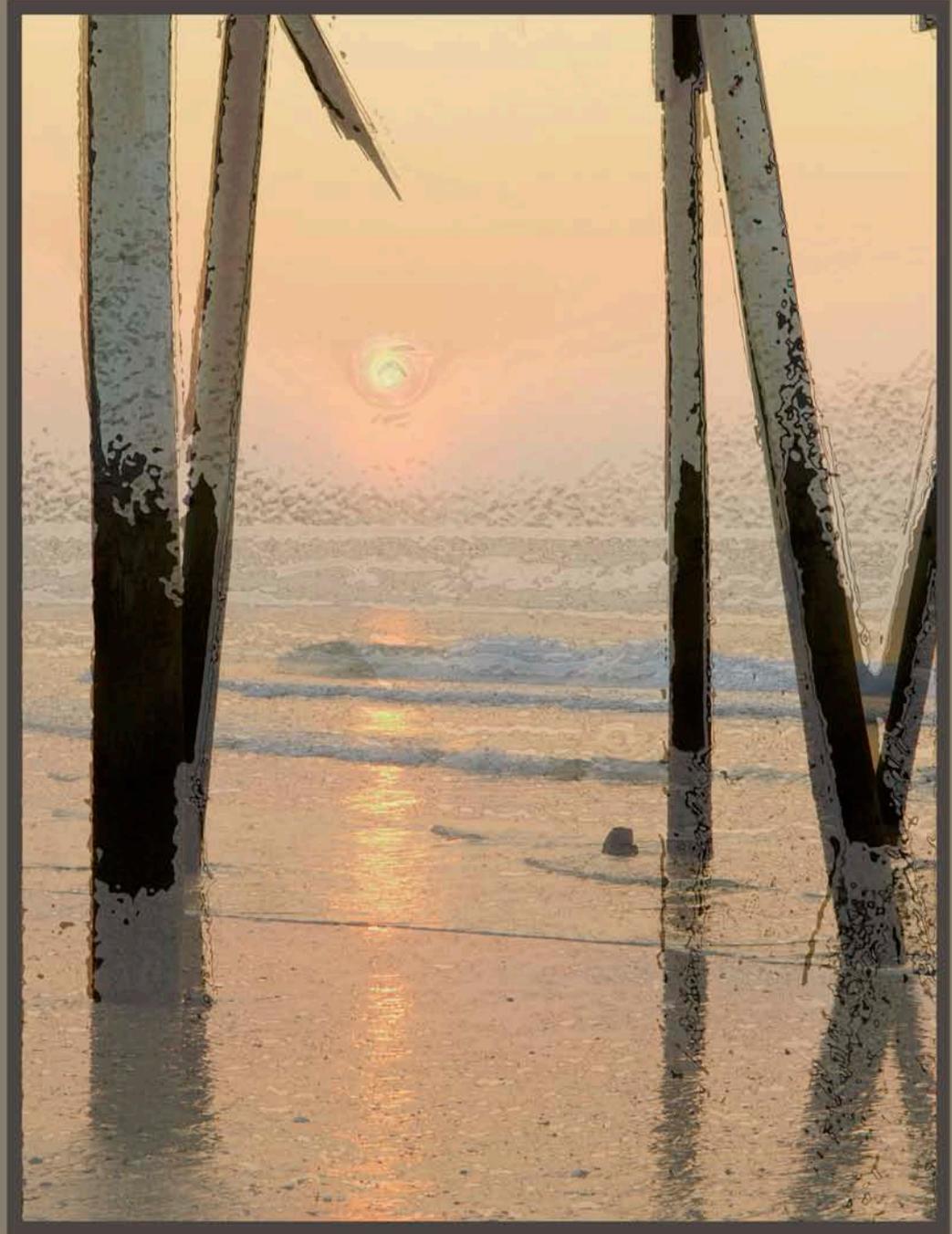


New Hanover County, North Carolina

Fiscal Year 2009-2010 Adopted Budget



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**NEW HANOVER COUNTY
ADOPTED BUDGET**

FISCAL YEAR 2009-2010

County Commissioners

Ted Davis, Jr., Chairman
Jason R. Thompson, Vice-Chairman
Robert G. Greer
William A. Caster
Jonathan Barfield, Jr.

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
Judith Seedorf, Administrative Support Specialist

230 Government Center Drive, Suite #191
Wilmington, North Carolina 28403

<http://www.nhcgov.com/AgnAndDpt/BUDG>

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

Mission Statement

*In partnership with our citizens,
the government of New Hanover County
is dedicated to promoting orderly growth,
while preserving the outstanding quality of life,
which has made our County
a desirable place to live and work.*

*The government of New Hanover County
will provide the necessary services
to protect the health, safety, welfare,
cultural resources, and environment of
citizens and business consistent with the
community's values, priorities, and
fiscal capacity.*

adopted by

The New Hanover County
Board of Commissioners

November 2001

**NEW HANOVER COUNTY
BOARD OF COMMISSIONERS AND OTHER ELECTED OFFICIALS
JUNE 30, 2009**

BOARD OF COMMISSIONERS



Ted Davis, Jr.
Chairman



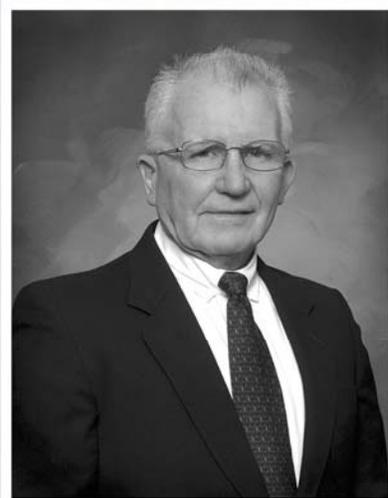
Jason R. Thompson, Jr.
Vice-Chairman



Robert G. Greer
Commissioner



Jonathan Barfield, Jr.
Commissioner



William A. Caster
Commissioner

OTHER ELECTED OFFICIALS

Jennifer H. MacNeish
Registrar

Edward J. McMahon
Sheriff



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

New Hanover County

North Carolina

For the Fiscal Year Beginning

July 1, 2008

President

Executive Director

Distinguished Budget Presentation Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award for distinguished Budget Presentation to New Hanover County for our annual budget for the fiscal year beginning July 1, 2008.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, an operational guide, a financial plan and a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements and we are submitting it to GFOA to determine its eligibility for another award.

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NEW HANOVER COUNTY

OFFICE OF THE COUNTY MANAGER
230 GOVERNMENT CENTER DR STE 195
WILMINGTON, NORTH CAROLINA 28403-1732
TELEPHONE (910) 798-7184
FAX (910) 798-7277

BRUCE T. SHELL, CPA
County Manager

DAVID F. WEAVER
Assistant County Manager

ANDRE' R. MALLETTE
Assistant County Manager

CHRIS COUDRIET
Assistant County Manager

June 22, 2009

To the New Hanover County Board of Commissioners and Citizens:

The Adopted Budget for Fiscal Year 2009–2010 is presented as follows:

The adopted tax rate is 45.25 cents; no increase from the FY08-09 tax rate. The FY09-10 budget is \$21 million, or 8%, less than the FY08-09 adopted budget. In addition to the County revenue being negatively impacted by the current economic conditions, the demand for services has increased, especially in the Human Services agencies. In addition to the County dealing with the effect of the economy on local revenues, actual or anticipated state reductions are impacting County and County-funded programs.

Chronology

In January 2008, an error was discovered in the tax base which resulted in a \$7 million shortfall in revenue. In October of 2008, the County initiated an expenditure reduction plan due to deteriorating economic conditions, which generated a \$1.6 million reduction in funding for County Departments, Schools, Cape Fear Community College and the Courts. In February 2009, a Budget Reduction Initiative was implemented, which included an Early Retirement Incentive Program, furlough, reduction in personal leave accruals for employees, reductions in force and reductions in operating and capital expenditures. An Economic Downturn Budget Reduction Plan for the remainder of FY08-09, as well as the FY09-10 budget, was presented to the Commissioners. The goal of the Plan, to adopt the FY09-10 Budget without a tax increase, was achieved.

Economic Downturn Budget Reduction Plan

The Plan was presented to the Commissioners at their March 16, 2009 budget work session. The Plan continues many of the steps implemented in FY08-09 through June 30, 2010. The FY09-10 budget is based on employees being required to take up to 10 furlough days, as well as a reduction in the rate of personal leave accrual. Three of the furlough days are designated. The County

FY09-10 Adopted Budget
Letter of Transmittal
June 22, 2009

will close non-emergency operations for an additional day for Labor Day, Memorial Day and Good Friday holidays, which will reduce utility costs. Positions vacated due to retirements, normal turnover or the reduction in force will be frozen through FY09-10.

New Hanover County Schools, Cape Fear Community College and Southeastern Center were requested to submit their FY09-10 funding requests below their FY08-09 funding level. All County operations were reviewed to identify where funding could be reduced. Some of these reductions impact services to the public. The plan is projected to save approximately \$12 million dollars in FY09-10.

The Emergency Management and Public Safety (911) Communications Center Departments were combined into Emergency Management and 911 Communications effective June 1, 2009.

During FY08-09, the Engineering and Public Services Department was established to provide greater services to the citizens.

Two Department Heads who retired are not funded in this budget. Assistant County Managers assumed responsibility for supervising the Senior Resource Center (formerly the Department of Aging) and Human Resources Departments. The Human Relations Department was eliminated.

Services to the public will be impacted by the Economic Downturn Budget Reduction Plan. Every effort has been made to minimize the impact on services to the public; but, with the ongoing reduction in funding, services have been impacted and will continue to be affected in the future.

Library hours will be reduced effective July 1, 2009. Some of the furlough days in FY09-10 will be countywide, resulting in the County Offices being closed. Two senior nutrition sites were closed. These sites had fewer clients than is recommended for a viable site and the clients will be provided transportation to the Senior Center congregate meal site where they will receive a variety of services not available at the smaller sites.

GENERAL FUND

Public Schools:

Funding for the Schools provides \$61.9 million for current operations and \$22.4 million for debt service. The Schools requested funding above this level for utilities for a new school in the amount of \$212,128 and new buses costing \$198,000. This budget does not accommodate that request.

The County and the City of Wilmington are working to share the funding of the Safe Light program, which should be operational during the first part of FY09-10. The County's contribution to the program of \$200,000 has been deducted from the Schools funding, since the revenue from the program should exceed \$200,000 and will be utilized by the Schools. The Schools can use the revenue from the Safe Light program to fund operational expenses. Total funding for the Schools operation and debt service is \$3 million less in FY09-10 than the FY08-09 adopted budget.

Cape Fear Community College (CFCC):

Funding of \$5.8 million is included for Cape Fear Community College's operations, a decrease of \$0.3 million from FY08-09. In addition to the direct contribution to Cape Fear Community College, \$3.9 million will be expended for debt service in FY09-10, for a total of \$9.7 million. Debt service for the 2005 bond referendum does not impact the FY09-10 budget.

Personnel Issues:

A total of 104 positions were frozen and 10 eliminated as part of the Economic Downturn Budget Reduction Plan and cessation of grant funding. Frozen positions, as well as any positions that become vacant, will be evaluated for essentiality to the delivery of services.

13 positions were requested in the General Fund but none were recommended or approved.

County employees will be required to take up to 10 furlough days and their personal leave accrual rate will be reduced by 5 days.

The County's contribution to health insurance remains constant. The employees have the option of paying more for their current coverage or paying the current amount for a reduced plan.

Contingencies:

Funds in the amount of \$90,000 are included in the Contingency Account.

Revenues:

The FY09-10 tax base is estimated to be \$33.7 billion. This is an increase of less than 1% from FY08-09 base. The value of a penny is \$3.3 million.

FY09-10 Adopted Budget
Letter of Transmittal
June 22, 2009

Revenue from sales tax is expected to decrease \$11.4 million, or 22.3%, between the FY08-09 adopted budget and FY09-10 adopted budget. The reduction is due to a projected decrease in sales tax receipts of 6.5% due to the economic conditions and reductions in sales tax due to the legislated Medicaid Sales Tax swap. \$3 million of the \$11.4 million projected decrease is due to economic conditions and \$8.4 million is due to the Medicaid Swap created by the North Carolina General Assembly.

