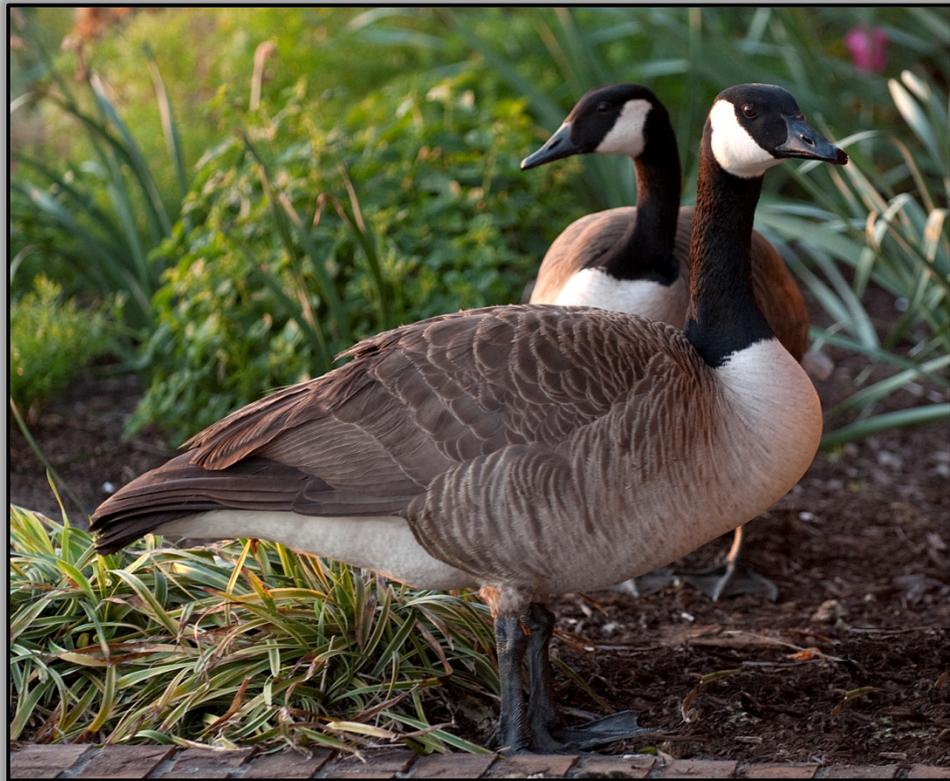


# New Hanover County, North Carolina

## 2012-2013 Adopted Budget in Brief



Harry and Hannah, as they became affectionately known, made their spring residence just outside the Budget Office during the time of the budget preparation. They picked a raised flower bed on a main sidewalk to build their nest. Hannah diligently worked building her nest, while Harry watched each passerby to make sure no one came too close. Before long, there were four eggs in Hannah's nest. The Legal Department put up a small sign explaining this was Harry and Hannah's home. Many people would stop for a moment and read the sign and some even took photographs. For several weeks, Hannah faithfully stayed on her nest. It was on a Saturday when the eggs finally hatched. Harry and Hannah were last seen leading four little brown goslings to a nearby retention pond.

Front Cover image courtesy of Mark Akin. Narrative by Amy Akin. Image provided is used with artist's permission exclusively for this publication; any other use is prohibited, owner retains all copyrights.



**NEW HANOVER COUNTY  
ADOPTED BUDGET**

**FISCAL YEAR 2012-2013**

**County Commissioners**

Ted Davis, Jr., Chairman  
Jonathan Barfield, Jr., Vice-Chairman  
Jason R. Thompson  
Brian M. Berger  
Richard G. Catlin

**County Manager**

Bruce T. Shell

**Budget Department Staff**

Cam Griffin, Budget Director  
Elizabeth Schrader, Senior Budget Analyst  
Donna G. Seal, Budget Analyst  
Amy Akin, Special Projects Officer  
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Wilmington, North Carolina 28403

<http://www.nhcgov.com/Budget>

You may send comments or questions on this budget to  
budget@nhcgov.com, or call Cam Griffin @ (910) 798-7170.



## **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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**BRUCE T. SHELL, CPA**  
County Manager

**CHRIS COUDRIET**  
Assistant County Manager

**AVRIL M. PINDER, CPA**  
Assistant County Manager

June 18, 2012

To the New Hanover County Board of Commissioners and Citizens:

The Adopted Budget for Fiscal Year 2012-2013 is presented as follows:

The adopted tax rate is 55.4 cents, which is the revenue-neutral tax rate.<sup>1</sup>

The Commissioners directed Staff to prepare a budget with a revenue-neutral tax rate that included funding for Cape Fear Community College bonds and financing a solution for 320 Chestnut Street.

I was also instructed to prepare a FY13-14 budget with a constant tax rate. I have prepared such a budget, which is based on using \$7 million in fund balance, as is the FY12-13 budget. Such a use of fund balance is possible due to the County's strong financial health and desire to keep the tax rate constant.

The value of a penny is estimated to be \$2.8 million.

**Personnel Issues**

The County Employees continue to provide assistance in a customer service-focused and solution-driven manner.

A total of nine positions are approved in the General Fund.

Four of the positions are to replace temporary Telecommunicators (911). Temporary salaries were reduced by the same amount.

A Staff Engineer position is funded to assist with the County's port, waterways, shore protection and beach renourishment efforts. The position will be funded by funds from the Room Occupancy Tax.

Three additional positions are being added to Parks, Gardens and Senior Resource Center. One of the positions is to assist with landscaping for the Schools and the cost of the position will

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<sup>1</sup> G.S. 159-11(e) defines the revenue-neutral rate as the rate that is estimated to produce revenue for the next fiscal year equal to the revenue that would have been produced for the next fiscal year by the current tax rate if no revaluation had occurred.

FY12-13 Adopted Budget  
Letter of Transmittal  
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be offset by a reduction in the contribution to the Schools. Two positions are being added to enhance the operation of the Senior Resource Center and will be grant funded.

A position is being funded for the DWI program. This program was previously grant funded and operated by the state. Grant funding was requested to fund the program in FY12-13, but the grant was not approved. The savings in the Detention Center will offset the cost of this position.

Over the past three years, as part of the various budget reduction plans that have been implemented, a number of positions have been “frozen.” This can be achieved by not funding an authorized position when the budget is adopted, or not allowing a department to fill a position when it becomes vacant. Adjusting the funding of positions is a way to adjust expenditures based on the needs of the organization and state of the economy. As you are aware, the workload of the County increases in a number of areas when the condition of the economy declines. I feel that a very slow recovery is taking place and a number of positions are needed to provide services to the citizens or increase County revenues.

During the past year, I have filled 24 previously “frozen” positions and eliminated 10 positions. This was done to accommodate service demands, eliminate temporary positions and to meet the needs of the organization. A total of 63 positions, or the equivalent of \$3.5 million, remain frozen.

Funding in the amount of \$600,000 is included for a 1% market adjustment of the salary schedule.

A negative salary adjustment factor of \$700,000 is budgeted in the General Fund to account for the fact that not all positions are filled for the entire fiscal year. This is \$300,000 more than the amount budgeted for FY11-12. The increase in this negative number will require a careful monitoring and control of positions in FY12-13 by Management.

An average of a 4.7% increase in the cost of the monthly health insurance premium is to be shared by the County and the Employee.

The retirement rate decreases in FY12-13 from 6.97% to 6.83%, a \$90,000 savings; and then the rate increases in FY13-14 to 7.61%, a projected \$500,000 increase.

## **GENERAL FUND**

### **Public Schools**

Funding for the Schools will provide \$61.7 million for current operations and \$21.5 million for debt service. The amount includes an increase of \$0.7 million in funding for retirement and health insurance cost for locally-funded positions. The increase is offset by a decrease of \$0.8 million for the County directly funding the School Resource Officers and providing landscaping services to the School System. The difference in the requested and adopted amount is to fund a possible 2%

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increase to locally-funded positions. The State legislature will decide on the increase for state-funded positions and funds would need to be identified for a similar increase for locally-funded positions. This budget does not provide funds for a possible increase for locally-funded positions.

In FY12-13 there will be 685 locally-funded positions in the School System.

An amount of \$0.75 million is included for capital outlay to complete the Wireless Schools Initiative.

Funding in the amount of \$0.2 million is included to assist the City in funding the Safe Light Program. The Safe Light Program provides approximately \$0.6 million of revenue to the Schools' current budget.

### **Cape Fear Community College (CFCC)**

Funding of \$7.2 million is approved for Cape Fear Community College's operations, an increase of \$1 million from FY11-12. CFCC requested a \$2.5 million increase in funding for operations in FY12-13.

In addition to the direct contribution to CFCC, \$11.9 million will be expended for debt service in FY12-13, for a total of \$19.1 million. CFCC debt service increased \$1.5 million between FY11-12 and FY12-13.

