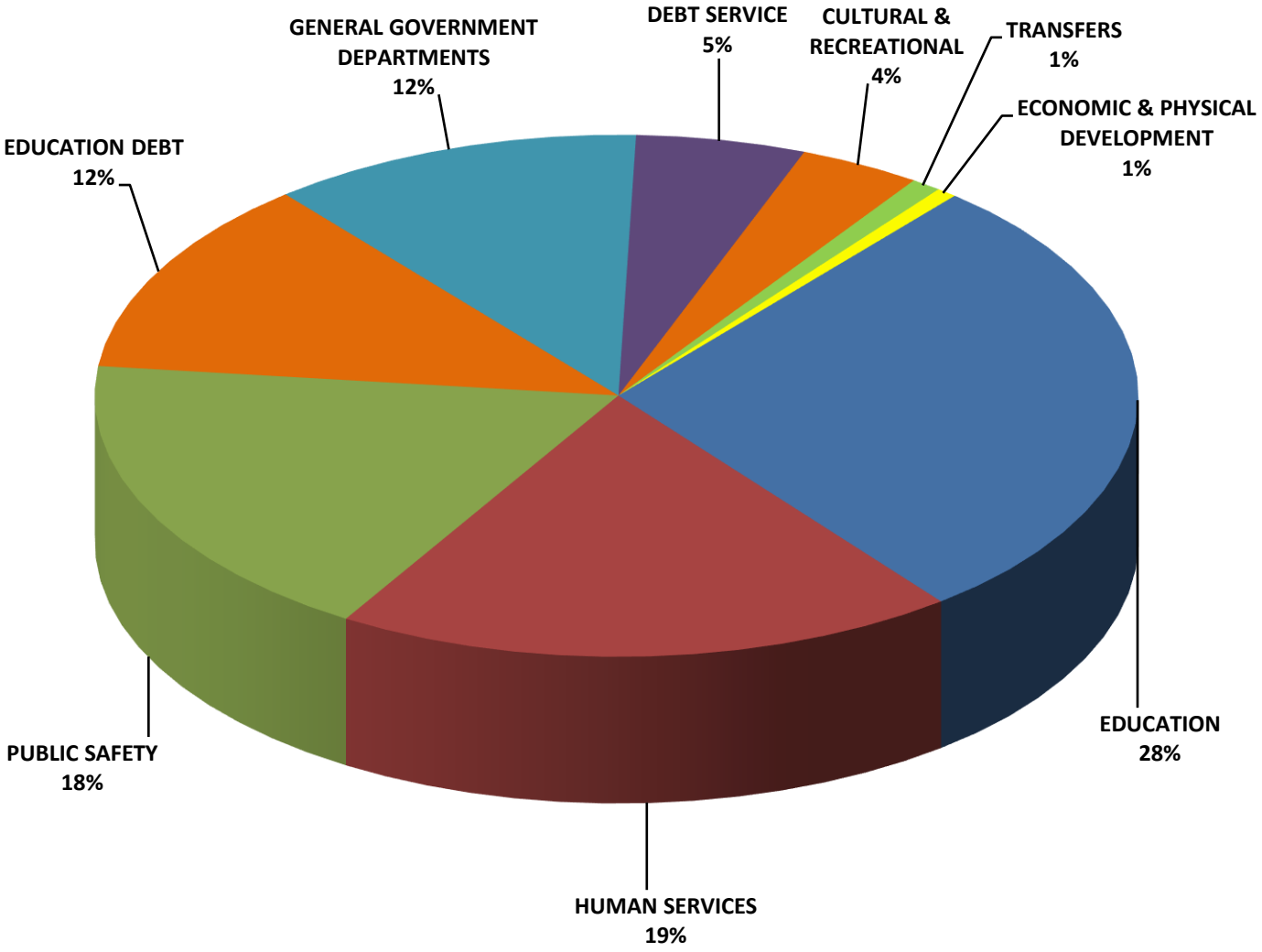
5) Cultural & Recreational decrease is primarily due to:
- **a)** The Library purchasing land for Myrtle Grove Library in FY14-15.
- **b)** Parks and Gardens' decrease is due to fewer projects scheduled in FY15-16.

6) Education increase is due to:
- **a)** Increase in CFCC funding ($.5 million) for ongoing facility maintenance needs and operating costs related to new facilities built with voter-approved bond funds as well as debt.
- **b)** Increase in Public School funding ($2.1 million) is due to a per capita formula (FY15-16 $2,600/ADM) moving toward $2,700/ADM by FY16-17. In addition, the County directly provides landscaping services ($600,000) and over $1.4 million for locally funded school resource officers (SROs) to augment the state-funded SROs.

7) Debt Service decrease due to scheduling of new debt payments.

8) Transfers decrease due to scope of capital projects planned for FY15-16 compared to those in FY14-15.

2015-2016
ADOPTED BUDGET
EXPENDITURES



Expenditures for Education (including Ed. Debt) (40%) and Human Services (19%) continue to dominate the General Fund. For greater detail, please see facing page.