FY09-10 Inspections revenue is anticipated to be \$550,000 less than the FY08-09 adopted amount. In addition to a 27% decrease in staffing, reductions have been taken in the operating budget.

FY09-10 Register of Deeds revenue is anticipated to be \$1.6 million less than the FY08-09 adopted amount. In addition to a 25% reduction in staffing, reductions have been made in operating expenses.

The revenue estimates in the budget are realistic but not conservative. Major shifts in economic conditions or legislative actions will impact the budget.

Medicaid:

This three-year phase out, which began during FY07-08, results in the counties being relieved of the Medicaid burden effective July 1, 2009. The state has gradually assumed the Article 44 sales tax to help pay for the additional costs being incurred. Counties are required to reimburse municipalities for their loss of Article 44 sales tax, including growth. The ongoing requirement to reimburse municipalities will impact future budgets if the legislation remains the same.

In FY09-10, the County will have a positive benefit from the Medicaid Sales Tax swap of \$1.3 million. Under the current assumptions, New Hanover County sales tax is projected to fall \$1.3 million between FY09-10 and FY10-11 due to adjustments in sales tax with no offsetting year to year change in Medicaid, since Medicaid funds are not appropriated in FY09-10.

Additional ¼ Cent Sales Tax:

The Commissioners have expressed an interest in presenting a non-binding referendum to the voters in the fall of 2009 for an additional ¼ cent sales tax. If approved, the revenue would not impact the FY09-10 budget. The Legislature did not provide for these funds to be shared with municipalities.

Fund Balance:

\$1.9 million of the County fund balance is appropriated. This is a reduction of \$4.1 million from FY08-09 adopted budget. \$500,000 of this amount is a result of the projected savings from reducing the employees' accrual rate. The County is in good financial health, but the error in the tax base and current economic conditions have reduced the unreserved/undesignated fund balance below the County's goal of 16.67%.

The County has established as its goal to have no less than two months, or 16.67%, of expenditures in available fund balance – a goal that more than meets the North Carolina Local Government Commission's recommended minimum of 8%. The estimated available fund balance on June 30, 2009 exceeds the required 8% as established by the Local Government Commission. As the General Fund has grown over time, the dollar value of the General Fund balance needed to maintain the established percentage fund balance goal has also grown. This appropriation of fund balance will not jeopardize the strong financial position of the County.

ENVIRONMENTAL MANAGEMENT FUND

The Environmental Management Fund is balanced with a \$55.65 tipping fee, an increase of \$4.65 from the current FY08-09 tipping fee of \$51. The 9.1% increase in the tipping fee is necessary to eliminate additional Inter-fund loans to the Environmental Management Fund and to pay for indirect costs for services provided by the General Fund to the Environmental Management Fund.

This budget is based on the assumption that during FY09-10, there will be significant changes in the fund. A decision will be made concerning turning operations over to a private firm, changing operations or continuing operations with the County. Regardless of which operational approach is ultimately selected, \$2 million will be needed to construct a new Landfill cell (cell 6D) in FY09-10, and steps will need to be taken to reimburse the General Fund for funds that have been borrowed due to deficits in the operations of the Environmental Management Fund over the past several years. It is estimated that the balance due the General Fund will be less than \$5 million as of June 30, 2009.

SPECIAL FIRE SERVICE DISTRICT FUND

The tax rate of 6 cents is approved for the Fire Service District; a 1 cent increase from the FY08-09 tax rate.

The ad valorem tax base in the Fire Service District is estimated to be \$12.6 billion. Based on this estimate, each penny of the tax rate will be worth \$1.2 million.

10 new positions are approved to augment staffing throughout the system and funding is included for debt service on an additional fire truck. In FY08-09, paid staff was placed at the Porter's Neck Fire Station. In addition, on April 1, 2009, New Hanover County Fire Services assumed operational responsibilities for the Fire Station in Ogden and the Porters Neck Fire Station. The Murrayville Fire Station is projected to open August 1, 2009.

Capital Improvement Program:

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

ACCOMPLISHMENTS

Summarized below are a few of the many items the County has accomplished during the previous fiscal year.

Administration - County Manager

The County Manager's Office implemented an Economic Downturn Budget Reduction Plan to protect the County's financial health during one of the most difficult economic conditions since the Great Depression.

Airlie Gardens

Airlie Gardens completed a project that provides paved roadways within the gardens, as well as bringing walkways into compliance with the Americans with Disabilities Act. The project provides a continual hard surface loop through the property improving accessibility for emergency vehicles.

Budget

The Budget Department was awarded the *Distinguished Budget Presentation Award* from the Government Finance Officers Association (GFOA) for the 18th consecutive year.

Environmental Management

Environmental Management held successful electronic recycling and Hazardous Waste Collection Days to keep inappropriate items from being disposed of in the Landfill.

Finance

The Finance Department was awarded the *Certificate for Excellence in Financial Reporting* from the Government Finance Officers Association (GFOA) for the 29th consecutive year.

Fire Services

New Hanover County assumed operational responsibilities for the Fire Station at Ogden and Porters Neck. The Murrayville Fire Station is near completion.

Governing Body - County Commissioners

The County led the nation in the conversion to Digital TV in September.

Health Department – Animal Control

New Hanover County Animal Control, area veterinarians and Pre-Veterinary Medical Associates at UNC-Wilmington provided a free and low cost rabies vaccination clinic for low income citizens.

Human Resources

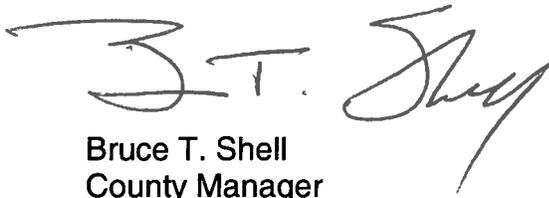
The Human Resources Department continued a wellness program for County employees, including the first step of offering health assessments to identify undetected health risks and encourage a healthier life style, which may help contain health insurance costs.

FY09-10 Adopted Budget
Letter of Transmittal
June 22, 2009

Future Concerns:

I presented this budget during one of the most difficult economic conditions since the Great Depression. Revenue estimates are the best projection that can be made at this point in time. Staff will continue to monitor the budget during FY09-10 to adjust for any changes. Significant funding cuts have been made to the County Departments and organizations funded by the County. Our employees continue to serve this great organization with honor and dedication. The staff and I look forward to working with you during FY09-10.

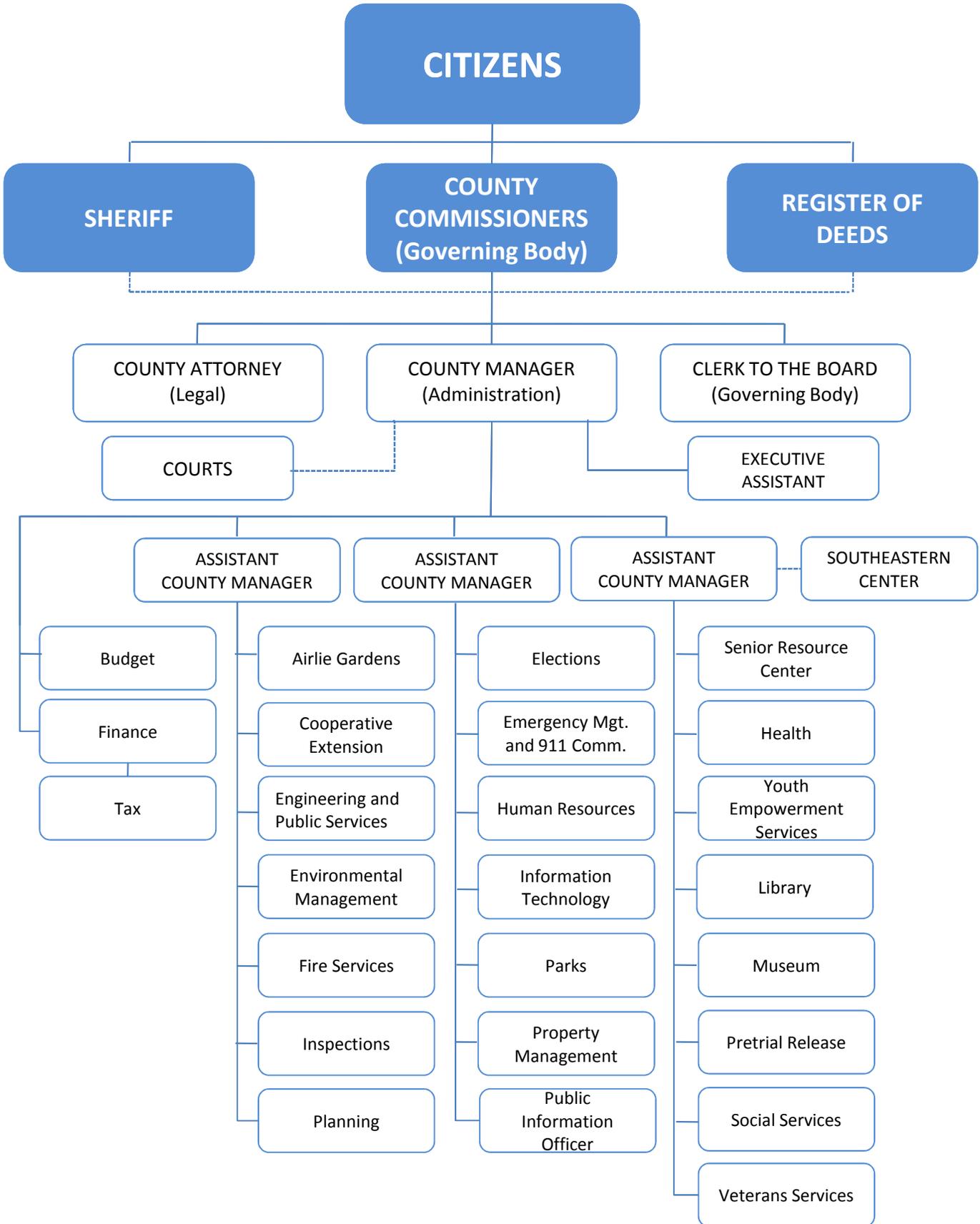
Sincerely,

A handwritten signature in black ink, appearing to read "B.T. Shell". The signature is written in a cursive style with a large, sweeping initial "B".

Bruce T. Shell
County Manager



NEW HANOVER COUNTY
ORGANIZATIONAL CHART



**NEW HANOVER COUNTY
POSITION SUMMARY BY FUNCTION**

	ADOPTED FY05-06	ADOPTED FY06-07	ADOPTED FY07-08	ADOPTED FY08-09	ADOPTED FY09-10
General Fund:					
Cultural & Recreational	108	110	115	117	117
General Government	238	243	248	263	276
Human Services	486	497	517	524	517
Public Safety	523	530	546	553	537
Total General Fund	1355	1380	1426	1457	1447
Other Funds:					
Environmental Management	72	73	88	88	88
Fire Service	55	56	74	79	95
Water & Sewer	55	64	64	0	0
Total Other Funds	182	193	226	167	183
TOTALS	1537	1573	1652	1624	1630

With the formation of Engineering and Public Services, 13 positions were transferred from the Public Safety (Inspections Department) to General Government. 104 positions are frozen in the General Fund.

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 FY09-10:

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

**NEW HANOVER COUNTY
COUNTYWIDE GOALS**

- **Provide Prompt, Courteous, and Professional Services to the Citizens of New Hanover County.**
- **Provide a Safe Community for All New Hanover County Citizens.**
- **Continue Investing in Technology for Citizens to Easily and Efficiently Conduct County Business.**
- **Protect the Environment and the Quality of Life Enjoyed by New Hanover County Citizens.**
- **Ensure the Health and Welfare of all New Hanover County Citizens.**
- **Ensure Equality for All New Hanover County Citizens.**
- **Provide for the Educational, Cultural, and Recreational Needs of the Community.**
- **Ensure the Financial Stability and Legal Protection of the County.**
- **Promote Sound Economic Growth.**

BUDGET PROCESS AND PROCEDURES

THE BUDGET AS A DYNAMIC LEGAL DOCUMENT

The adopted budget is a formal legislative enactment by the Board of Commissioners. It has the full force and effect of law within the County boundaries, unless it is in conflict with any higher form of law; such as, a state statute or constitutional provision. The intended purpose of the adopted budget is to be a flexible document representing the appropriated revenue and expenditure data dependent on the phase of the budget cycle. It establishes the legal framework for the financial operations of the County for the current year.