### **Community Justice Services**

This is a new Department that was created to combine Youth Empowerment Services, Drug Court Services and the Pretrial Release Program in order to centralize the related services to provide the most efficient operations regarding Community Justice in New Hanover County.

### **Revenues**

The FY12-13 tax base is estimated to be \$29 billion. This is a decrease from the FY11-12 base of \$34 billion due to revaluation of property. The revenue-neutral tax rate is 55.4 cents and a 98.2% collection rate is anticipated.

Revenue from sales tax increases \$1 million, or 2.2%, from FY11-12 Adopted.

### **Fund Balance**

\$7 million of fund balance is appropriated in FY12-13. This is an increase of \$4 million from FY11-12. Such a use of fund balance is possible due to the County's strong financial health and desire to keep the tax rate constant.

**ENVIRONMENTAL MANAGEMENT FUND**

The Environmental Management Fund's budget assumes no change to the tipping fee, \$59/ton, with an annual tonnage of 200,000 tons. The budget funds current operations at the Landfill and administration and temporary security for the Sustainable Energy Facility. Recycling will continue to operate the existing drop-off sites. In addition, the budget includes funds for the purchase, set up and operations of a small-scale sorting station. The sorting station will be staffed with a contract service temporary, who will sort and separate plastics from the drop-off site recyclables. The station is projected to be self-supporting and will reduce the overall net County cost of the recycling program by \$0.4 million.

This budget provides for the final \$0.6 million repayment of the General Fund loan and the annual \$38,500 repayment of the administration land purchase.

The budget includes a transfer to Capital Projects of \$1.1 million to complete construction of Cell 6E and partial closure of Cell 5, \$ 0.2 million for Phase 2 of the Southern property permitting process, and \$0.3 million for the initial design/engineering work for the West side of Cell 6 partial closure.

**SPECIAL FIRE SERVICE DISTRICT FUND**

The revenue-neutral tax rate of 7.9 cents is approved for the Fire Service District.

Following revaluation, the ad valorem base in the Fire District is estimated to be \$11.1 billion. This is a \$1.7 billion decrease in the base due to the recent revaluation. The value of a penny is estimated to be \$1.1 million.

Fund balance of \$0.4 million is appropriated in the Fire Service District.

The Fire Service District Budget is based on continued funding of existing operations at the current service level. The budget provides for the purchase of a replacement Engine funded by installment debt. The budget includes staffing software that will reduce administrative time filling shifts, as well as allow better management of overtime costs.

**Capital Improvement Program**

No additional funding is approved for capital projects in this budget due to fiscal constraints.

### **Revaluation**

The FY12-13 Budget is the first budget with the new values established by the revaluation.

Historically, under normal economic conditions, the tax base increases during revaluation. For the first time, North Carolina counties are experiencing decreases in their tax base after revaluation. This year's revaluation has caused the total value of the property to be taxed within the County to decrease from \$34 billion to \$29 billion.

How this decrease impacts individual taxpayers is dependent on the change in the individual's tax value compared to the remainder of the County and the tax rate set by New Hanover County and its Municipalities.

On average, the estimated value of property within the County decreased approximately 15%. Property owners whose values decreased greater than the average will see a reduction in their property tax bill; while property owners whose values decreased less than the average will see an increase in their property tax bill, if all jurisdictions use a revenue-neutral tax rate.

The budget is adopted with a revenue-neutral tax rate, which means the property tax rate is adjusted to produce substantially the same revenues as the previous year. In simple terms, the County still requires the same amount of money to operate; so, if property values drop, rates must be raised to provide the same level of services. The revenue-neutral tax rate for New Hanover County is .554 per \$100 of value.

### **Strategic Plan**

On June 20, 2011, the Commissioners adopted a Strategic Plan.

The following is a list of focus areas and their relevance to the FY12-13 Adopted Budget.

#### **Superior Public Health, Safety and Education**

Increase in funding for Cape Fear Community College and New Hanover County Schools is included.

Debt service for Cape Fear Community College and New Hanover County Schools is funded.

#### **Intelligent Growth and Economic Development**

Funds of \$0.4 million are approved for economic development in FY12-13. An amount of \$0.3 million was budgeted in FY11-12 for economic development. The balance in the account currently is \$0.2 million, which could be transferred forward to FY12-13 to help with economic development efforts.

Development of parks continues with bond funds that were approved by the voters and the increased funding is included in the General Fund for maintenance of the expanded parks acres.

### **Strong Financial Performance**

The budget maintains a strong appropriate level of fund balance. Revenue estimates are conservative due to the uncertainty and speed of the economic recovery.

Vehicle and Computer Replacement Programs were funded to provide sufficient funds to maintain government resources.

### **Productive Strategic Partnerships**

Meetings are taking place between the County Commissioners and the elected leaders of the Municipalities in the County, with the goal of providing services to all County citizens in the most efficient and cooperative manner possible.

The County will provide landscaping services to the Schools to collaborate on service delivery.

Continued membership in the North Carolina Association of County Commissioners and the National Association of Counties will influence legislation and external mandates and to enhance local autonomy.

### **Effective County Management**

Citizens Academies are being held to improve communications with, and education of, the Citizens, which will lead to a stronger County and more informed Citizens.

Educational programs are held in the Schools to inform students and their parents on the functions of County Government. The Elementary School Civics Program was designed to educate 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> grade students about local government. Since its inception in 2011, 116 presentations have been given at 17 schools, teaching over 2,600 students about New Hanover County's history, geography, government structure and services.

A number of training initiatives are funded to create and support an engaged workforce.

County Departments were instructed to prepare baseline budgets, and increased funding requests were to be submitted as a Strategic Initiative or Program Enhancement that were tied to the Strategic Plan. Due to financial constraints, only a few Initiatives or Enhancements are approved; but, the thought process of tying funding to the Strategic Plan has been reinforced.

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### **Future Concerns**

Actions that the state and federal governments are taking will impact the County. While every effort is being made to provide services to the citizens in the most effective way possible, some of the state and federal cuts may be so large that difficult service level decisions will need to be made.

The continued uncertainty to the speed and strength of the recovery will impact this and future budgets. Hopefully, the funding for economic development, as well as other economic development initiatives, can help continue the recovery.

Revenue estimates are based on current economic data. Staff will continue to monitor the budget during FY12-13 to adjust for any changes due to economic conditions or annexations by the City of Wilmington.

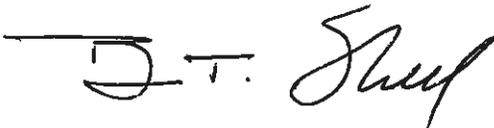
### **Reflection**

This is the twenty-fifth Budget I have worked on, my last and seventh as County Manager. The County Budget, while surprisingly frugal in many ways, touches and influences more Citizens through necessity and quality of life than any other organization. This Budget strikes that balance.

I am proud to have worked with such an organization. The Staff remain dedicated to the Mission of the Board of County Commissioners: "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."