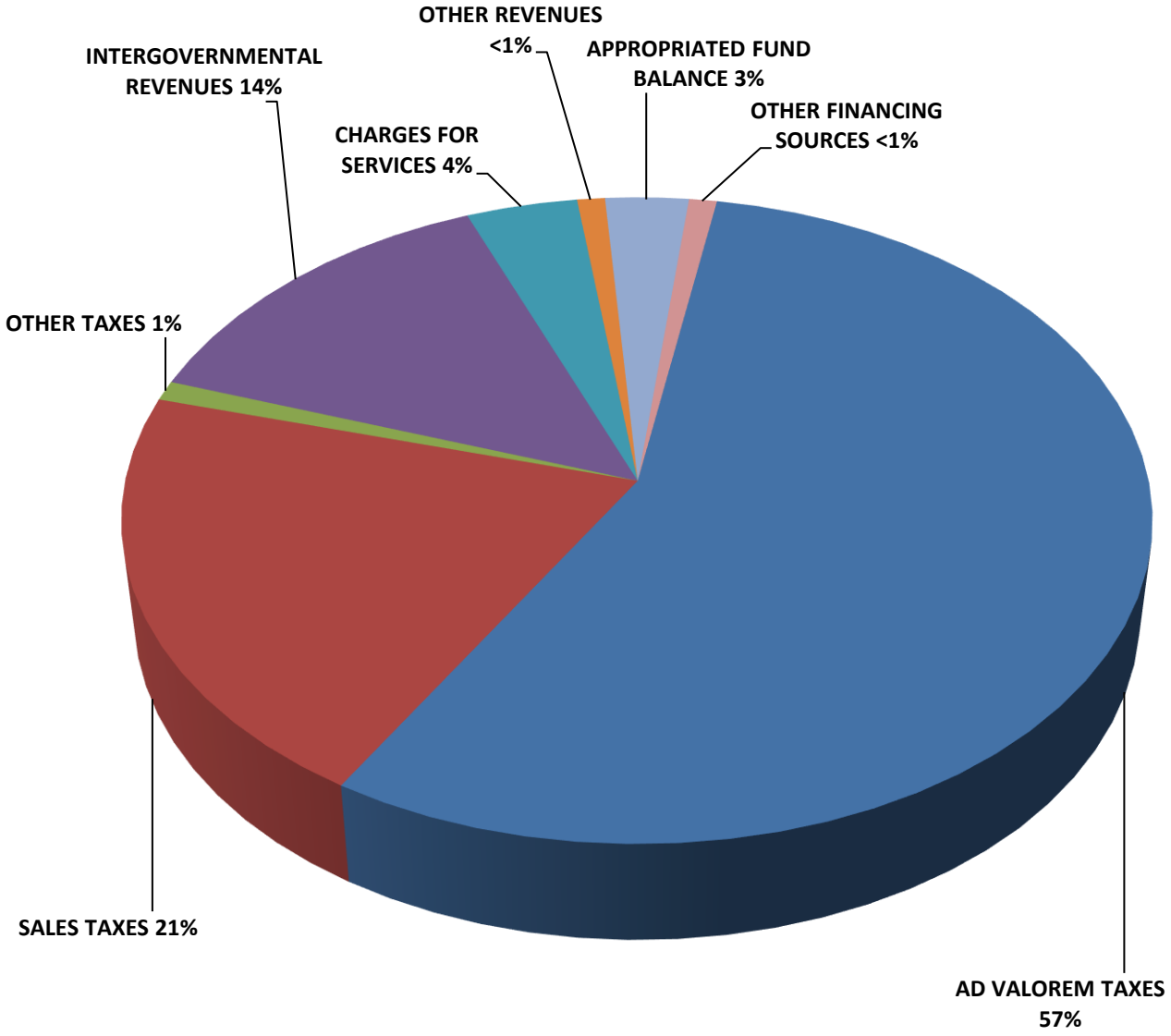
NEW HANOVER COUNTY
PERCENTAGE CHANGE OF BUDGETED REVENUES BY CLASS
GENERAL FUND

BUDGETED REVENUES:	FY14-15 REVISED	FY15-16 ADOPTED	PERCENT DIFFERENCE
AD VALOREM TAXES	$ 162,065,212	$ 172,375,642	6.36%
SALES TAXES	54,172,350	62,267,210	14.94%
OTHER TAXES	3,327,763	3,352,479	0.74%
INTERGOVERNMENTAL REVENUES	46,035,698	42,651,803	-7.35%
CHARGES FOR SERVICES	10,418,574	10,620,822	1.94%
OTHER REVENUES	839,377	1,265,056	50.71%
TRANSFERS	-	-	0.00%
OTHER FINANCING SOURCES	8,760,759	1,154,354	-86.82%
APPROPRIATED FUND BALANCE	16,914,240	8,438,867	-50.11%
TOTAL BUDGETED REVENUES	**$ 302,533,974**	**$ 302,126,233**	**-0.13%**

EXPLANATION OF CHANGES:

1) **Ad Valorem Taxes** are based on a tax rate of 57.4 cents, an estimated base of $30.2 billion with an estimated 98.5% collection rate.
2) **Sales Tax** is projected to increase 15% over the FY14-15 revised budget amount.
3) **Other Taxes** increased in cable tax, real property transfer tax and vehicle rental, however the elimination of business licenses (with the exception of been and wine license) will decrease schedule B license revenue.
4) **Intergovernmental Revenues** decreased slightly primarily due to adjustment in grants and a change in approach to budgeting for DSS.
5) **Charges for Services** increased due to registration fees with register of deeds, erosion control permits, concealed weapons permits, contract pay for deputies, dog and cat adoptions and parking lease for new hotel.
6) **Other Revenues** increase mainly due to Health Department escrow funds budgeted for the Health renovations project phase II and III that will be transferred to a capital project.
7) **Other Financing Sources** in FY14-15 was for capital to be financed. Due to ad valorem and sales tax revenues increase, the decision was made not to enter into installment debt.
8) **Appropriated Fund Balance** - $8.4 million in General Fund is due to the County's strong financial health.

2015-2016
ADOPTED BUDGET
REVENUES



NEW HANOVER COUNTY • NORTH CAROLINA

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NEW HANOVER COUNTY
NET COUNTY COST HUMAN SERVICES DEPARTMENTS

DEPARTMENT	FY14-15 REVISED	FY15-16 ADOPTED	DOLLAR CHANGE	PERCENT CHANGE
HEALTH				
EXPENDITURES	$ 13,468,140	$ 12,682,833	$ (785,307)	-5.8%
REVENUES	7,622,728	7,485,065	(137,663)	-1.8%
COUNTY $ REQUIRED	$ 5,845,412	$ 5,197,768	$ (647,644)	-11.1%
SOCIAL SERVICES				
EXPENDITURES	$ 43,382,501	$ 41,181,275	$ (2,201,226)	-5.1%
REVENUES	27,189,828	24,161,850	(3,027,978)	-11.1%
COUNTY $ REQUIRED	$ 16,192,673	$ 17,019,425	$ 826,752	5.1%
TRILLIUM HEALTH RESOURCES				
EXPENDITURES	$ 2,151,117	$ 2,261,117	$ 110,000	5.1%
REVENUES	100,000	110,000	10,000	10.0%
COUNTY $ REQUIRED	$ 2,051,117	$ 2,151,117	$ 100,000	4.9%
SENIOR RESOURCE CENTER				
EXPENDITURES	$ 2,361,933	$ 2,360,177	$ (1,756)	-0.1%
REVENUES	1,629,594	1,630,876	1,282	0.1%
COUNTY $ REQUIRED	$ 732,339	$ 729,301	$ (3,038)	-0.4%
TOTAL COUNTY COST	$ 24,821,541	$ 25,097,611	$ 276,070	1.1%

EXPLANATION OF CHANGES:

1) HEALTH: Decrease due to reorganizing health and human services financial personnel to Finance and Social Services. The FY15-16 budget meets the State's maintenance of effort requirement that counties continue to fund their Health Departments at FY10-11 levels.