The current Adopted Budget Document presents financial data in the following formats: a) audited actual data for FY07-08; b) adopted budget figures for FY08-09; and c) requested, recommended, and adopted budget figures for FY09-10.

SYNOPSIS OF FY09-10 BUDGET PROCESS

The Board of County Commissioners is required to adopt an annual budget ordinance: a) no earlier than 10 days after receiving the budget, b) prior to July 1, and c) after a public hearing. The FY09-10 Budget was adopted on June 22, 2009.

For FY09-10, the County Manager submitted a Recommended Budget with a tax rate of 45.25 cents. The FY09-10 proposed tax rate of 45.25 cents was the same as the adopted tax rate in the previous budget for FY08-09. The Recommended Budget was filed for public inspection with the Office of the Clerk to the Board, New Hanover County Libraries, and on the County's website: <http://www.nhcgov.com/AgnAndDpt/BUDG>). The County Commissioners accepted the recommended rate of 45.25 cents and adopted the proposed budget ordinance.

A flow chart highlighting details of the annual process and a complete budget calendar can be found on Pages 16 and 17.

OVERVIEW OF PROCESS

The budget process is how resources are assigned to the goals, objectives, and priorities set forth by the Board of Commissioners. The County operates under an annual budget with a fiscal year period of July 1 through June 30. The County Manager recommends to the Board of Commissioners an operating budget for consideration and adoption.

The following section outlines the process and procedures that guide the preparation and management of the County's annual budget. This overview includes the foundations upon which the budget process is anchored.

All funds (except for capital projects, trust and agency funds) are included in the annual budget ordinance and receive annual appropriations. All funds included in the annual budget are required to balance. As such, total anticipated revenues must equal the sum of budgeted expenditures for each fund in order for the budget to be considered balanced.

BUDGET PROCESS AND PROCEDURES CONTINUED

The County's budget process requires a balancing of needs and resources in every division of the County. The Board of Commissioners has established 9 countywide goals, which each department uses to develop their service plans for providing County services. Each department further defines and correlates their unique departmental goals to the applicable respective countywide goal(s). The Departments establish performance measures and desired attainment for the coming fiscal year. This is a crucial aspect of the budget process.

HIGHLIGHTS OF THE ANNUAL BUDGET REVIEW PROCESS

Development of Budget Calendar

Preparation of the annual budget begins approximately 9 months prior to the start of the fiscal year with the development of the budget calendar. The budget calendar provides projected dates and items that must be completed to meet the mandatory budget adoption.

The calendar is updated and revised as the budget process moves forward to reflect new challenges or requests. It is a primary communication tool of the process. The calendar is published to the web and updates provided by e-mail. Every effort is made to ensure stakeholders are aware of budget deadlines and time frames.

Development of Budget Guidelines and Instructions

The budget staff prepares a new budget manual, with instructions for each annual budget process, to help ensure the budget is prepared in a manner consistent with current County policies or restrictions that may be new to each budget year. The budget manual includes all instructions, forms, and information specific to the current budget year. Each department receives the manual, as well as required training in the budget process. The budget manual is prepared based on the departments' perspective in their budget submission.

Information for Outside Agencies desiring to apply for funds is posted to the web for their review and download.

Budget Preparation and Review

Budget staff begins data compilation and review of entered data. Multi-year revenue and expenditures projections are completed to determine growth in revenues and expenditures. Budget responds to issues and concerns that arise in the context of the budget process.

The Budget Director works with the County Manager and Assistant Managers to develop a budget within the parameters set by Commissioners and responds to the Commissioners or Managers with any additional requirements.

BUDGET PROCESS AND PROCEDURES CONTINUED

Budget Review, Discussion, Modification and Adoption

The Recommended Budget is presented by the County Manager to the Board of Commissioners. The Recommended Budget is filed for public inspection with the Office of the Clerk to the Board, New Hanover County Libraries, and on the County's website: (<http://www.nhcgov.com/AgnAndDpt/BUDG>). Numerous work sessions are held throughout the process.

The Commissioners also conduct a public hearing to receive community input. Additional work sessions may be held after the public hearing, whereby staff receives further input from the Board of Commissioners. Modifications, if necessary, are made and the budget is submitted for adoption as a budget ordinance on the agenda prior to July 1.

BUDGET ADMINISTRATION

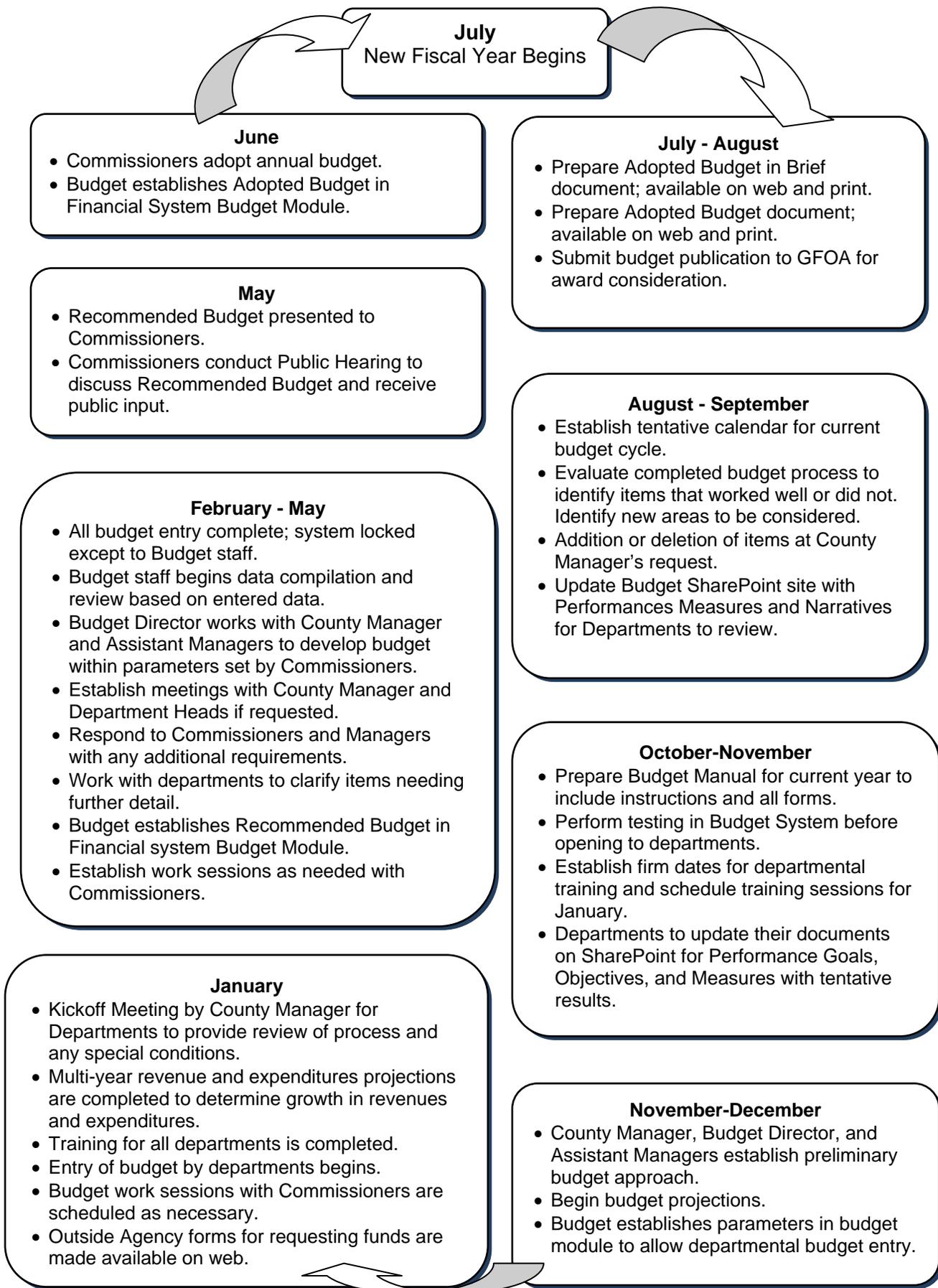
The County maintains budgetary controls through the County's computerized accounting system to ensure compliance with legal provisions. This system verifies availability of funds whenever a department requests a purchase order or processes a payment. The system may verify at the appropriation level or other level. If an expenditure is charged against a category which does not have adequate remaining funds, the expenditure is rejected by the automated system and the department is notified of the deficiency. The department may then propose a budget revision to shift funds to correct the deficiency.

The Budget Department monitors expenses and revenues, adjusts budgets as needed, and prepares reports for the County Manager as needed during the fiscal year.

The following procedures are used to amend the budget:

- When the overall departmental budgets remain unchanged, Department Heads are authorized to transfer budgeted line items between appropriation units within their departments.
- The County Manager, or his designee, is authorized to make transfers between appropriation units within a budget function and to make transfers up to \$2,500 between budget functions as they appear in the budget ordinance. Transfers between budget functions must subsequently be reported to the Board of County Commissioners. The County budget functions are: General Government, Human Services, Public Safety, Economic and Physical Development, Cultural and Recreational, Education, Transfers, Debt Service, and Other.
- The Board of County Commissioners must approve all other budget transfers before they become valid.

ANNUAL BUDGET PROCESS FLOW CHART



BUDGET CALENDAR FOR FISCAL YEAR 2009-2010

2008

Fall/Winter Meet with Commissioners on FY09-10 budget.

December 15 Departments have completed establishing performance measures for FY09-10. FY07-08 actual and FY08-09 estimated amounts have been completed (except for those Departments who track performance measures on a calendar year).

Notify by the NHC Website and NHC-TV that FY09-10 Outside Agency funding request forms are available for completion on-line.

2009

January 9 FY09-10 Budget Kickoff (Budget Process Manuals available on the Intranet).

January 12 – 16 Budget Training Sessions (mandatory for all budget keying personnel).
Optional Budget Entry “Computer Lab Sessions.”

**January 12 -
February 4** Entry period of FY09-10 budget requests into MUNIS.
All budget requests completed by Departments and entered into MUNIS (except for DSS and Schools).

January 30 Outside Agencies Applications for Funding Requests due to BUDGET

February 4 Forms due to BUDGET (forms available on the Intranet):

- New Positions Requests
- Temporary Salary Requests (include board member pay, if applicable)
- Overtime Salary Requests
- On-Call Salary Requests
- Capital Outlay Requests
- Capital Improvement Projects Requests

**February 23 -
March 13** County Manager meets with Individual Departments on FY09-10 Budget (voluntary).

May 14 Recommended FY09-10 Budget to Board of County Commissioners (informally).

May 18 County Manager Presents FY09-10 Recommended Budget at Board of County Commissioners Meeting.

Commissioners Establish FY09-10 Budget Work Sessions.

FY09-10 Recommended Budget Information to Departments and Non-County Agencies.

June 1 Public Hearing on FY09-10 Budget.

June 22 Adopt FY09-10 Budget.

July 7 Departments update FY08-09 Accomplishments for the 4th quarter and finalize.

FINANCIAL AND BUDGETARY POLICIES

COMMITMENT TO SOUND FINANCIAL MANAGEMENT

New Hanover County has a long-standing commitment to sound financial management. The County's financial and budgetary policies provide the framework for fiscal management and financial decisions of the County. These policies receive regular updates to ensure their continued usefulness as a guide for decision making. The sound financial management of the County's resources is achieved by the County Manager following the consistent and coordinated approach provided by the financial and budgetary policies. This section of the budget document provides an overview of the financial and budgetary parameters used by the County in their daily operation. Four factors make this prudent financial planning imperative:

- Public demand for services and facilities in a rapidly urbanizing County environment tends to escalate at a more rapid rate than population growth and revenues.
- State and federal mandates for services and standards are often not accompanied by sufficient funds to provide the required services or to meet imposed standards.
- Changes in national or local economic conditions can impact the revenue base.
- The Board of Commissioners desires to use all of its public funds in the most efficient manner, fully maximizing the use of public monies in the best interest of the public.