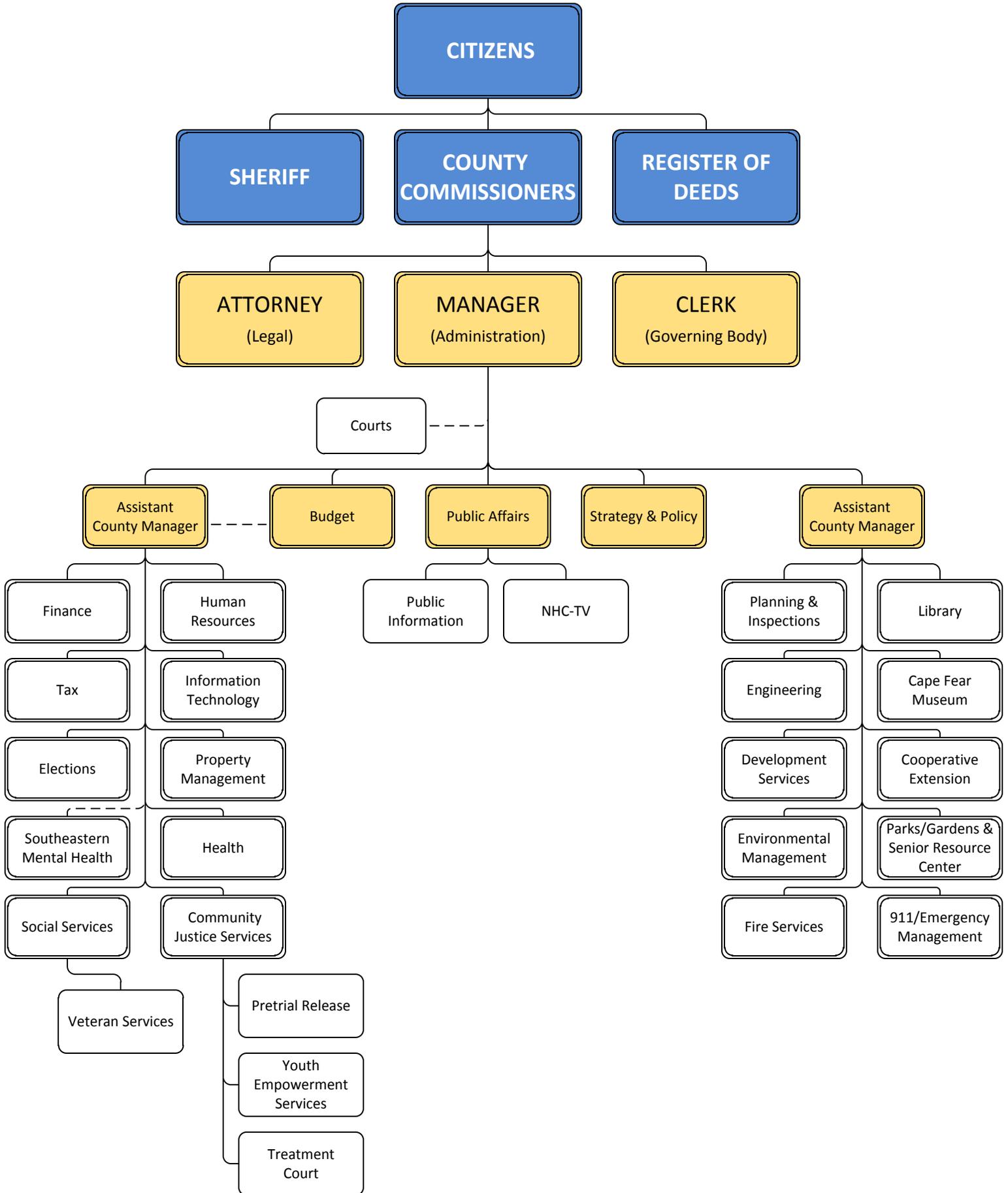
I am confident that Chris Coudriet as Manager and Avril Pinder as Assistant County Manager will serve the Board of County Commissioners and the Citizens of this community well.

Best Regards,

A handwritten signature in black ink, appearing to read "B. T. Shell". The signature is written in a cursive, flowing style with a horizontal line extending to the left from the first letter.

Bruce T. Shell  
County Manager

# NEW HANOVER COUNTY Organizational Chart



**NEW HANOVER COUNTY  
POSITION SUMMARY BY FUNCTION**

	<b>ADOPTED FY08-09</b>	<b>ADOPTED FY09-10</b>	<b>ADOPTED FY10-11</b>	<b>ADOPTED FY11-12</b>	<b>ADOPTED FY12-13</b>
General Fund:					
Cultural & Recreational	117	117	123	126	127
General Government	263	276	268	268	265
Human Services	524	517	509	495	471
Public Safety	553	537	540	553	582
<b>Total General Fund</b>	<b>1457</b>	<b>1447</b>	<b>1440</b>	<b>1442</b>	<b>1445</b>
Other Funds:					
Environmental Mgmt	88	88	88	31	31
Fire Service	79	95	95	98	98
<b>Total Other Funds</b>	<b>167</b>	<b>183</b>	<b>183</b>	<b>129</b>	<b>129</b>
<b>TOTALS</b>	<b>1624</b>	<b>1630</b>	<b>1623</b>	<b>1571</b>	<b>1574</b>

The decrease in positions between FY10-11 Adopted and FY11-12 Adopted in Environmental Management is due to the decision to lay up WASTEC while the Board of County Commissioners evaluates long term solutions for solid waste.

**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 FY12-13:

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

**NEW HANOVER COUNTY**  
**SUMMARY OF EXPENDITURES AND REVENUES - ALL FUNDS <sup>1</sup>**

EXPENDITURE SUMMARY	FY10-11 ACTUAL	FY11-12 ADOPTED	FY12-13 ADOPTED	\$ Change	% Change
GENERAL	\$ 253,289,540	\$ 262,275,629	\$ 268,971,456	\$ 6,695,827	2.55%
NEW HANOVER COUNTY SCHOOLS	84,385,687	84,874,086	83,953,165	(920,921)	-1.09%
EMERGENCY TELEPHONE SYSTEM - ARTICLE 3	2,224,565	535,090	665,295	130,205	24.33%
ROOM OCCUPANCY TAX	1,540,809	3,694,628	3,782,032	87,404	2.37%
REVOLVING LOAN PROGRAM	25,561	-	-	-	-
ENVIRONMENTAL MANAGEMENT	11,848,607	12,320,000	13,006,061	686,061	5.57%
SPECIAL FIRE SERVICE DISTRICT	10,112,431	10,630,804	11,055,535	424,731	4.00%
<b>TOTAL EXPENDITURE ALL FUNDS</b>	<b>\$ 363,427,200</b>	<b>\$ 374,330,237</b>	<b>\$ 381,433,544</b>	<b>\$ 7,103,307</b>	<b>1.90%</b>

REVENUE SUMMARY	FY10-11 ACTUAL	FY11-12 ADOPTED	FY12-13 ADOPTED	\$ Change	% Change
GENERAL	\$ 263,734,162	\$ 262,275,629	\$ 268,971,456	\$ 6,695,827	2.55%
NEW HANOVER COUNTY SCHOOLS	84,448,088	84,874,086	83,953,165	(920,921)	-1.09%
EMERGENCY TELEPHONE SYSTEM - ARTICLE 3	973,466	535,090	665,295	130,205	24.33%
ROOM OCCUPANCY TAX	4,151,057	3,694,628	3,782,032	87,404	2.37%
REVOLVING LOAN PROGRAM	22,604	-	-	-	-
ENVIRONMENTAL MANAGEMENT	13,173,672	12,320,000	13,006,061	686,061	5.57%
SPECIAL FIRE SERVICE DISTRICT	10,953,220	10,630,804	11,055,535	424,731	4.00%
<b>TOTAL REVENUE ALL FUNDS</b>	<b>\$ 377,456,269</b>	<b>\$ 374,330,237</b>	<b>\$ 381,433,544</b>	<b>\$ 7,103,307</b>	<b>1.90%</b>

<sup>1</sup> This presentation shows the total budgets of the various funds. Transfers between the General Fund and other funds have not been removed.