2) DSS: Increase in local County funds due to 11 additional positions (9 reassigned from other NHC departments, 2 new) and additional funds for daycare.

3) TRILLIUM HEALTH RESOURCES: Increase due to funding of extended crisis center hours.

NEW HANOVER COUNTY • NORTH CAROLINA

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NEW HANOVER COUNTY
NON-COUNTY AGENCY CONTRIBUTIONS

	FY14-15 REVISED	FY15-16 REQUESTED	FY15-16 ADOPTED
HUMAN SERVICES:			
ADR Center, Inc. (Teen Court)	$ 12,150	$ 12,150	$ 12,150
Blue Ribbon Commission (Youth Violence)[1]	5,000	5,000	25,000
Brigade Boys and Girls Club	0	45,000	0
Cape Fear Literacy Council	9,500	9,500	9,500
Carousel Center	20,000	20,000	20,000
Coastal Horizons/Open House	30,000	30,000	30,000
Coastal Horizons/Rape Crisis Center	10,000	10,000	10,000
Communities in Schools of Cape Fear	25,000	25,000	25,000
Continuum of Care for Homelessness	0	25,000	25,000
Domestic Violence Shelter & Services, Inc.	15,000	15,000	15,000
Dreams	10,000	10,000	10,000
Elderhaus, Inc.	49,000	49,000	49,000
Food Bank of Central & Eastern NC	5,000	5,000	5,000
Good Shepherd Center	14,000	14,000	14,000
Kids Making It, Inc.	25,000	25,000	25,000
Leading Into New Communities	10,000	10,000	10,000
One Love Tennis[2]	25,000	25,000	25,000
Wilmington Area Rebuilding Ministry (WARM)	5,000	5,000	5,000
Wilmington's Residential Adolescent Achievement Place	10,000	10,000	10,000
TOTAL HUMAN SERVICES:	**$ 279,650**	**$ 349,650**	**$ 324,650**
CULTURAL AND RECREATIONAL:			
Arts Council of Wilmington & New Hanover County	$ 0	$ 25,000	$ 10,000
Cameron Art Museum	0	10,000	0
Children's Museum of Wilmington	0	10,000	10,000
Cucalorus Film Foundation	0	10,000	0
Friends of Fort Fisher	5,000	5,000	5,000
Keep America Beautiful	0	5,000	0
TOTAL CULTURAL AND RECREATIONAL:	**$ 5,000**	**$ 65,000**	**$ 25,000**
ECONOMIC AND PHYSICAL DEVELOPMENT:			
Cape Fear Resource, Conservation & Development	$ 0	$ 9,000	$ 9,000
Highway 17 Association	0	0	0
TOTAL ECONOMIC AND PHYSICAL DEVELOPMENT:	**$ 0**	**$ 9,000**	**$ 9,000**
MEMBERSHIPS:			
Cape Fear Council of Government	$ 29,408	$ 33,028	$ 33,028
TOTAL MEMBERSHIPS:	**$ 29,408**	**$ 33,028**	**$ 33,028**
TOTAL:	**$ 314,058**	**$ 456,678**	**$ 391,678**

[1] Increased funding due to Agency's mission and objectives relating to New Hanover County's Strategic Plan.

[2] One Love Tennis - Program will be funded and coordinated in the Parks and Gardens Department.

Funding is determined once every two years using a formal 'Request for Proposals' process.

A detailed explanation of the items funded in Non-Departmental is provided below. A table summarizing totals per account follows the detailed explanation.

Expenditures:

Salary Adjustment: The negative $860,800 is composed of the following:

$1,125,000	Merit Adjustment (2% for nine months)
(1,985,800)	Salary Lag
($860,800)	**TOTAL**

Medical Insurance Expense: $2,322,080. Funds are included for administrative fees for Dental Insurance, as well as the County's portion of retirees' medical expenses. A lump sum for medical insurance is also budgeted here rather than in each department due to a change in the way medical insurance is budgeted. Any consultant fees incurred related to these benefits are included in contracted services.

Contracted Services:

$17,000	Employment Background Checks
20,000	Pre-employment and Random Drug Screening for Employees
5,000	Employee Assistance Program (work related)
17,500	Special Insurance
804	American Society of Composers, Authors and Publishers
55,000	Benefits Contract
60,000	Laymon Group
6,280	COBRA administration
$181,584	**TOTAL**

Contracted Services – WAY Clinic: Funds are included for operation of an on-site clinic to address minor health issues and preventive wellness program for County employees. The operation of the program is expected to reduce the cost of medical claims in FY15-16.

$161,965	Practitioner
37,377	Medical Office Assistant
108,000	Program Administrative Fee
11,400	Reference Labs
83,250	Health Risk Assessments
6,000	PSA's
6,875	Flu Shots
3,000	Supplies
$417,867	**TOTAL**

Service/Retirement Awards: In FY14-15 the revised budget was $13,500. The FY15-16 adopted amount is $14,130.

Employee Appreciation: As in FY14-15, the adopted amount is $10,000.

Reach for the Stars: This new employee recognition program was implemented FY14-15 by Human Resources. The adopted amount for FY15-16 is $13,500.