COUNTY BOND RATING

The County's long-term financial goal is to achieve and maintain a high bond rating. Some factors required for a high bond rating, such as, a stabilized rate of population growth and diversification of the County's tax base, can be influenced but not controlled by County government. However, the County government should ensure that the factors under its control and the quality of its financial and overall management meet the standards required of highly-rated communities. The County, through its adoption of the Financial and Budgetary Policies, ensures that the characteristics of the County's financial operation enable and move the County toward achieving and maintaining a high bond rating. The County's current bond rating with Moody's Investor Service is Aa1 and with Standard and Poor's Corporation is AA+.

ADOPTED POLICIES AND PROCEDURES

The County's financial and budgetary policies include the following:

Fund Balance

- The Finance Director will maintain a minimum level of fund balance available for appropriation in the General Fund. The North Carolina State Treasurer defines this minimum as 8% of the prior year's expenditures in the fund.
- The Board of County Commissioners formally established a County goal to maintain a minimum fund balance available for appropriation in the General Fund of 16.67% of the prior year's expenditures in the fund.

FINANCIAL AND BUDGETARY POLICIES CONTINUED

Annual Budget

- The Annual Budget and adopted Budget Ordinance for the County shall be the basis for the financial plan for the budget year. The budget will be prepared and presented in conformity with the North Carolina Local Government Budget and Fiscal Control Act under General Statute Chapter 159, Article 3.
- The adopted budget will include all funds except Capital Project Funds and Trust and Agency Funds, with each fund individually balanced.
- The County will operate under an annual balanced budget ordinance in which the sum of estimated net revenues and appropriated fund balances are equal to appropriations. The budget ordinance will cover a fiscal year beginning July 1 and ending June 30 and will be adopted no later than July 1.
- An annual meeting will be scheduled with the Board of County Commissioners to inform them of major budgetary issues and policies and to request their guidance and advice in the development of the annual budget. The meeting will be scheduled prior to the beginning of the budgeting process.
- The budget will include only estimated revenues reasonably expected to be realized in the budget year.
- At least 10 days shall pass between submission of the recommended budget and adoption of the ordinance. A public hearing will be held prior to adoption of the ordinance.
- Legally available fund balance (Appropriated Fund Balance) can be used in balancing the annual budget when sufficient funds are available.
- The County will maintain an annually budgeted contingency reserve to provide for unanticipated expenditures of a non-recurring nature. This reserve is limited by law to 5% of the total appropriation in a particular fund.
- In order to account for the payments by fiscal year in which payments are made, the following statement is included as part of the budget ordinance adopted by the Board of Commissioners: the amount of outstanding purchase orders and unexpended grants shall be added to each appropriation as it appears in the adopted budget.
- Included in the budget ordinance is a statement regarding the status of any interfund loan amounts and the parameters of each loan.
- The County Manager, or the Budget Director as the County Manager's designee, is hereby authorized to transfer appropriations under the following conditions:
 - He/she may transfer amounts between expenditure line items within a department without limitation and without a report being required.
 - He/she may transfer amounts between appropriation units within the same budget function and fund without limitation and without a report being required.
 - He/she may make transfers up to \$2,500 between budget functions within the same fund. These transfers must be subsequently reported at the next regular meeting of the Board of Commissioners.
 - He/she may not transfer any amounts between funds or from the General Fund contingency appropriation without approval by the Board of Commissioners.

FINANCIAL AND BUDGETARY POLICIES CONTINUED

Revenues

- It is the goal of the County to set fees and charges at a level sufficient to cover the cost of the associated programs or activities. However, where the public interest is better served, fees and charges are set lower than actual program cost.
- Fees and charges are reviewed annually and recommendations are made to adjust the fee/charge based on current cost or market conditions.
- The methods for prompt billing, collection, depositing, and reporting of revenues are examined annually to determine if quicker and more efficient means of revenue realization are possible.
- Moneys due to the County, either by another governmental agency or by an individual, shall be promptly billed, collected, and deposited. The Finance Director shall monitor the status of all uncollected moneys owed to the County and implement measures to collect any and all delinquent accounts, except as otherwise provided by law.

Cash Disbursements

- The method in which appropriations and other available resources are expended shall be performed pursuant to General Statute 159-28(b).
- Billings to the County for goods received or for services rendered shall not be paid early or late but on the discount date or the due date to the extent practicable.
- A system of inventory and supply controls is to be established and maintained to ensure that the materials on hand will remain at levels necessary to conduct business without being excessive.
- To the extent practical, all payments to a particular vendor will be consolidated rather than issuing separate checks for each billing.
- A cost-effective disbursement cycle shall be established to create the maximum amount of funds available for investment, while at the same time ensuring all bills are paid by their due date. The disbursement cycle shall be reviewed periodically and changes made when appropriate.
- Payroll disbursements are to be made bi-weekly. All payroll taxes shall be submitted on the due date.

Cash Receipts

- Except as otherwise provided by law, all taxes and other moneys collected or received by the County will be deposited in an official depository in accordance with North Carolina General Statute 159-32.
- Moneys received shall be deposited daily in the form and amounts received, except as otherwise provided by Statute. These moneys shall be deposited in such a manner as to receive the current day's credit.
- All moneys received by the County from the state shall be wired through the Governmental Moneys Transfer System (GMTS) in order to ensure immediate investment of those moneys on the transfer date.

FINANCIAL AND BUDGETARY POLICIES CONTINUED

Investments

- The Finance Director shall report monthly to the County Manager concerning the status of investments and the collateralization of the moneys.
- The County shall remain 100% invested at all times with the exception of moneys held out for petty cash and change purposes.
- The position of the cash concentration account is to be reviewed daily and any and all excess deposits are to be invested. This necessitates the cash concentration account being at least in the form of an interest bearing account. Eligible investments shall be limited to obligations allowed under North Carolina General Statute 159-3.
- The State Treasurer enforces standards of minimum capitalization for all pooling-method financial institutions. The County relies on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.
- The County shall utilize a third party custodial agent for book entry transactions, all of which shall be held in the County's name. The custodial agent shall be a trust department authorized to do trust work in North Carolina who has an account with the Federal Reserve. Certificated securities shall be in the custody of the Finance Officer.
- The investment portfolio shall be properly diversified in order to minimize risks brought on by economic and market changes. To achieve this diversification:
 - No more than 50% of the County's moneys shall be invested in a particular investment vehicle.
 - No less than 30% of the total investment portfolio shall mature within 30 days. No less than 75% of the portfolio shall mature in 180 days and 100% of the portfolio shall mature within 3 years. The Finance Director may, at his/her discretion, allow a variance in the minimum portfolio percentages required to mature within 30 and 180 days if market conditions dictate and adequate cash balances are maintained.
 - No more than 50% of the County's total moneys shall be invested in a single institution, unless specifically exempted by the Finance Director.

Banking and Cash Flow

- The Finance Director shall devise and implement a central depository system for the County. This system should generally include the creation of 3 bank accounts: a tax transfer account, a cash concentration account, and an imprest payroll account. These 3 accounts will be at the official depository approved by the Board.
- Enough moneys to meet the County's daily obligations shall be maintained in the County's accounts.

FINANCIAL AND BUDGETARY POLICIES CONTINUED

Banking and Cash Flow (continued)

- An official depository shall be selected every 5 years based on a competitive proposal process. The official depository shall be designated by the Board of Commissioners based on the evaluation of the proposals received.
- A 12-month cash flow forecast is to be prepared and updated monthly. The objectives of the forecast plan are to ensure sufficient funds will be available to meet the County's commitments in a timely manner and to determine when excess funds are available for investment.

Procurement

- The Finance Director shall establish a method to enhance the purchasing cycle through whatever method is deemed necessary.
- All purchases made and services rendered to the County are completed in accordance with the County's purchasing policy and with applicable North Carolina General Statutes.
- State Contract and other purchasing cooperatives are reviewed periodically to determine if participation would be beneficial.

Fixed Assets

- A fixed asset is a tangible asset having a value of \$5,000 or more and a useful life extending for more than 1 year. The only exceptions are motor vehicles or related equipment requiring registration through Division of Motor Vehicles.
- The recorded fixed asset information, including its location, is reconciled monthly and annually to the general ledger.

Capital Improvement Program

- Progress on current capital projects are formally reviewed monthly.
- New projects are submitted for consideration annually in the fall of the year. The need, time frame, project scope, capital needs, first year operational expenses, and financing mechanisms are analyzed for each proposed project.
- The most critical projects are submitted to the Board of Commissioners with a recommendation for approval. The Capital Improvement Project approval is completed at the same time as the annual budget.
- The budget document includes a detailed policy and project listings in the Capital Improvement Program section.

Debt Management

- The County issues debt under the guidance of the Local Government Commission, a division of the State of North Carolina. Debt is issued in accordance with North Carolina General Statutes 160A-19, 160A-20 and 153A-165.

FINANCIAL AND BUDGETARY POLICIES CONTINUED

Debt Management (continued)

- The County will not issue debt in excess of the legal debt limit as defined by North Carolina General Statute 159-55. The legal debt limit is 8% of the County's taxable property valuation. Calculation of the legal debt margin is shown under the Debt Management section of this budget document.
- The County will strive to maintain its financial condition to achieve the highest bond rating possible.
- Capital projects financed through the issuance of bonds shall be financed for a period not to exceed the expected useful life of the project.

Risk Management

- Explore the best and most economical method for the County to cope with and fund exposures to risk.
- Secure appropriate types of insurance coverage for the County.

Audit Monitoring and Reporting

- The independent auditor for the County shall monitor the County's compliance with the established financial policies.
- The auditor's annual findings and recommendations shall be included as part of the County audit.
- The Finance Director shall semiannually submit the LGC-203, Report of Cash Balance, to the secretary of the Local Government Commission pursuant to General Statute 159-33.

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

EXPENDITURE SUMMARY	FY06-07 ACTUAL	FY07-08 ACTUAL	FY08-09 ADOPTED	FY09-10 ADOPTED
GENERAL	\$ 257,936,613	\$ 264,307,665	\$ 271,809,592	\$ 250,192,519
NEW HANOVER COUNTY SCHOOLS	77,642,921	82,370,925	87,136,741	84,306,978
EMERGENCY TELEPHONE SYSTEM - ARTICLE 1 ²	243,424	1,622,759	-	-
WIRELESS 911 - ARTICLE 2 ²	(169,219)	730,096	-	-
EMERGENCY TELEPHONE SYSTEM - ARTICLE 3 ²	0	174,428	323,998	431,105
ROOM OCCUPANCY TAX	3,077,738	1,922,034	3,991,544	3,833,211
ENVIRONMENTAL MANAGEMENT	16,191,143	16,232,065	16,931,775	17,543,900
SPECIAL FIRE SERVICE DISTRICT	7,625,943	8,474,030	8,702,302	9,937,471
WATER & SEWER DISTRICT ³	21,964,443	24,338,336	-	-
STORM WATER DRAINAGE	<u>33,428</u>	<u>53,872</u>	<u>125,000</u>	<u>-</u>
TOTAL EXPENDITURE ALL FUNDS	\$ 384,546,434	\$ 400,226,210	\$ 389,020,952	\$ 366,245,184

REVENUE SUMMARY	FY06-07 ACTUAL	FY07-08 ACTUAL	FY08-09 ADOPTED	FY09-10 ADOPTED
GENERAL	\$ 250,102,632	\$ 260,489,941	\$ 271,809,592	\$ 250,192,519
NEW HANOVER COUNTY SCHOOLS	79,844,860	83,678,291	87,136,741	84,306,978
EMERGENCY TELEPHONE SYSTEM - ARTICLE 1 ²	666,935	335,903	-	-
WIRELESS 911 - ARTICLE 2 ²	387,278	208,714	-	-
EMERGENCY TELEPHONE SYSTEM - ARTICLE 3 ²	0	991,296	323,998	431,105
ROOM OCCUPANCY TAX	5,419,677	5,495,898	3,991,544	3,833,211
ENVIRONMENTAL MANAGEMENT	15,263,194	14,715,112	16,931,775	17,543,900
SPECIAL FIRE SERVICE DISTRICT	6,473,849	11,489,244	8,702,302	9,937,471
WATER & SEWER DISTRICT ³	22,147,571	21,783,220	-	-
STORM WATER DRAINAGE	<u>189,497</u>	<u>125,104</u>	<u>125,000</u>	<u>-</u>
TOTAL REVENUE ALL FUNDS	\$ 380,495,493	\$ 399,312,725	\$ 389,020,952	\$ 366,245,184

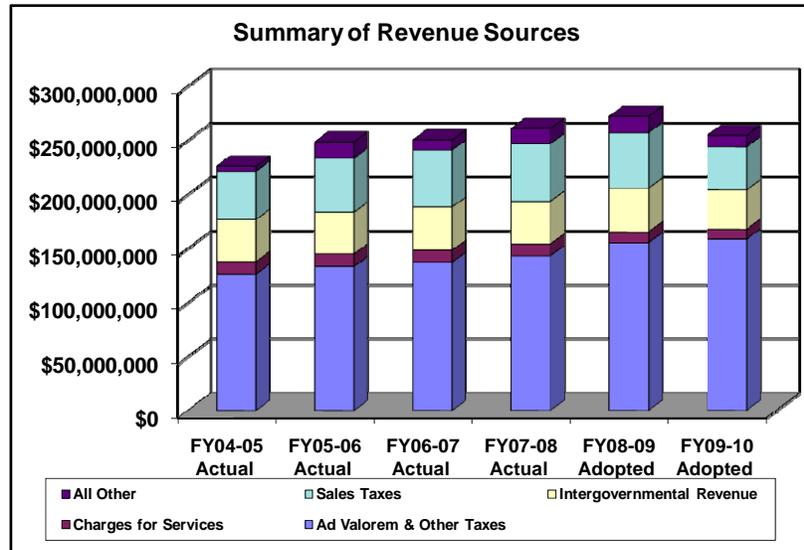
¹ This presentation shows the total budgets of the various funds. Transfers between the General Fund and other funds have not been removed.