**NEW HANOVER COUNTY  
GENERAL FUND EXPENDITURE COMPARISON**

<b>Departments</b>	<b>FY10-11 Actual</b>	<b>FY11-12 Adopted</b>	<b>FY12-13 Requested</b>	<b>FY12-13 Recommended</b>	<b>FY12-13 Adopted</b>
ADMINISTRATION - COUNTY MANAGER <sup>1</sup>	\$749,652	770,755	953,179	\$1,208,945	1,208,945
BOARD OF ELECTIONS	671,893	855,837	702,838	701,973	701,973
BUDGET	456,973	473,613	482,275	481,564	481,564
COMMUNITY JUSTICE SERVICES <sup>2</sup>					
Drug / DWI Court <sup>2</sup>	8,967	120,756	144,015	210,831	210,831
Pretrial Release <sup>2</sup>	548,334	559,581	625,475	590,545	590,545
Youth Empowerment Services <sup>2,9</sup>	821,762	829,028	1,079,116	923,605	923,605
COOPERATIVE EXTENSION SERVICE	386,424	445,158	485,153	450,081	480,805
COURTS <sup>3</sup>	529,959	536,783	381,398	381,398	381,398
EDUCATION <sup>4</sup> :					
Cape Fear Community College	5,841,767	6,191,767	8,706,153	7,191,767	7,191,767
Cape Fear Community College Debt Service	5,600,698	10,412,761	11,873,103	11,873,103	11,873,103
One-Half Cent Sales Tax Transfer	8,840,818	9,266,597	9,022,165	9,109,336	9,109,336
New Hanover County Schools Transfer	75,453,657	72,507,489	74,061,036	73,463,260	73,463,260
EMERGENCY MANAGEMENT & 911 COMM <sup>5</sup>					
Emergency Management <sup>5</sup>	1,041,249	968,151	1,563,969	1,293,171	1,293,171
Public Safety Communications <sup>5</sup>	4,671,735	4,018,271	4,328,114	4,376,576	4,376,576
ENGINEERING					
Engineering	618,604	619,428	767,369	710,356	710,356
Storm Water / Drainage	149,545	173,000	175,800	175,800	175,800
DEVELOPMENT SERVICES	482,038	514,023	687,294	482,293	482,293
FINANCE:					
Finance	1,844,529	1,843,155	1,875,637	1,882,260	1,882,260
Non-Departmental	4,084,290	3,881,660	5,385,716	3,631,701	3,616,701
Economic Development <sup>6</sup>		271,086	0	400,000	400,000
Transfers to Other Funds <sup>6</sup>	1,032,914	812,034	1,018,335	918,335	918,335
Bonded Debt (principal, interest)	1,833,121	2,883,464	2,885,869	2,885,869	2,885,869
Fees Paid on Debt	19,382	32,850	16,770	16,770	16,770
Installment Debt	12,306,223	11,259,706	11,554,247	11,554,247	11,554,247
Cape Fear Public Utility Authority Debt Service <sup>7</sup>	4,831,061	4,061,806	2,868,590	2,868,590	2,868,590
Contingencies	-	735,000	735,000	535,000	535,000
GOVERNING BODY - COUNTY COMMISSIONERS	444,331	465,683	468,668	473,242	473,242
HEALTH <sup>8</sup>	14,412,896	14,547,974	13,007,785	12,652,126	12,765,167
HUMAN RESOURCES <sup>1</sup>	1,040,480	1,019,312	1,050,752	721,228	721,228
INFORMATION TECHNOLOGY	5,094,827	5,407,691	6,809,033	5,923,624	5,923,624
JUVENILE SERVICES <sup>9</sup>	241,939	180,750	132,000	132,000	183,375
LEGAL - COUNTY ATTORNEY (Includes Risk Mgmt.)	883,976	926,833	936,397	939,993	939,993
LIBRARY	3,598,438	3,681,464	4,023,598	3,886,564	3,886,564
MUSEUM	1,004,820	1,038,167	1,187,858	1,013,620	1,013,620
NON-COUNTY AGENCIES <sup>10</sup>	1,390,165	1,377,123	1,057,090	890,064	905,064
PARKS, GARDENS, SRC <sup>11</sup>					
Parks & Gardens <sup>11</sup>	3,953,697	4,236,959	6,411,636	5,291,174	5,291,174
Senior Resource Center <sup>11</sup>	1,973,826	2,197,342	2,444,704	2,190,861	2,190,861
PLANNING & INSPECTIONS	3,378,485	3,617,589	4,702,282	3,494,917	3,494,917
PROPERTY MANAGEMENT (Includes Vehicle Mgmt.)	9,051,841	9,918,874	10,631,762	11,053,826	11,053,826
REGISTER OF DEEDS <sup>12</sup>	1,076,273	1,155,572	1,113,481	1,119,445	1,119,445
SHERIFF'S OFFICE <sup>8</sup>	33,917,056	35,031,852	37,455,892	37,165,283	37,165,283
SOCIAL SERVICES <sup>13</sup>	34,115,987	36,931,199	37,480,980	37,972,817	37,972,817
SOUTHEASTERN CENTER	1,938,128	1,925,584	2,135,584	2,135,584	2,135,584
TAX	2,829,860	3,444,878	3,449,236	3,273,348	3,273,348
VETERAN SERVICES	116,921	127,024	128,547	129,224	129,224
	<b>\$253,289,540</b>	<b>\$262,275,629</b>	<b>\$277,005,901</b>	<b>\$268,776,316</b>	<b>\$268,971,456</b>

- <sup>1</sup> County Manager's Office - Increased due to the transfer of 5 positions from other departments to accentuate the implementation of the strategic plan and enhance government relations and marketing strategies. This increase is more than offset by decreases in the departments where the positions were transferred from and cable franchise fee revenue that was previously budgeted in Human Resources and Community Relations.
- <sup>2</sup> Community Justice Services - Youth Empowerment Services, Pretrial Release and Drug Court were combined into a single department for FY12-13. Funding was also increased in Drug Court for a new DWI Court Coordinator position.
- <sup>3</sup> Courts (excluding Drug Court) decreased due to the elimination of the funding for the Criminal Justice Partnership.
- <sup>4</sup> Please see page 19 for additional detail regarding New Hanover County Schools and Cape Fear Community College line items.
- <sup>5</sup> Emergency Management & 911 Communications - Funding increased in FY12-13 due to the addition of 4 Telecommunicator positions to assist with call taking and dispatch.
- <sup>6</sup> Economic Development - In FY12-13, a new division was created for Economic Development Programs. \$271,086 of FY11-12 economic development funds were reclassified from Transfers to Economic Development for ease of comparison.
- <sup>7</sup> Cape Fear Public Utility Authority (CFPUA) debt decreased due to final repayment of outstanding bonded debt held by NHC. \$2.868 million of CFPUA installment debt payments will be partially offset by a \$968,000 transfer from CFPUA.
- <sup>8</sup> During FY11-12, Animal Control moved from Health to the Sheriff's Office. FY12-13 is the first year the program will be budgeted in Sheriff's Office. The \$1.9 million decrease in Health, and corresponding increase in the Sheriff's Office, is due to this transfer.
- <sup>9</sup> In FY10-11, the Psychological Services Division moved from Juvenile Services Department to Youth Empowerment Services.
- <sup>10</sup> Decrease primarily due to the elimination of incentive payments for two outside companies.
- <sup>11</sup> Increase in Parks & Gardens due to an additional position and operating expenses associated with assuming landscaping services for NHC Schools. The increase will be offset by a reduction in the contribution to the Schools. Additionally, two grant-funded positions were added at the Senior Resource Center.
- <sup>12</sup> Register of Deeds - Automation & Enhancement Fund is included.
- <sup>13</sup> For FY12-13, five positions that have been frozen since FY08-09 were unfrozen in DSS to help address continued high demand. Additional increases were associated with the Energy Assistance, Food Stamp and Medical Transportation programs.

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

BUDGETED EXPENDITURES:	FY11-12 ADOPTED	FY12-13 ADOPTED	PERCENT DIFFERENCE
GENERAL GOVERNMENT DEPARTMENTS	\$ 31,470,314	\$ 32,764,598	4.11%
HUMAN SERVICES	55,242,386	54,818,253	-0.77%
PUBLIC SAFETY	10,940,909	11,571,418	5.76%
Sheriff's Office	35,031,852	37,165,283	6.09%
ECONOMIC & PHYSICAL DEVELOPMENT	1,170,816	790,237	-32.51%
CULTURAL & RECREATIONAL	10,255,878	11,445,390	11.60%
EDUCATION	98,378,614	101,637,466	3.31%
DEBT SERVICE	18,237,826	17,325,476	-5.00%
TRANSFERS	812,034	918,335	13.09%
CONTINGENCIES	735,000	535,000	-27.21%
<b>TOTAL BUDGETED EXPENDITURES</b>	<b>\$ 262,275,629</b>	<b>\$ 268,971,456</b>	<b>2.55%</b>

All departments were impacted by countywide changes in benefit schedules and decrease in retirement rate.

**1) General Government Departments** increase is primarily due to:

- a) Information Technology increases (\$.5 million) for needed server equipment expansion, mandated implementation of criminal justice security system, and other upgrades due to obsolete programs and/or hardware.
- b) Property Management increases (\$.1 million) due to increases in utility rates and fuel prices and (\$1.0 million) for vehicle purchases.

**2) Human Services** decrease is primarily due to:

- a) Health Department reductions (\$1.9 million) associated with the transfer of Animal Control positions and operations to the Sheriff's Office, elimination of positions and operating expense reductions due to State cuts, and lower anticipated funding for self-supporting programs.
- b) Health Department reductions were partially offset by increases to Social Services (\$0.5 million) associated with unfreezing 5 positions, (\$0.1 million) for computer replacement, and (\$0.5 million) due to increases to Energy Assistance, Food Stamp, and Medical Transportation programs.
- c) Southeastern Center for Mental Health also saw an increase of (\$0.2 million).

**3) Public Safety** increases in Sheriff's Office were due to the transfer of Animal Control to the Sheriff's Office. Emergency Management and 9-1-1 Communications increased due to additional need for full-time and temporary positions for call taking and dispatch. Youth Empowerment Services, Drug Court, and Pretrial Release were combined into a new Community Justice Services department which also added a new DWI Court Coordinator position.

**4) Economic and Physical Development** decrease is primarily due to the elimination of incentive payments for two outside companies (\$0.5 million) and partially offset by an increase in economic funding (\$0.1 million).

**5) Cultural & Recreational** increase primarily due to Parks taking over landscaping for Schools, ground maintenance for 8 fire stations, and site improvements for non-park properties including FEMA properties and cemeteries.

**6) Education** increase is due to:

- a) Increase in CFCC bonded debt (\$1.5 million) and funding for operating expenses (\$1.0 million).
- b) Schools operating will increase (\$0.7 million) to fund the increases in the retirement and health insurance for County-funded positions. This was offset by a reduction (\$0.5 million) due to the County directly funding School Resource Officer positions and (\$0.4 million) for the County to provide landscaping services.