Wellness and You Program: The Wellness and You (WAY) program was created in 2008 to encourage and motivate employees to make better lifestyle choices as it relates to physical activity, healthy diet, tobacco cessation, and preventive care. The WAY program has three main components: Health Risk Assessment, Physical Activity and Wellness Education. For FY15-16, $16,250 is adopted.

Miscellaneous: Funds used to purchase small items that are needed during the fiscal year, such as meeting supplies and other items, which do not pertain to one department or function. An amount of $265,912 is included in the adopted budget. An additional $1,500 is included for an interpreter for disability committee.

Countywide Training: Funds in the amount of $104,833 are approved for in-house mandatory web-based training, optional core courses and supervisory training. Also includes table talk, miscellaneous meetings, team meetings and retreats.

$32,113	Skillsoft/Point and Click University
3,000	Table talk, local meetings retreats and training sessions
6,000	Mandatory Countywide Customer Service training (40 @ $150 each)
2,000	Training supplies/Onboarding
28,000	SERVE/UNCW Partnership
6,000	Profiles XT for assessment of SERVE candidates
27,720	Project Management Academy through UNCW
$104,833	**TOTAL**

Insurance and Bonds: Estimate of funds that will be required for insurance and bonds for County programs and operations.

$3,596	Cyber Liability
248	Automobile
43,249	Law & Public Officials
136,863	Excess Workers' Compensation
$183,956	**TOTAL**

Insurance Deductible: $175,000. Estimate of funds that will be required for deductibles not covered by insurance.

Unemployment – Employment Security Commission: An annual estimate for FY15-16 is $224,278.

Workers Compensation: $550,000. Estimate of funds that will be required for Workers Compensation.

City of Wilmington: $269,549 as follows:

$186,000	Red Light Program
83,549	Position for crime lab
$269,549	**TOTAL**

Contribution to WAVE: Wave Transit was established by merging the Wilmington Transit Authority and New Hanover Transportation Services on July 1, 2004. The system provides transportation services to residents of the County, meeting the special needs of the elderly, disabled, Work First and Medicaid participants, working poor, clients of human service agencies, and the general public. Funding for FY15-16 consists of $275,000 annual funding and $157,822, the second (last) payment to cover half the cost of establishing WAVE fund balance. In addition, WAVE requested $5,373 for shelters for total contribution of $438,195.

Economic Development:

Total funds for FY15-16 for economic development in the adopted budget are $911,326.

Transfers to Other Funds:

Funds are transferred from the General Fund to other funds or capital projects.

FY13-14 Actual

- Transfers Total $1,805,519. Transfers to Trust and Agency Funds total $1,068,386. The transfer of $568,386 represents the County's cost of a special retirement fund required by the state for the Sheriff's Office. An amount of $500,000 is budgeted as a transfer for Other Post-Employment Benefits (OPEB). Transfers to Capital projects are $737,133.

FY14-15 Revised Budget

- Transfers Total $3,998,200. Transfers to Trust and Agency Funds total $1,115,663. The transfer of $15,663 represents the County's cost of a special retirement fund required by the state for the Sheriff's Office. An amount of $500,000 is budgeted as a transfer for Other Post-Employment Benefits (OPEB). Transfers to Capital projects are $2,882,537.

FY15-16 Adopted Budget

- Transfers Total $2,685,385. Transfers to Trust and Agency Funds total $1,225,685. The transfer of $725,685 represents the County cost of a special retirement fund required by the state for the Sheriff's Office. An amount of $500,000 is budgeted as a transfer for Other Post-Employment Benefits (OPEB). Transfers to Capital projects are $1,459,700.

Debt Service:

Principal on Bonded Debt and Interest on Bonded Debt: Debt service consists of the principal and interest on bonded debt. The County may select what revenues are used to meet debt service obligations, but it must appropriate the whole amount estimated. Payments of $37,126,224 are budgeted.

Installment Debt: Payments of $14,191,128 are budgeted.

Bond Service Charges: Estimated costs related to issuance of bonds.