² NC Legislation effective January 1, 2008 eliminated Article 1 and 2 funding and established Article 3 funding.

³ Water Sewer District function was transferred to the CFPUA July 1, 2008.

EXPLANATION OF SOURCES OF REVENUE AND UNDERLYING ASSUMPTIONS

A history of New Hanover County revenue sources clearly shows that ad valorem (property) taxes are our primary source of revenue. Other major sources include sales taxes, intergovernmental revenues and charges for services. Each of these sources is discussed in detail on the following pages.



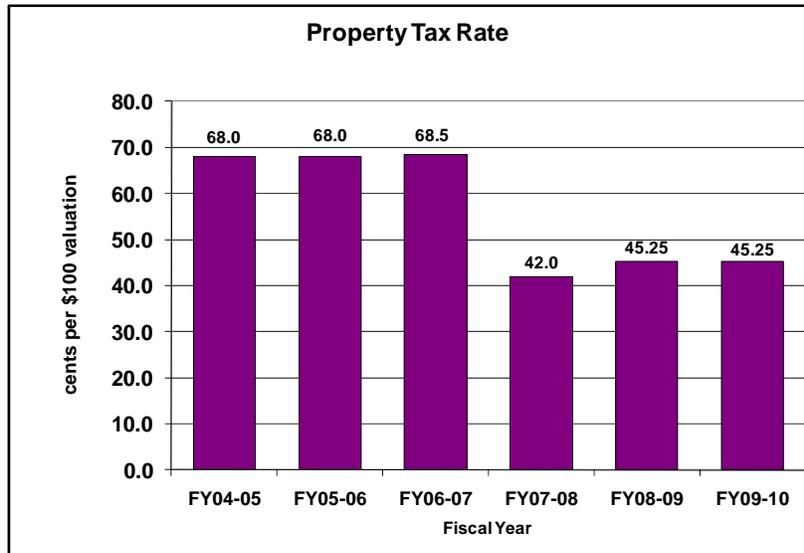
Ad Valorem Tax is a tax on real property and vehicles and is based on the value of the property as a marketable item. Real property includes land, buildings and items permanently affixed to land or buildings. The market value of the land is established by a revaluation appraisal, which must be carried out by the County a minimum of every 8 years. The FY09-10 budget is the third budget based on the revalued tax base.

During FY07-08, the Tax Department determined that \$1.8 billion worth of property had erroneously been included in the tax base calculation. The FY07-08 tax base was corrected mid-year. FY08-09 adopted budget reflected the adjusted FY07-08 tax base plus 1.7% growth. Historically, New Hanover County has seen approximately 3.0% increase in growth in value in non-revaluation years.

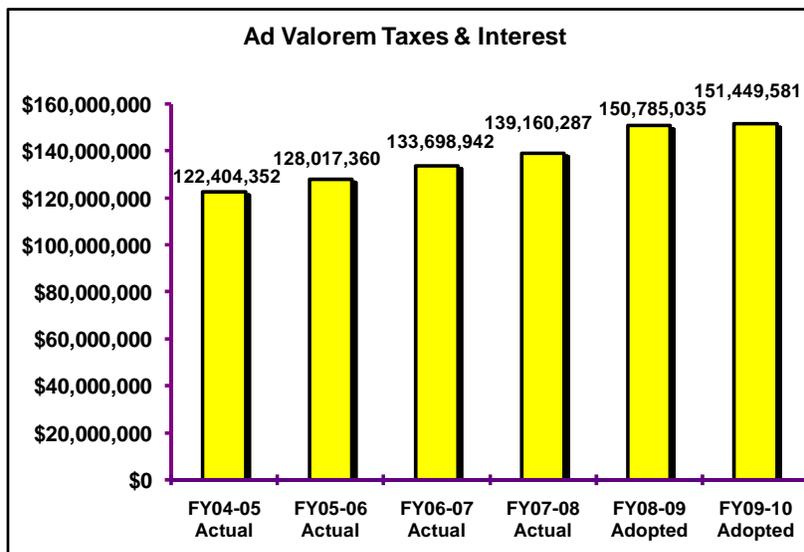
Over FY08-09, New Hanover County continued to experience a pronounced slowdown in new construction and property development projects. Additionally, new vehicle purchases significantly declined. As a result, FY09-10 assumes only a 0.7% growth over the FY08-09 base.

The Board of County Commissioners establishes a tax rate each fiscal year. This rate, multiplied by the assessed value of all eligible property in the County, adjusted by the estimated collection rate, equals the amount of budgeted current ad valorem taxes. Taxes become legally due on September 1 and must be paid by January 5 or an interest penalty is applied. The tax rate for FY09-10 is 45.25 cents per \$100 valuation, which is unchanged from FY08-09.

EXPLANATION OF SOURCES OF REVENUE AND UNDERLYING ASSUMPTIONS



Ad Valorem Interest is charged for property taxes not paid in good time. The interest rate is 2% for the month of January and .75% (per month) for February through December—a total of 10.25% per year.

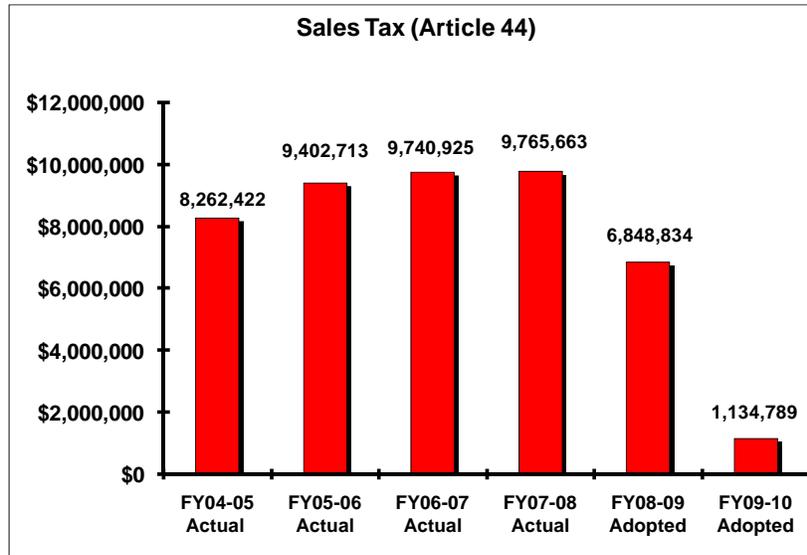


Sales Taxes include a County 1-cent and 3 local option one-half cent sales taxes (Articles 40, 42, and 44, respectively). The taxes are collected by the state of North Carolina on retail sales, or leases of tangible personal property, and on the rental of hotel and motel rooms. These funds are returned to the County by the state.

Effective October 1, 2008, the one-half cent local tax under Article 44 was reduced to one-quarter cent, and the general state rate of sales tax levied increased from 4.25% to 4.5%.

Effective September 1, 2009, the general rate of state sales tax levied will temporarily increase by 1% to 5.5%, increasing the total combined local plus state sales tax from 6.75% to 7.75%. This increase is scheduled to expire July 1, 2011.

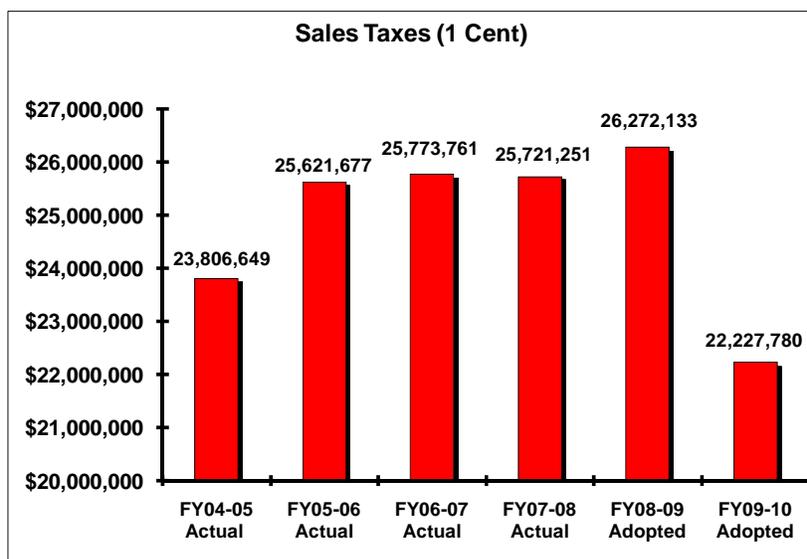
EXPLANATION OF SOURCES OF REVENUE AND UNDERLYING ASSUMPTIONS



Effective October 1, 2009, the remaining one-quarter cent local tax under Article 44 will be eliminated and the general state rate of sales tax levied will increase from 5.5% to 5.75%. The total combined local plus state sales tax will remain at 7.75%.

Counties will replace all Article 44 sales tax losses to cities and municipalities (hold harmless), including growth, from the County 1-cent sales tax. These changes will complete the 3-year phased in transition where the state has gradually assumed Medicaid responsibilities from counties.

Based on receipts to date and economic conditions, as well as the reduction to Article 44 and hold harmless distributions to cities and municipalities, the total FY09-10 sales tax revenue is estimated to decrease by \$11.4 million from the FY08-09 adopted amounts. It is anticipated that FY08-09 actual receipts will be less than budgeted.



This estimate is based on the most recent growth estimates of the NC Association of County Commissioners and the County's current and projected share of the distribution.

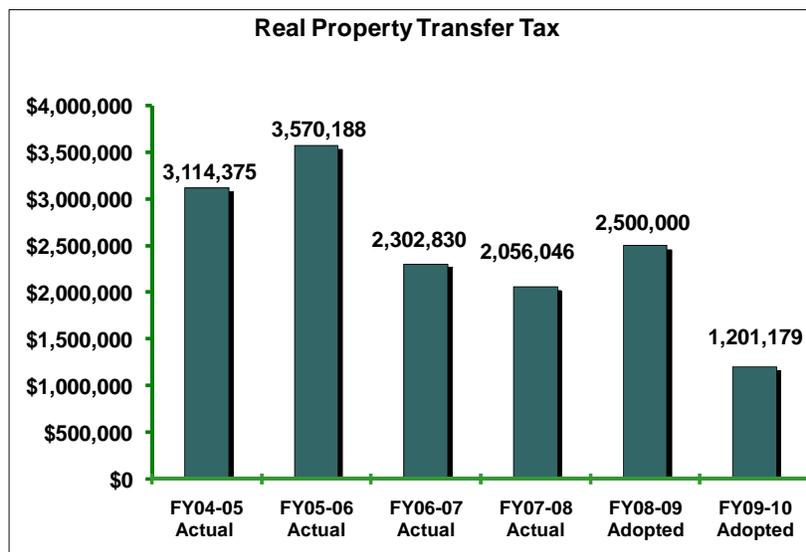
EXPLANATION OF SOURCES OF REVENUE AND UNDERLYING ASSUMPTIONS

The Board of Commissioners has elected to distribute local sales taxes between New Hanover County, the City of Wilmington, and the municipalities of Carolina Beach, Kure Beach, and Wrightsville Beach using the ad valorem method. Local sales tax revenues are the second largest revenue source for the County.