**7) Debt Service** decrease is due to reductions (\$1.2 million) in the amount of Cape Fear Public Utility Authority debt held by NHC. (CFCC and Schools debt is classified as Education.)

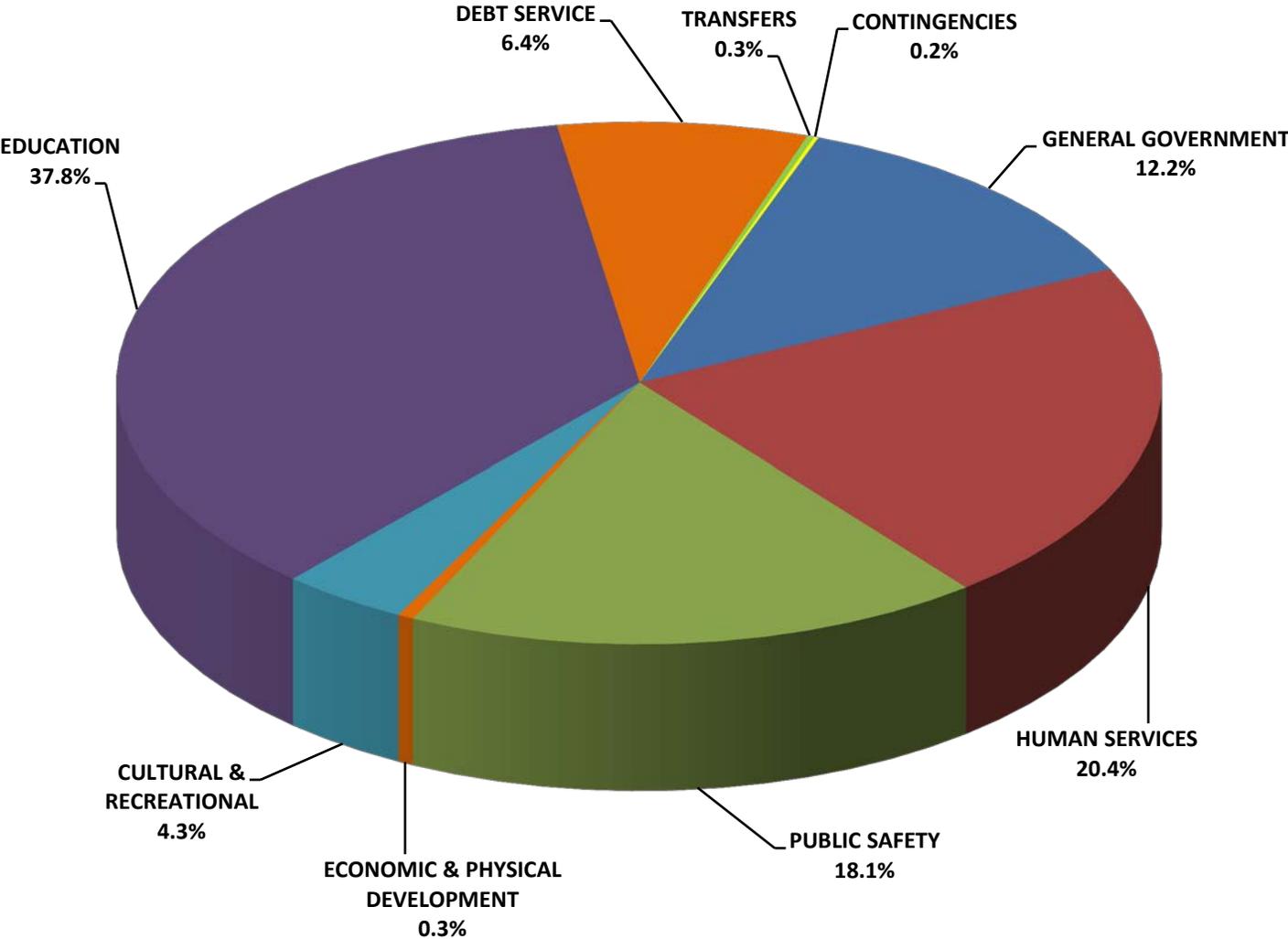
**8) Transfers** increase is due to increase in LEO<sup>1</sup> Pension and an increase in OPEB<sup>2</sup> transfers (\$0.1 million).

**9) Contingencies** reduced slightly, but remains significant given continued uncertainty about the impact of State actions on the County Budget.

1 LEO: The Law Enforcement Officer's Retirement System. Article 12E of G.S. Chapter 143 requires the County to contribute an amount equal to 5% of each law enforcement employee's salary.

2 OPEB: Other Post-Employment Benefits. The County provides post-employment healthcare benefits to retirees of the County provided they have at least five consecutive years of service with the County immediately prior to retirement. Employees may maintain the type of coverage in effect at the time of retirement; however, the retiring employee must make an election to continue or terminate coverage at the time of retirement and may not elect coverage at a future date.

**2012-2013  
ADOPTED BUDGET  
EXPENDITURES**



Expenditures for Education (37.8%) and Human Services (20.4%) 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**

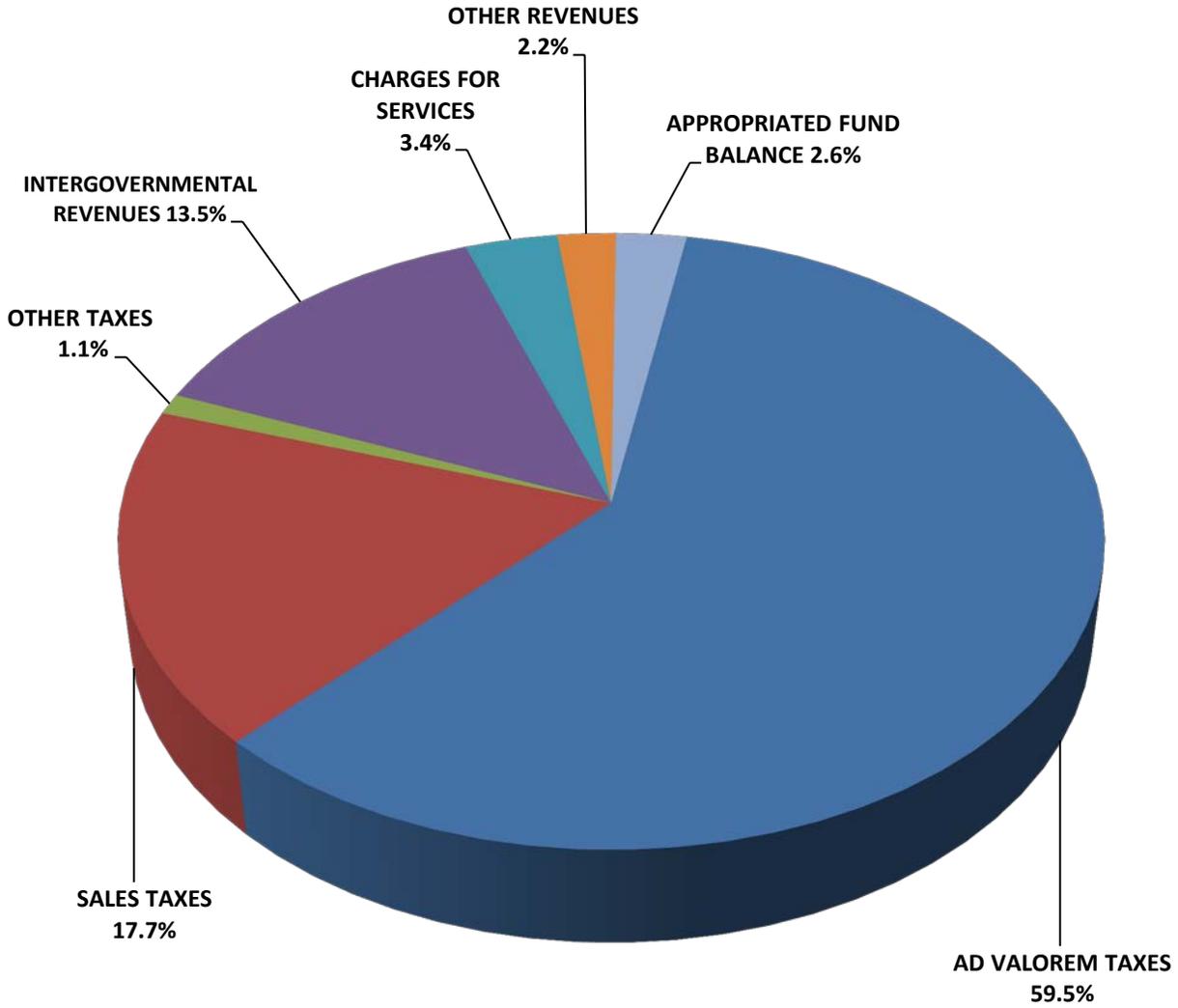
	FY11-12 ADOPTED	FY12-13 ADOPTED	PERCENT DIFFERENCE
<b>BUDGETED REVENUES:</b>			
AD VALOREM TAXES	\$ 156,967,697	\$ 160,084,721	1.99%
SALES TAXES	46,541,536	47,573,764	2.22%
OTHER TAXES	3,033,332	2,922,204	-3.66%
INTERGOVERNMENTAL REVENUES	37,471,061	36,431,646	-2.77%
CHARGES FOR SERVICES	8,598,148	9,175,479	6.71%
OTHER REVENUES	6,663,855	5,783,642	-13.21%
APPROPRIATED FUND BALANCE	3,000,000	7,000,000	133.33%
<b>TOTAL BUDGETED REVENUES</b>	<b>\$ 262,275,629</b>	<b>\$ 268,971,456</b>	<b>2.55%</b>