SUMMARY OF EXPENDITURES

	FY13-14 ACTUAL	FY14-15 REVISED	FY15-16 ADOPTED	Change FY14-15 Revised to FY15-16 Adopted	
SALARY ADJUSTMENT	$ 0	$ -1,200,000	$ -860,800	$ 339,200	-28.3%
SOCIAL SECURITY TAXES	1,859	0	0	0	-
MEDICAL INSURANCE EXPENSE [1]	1,627,844	1,450,000	2,322,080	872,080	60.1%
CONTR SERVS	230,723	64,286	181,584	117,298	182.5%
CONTR SERVS-WAY CLINIC	420,488	417,867	417,867	0	0.0%
CONTR SERVS-PROFESSIONAL	0	16,005	0	-16,005	-100.0%
SERVICE/RETIREMENT AWARDS	13,751	13,500	14,130	630	4.7%
EMPLOYEE APPRECIATION	8,976	10,000	10,000	0	0.0%
REACH FOR THE STARS	0	13,465	13,500	35	0.3%
WELLNESS PROGRAM	13,970	15,000	16,250	1,250	8.3%
MISCELLANEOUS-OTHER	15,741	73,658	292,971	219,313	297.7%
UNCOLLECTIBLE DEBT - WRITE OFF	2,385	0	0	0	-
TRAINING & TRAVEL	40,523	77,113	104,833	27,720	35.9%
INSURANCE&BONDS	146,602	165,455	183,956	18,501	11.2%
INSURANCE DEDUCTIBLE REIMB	93,429	100,000	175,000	75,000	75.0%
UNEMPLOYMENT - EMPLY SEC COM	590,866	400,000	224,278	-175,722	-43.9%
WORKERS COMPENSATION	637,483	708,271	550,000	-158,271	-22.3%
CITY OF WILMINGTON	198,362	294,758	269,549	-25,209	-8.6%
CONTRIBUTION-WAVE TRANSIT	273,000	432,822	438,195	5,373	1.2%
CONTRIBUTION-CAROLINA BEACH	500,000	0	0	0	-
CONTRIBUTION-AIRPORT	0	100,000	0	-100,000	-100.0%
CAPITAL OUTLAY-LAND	0	322,500	0	-322,500	-100.0%
TOTAL NON-DEPARTMENT EXPENSES:	**$ 4,816,001**	**$ 3,474,700**	**$ 4,353,393**	**$ 878,693**	**25.3%**
ECONOMIC DEVELOPMENT	$ 4,250	$ 40,000	$ 500,000	$ 460,000	1150.0%
BRANDING WILMINGTON FOR FILM	25,000	0	0	0	-
WILMINGTON BUSINESS DEVELOPMENT	136,977	189,032	191,396	2,364	1.3%
DOWNTWON WILMINGTON INC.	37,500	37,500	37,500	0	0.0%
CONTRIBUTION-CFPUA	0	600,000	0	-600,000	-100.0%
NC SE REG ECON DEVEL PARTNERSHIP	0	20,000	20,000	0	0.0%
PUBLIC-PRIVATE PARTNERSHIP	106,250	0	0	0	-
SE ECONOMIC DEVELOPMENT	20,267	18,240	18,240	0	0.0%
WILM. REGIONAL FILM COMMISSION	115,466	117,198	144,190	26,992	23.0%
TOTAL ECONOMIC DEVELOPMENT:	**$ 445,710**	**$ 1,021,970**	**$ 911,326**	**$ -110,644**	**-10.8%**
TRANSFERS TO OTHER FUNDS:					
TRANSF TO CAPITAL PROJECT FUNDS	737,133	2,882,537	1,619,700	-1,262,837	-43.8%
TRANSF TO TRUST & AGENCY FUNDS	1,068,386	1,115,663	1,225,685	110,022	9.9%
TOTAL TRANSFERS TO OTHER FUNDS:	**$ 1,805,519**	**$ 3,998,200**	**$ 2,845,385**	**$ -1,152,815**	**-28.8%**
DEBT SERVICE:					
PRINCIPAL & INTEREST BONDED DEBT	$ 34,029,815	$ 37,139,135	$ 37,126,224	$ -12,911	0.0%
BOND SERVICE CHARGES	88,570	79,361	90,617	11,256	14.2%
INSTALLMENT LEASE PAYMENTS	13,263,992	15,362,387	14,191,128	-1,171,259	-7.6%
TOTAL DEBT SERVICE:	**$ 47,382,377**	**$ 52,580,883**	**$ 51,407,969**	**$ -1,172,914**	**-2.2%**
TOTAL:	**$ 54,449,607**	**$ 61,075,753**	**$ 59,518,073**	**$ -1,557,680**	**-2.6%**

[1] Medical Insurance increased 11% Countywide

NEW HANOVER COUNTY • NORTH CAROLINA

• ESTABLISHED 1729 •

NEW HANOVER COUNTY
EDUCATION[1]
SUMMARY OF REVENUES & EXPENDITURES

	FY14-15 Revised	FY15-16 Requested	FY15-16 Adopted	DOLLAR INCREASE	PERCENT INCREASE
New Hanover County Schools Fund					
EXPENDITURES:					
Current Operating	$ 67,879,109	$ 72,997,200	$ 70,610,100	$ 2,730,991	4%
Capital Outlay	2,750,000	3,000,000	3,000,000	250,000	9%
Total Current Expenditures	**$ 70,629,109**	**$ 75,997,200**	**$ 73,610,100**	**$ 2,980,991**	**4%**
Transfer to Capital Project	**$** 1,000,000	**-**	**-**	(1,000,000)	-100%
NHC Schools Debt Service[2]	$ 19,961,600	$ 20,584,031	20,063,992	$ 102,392	1%
TOTAL EXPENDITURES	**$ 91,590,709**	**$ 96,581,231**	**93,674,092**	**$ 2,083,383**	**2%**
REVENUES:					
Transfer from General Fund	$ 76,097,763	$ 82,974,852	$ 81,373,573	$ 5,275,810	7%
Transfer 1/2 Sales Tax	10,549,932	11,808,551	12,124,851	1,574,919	15%
Other	193,014	175,668	175,668	(17,346)	-9%
Installment Loan Proceeds	2,750,000	-	-	(2,750,000)	-100%
Appropriated Fund Balance	2,000,000	-	**-**	(2,000,000)	-100%
TOTAL REVENUES	**$ 91,590,709**	**$ 94,959,071**	**$ 93,674,092**	**$ 2,083,383**	**2%**
General Fund					
Cape Fear Community College Expenditures					
Current Operating	10,625,605	12,637,563	10,376,430	(249,175)	-2%
Capital Outlay			1,154,354	1,154,354	-
Total Contribution	10,625,605	12,637,563	11,530,784	905,179	9%
CFCC Debt Service[3]	15,314,730	17,545,821	14,948,496	(366,234)	-2%
TOTAL EXPENDITURES	**25,940,335**	**30,183,384**	**26,479,280**	**(615,409)**	**-2%**

Amount per ADM Reduced to $2,600 reduction of $1,081,440 from Recommended.

[1] For accounting purposes the County uses a separate fund to account for school funding. In FY14-15 revised budget this fund included appropriated fund balance of $2 million to offset expenditures and transfers. The FY14-15 budget also included a transfer to Capital Improvement Fund. The School Fund is combined with General Fund in summaries.

[2] Debt Service amount includes bond service fees.

[3] Debt Service amount does not include bond service fees.