Approximately \$9.0 million of the undesignated portion of the Article 40 and 42 one-half cent sales taxes is budgeted for General Fund operations. With the formation of the Cape Fear Public Utility Authority, the transfer to the Water and Sewer District has been eliminated. However, the required debt service repayment by CFPUA has been reduced by \$1.9 million, the same amount that had been transferred by New Hanover County to the Water and Sewer District since FY01-02. A portion of Article 40 and 42 sales taxes is required by state statute to be designated for schools.

Room Occupancy Tax Funds are collected through a special tax on room occupancy rental in New Hanover County. According to the formula stipulated by the North Carolina Legislature, a 3% countywide tax is used to fund countywide tourism and beach renourishment. The legislation provides for an additional 3% tax for Carolina, Kure and Wrightsville Beaches. The Beach Communities use this tax for travel and tourism promotion and tourism-related expenditures. The city of Wilmington also collects an additional 3% which is earmarked for the Convention Center. The additional 3% that is collected in the unincorporated areas of the County is designated for beach renourishment in those areas. Only the first 3% is appropriated in the County budget.

Real Property Transfer Tax is an excise tax on each Deed or other instrument by which real property is conveyed. This tax is levied by the state of North Carolina. The local share is 50 cents for each \$500 of the sales price, not including mortgages or other liens assumed by the purchaser. The tax is paid to the Register of Deeds at the time of property transfer, and a stamp is affixed to the instrument showing the amount of tax paid. Based on actual receipts and the current real estate market, a \$1.3 million decrease from FY08-09 adopted amounts is expected. It is anticipated that FY08-09 receipts will be less than budgeted due to the conditions in the real estate market.



EXPLANATION OF SOURCES OF REVENUE AND UNDERLYING ASSUMPTIONS

Transfer in From Capital Projects - \$205,872 of revenue has been budgeted for transfers to the General Fund from capital projects for FY09-10. In FY 08-09 no funds were budgeted.

Tax Collection Fees - The municipalities in the County reimburse the County at 1.75% of the amount collected on their behalf for property and room occupancy taxes. There is no change in the collection rate anticipated between FY08-09 and FY09-10.

Court Fees - The state of North Carolina pays the County a facilities fee, which must be used to provide and maintain the physical facilities of the Court. The fee is part of costs paid in each civil and criminal action rendered in a courtroom facility provided by the County. A 6% decrease from FY08-09 adopted amounts is based on FY07-08 actual and FY08-09 estimated receipts.

Interest on Investments is the interest earned on County funds invested, according to North Carolina laws, to maximize the return between the time funds are collected and used. A decrease of \$1.1 million from the FY08-09 adopted amount is anticipated based on prior year interest revenues, anticipated cash balances available for investment, and current prevailing interest rates.

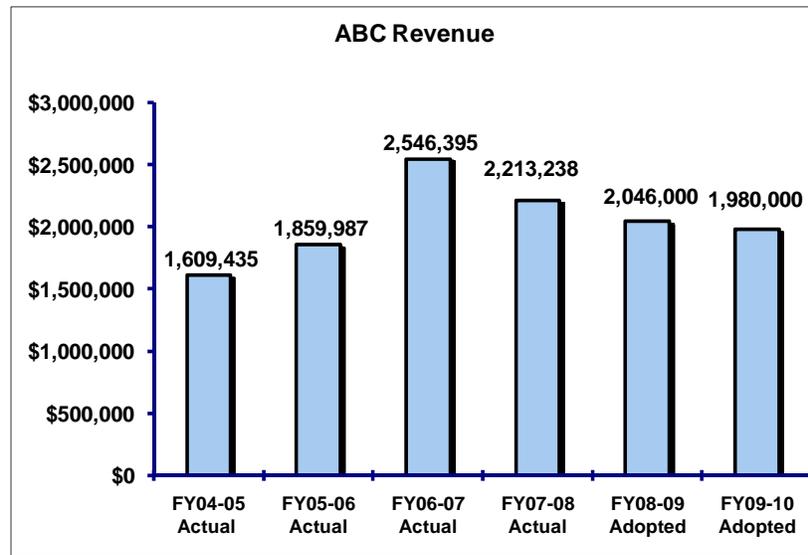
Appropriated Fund Balance - In accordance with the Local Government Fiscal Control Act, the County may use some unexpended funds from previous years to balance the budget. This is similar to an individual using their savings account. Fund balance in the amount of \$1.9 million is budgeted in FY09-10. The appropriation of fund balance at this level will not jeopardize the strong financial position of the County. Preliminary projections for FY08-09 are that fund balance will meet the 8% minimum for fund balance established by North Carolina General Statute, but will fall short of the 16.67% goal for fund balance established by the County.

Intergovernmental Revenues - Several departments offset a portion of operating expenditures with grants and transfers from federal and state governments. Agencies are also reimbursed for certain services they provide the New Hanover County public school system. Intergovernmental revenue is estimated to decrease 10.0% between FY08-09 and FY09-10, primarily due to reductions in grants and a decrease in state reimbursement of foster care and adoption assistance.

- **Alcoholic Beverage Control (ABC) Revenues** consist of the following ABC charges: (1) 5 cents per bottle, (2) 3.5% add-on, (3) additional 5 cents per bottle and (4) mixed beverage (liquor by the drink). The County also receives distribution of ABC net profits.

The first 5 cents per bottle of revenue is turned over by the County to the Southeastern Center for Mental Health, Developmental Disabilities and Substance Abuse Services and must be spent for alcohol abuse treatment or research.

EXPLANATION OF SOURCES OF REVENUE AND UNDERLYING ASSUMPTIONS



Revenue from ABC mixed drinks (liquor by the drink) is expected to decline by 4.1%, the 3.5% add-on is expected to decline 1.9%, and ABC profits are expected to decline 4.9% versus the FY08-09 adopted amounts. Estimated amounts are based on the actual FY08-09 receipts and expectations of growth.

- **Jail Fees** - The North Carolina Department of Corrections and Federal Bureau of Prisons reimburses counties for locally housing prisoners that have been sentenced to state or federal prison. The County is reimbursed by the Federal Marshal's Service for housing inmates that have not been sentenced. The rate of reimbursement for state prisoners is \$18 per day and federal prisoners/inmates is \$80 per day.

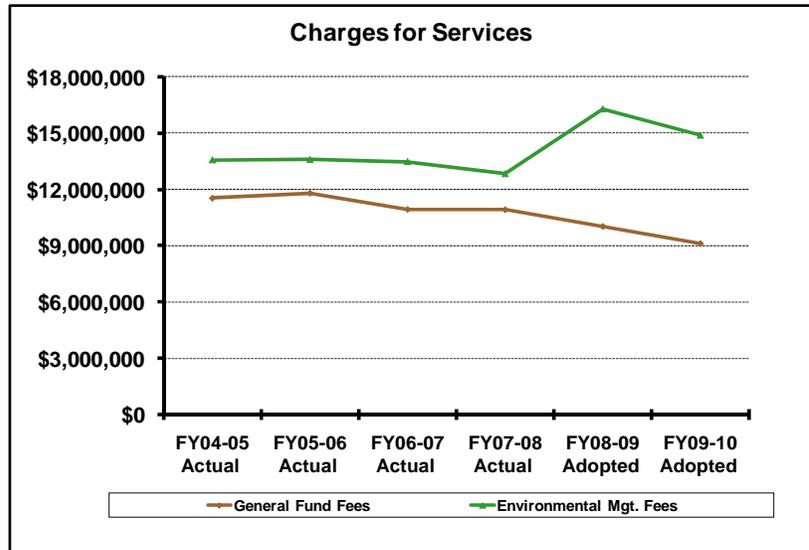
Charges for Services are fees charged the direct users of select County services. The Inspections Department and Environmental Management Fund are the 2 primary areas in which user fees are charged.

- During FY08-09, the Inspections Department generated an estimated \$.6 million less of inspection and permit revenues than had been budgeted due to the continued slowdown in the housing market and the economy overall. For FY09-10, the Inspection Department is expected to require \$.9 million in funding from the County.
- The Environmental Management fund is budgeted to be self-supporting. In FY09-10, the tipping fee increased from \$51 to \$55.65 per ton. The \$4.65 per ton increase in tipping fee is necessary to eliminate additional inter-fund borrowing by the Environmental Management Fund.

Although the tipping fee per ton is higher, total fees from Environmental Management fund services are expected to decline 8.5% in FY09-10 versus FY08-09 due to a significant decline in total waste tonnage. Tonnage estimates are based on FY07-08 and FY08-09 actual waste collected, and expectations of a continued decline due to the lingering recession and overall decline in building construction.

EXPLANATION OF SOURCES OF REVENUE AND UNDERLYING ASSUMPTIONS

A Request for Proposals (RFP) has been issued requesting bids for alternate solutions to providing solid waste services to New Hanover County. Proposals are due on October 23, 2009. The budget adopted for FY09-10 is based on the assumption that there will be significant changes to this fund during the fiscal year.





**NEW HANOVER COUNTY
GENERAL FUND EXPENDITURE COMPARISON**

DEPARTMENT:	FY07-08 ACTUAL	FY08-09 ADOPTED	FY09-10 REQUESTED	FY09-10 RECOMMENDED	FY09-10 ADOPTED
ADMINISTRATION - COUNTY MANAGER	\$ 934,626	\$ 927,674	\$ 931,147	\$ 900,633	\$ 900,633
AIRLIE GARDENS	1,305,239	1,368,262	1,368,985	970,647	970,647
BOARD OF ELECTIONS	848,900	666,527	1,123,141	1,065,395	1,056,825
BUDGET	468,444	448,890	457,397	441,462	441,462
COOPERATIVE EXTENSION SERVICE	601,690	464,117	480,906	415,220	415,220
COURTS	999,506	438,864	456,039	375,235	370,235
EDUCATION:					
Cape Fear Community College	6,180,118	6,178,085	5,841,767	5,841,767	5,841,767
Cape Fear Community College Debt Service	4,158,086	4,039,176	3,924,915	3,924,915	3,924,915
One-Half Cent Sales Tax Transfer	7,950,743	8,125,870	7,930,094	7,487,404	7,487,404
New Hanover County Schools Transfer	74,444,137	76,136,844	73,987,012	72,754,574	72,754,574
EMERGENCY MANAGEMENT ¹	997,416	1,360,970	1,199,269	0	0
EMERGENCY MANAGEMENT & 911 COMM ¹	0	0	0	5,019,962	5,019,962
ENGINEERING & PUBLIC SERVICES ²	773,372	900,640	1,815,781	1,455,488	1,455,488
FINANCE:					
Finance	1,858,419	1,910,246	1,981,927	1,773,515	1,773,515
Non-Departmental	1,549,449	2,733,287	3,059,393	3,060,969	2,985,969
Transfers to Other Funds	5,238,314	906,872	558,511	558,511	558,511
Bonded Debt (principal, interest)	66,300	942,840	1,470,825	1,470,825	1,470,825
Fees Paid on Debt	116,995	115,100	110,850	110,850	110,850
Installment Debt	12,792,375	13,624,187	12,792,741	12,831,883	12,831,883
Cape Fear Public Utility Authority Debt Service	0	6,701,078	4,960,828	4,960,828	4,960,828
Contingencies	0	567,289	300,000	332,767	89,777
GOVERNING BODY - COUNTY COMMISSIONERS	451,644	464,563	490,423	457,762	457,762
HEALTH	14,482,692	15,721,226	16,652,422	14,865,276	14,934,824
HUMAN RELATIONS ³	466,678	475,900	486,093	0	0
HUMAN RESOURCES (includes NHC-TV) ²	1,059,934	1,264,626	1,039,285	937,851	937,851
INFORMATION TECHNOLOGY	5,189,159	5,646,292	5,716,723	5,208,836	5,208,836
INSPECTIONS ²	4,787,070	4,987,797	4,420,064	3,474,289	3,474,289
JUVENILE SERVICES	542,243	538,393	495,008	428,193	428,193
LEGAL - COUNTY ATTORNEY	630,917	660,485	671,046	627,263	627,263
Risk Management ⁴	3,808,027	194,062	209,076	184,364	184,364
LIBRARY	3,889,199	3,799,746	4,008,338	3,617,887	3,638,821
MUSEUM	1,282,017	1,314,222	1,528,319	1,224,416	1,224,416
NON-COUNTY AGENCIES	2,099,591	1,958,951	2,152,769	1,877,034	1,917,684
PARKS	3,143,110	3,490,488	3,775,309	3,282,363	3,282,363
PLANNING	794,113	799,717	977,467	738,399	738,399
PRETRIAL RELEASE	0	585,026	591,857	528,636	528,636
PROPERTY MANAGEMENT (Includes Veh. Mgmt.)	9,461,316	9,537,341	11,351,514	9,496,309	9,496,309
PUBLIC SAFETY COMMUNICATIONS ¹	3,811,632	3,941,250	4,089,888	0	0
REGISTER OF DEEDS ⁵	1,392,504	1,429,582	1,310,494	1,078,086	1,078,086
SENIOR RESOURCE CENTER	2,257,941	2,357,548	2,384,138	2,134,179	2,129,696
SHERIFF'S OFFICE	34,407,772	34,605,090	34,912,980	33,650,837	33,650,837
SOCIAL SERVICES	42,193,357	42,606,367	36,463,250	34,532,615	34,532,615
SOUTHEASTERN CENTER	2,433,832	2,137,584	2,137,584	1,937,584	1,937,584
TAX	2,985,736	3,414,039	3,730,348	3,319,825	3,319,825
VETERANS SERVICES	116,368	123,818	128,204	120,649	120,649
YOUTH EMPOWERMENT SERVICES	1,336,685	1,198,661	1,134,803	921,927	921,927
TOTAL EXPENDITURES	\$ 264,307,665	\$ 271,809,592	\$ 265,608,930	\$ 250,397,430	\$ 250,192,519