**EXPLANATION OF CHANGES:**

- 1) **Ad Valorem Taxes** are based on a revenue-neutral tax rate of 55.4 cents, an estimated base of \$29,002,500,000 and a 98.2% collection rate. The revenue-neutral tax rate allows for an annual average growth rate of 1.10% since the last revaluation.
- 2) **Sales Taxes** is based on a 4.5% growth from FY10-11 actual adjusted for changes in distribution.
- 3) **Other Taxes** decrease is primarily due to loss of revenue due to expiration of Cable Franchises.
- 4) **Intergovernmental Revenues** decrease is primarily due to Department of Social Services' \$0.6 million in Federal cuts to the TANF program; as well as continued decreases in state funding for administration and social work services; as well as loss of various grants. The decrease is also due to the loss of revenue received from the Schools for deputies, which is now offset in the County's Schools contribution.
- 5) **Charges for Services** increase is primarily due to increase in Sheriff's Office Civil Fees, which were increased by the state after the FY11-12 budget was adopted.
- 6) **Other Revenues** decrease was primarily due to a reduction in debt service repayments. Other revenues also include Miscellaneous Revenue<sup>1</sup>.
- 7) **Appropriated Fund Balance** of \$7 million is due to the County's strong financial health and desire to keep the ad valorem tax rate constant.

<sup>1</sup> Miscellaneous revenue includes funds from escrow accounts, Airport repayment, reimbursement from Cape Fear Public Utility Authority, lost books, copies of health/legal records, admission fees from Museum, and any other revenue that does not meet standard revenue classification.

**2012-13  
ADOPTED BUDGET  
REVENUES**



Ad Valorem Taxes (59.56%) together with the Sales Taxes (17.70%) comprise 77.26% of total County revenues. For greater detail, please see facing page.

**NEW HANOVER COUNTY  
NET COUNTY COST HUMAN SERVICES DEPARTMENTS**

DEPARTMENT	FY 11-12 ADOPTED	FY 12-13 ADOPTED	DOLLAR CHANGE	PERCENT CHANGE
<b>HEALTH</b>				
EXPENDITURES	\$ 14,547,974	\$ 12,765,167	\$ (1,782,807)	-12.3%
REVENUES	<u>7,844,062</u>	<u>6,973,943</u>	<u>(870,119)</u>	<u>-11.1%</u>
COUNTY \$ REQUIRED	\$ 6,703,912	\$ 5,791,224	\$ (912,688)	-13.6%
<b>SOCIAL SERVICES</b>				
EXPENDITURES	\$ 36,931,199	\$ 37,972,817	\$ 1,041,618	2.8%
REVENUES	<u>23,448,518</u>	<u>22,522,569</u>	<u>(925,949)</u>	<u>-3.9%</u>
COUNTY \$ REQUIRED	\$ 13,482,681	\$ 15,450,248	\$ 1,967,567	14.6%
<b>SOUTHEASTERN CENTER</b>				
EXPENDITURES	\$ \$ 1,925,584	\$ 2,135,584	\$ 210,000	10.9%
REVENUES	<u>92,000</u>	<u>92,000</u>	<u>0</u>	<u>0.0%</u>
COUNTY \$ REQUIRED	\$ 1,833,584	\$ 2,043,584	\$ 210,000	11.5%
<b>VETERAN SERVICES</b>				
EXPENDITURES	\$ 127,024	\$ 129,224	\$ 2,200	1.7%
REVENUES	<u>2,000</u>	<u>1,452</u>	<u>(548)</u>	<u>-27.4%</u>
COUNTY \$ REQUIRED	\$ 125,024	\$ 127,772	\$ 2,748	2.2%
<b>TOTAL COUNTY COST</b>	<b>\$ 22,145,201</b>	<b>\$ 23,412,828</b>	<b>\$ 1,267,627</b>	<b>5.7%</b>

**EXPLANATION OF CHANGES:**

- 1) The decrease in Health is primarily due to changes to Medicaid reimbursements, reductions to or elimination of self-funded programs, and the relocation of Animal Control to the Sheriff's Office where it was renamed Animal Services.
- 2) The increase at the Department of Social Services is primarily due to unfreezing five positions, additional capital investment for vehicles and replacement computers, and increases to Energy Assistance, Food Stamp, and Medical Transportation programs coupled with lower reimbursement levels.

**NEW HANOVER COUNTY  
NON-COUNTY AGENCY CONTRIBUTIONS**

	<b>FY10-11 ACTUAL</b>	<b>FY11-12 ADOPTED</b>	<b>FY12-13 REQUESTED</b>	<b>FY12-13 ADOPTED</b>
<b>HUMAN SERVICES:</b>				
A D R Center, Inc. (Teen Court)	\$ 12,150	\$ 12,150	\$ 15,000	\$ 12,150
American Red Cross (Cape Fear Chapter)	0	0	10,000	0
Blue Ribbon Commission (Youth Violence)	5,000	5,000	10,000	5,000
Brigade Boys & Girls Club	0	0	25,000	0
Cape Fear Literacy Council	4,050	4,050	10,000	4,050
Carousel Center	16,200	16,200	20,000	16,200
Coastal Horizons/Crisis Line/Open House	26,811	26,811	30,000	26,811
Coastal Horizons/Rape Crisis Center	8,937	8,937	10,000	8,937
Communities in Schools of Cape Fear	0	0	25,000	0
Community Boys & Girls Club of Wilmington	0	0	10,000	0
Domestic Violence Shelter & Services, Inc.	14,300	14,300	25,000	14,300
Dreams	0	0	0	10,000
Elderhaus, Inc.	44,613	44,613	49,074	44,613
Food Bank of Central & Eastern NC	4,050	4,050	10,000	4,050
Good Shepherd Center	8,100	8,100	50,000	8,100
Kids Making It, Inc.	0	0	25,000	5,000
LINC, Inc. (Leading into New Communities, Inc.)	0	0	25,000	0
Smart Start of New Hanover County	0	0	5,000	0
Susan G. Komen for the Cure	0	0	10,000	5,000
Ten Year Plan to End Chronic Homelessness	25,000	25,000	25,000	25,000
<b>TOTAL HUMAN SERVICES:</b>	<b>\$ 169,211</b>	<b>\$ 169,211</b>	<b>\$ 389,074</b>	<b>\$ 189,211</b>
<b>CULTURAL AND RECREATIONAL:</b>				
Arts Council for New Hanover County	\$ 0	\$ 0	\$ 25,000	\$ 0
Cameron Art Museum	0	0	10,000	10,000
Children's Museum	5,000	5,000	5,000	5,000
Cucalorus Film Foundation	0	0	6,000	6,000
<b>TOTAL CULTURAL AND RECREATIONAL:</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ 46,000</b>	<b>\$ 21,000</b>
<b>ECONOMIC AND PHYSICAL DEVELOPMENT:</b>				
Cape Fear Public Transportation Authority (WAVE)	\$ 206,566	\$ 132,939	\$ 334,000	\$ 250,000
Highway 17 Association	0	0	10,000	0
Keep America Beautiful of NHC <sup>1</sup>	0	0	8,100	0
Sister City Program	0	0	2,500	2,500
New Hanover Soil & Water Conservation District	45,500	45,500	65,000	40,000
Wilmington Downtown, Inc.	21,086	50,000	50,000	50,000
<b>TOTAL ECONOMIC AND PHYSICAL DEV:</b>	<b>\$ 273,152</b>	<b>\$ 228,439</b>	<b>\$ 469,600</b>	<b>\$ 342,500</b>
<b>MULTI-YEAR CONTRACTS:</b>				
Wilmington Business Develop/Committee of 100	\$ 134,160	\$ 134,160	\$ 134,160	\$ 134,160
Wilmington Regional Film Commission	109,585	109,585	109,585	113,092
<b>TOTAL MULTI-YEAR CONTRACTS:</b>	<b>\$ 243,745</b>	<b>\$ 243,745</b>	<b>\$ 243,745</b>	<b>\$ 247,252</b>
<b>MEMBERSHIPS:</b>				
Cape Fear Council of Government	\$ 25,788	\$ 25,788	\$ 25,788	\$ 25,788
Cape Fear Resource Conservation & Develop.	2,430	2,430	9,000	2,430
New Hanover Port, Waterway & Beach Comm. <sup>2</sup>	0	0	0	0
North Carolina Beach, Inlet & Waterway	2,000	2,000	0	2,000
Southeastern Economic Development	17,634	20,267	20,267	20,267
<b>TOTAL MEMBERSHIPS:</b>	<b>\$ 47,852</b>	<b>\$ 50,485</b>	<b>\$ 55,055</b>	<b>\$ 50,485</b>
<b>TOTAL:</b>	<b>\$ 738,960</b>	<b>\$ 696,880</b>	<b>\$ 1,203,474</b>	<b>\$ 850,448</b>

<sup>1</sup> Keep America Beautiful program absorbed in Parks, Gardens & Senior Resource Center.