NEW HANOVER COUNTY • NORTH CAROLINA

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NEW HANOVER COUNTY CAPITAL OUTLAY REQUESTS FY15-16

DEPARTMENT	TYPE	DESCRIPTION	COMMENTS	ADOPTED
Information Technology	Equipment	APC Data Center	Monitors Computer Room	$9,000
	Equipment	Replace EOL Phones - NWN		50,000
	Equipment	Replace SAN NETAPP Storage	Due to EOL/Support	100,000
	Equipment	SCC Video Camera Consolidation	Video solution for multiple departments	125,000
	Equipment	Replace CISCO Equipment - NWN	Support ends for CISCO equipment	200,000
	Equipment	Replace 6 EOL Servers		25,000
	Computer & Other	Replace Vector Control Tablets & Purchase Software		35,000
	Computer & Other	Standard Cultural Management Software Solution for Multiple Agencies		50,000
	Computer & Other	NHCTV Digital Asset Management Software		15,000
	Computer & Other	Sheriff Intelligence & Narcotics Module		10,000
	Computer & Other	Sheriff K-9 Module		10,000
	Computer & Other	eSkills Assessment Testing		6,000
				$ 635,000
Register of Deeds	Equipment	Moveable Shelving for Record Books		$200,000
				$ 200,000
Property Management	Building	Vector Control Lab Renovations		$125,000
	Building	SRC Nutrition Site Renovations		125,310
	Building	Carolina Beach Library		10,000
	Building	911 Back-Up Location		50,000
	Vehicles	4 County Vehicles	3 Replacement, 1 New Additional for Parks (Castle Hayne)	93,484
	Vehicles	25 Sheriff's Office vehicles	21 Sedans, 2 Vans, & 2 Trucks	638,541
	Equipment	2 Van cages for Sheriff's Office		19,560
				$ 1,061,895
Sheriff's Office	Vehicle	1 Vehicle (Funded through ABC funds)		$25,000
				$ 25,000
Cooperative Ext.	Equipment	Replace Utility Vehicle	Vehicle 14-years old; is used at Arboretum	$7,500
				$ 7,500
Health	Equipment	3 Handheld GPS Units for Environmental Health	Used to locate sewers and wells	$23,760
	Equipment	Sprayer with Smart Flow box and pump	Replaces Old Equipment	9,500
	Equipment	Outboard engine for John boat	Replaces Old Equipment	7,500
				$ 40,760
DSS	Vehicle	2 Vans	Replacement vehicles	$42,644
	Equipment	Security Camera System		8,246
				$ 50,890
Parks & Gardens	Equipment	Ball field Groomer	Purchased in FY01/02	$15,000
	Equipment	Gator	Purchased in FY05/06	6,000
	Equipment	2 Golf Carts	Purchased in FY08/09	16,000
	Equipment	Top Dresser	New	15,000
	Other Improvements	Airlie Equipment Storage Shed		11,000
				$63,000
Total General Fund				**$2,084,045**
Fire Services	Computer & Other	FH Medic and FH Mobile Inspections & Occupancies		$54,000
	Equipment	Thermal Imaging Camera Replacement	1 camera at $9,330	9,330
	Equipment	Intake Valve Replacement		16,800
	Equipment	E-draulic Rescue Tools		24,000
	Equipment	AED Replacement Plan Year 2 of 2		44,750
	Equipment	K Saw Replacements	2 saws	3,400
	Equipment	Positive Pressure Fans		14,400
	Vehicle	Fire Engine		615,000
	Vehicle	Staff Vehicle		32,000
	Other Improvements	Fire Hydrant Program		10,000
				$823,680
Environmental Management	Equipment	Bulldozer - Rebuilt		$615,000
	Equipment	Recycling Baler		375,000
	Other Improvements	White Goods Capital Purchases		50,000
				$1,040,000
Total Other Funds				**$1,863,680**
			TOTAL ALL FUNDS	**$3,947,725**

NEW HANOVER COUNTY • NORTH CAROLINA

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Current Capital Improvement Projects – General Government

Page			FY15-16	FY16-17	FY17-18	FY18-19	FY19 20	Total
3	EmergMgt	800 MHz Public Safety Radio System Update	1,950,000					1,950,000
4	Emerg Mgt	Back-up 911 Center and Emergency Operations Center	901,077					901,077
5	Prop Mgt	Elevator Replacements	640,000	470,000				1,110,000
6	Library	Carolina Courtyard Renovation	302,000					302,000
7	Prop Mgt	Roof Replacements ; Gov Ctr/Main and NE Libraries	13,000	455,000				468,000
8	Prop Mgt	HVAC Replacements : Main and NE Library	253,000	500,000				753,000
9	Econ Dev	Hwy421 Water & Sewer E>q>ansion	100,000	2,975,000	2,975,000	2,975,000	2,975,000	12,000,000
10	Health	Health Building Renovation • Phase II	400,200	3,902,000				4,302,200
11	Health	Health Building Renovation Phase III	13,500	135,000				148,500
12	Engineering	Drainage Improvements	140,000	140,000	140,000	140,000	140,000	700,000
13	Prop Mgt	Government Center Physical Plant		1,000,000	1,000,000			2,000,000
14	Pks & Gdn	Castle Hayne/Northern Regional Park Phase 2		60,000	2,925,000			2,985,000
15	Pks & Gdn	Ogden Park Walking Trail		10,000	350,000			360,000
16	Library	Myrtle Grove Branch Library		300,000	2,464,680	1,330,840		4,095,520
17	Plan & Insp	Bike/Ped South Smith Creek Trail		345,000	255,000			600,000
18	Plan & Insp	Bike/Ped Middle Sound Loop Road Widening Project		172,500	127,500			300,000
19	Pks & Gdn	Olsen Park Phase 2			180,000	854,050		1,034,050
20	Pks & Gdn	Smith Creek Park Phase 2A			80,000	1,000,000		1,080,000
21	Sheriff	Detention E>q>ansion			3,612,787	27,975,336		31,588,123
22	Pks & Gdn	Kings Grant Improvements			275,000			275,000
23	Elections	Precinct Equipment Replacement			1,271,000			1,271,000
24	Plan & Insp	Bike/Ped Laney High School Greenway			1,640,719	1,072,777	1,072,777	3,786,273
25	Plan & Insp	Bike/Ped Market Street Miulti-Use			650,000	425,000	425,000	1,500,000
26	Pks & Gdn	Synthetic Turf Field					900,000	900,000
		TOTAL EXPENDITURE	4,712,777	10,464,500	17,946,686	35,773,003	5,512,777	74,409,743