¹ Emergency Management & 911 Communications - During FY08-09, Public Safety Communications Center and Emergency Management merged as one department named Emergency Management & 911 Communications. The FY09-10 adopted budget is a 6.67% decrease as compared to separate operational costs of FY08-09.

² Engineering & Public Services - Engineering restructured to incorporate the Customer Service section previously in Human Resources and some services previously in Inspections.

³ Human Relations - Eliminated this department effective July 1, 2009. The director will be relocated to the Human Resources Department.

⁴ Risk Management - Decrease due to change in accounting for Insurance Premiums in FY08-09.

⁵ Register of Deeds - Automation & Enhancement Fund is included.

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

	FY08-09 ADOPTED	FY09-10 ADOPTED	PERCENT DIFFERENCE
BUDGETED EXPENDITURES:			
GENERAL GOVERNMENT DEPARTMENTS	\$ 30,997,971	\$ 30,662,587	-1.08%
HUMAN SERVICES	63,582,123	53,824,579	-15.35%
PUBLIC SAFETY	13,270,961	10,981,922	-17.25%
Sheriff's Office	34,605,090	33,650,837	-2.76%
ECONOMIC & PHYSICAL DEVELOPMENT	1,319,985	1,250,925	-5.23%
CULTURAL & RECREATIONAL	10,696,121	9,790,335	-8.47%
EDUCATION	94,479,975	90,008,660	-4.73%
DEBT SERVICE	21,383,205	19,374,386	-9.39%
TRANSFERS	906,872	558,511	-38.41%
CONTINGENCIES	567,289	89,777	-84.17%
TOTAL BUDGETED EXPENDITURES	\$ 271,809,592	\$ 250,192,519	-7.95%

All departments have been impacted by a 10 day furlough (3.8% salary reduction and corresponding reduction in benefits).

1) General Government Departments decrease is due to:

- a) Decrease in Information Technology (\$.4 million) due to reductions in positions and the reductions to the computer replacement program because of fiscal constraints.
- b) Decrease in Register of Deeds (\$.4 million) primarily due to reductions in positions.
- c) Decrease in Human Resources primarily due to reduced capital outlay requests from NHC-TV (\$.2 million).
- d) Offset by an increase in Board of Elections (\$.4 million) due to additional elections.
- e) Offset by an increase in Engineering and Public Services (\$.6 million) due to movement of the Code Administration Services (CAS) group from Inspections to Engineering to create the new Engineering and Public Services Department.

2) Human Services decrease is due to:

- a) Decrease in Social Services:
 - Less Medicaid funding (\$5.7 million) due to sales tax swap.
 - Less technical correction to Adoption Assistance (\$1.8 million).
 - Offset by increase in Foster Care (\$.9 million) expenses.
- b) Decrease in Southeastern Center for Mental Health (\$.2 million).

3) Public Safety decrease is due to:

- a) Reductions in positions and operating expense in Inspections and the movement of the CAS division to Engineering (\$1.5 million).
- b) Reduction in operating and capital expenses due to merger of services as Emergency Management and 911 Communications (\$.3 million).
- c) Reduction in Sheriff's Office expenses (\$1.0 million) due to budget constraints.

4) Economic and Physical Development decrease is due to fiscal constraints.

5) Cultural & Recreational Development decrease is due to:

- a) Reductions in positions at County departments.
- b) Reductions in operating expenses (Parks, Airlie, Museum), including some reductions to hours of operation (e.g. Library).

6) Education (includes debt service for CFCC) decrease is due to:

- a) Reduction to Public Schools due to budget constraints.
- b) Reductions in sales tax collected and distributed to the Public Schools (\$.64 million).
- c) Reductions to CFCC due to budget constraints.

7) Debt Service decrease due to:

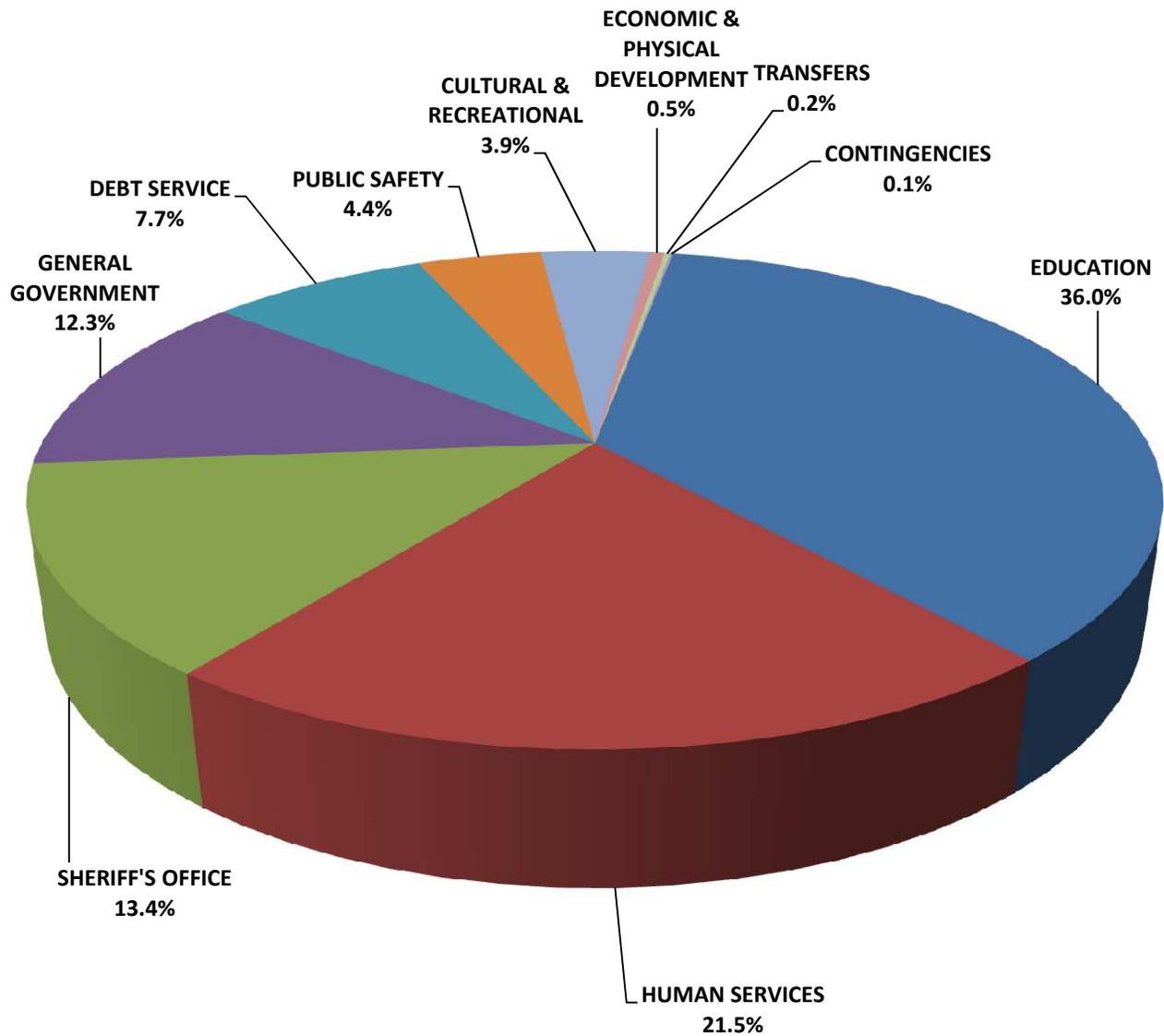
- a) Reduction in CFPU Authority installment debt (\$1.7 million). However, this also results in a corresponding reduction in revenue of \$1.7 million.
- b) Reduction in County Installment debt as issues are paid down (\$.8 million).
- c) Offset by an increase in bonded debt (\$.7 million) associated with the issuance of Park bonds.

8) Contingencies decrease is due to budget constraints.

9) Transfers decrease is due to:

- a) Decrease in other post-retirement benefit contribution (\$.2 million).
- b) Contribution to the Drainage Fund (\$.1 million) is no longer being classified as a transfer.

**2009-2010
ADOPTED BUDGET
EXPENDITURES**



Expenditures for Education (36.0%) and Human Services (21.5%) 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