<sup>2</sup> New Hanover Port, Waterway & Beach Commission will be funded from Room Occupancy Tax fund.



**NEW HANOVER COUNTY  
EDUCATION  
SUMMARY OF REVENUES & EXPENDITURES**

	<b>FY10-11 ACTUAL</b>	<b>FY11-12 ADOPTED</b>	<b>FY12-13 REQUESTED</b>	<b>FY12-13 RECOMMENDED</b>	<b>FY12-13 ADOPTED</b>
<b>New Hanover County Schools Fund</b>					
<b>EXPENDITURES:</b>					
Current Operating	\$ 61,808,440	\$ 61,808,440	\$ 62,536,740	\$ 61,661,740	\$ 61,661,740
Capital Outlay	-	750,000	750,000	750,000	750,000
<b>Total Current Expenditures</b>	<b>\$ 61,808,440</b>	<b>\$ 62,558,440</b>	<b>\$ 63,286,740</b>	<b>\$ 62,411,740</b>	<b>\$ 62,411,740</b>
<b>NHC Schools Debt Service</b>	<b>\$ 22,577,247</b>	<b>\$ 22,315,646</b>	<b>\$ 21,541,425</b>	<b>\$ 21,541,425</b>	<b>\$ 21,541,425</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 84,385,687</b>	<b>\$ 84,874,086</b>	<b>\$ 84,828,165</b>	<b>\$ 83,953,165</b>	<b>\$ 83,953,165</b>
<b>REVENUES:</b>					
Transfer from General Fund	\$ 75,453,657	\$ 72,507,489	\$ 74,061,036	\$ 73,463,260	\$ 73,463,260
Transfer 1/2 Sales Tax	8,840,818	9,266,597	9,022,165	9,109,336	9,109,336
Other	153,613	1,600,000	244,964	244,965	244,965
Appropriated Fund Balance	-	1,500,000	1,500,000	1,135,604	1,135,604
<b>TOTAL REVENUES</b>	<b>\$ 84,448,088</b>	<b>\$ 84,874,086</b>	<b>\$ 84,828,165</b>	<b>\$ 83,953,165</b>	<b>\$ 83,953,165</b>
<b>General Fund</b>					
<b>Cape Fear Community College Expenditures</b>					
CFCC - Contribution	\$ 5,841,767	\$ 6,191,767	\$ 8,706,153	\$ 7,191,767	\$ 7,191,767
CFCC Debt Service	5,600,698	10,412,761	11,873,103	11,873,103	11,873,103
<b>Total CFCC</b>	<b>\$ 11,442,465</b>	<b>\$ 16,604,528</b>	<b>\$ 20,579,256</b>	<b>\$ 19,064,870</b>	<b>\$ 19,064,870</b>

Comparison columns are from FY11-12 adopted to FY12-13 recommended.

Current amount for school operations includes an increase of \$675,000 for increase in retirement and health insurance cost for locally funded positions. This amount is offset for a decrease of \$821,700 for the County funding the School Resource Officers (\$467,151) and providing landscaping services to the School System (\$354,549).

Difference in the requested and recommended amount is the \$875,000 the School Board requested to fund a possible 2% increase for locally funded positions.

**NEW HANOVER COUNTY DEBT SERVICE FOR NEXT FIVE YEARS**

GENERAL FUND	Adopted						
	FY 11-12	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
<b>BONDED:</b>							
CFCC 2002 General Obligation Bonds (\$14.3 million issued)	686,450	686,450	0	0	0	0	0
CFCC 2004 General Obligation Bonds (Refunding)	1,276,594	1,276,594	1,228,833	1,181,305	1,133,034	1,085,045	1,352,020
CFCC 2005 General Obligation Bonds (Refunding)	1,283,049	1,283,049	1,235,801	1,192,389	1,146,329	1,100,613	1,530,244
Parks and Recreation Bonds 2008 (\$18 million issued)	1,418,325	1,418,325	1,384,575	1,354,575	1,317,075	1,290,825	1,262,700
CFCC 2009A General Obligation Bonds (Refunding)	738,317	738,317	1,296,425	1,252,778	1,208,309	1,163,062	774,901
CFCC 2010 General Obligation Bonds (\$70 million issued)	6,428,348	6,428,348	6,265,894	6,149,491	6,047,353	5,924,286	5,799,022
Parks and Recreation Bonds 2010 (\$17.5 million issued)	1,465,139	1,465,139	1,501,294	1,472,847	1,446,685	1,417,853	1,387,241
CFCC General Obligation Bonds (\$54 million authorized) Sept 2012	P 0	0	1,846,150	3,692,300	3,692,750	3,692,500	3,692,325
CFCC General Obligation Bonds (\$40 million authorized) March 2015	P 0	0	0	0	0	2,769,000	2,768,200
Sewer Construction-Water/Sewer 2003 Refunding <sup>1</sup>	1,158,750	1,158,750	0	0	0	0	0
<b>Total Bonded Debt Service - General Fund</b>	<b>\$14,454,972</b>	<b>\$14,454,972</b>	<b>\$14,758,972</b>	<b>\$16,295,685</b>	<b>\$15,991,535</b>	<b>\$18,443,183</b>	<b>\$18,566,653</b>
Principal portion of General Fund Bonded Debt	8,846,390	8,846,390	7,627,965	9,326,669	9,350,605	10,653,653	11,152,608
Interest portion of General Fund Bonded Debt	5,608,582	5,608,582	7,131,007	6,969,017	6,640,930	7,789,529	7,414,045
	<b>\$14,454,972</b>	<b>\$14,454,972</b>	<b>\$14,758,972</b>	<b>\$16,295,685</b>	<b>\$15,991,535</b>	<b>\$18,443,183</b>	<b>\$18,566,653</b>

<b>INSTALLMENT:</b>							
2001 Certificates of Participation - Jail, Parking Deck, Library	3,340,500	3,340,500	0	0	0	0	0
2003 Certificates of Participation - Administration Annex Building	506,188	506,188	495,219	483,844	467,594	451,344	435,094
2003 Certificates of Participation - Airport Improvements	411,469	411,469	398,475	0	0	0	0
2005A Certificates of Participation - Refunding-Library/Admin Bldg, LE Facility, School/Park Land Purchas	805,840	805,840	808,640	807,433	807,990	806,702	808,264
2005B Certificates of Participation - Refunding-Airlie Gardens, Judicial Building, Wilmington-Hanby Beach	971,250	971,250	971,250	4,159,500	3,991,125	3,818,125	3,645,625
138 North Fourth Street	89,700	89,700	89,700	89,700	89,700	89,700	89,700
911 Equipment-Radios	210,543	210,543	210,543	210,543	140,362	0	0
Phone System	101,594	101,594	0	0	0	0	0
2010 Refunding LOBS-2000 COPS-Airlie Gardens, Judicial Building, Wilmington-Hanby Beach	1,523,289	1,523,289	1,466,418	1,399,070	1,343,925	1,288,624	1,221,711
2010 Refunding LOBS-2001 COPS-Jail, Parking Deck, Library	717,932	717,932	3,929,921	609,572	615,297	620,037	626,016
2010 Refunding LOBS-Airport Customs Building	284,943	284,943	275,074	264,511	255,776	246,815	235,328
2010 Refunding LOBS-Public Safety Training Center	168,053	168,053	162,788	157,177	152,396	147,474	141,152
2010 Refunding LOBS-Jail Expansion Land	463,498	463,498	450,942	437,666	425,720	413,360	397,476
2010 Refunding LOBS-Government Center	668,244	668,244	640,721	611,050	587,789	564,062	533,658
2010 Refunding LOBS-800 mhz System	996,663	996,663	953,234	906,263	870,526	834,158	50,194
320 Chestnut Street Renovation	P 0	0	701,321	701,321	701,321	701,321	701,321
2003 Certificates of Participation - Brierwood, Kings Grant, Middle Sound <sup>1</sup>	1,992,106	1,992,106	1,954,475	1,915,450	1,859,700	1,803,950	1,748,200
2005A Certificates of Participation - Refunding-Sewer Projects <sup>1</sup>	910,949	910,949	914,115	912,750	913,380	911,924	913,689
<b>Total Installment Debt Service - General Fund</b>	<b>\$14,162,760</b>	<b>\$14,162,760</b>	<b>\$14,422,837</b>	<b>\$13,665,849</b>	<b>\$13,222,600</b>	<b>\$12,697,598</b>	<b>\$11,547,427</b>
Principal portion of General Fund Installment Debt	9,911,837	9,911,837	10,153,353	9,767,650	9,750,464	9,654,925	8,928,304
Interest portion of General Fund Installment Debt	4,250,923	4,250,923	4,269,484	3,898,199	3,472,135	3,042,674	2,619,123
	<b>\$14,162,760</b>	<b>\$14,162,760</b>	<b>\$14,422,837</b>	<b>\$13,665,849</b>	<b>\$13,222,600</b>	<b>\$12,697,598</b>	<b>\$11,547,427</b>