SOURCES OF REVENUE

	FY15 16	FY16 17	FY17 18	FY18 19	FY19 20	Total
911 Grant 800 MHz Public Radio System Update	1,185,687					1,185,687
911 Fund Balance	716,434					716,434
Monthly Surcharge Distribution	47,879					47,879
911 Grant Back-up 911 Center & EOC	901,077					901,077
Park Bonds ·Library Carolina Courtyard	150,000					150,000
Fund raising Library Carolina Courtyard	52,000					52,000
Book sales ·Library Carolina Courtyard	100,000					100,000
Loan proceeds • Hwy 421 Water & Sewer		2,975,000	2,975,000	2,975,000	2,975,000	11,900,000
General government revenues Hwy421 Water & Sewer	100,000					100,000
Escrow Medicaid Maximization Funds ·Health Renov	413,700	382,124				795,824
County Credit Olsen Park Phase 2			180,000	229,670		409,670
Possible GrantP ARTF Castle Hayne/Northern Regional			350,000			350,000
Fund raising Myrtle Grove Library			150,000			150,000
Possible Grants for Bike & Pedestrian Projects		414,000	2,138,575	1,198,222	1,198,222	4,949,019
Loan proceeds _ Detention E>q>ansion			3,612,787	27,975,336		31,588,123
Sale of existing Myrtle Grove Library Property				1,200,000		1,200,000
Possible GrantP ARTF Smith Creek Phase 2A				500,000		500,000
Fund raising Smith Creek Phase 2A				250,000		250,000
General government revenues	1..046,000	6,693,376	8,540,324	1.444,775	1,339,555	19,064,030
TOTAL REVENUE	4,712,777	10,464,500	17,946,686	35,773,003	5,512,777	74,409,743

NEW HANOVER COUNTY DEBT SERVICE FOR NEXT FIVE YEARS

GENERAL FUND		FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
BONDED:						
CFCC 2005 General Obligation Bonds (Refunding)		1,100,613	1,530,244	1,460,425	0	0
CFCC 2009A General Obligation Bonds (Refunding)		1,163,062	774,901	746,647	717,526	1,301,912
CFCC 2010 General Obligation Bonds ($70 million issued)		5,924,286	5,799,022	5,673,776	5,522,619	5,374,488
CFCC 2013A General Obligation Bonds ($54 million issued)		4,992,500	4,882,500	4,745,000	4,607,500	4,470,000
CFCC 2013 General Obligation Bonds (Refunding)		989,586	1,254,605	1,232,671	1,483,856	956,745
CFCC General Obligation Bonds ($40 million authorized) July 2015	P	778,450	3,456,900	3,418,900	3,380,900	3,323,900
Total Bonded Debt Service - General Fund-CFCC		14,948,496	17,698,172	17,277,419	15,712,401	15,427,045
Principal portion of General Fund Bonded Debt-CFCC		8,839,703	11,131,558	11,130,883	10,003,863	10,125,252
Interest portion of General Fund Bonded Debt-CFCC		6,108,793	6,566,614	6,146,536	5,708,538	5,301,793
		14,948,496	17,698,172	17,277,419	15,712,401	15,427,045
Parks and Recreation Bonds 2008 ($18 million issued)		1,290,825	1,262,700	1,234,575	1,204,575	1,174,575
Parks and Recreation Bonds 2010 ($17.5 million issued)		1,417,853	1,387,241	1,355,437	1,319,744	1,282,350
Total Bonded Debt Service - General Fund-Parks		2,708,678	2,649,941	2,590,012	2,524,319	2,456,925
Principal portion of General Fund Bonded Debt-Parks		1,565,000	1,565,000	1,565,000	1,565,000	1,565,000
Interest portion of General Fund Bonded Debt-Parks		1,143,678	1,084,941	1,025,012	959,319	891,925
		2,708,678	2,649,941	2,590,012	2,524,319	2,456,925
Total Bonded Debt Service - General Fund		$17,657,174	$20,348,113	$19,867,431	$18,236,720	$17,883,970
Principal portion of General Fund Bonded Debt		10,404,703	12,696,558	12,695,883	11,568,863	11,690,252
Interest portion of General Fund Bonded Debt		7,252,471	7,651,555	7,171,548	6,667,857	6,193,718
		$17,657,174	$20,348,113	$19,867,431	$18,236,720	$17,883,970
INSTALLMENT:						
2005A Certificates of Participation - Refunding-Library/Admin Bldg, LE Facility, School/Park Land Purchase		806,702	808,264	806,654	0	0
2005B Certificates of Participation - Refunding-Airlie Gardens, Judicial Building, Wilmington-Hanby Beach		3,818,125	3,645,625	3,473,625	3,233,875	0
138 North Fourth Street		89,700	89,700	44,598	0	0
2010 Refunding LOBS-2000 COPS-Airlie Gardens, Judicial Building, Wilmington-Hanby Beach		1,288,624	1,221,711	1,159,812	1,094,053	1,095,089
2010 Refunding LOBS-2001 COPS-Jail, Parking Deck, Library		620,037	626,016	630,912	634,682	3,728,266
2010 Refunding LOBS-Airport Customs Building		246,815	235,328	224,874	213,690	215,736
2010 Refunding LOBS-Public Safety Training Center		147,474	141,152	135,395	129,212	130,376
2010 Refunding LOBS-Jail Expansion Land		413,360	397,476	382,982	367,331	370,195
2010 Refunding LOBS-Government Center		564,062	533,658	255,712	0	0
2010 Refunding LOBS-800 mhz System		834,158	50,194	0	0	0
2012 Refunding LOBS-COPS2003-Administration Annex Building		412,350	394,250	379,725	358,900	346,700
320 Chestnut Street Renovation		769,088	760,188	746,838	729,038	711,238
Cobb Judicial Annex Repair		320,282	316,582	311,032	303,632	296,232
Marquis Hills	P	0	571,842	647,274	637,893	628,513
Heritage Park	P	388,254	395,078	389,352	383,626	377,900
Airport Rental Car Facility		432,236	430,124	426,366	420,912	414,086
Capital Improvements and Equipment-Not borrowed in FY2015		0	0	0	0	0
2005A Certificates of Participation - Refunding-Sewer Projects[1]		911,924	913,689	911,869	0	0
2012 Refunding LOBS-COPS2003-Water/Sewer		1,610,050	1,557,800	1,500,775	1,439,350	1,383,450
Total Installment Debt Service - General Fund		$13,673,243	$13,088,676	$12,427,795	$9,946,194	$9,697,781
Principal portion of General Fund Installment Debt		10,480,925	10,174,444	9,831,798	7,718,013	7,804,216
Interest portion of General Fund Installment Debt		3,192,318	2,914,233	2,595,997	2,228,181	1,893,565
		$13,673,243	$13,088,676	$12,427,795	$9,946,194	$9,697,781
Total Debt Service - General Fund (excludes Public Schools Debt Service)		**$31,330,416**	**$33,436,789**	**$32,295,226**	**$28,182,915**	**$27,581,751**