**Total Debt Service - General Fund** **\$28,617,732** **\$28,617,732** **\$29,181,809** **\$29,961,534** **\$29,214,135** **\$31,140,781** **\$30,114,080**

PUBLIC SCHOOLS FUND	Adopted						
	FY 11-12	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
<b>BONDED:</b>							
2002 General Obligation Bonds (\$14 million issued)	672,050	672,050	0	0	0	0	0
2003 General Obligation Bonds (Refunding)	2,252,250	2,252,250	0	0	0	0	0
2004 General Obligation Bonds (Refunding)	4,484,731	4,484,731	4,320,743	4,157,521	3,991,168	3,825,782	4,935,932
2005 General Obligation Bonds (Refunding)	945,402	945,402	910,589	878,602	844,662	810,976	1,127,547
2005 General Ob;igation Bonds (\$15 million fixed issued)	1,206,188	1,206,188	1,176,188	1,148,064	1,118,064	1,088,064	1,058,064
2005 General Ob;igation Bonds (\$15 million variable issued)	1,190,000	1,190,000	1,160,000	1,130,000	1,100,000	1,070,000	1,040,000
2007 General Obligation Bonds (\$50 million fixed issue)	4,305,000	4,305,000	4,198,750	4,092,500	3,992,500	3,892,500	3,792,500
2009 General Obligation Bonds (Refunding)	3,416,558	3,416,558	5,999,197	5,797,222	5,591,441	5,382,063	3,585,849
2009 General Obligation Bonds (\$43 million issued)	3,142,500	3,142,500	3,097,500	3,045,000	3,000,000	2,955,000	2,910,000
<b>Total Bonded Debt Service - Public Schools Fund</b>	<b>\$21,614,679</b>	<b>\$21,614,679</b>	<b>\$20,862,967</b>	<b>\$20,248,909</b>	<b>\$19,637,835</b>	<b>\$19,024,385</b>	<b>\$18,449,892</b>
Principal portion of Public Schools Fund Bonded Debt	13,553,610	13,553,610	13,447,035	13,423,331	13,389,395	13,351,347	13,342,392
Interest portion of Public Schools Fund Bonded Debt	8,061,069	8,061,069	7,415,932	6,825,577	6,248,440	5,673,039	5,107,500
	<b>\$21,614,679</b>	<b>\$21,614,679</b>	<b>\$20,862,967</b>	<b>\$20,248,909</b>	<b>\$19,637,835</b>	<b>\$19,024,385</b>	<b>\$18,449,892</b>
<b>INSTALLMENT:</b>							
2010 QSCB's	\$591,836	\$591,836	\$573,348	\$554,860	\$536,372	\$517,885	\$499,397
<b>Total Installment Debt Service - Public Schools Fund</b>	<b>\$591,836</b>	<b>\$591,836</b>	<b>\$573,348</b>	<b>\$554,860</b>	<b>\$536,372</b>	<b>\$517,885</b>	<b>\$499,397</b>
Principal portion of Public Schools Fund Installment Debt	328,383	328,383	328,383	328,383	328,383	328,383	328,383
Interest portion of Public Schools Fund Installment Debt	263,453	263,453	244,965	226,477	207,990	189,502	171,014
	<b>\$591,836</b>	<b>\$591,836</b>	<b>\$573,348</b>	<b>\$554,860</b>	<b>\$536,372</b>	<b>\$517,885</b>	<b>\$499,397</b>
<b>Total Debt Service - Public Schools Fund</b>	<b>\$22,206,515</b>	<b>\$22,206,515</b>	<b>\$21,436,315</b>	<b>\$20,803,770</b>	<b>\$20,174,208</b>	<b>\$19,542,269</b>	<b>\$18,949,289</b>

**NEW HANOVER COUNTY DEBT SERVICE FOR NEXT FIVE YEARS**

	Adopted						
	FY 11-12	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
<b>SPECIAL FIRE DISTRICT</b>							
<b>INSTALLMENT:</b>							
2003 Certificates of Participation - Federal Point Volunteer Fire Department	101,238	101,238	99,044	96,769	93,519	90,269	87,019
Ladder Truck	182,433	182,433	182,433	0	0	0	0
2010 Refunding LOBS-Public Safety Training Center	168,053	168,053	162,788	157,177	152,396	147,474	141,152
2010 Refunding LOBS-Murrayville Fire Station	305,377	305,377	297,104	288,358	280,487	272,344	261,878
Fire Engine/Fire Tankers (2)	322,244	329,979	322,244	322,244	0	0	0
Fire Engine	P 0	0	50,319	201,277	201,277	150,958	0
<b>Total Debt Service - Special Fire District</b>	<b>\$1,079,345</b>	<b>\$1,087,080</b>	<b>\$1,113,933</b>	<b>\$1,065,825</b>	<b>\$727,679</b>	<b>\$661,044</b>	<b>\$490,049</b>
Principal portion of Special Fire District Installment Debt	867,812	862,869	917,576	879,272	563,358	516,114	361,444
Interest portion of Special Fire District Installment Debt	211,533	224,211	196,357	186,553	164,320	144,930	128,605
	<b>\$1,079,345</b>	<b>\$1,087,080</b>	<b>\$1,113,933</b>	<b>\$1,065,825</b>	<b>\$727,679</b>	<b>\$661,044</b>	<b>\$490,049</b>
<b>ENVIRONMENTAL MANAGEMENT</b>							
<b>INSTALLMENT:</b>							
2005A Certificates of Participation - Refunding - Scrapper Pan-Landfill	35,037	35,037	35,159	35,106	35,130	35,074	35,142
Bulldozer and Loader -Landfill	171,362	171,362	171,363	0	0	0	0
2010 Refunding LOBS-2000 COPS-Baghouses-WASTEC	85,423	85,423	82,233	78,457	75,364	72,263	68,511
Compactor 826G-Landfill	P 316,870	316,870	261,993	261,993	261,993	0	0
Articulated Dump Truck-Landfill	P 66,796	66,796	66,796	66,796	66,796	66,796	66,796
New Bailer-Recycling-Decided not to purchase per Budget	45,644	45,644	0	0	0	0	0
<b>Total Installment Debt Service - Environmental Management Fund</b>	<b>\$721,132</b>	<b>\$721,132</b>	<b>\$617,545</b>	<b>\$442,352</b>	<b>\$439,284</b>	<b>\$174,133</b>	<b>\$170,449</b>
Principal portion of Environmental Management Installment Debt	631,687	631,687	548,692	391,049	402,837	150,740	153,510
Interest portion of Environmental Management Installment Debt	89,445	89,445	68,852	51,303	36,447	23,394	16,939
	<b>\$721,132</b>	<b>\$721,132</b>	<b>\$617,544</b>	<b>\$442,353</b>	<b>\$439,284</b>	<b>\$174,133</b>	<b>\$170,449</b>
<b>Total Debt Service - Environmental Management Fund</b>	<b>\$721,132</b>	<b>\$721,132</b>	<b>\$617,545</b>	<b>\$442,352</b>	<b>\$439,284</b>	<b>\$174,133</b>	<b>\$170,449</b>
<b>Total Debt Service - All Funds</b>	<b>\$52,624,723</b>	<b>\$52,632,458</b>	<b>\$52,349,602</b>	<b>\$52,273,481</b>	<b>\$50,555,305</b>	<b>\$51,518,228</b>	<b>\$49,723,866</b>

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.  
 FY11/12 \$4.1 million of CFPUA debt will be offset by a \$2.2 million transfer from CFPUA.  
 FY12/13 \$2.868 million of CFPUA debt will be offset by a \$968,000 transfer from CFPUA.