PUBLIC SCHOOLS FUND		FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
BONDED:						
2005 General Obligation Bonds (Refunding)		810,976	1,127,547	1,076,102	0	0
2006 General Ob;igation Bonds ($15 million fixed issued)		780,000	0	0	0	0
2006 General Ob;igation Bonds ($15 million variable issued)		1,070,000	1,040,000	1,010,000	980,000	950,000
2007 General Obligation Bonds ($50 million fixed issue)		3,025,000	2,925,000	2,825,000	2,700,000	2,600,000
2009 General Obligation Bonds (Refunding)		5,382,063	3,585,849	3,455,103	3,320,349	6,024,588
2009 General Obligation Bonds ($43 million issued)		2,955,000	2,910,000	2,865,000	2,820,000	2,745,000
2013 General Obligation Bonds (Refunding)		981,765	1,733,272	1,698,355	1,663,694	1,643,355
2013 General Obligation Bonds (Refunding)		3,450,172	4,561,957	4,624,584	5,976,205	3,862,229
2015 General Obligation Bonds ($52 million) Issue July 2015	P	1,014,075	4,498,150	4,448,750	4,404,350	4,330,100
2018 General Obligation Bonds ($37 million) Issue 2018	P	0	0	652,854	3,163,739	3,138,214
2019 General Obligation Bonds ($49 million) Issue 2019	P	0	0	0	888,004	4,233,931
2020 General Obligation Bonds ($22 million) Issue 2020	P	0	0	0	0	411,840
Total Bonded Debt Service - Public Schools Fund		$19,469,050	$22,381,775	$22,655,747	$25,916,341	$29,939,256
Principal portion of Public Schools Fund Bonded Debt		14,010,297	16,363,442	16,459,117	18,701,137	22,029,748
Interest portion of Public Schools Fund Bonded Debt		5,458,753	6,018,333	6,196,629	7,215,204	7,909,509
		$19,469,050	$22,381,775	$22,655,747	$25,916,341	$29,939,256
INSTALLMENT:						
2010 QSCB's		$517,885	$499,397	$480,909	$462,421	$443,933
Capital Improvements and Equipment-Not borrowed in FY2015		$0	$0	$0	$0	$0
Total Installment Debt Service - Public Schools Fund		$517,885	$499,397	$480,909	$462,421	$443,933
Principal portion of Public Schools Fund Installment Debt		328,383	328,383	328,383	328,383	328,383
Interest portion of Public Schools Fund Installment Debt		189,502	171,014	152,526	134,038	115,550
		$517,885	$499,397	$480,909	$462,421	$443,933
Total Debt Service - Public Schools Fund		**$19,986,934**	**$22,881,172**	**$23,136,656**	**$26,378,761**	**$30,383,189**

NEW HANOVER COUNTY DEBT SERVICE FOR NEXT FIVE YEARS

SPECIAL FIRE DISTRICT		FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
INSTALLMENT:						
2010 Refunding LOBS-Public Safety Training Center		147,474	141,152	135,395	129,212	130,376
2010 Refunding LOBS-Murrayville Fire Station		272,344	261,878	252,329	242,017	243,904
2012 Refunding LOBS-COPS2003		81,550	79,925	77,975	70,800	68,400
Capital Improvements and Equipment-Not borrowed in FY2015		0	0	0	0	0
Ogden Station - Land	**P**	32,347	64,695	64,695	64,695	64,695
Capital Equipment - Fire Engine	**P**	56,586	113,172	113,172	113,172	113,172
Capital Equipment - Breathing App	**P**	0	159,996	319,992	319,992	159,996
Ogden Station - Construction	**P**	0	0	90,572	181,145	181,145
Capital Equipment - Radios	**P**	0	0	81,619	163,238	163,238
Total Debt Service - Special Fire District		**$590,301**	**$820,818**	**$1,135,748**	**$1,284,272**	**$1,124,926**
Principal portion of Special Fire District Installment Debt		433,819	641,684	920,344	1,060,468	942,965
Interest portion of Special Fire District Installment Debt		156,482	179,134	215,405	223,804	181,961
		$590,301	$820,818	$1,135,748	$1,284,272	$1,124,926

ENVIRONMENTAL MANAGEMENT	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
INSTALLMENT:					
2005A Certificates of Participation - Refunding - Scrapper Pan-Landfill	35,074	35,142	35,072	0	0
2010 Refunding LOBS-2000 COPS-Baghouses-WASTEC	72,263	68,511	65,040	61,352	61,411
Compactor 826G-Landfill	0	0	0	0	0
Articulated Dump Truck-Landfill	62,086	62,086	0	0	0
Bulldozer, Loader, and Roll-Off Truck	343,984	343,982	0	0	0
Total Installment Debt Service - Environmental Management Fund	$513,407	$509,721	$100,112	$61,352	$61,411
Principal portion of Environmental Management Installment Debt	486,479	491,318	89,271	54,117	57,085
Interest portion of Environmental Management Installment Debt	26,928	18,403	10,841	7,235	4,326
	$513,407	$509,721	$100,112	$61,352	$61,411
Total Debt Service - Environmental Management Fund	**$513,407**	**$509,721**	**$100,112**	**$61,352**	**$61,411**
Total Debt Service - All Funds	**$52,421,059**	**$57,648,499**	**$56,667,742**	**$55,907,300**	**$59,151,277**

P = Pending further action

1. On July 1, 2008, Water and Sewer Debt Service was transferred to General Fund as part of the change to the Cape Fear Public Utility Authority.

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New Hanover County

FY15-16