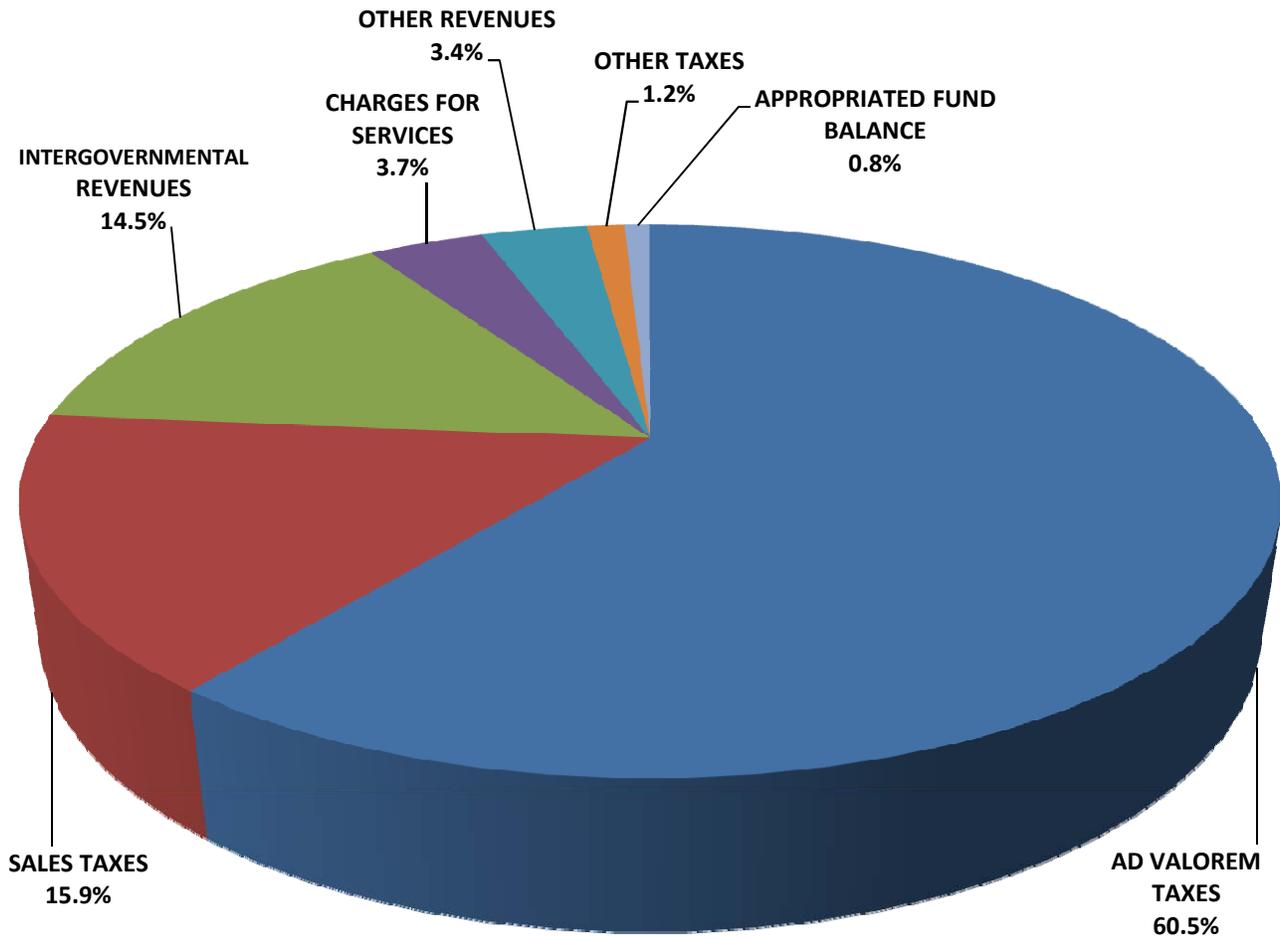
	FY08-09 ADOPTED	FY09-10 ADOPTED	PERCENT DIFFERENCE
BUDGETED REVENUES:			
AD VALOREM TAXES	\$ 150,785,035	\$ 151,449,581	0.44%
SALES TAXES	51,224,533	39,827,821	-22.25%
OTHER TAXES	4,156,000	2,919,179	-29.76%
INTERGOVERNMENTAL REVENUES	40,395,435	36,350,635	-10.01%
CHARGES FOR SERVICES	10,184,736	9,247,240	-9.20%
OTHER REVENUES	9,063,853	8,465,413	-6.60%
APPROPRIATED FUND BALANCE	<u>6,000,000</u>	<u>1,932,650</u>	<u>-67.79%</u>
TOTAL BUDGETED REVENUES	\$ 271,809,592	\$ 250,192,519	-7.95%

EXPLANATION OF CHANGES:

- 1) **Ad Valorem Taxes** increased less than 1% from FY08-09 base. The FY09-10 tax base is estimated to be \$33.7 billion.
- 2) **Sales Taxes** decreased \$11.4 million. (\$3 million is due to economic conditions and \$8.4 million is due to the Medicaid Swap).
- 3) **Other Taxes** include Cable taxes, Real Property Transfer tax, Licenses, Vehicle Rental and Room Occupancy Taxes. Real Property Transfer tax decreased by \$1.2 million due to economic conditions.
- 4) **Intergovernmental Revenues** decrease is due to overall decrease in grant funding and decrease in state reimbursement for foster care and adoption assistance programs.
- 5) **Charges for Services** decreased primarily due to decrease in Inspection revenues (\$.54 million) and decrease in Register of Deeds Fees of \$.32 million.
- 6) **Other Revenues** decrease primarily due to decrease of \$1.7 million reimbursement from Cape Fear Public Utility Authority. Other Revenues include Interest on Investments, Miscellaneous Revenue¹ and Transfer from Other Funds.
- 7) **Appropriated Fund Balance** reduced \$4 million from FY08-09 Adopted amount. \$500,000 of this amount is a result of the projected savings from reducing employees' accrual rate.

¹ Miscellaneous revenue includes funds from escrow accounts, Airports repayment, reimbursement from Cape Fear Public Utility Authority, lost books, copies of health/legal records, contribution from Schools for Youth Empowerment Services, admission fees from Museum and any other revenue that does not meet standard revenue classification.

**2009-2010
ADOPTED BUDGET
REVENUES**



Ad Valorem Taxes (60.5%) together with the Sales Taxes (15.9%) comprise 76.4% of total County revenue. For greater detail, please see facing page.



ADMINISTRATION - COUNTY MANAGER

In accordance with North Carolina General Statute 153 A-82, the County Manager is responsible to the Board of County Commissioners for administering all departments of County government under the Board's general control. The Manager provides administrative and legislative leadership by supervising operations, recommending an annual budget, advising the Board of the financial conditions of the County, recommending and implementing new and revised policies and programs through the Board, and ensuring that adopted policies and programs are executed in an effective and economical manner.

FY08-09 ACCOMPLISHMENTS

- Recommended a budget for FY09-10 with no tax increase during dire economic conditions.
- Hired a new Library Director.
- Began new initiative to market New Hanover County and "Tell Our Story."
- Reorganized Engineering and Public Services to streamline services to the public.
- Dedicated Public Safety Training Center and City/County Softball Park.

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
COUNTY GOAL:	Provide prompt, courteous and professional services to the citizens of New Hanover County.				
DEPARTMENT GOAL:	To provide clear, concise and timely communication to the Board of County Commissioners, County employees and New Hanover County citizens.				
OBJECTIVE:	To provide or respond to government information efficiently and effectively.				
Measure:	Board actions on web site in 24 hours	100%	100%	100%	100%
Measure:	Information on public access TV channel (weekly)	100%	100%	100%	100%
Measure:	Table Talk meetings (annual)	2	3	4	4
Measure:	% Table Talk participants rating session "Beneficial"	100%	87%	95%	95%
Measure:	% of Table Talk questions/suggestions responded to within 1 week	100%	100%	100%	100%
Measure:	% of citizens' questions/concerns responded to within 1 week	95%	95%	95%	95%

ADMINISTRATION - COUNTY MANAGER CONTINUED

SUMMARY OF EXPENDITURES

<u>ADMINISTRATION-COUNTY MANAGER</u>					
	<u>ACTUAL</u> <u>FY07-08</u>	<u>ADOPTED</u> <u>FY08-09</u>	<u>REQUESTED</u> <u>FY09-10</u>	<u>RECOMMENDED</u> <u>FY09-10</u>	<u>ADOPTED</u> <u>FY09-10</u>
# OF POSITIONS:	7	7	7	7	7
EXPENDITURES:					
SALARIES & BENEFITS	\$855,197	\$867,929	\$871,454	\$843,484	\$843,484
OPERATING EXPENSES	79,428	59,745	59,693	57,149	57,149
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$934,626	\$927,674	\$931,147	\$900,633	\$900,633

BOARD OF ELECTIONS

The New Hanover County Board of Elections is responsible for conducting all federal, state, and local elections held within the County. This Board is governed by the rules and regulations set forth in the North Carolina General Statutes Chapter 163, North Carolina Administrative Code Title 8, North Carolina State Constitution, United States Code, and other applicable statutes for special proceedings. The department manages and maintains the voter registration database for the County and surrounding municipalities and processes absentee voter applications. All candidate filings (notice of candidacy, campaign reports, etc.) are directed through this office. It is this Board's responsibility to administer the Campaign Reporting Act, which ensures candidate compliance with campaign finance laws. The department establishes all election precincts and is responsible for recruiting and training precinct officials for each precinct. The Board investigates any local voting irregularity and holds preliminary reviews and hearings on formal complaints. This department also formulates the ballot and contracts for the printing of the ballots. To ensure proper performance of the voting equipment used in the precincts, this department provides inventory, maintenance, and storage for all voting equipment, including preparing ballot media and testing all voting equipment prior to each election. It is the responsibility of this department to inform the citizens of upcoming elections through public notices and issuance of certificates of election.

FY 08-09 ACCOMPLISHMENTS

- Expanded the One Stop Voting plan to have six sites (including the office site) available for voting for the 2008 General Election by applying for and receiving grant money for additional One Stop voting sites.
- Implemented a precinct management system for all voting precincts in the County to ensure that all precincts meet the US Justice Department ADA standards, as well as additional standards in place by the NC State Board of Elections.
- Attained an absentee assistance team pursuant to new legislation to assist residents in nursing/home health care centers to register to vote and make absentee ballot requests.
- Implemented In-Person registration (same day registration) at all One Stop voting sites pursuant to new legislation.
- Conducted the largest Presidential General Election (November 2008) that New Hanover County has ever experienced (including the State of North Carolina). In addition, experienced the phenomenon of reversing the highest number of expected voter turnout from Election Day voting to One Stop voting.

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES, & PERFORMANCE MEASURES	FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected	
COUNTY GOAL:	Ensure equality for all New Hanover County citizens.				
DEPARTMENT GOAL:	To conduct fair and honest elections, while giving voters confidence in the voting process by applying laws equally to all County citizens.				
OBJECTIVE:	To increase voter registration of eligible citizens. (Goal is 90% by year 2010.)				
Measure:	Registered voters: number	127,199	140,709	142,303	144,500
Measure:	Number of eligible voters in New Hanover County	146,219	152,638	153,638	157,000
Measure:	% of registered voters towards 2010 Goal	86.9%	92.1%	92.6%	92.0%
OBJECTIVE:	To continue to provide quality service to all registered voters in the County.				
Measure:	# of formal complaints	0	0	0	1

BOARD OF ELECTIONS CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES CONTINUED

GOALS, OBJECTIVES, & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
COUNTY GOAL:	Provide prompt, courteous, and professional services to the citizens of New Hanover County.				
DEPARTMENT GOAL:	To continue employee education and training, resulting in efficient and effective voter registration services for New Hanover County citizens.				
OBJECTIVE:	To have 100% of staff state certified by the end of FY08-09.				
Measure:	% of staff state certified	100%	75%	75%	60%
OBJECTIVE:	To have 100% of staff proficient in Microsoft Office and SEIMS.				
Measure:	% of staff attending Level 1 of Microsoft Office and part of Level II, including expanding all SEIMS applications	50%	75%	100%	60%

SUMMARY OF EXPENDITURES

<u>BOARD OF ELECTIONS</u>					
	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
# OF POSITIONS:	5	5	6	5	5
EXPENDITURES:					
SALARIES & BENEFITS	\$466,500	\$468,339	\$540,050	\$490,399	\$490,399
OPERATING EXPENSES	382,401	198,188	583,091	574,996	566,426
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$848,900	\$666,527	\$1,123,141	\$1,065,395	\$1,056,825

BUDGET DEPARTMENT

The Budget Department provides financial information and guidance to the Board of County Commissioners and County Manager in allocating public resources to meet the needs and expectations of the community. The annual budget for all County services is compiled, implemented, amended, analyzed, and monitored by this department. Budgeting activities include: (1) preparing a forecast of available revenues and anticipated expenditures, while maintaining a balanced budget through the budget amendment process; (2) obtaining input from departments concerning allocation levels; (3) analyzing costs and revenue sources; (4) generating a recommended and approved operating budget document; (5) producing a capital improvements program; (6) acting as consultant to advise departments on the financial conditions of their respective departments, as well as assisting and providing analytical support for special projects and budgetary requests as needed; (7) reviewing Board agenda items with resource implications; (8) monitoring policy and management controls; and (9) making recommendations for improvement of control and the attainment of County goals and objectives.

FY08-09 ACCOMPLISHMENTS

- Awarded Distinguished Budget Presentation Award for the FY08-09 budget document from Government Finance Officers Association (GFOA) for 18th consecutive year. Met all criteria of proficiency as a financial plan, operations guide, communications device, and policy document.
- Developed and maintained balanced budget in accordance with North Carolina General Statute.
- Conducted review seminars for all County departments, which included a review of the budget process, budget amendments, financial system, and budget transmittal with new financial system.
- Implemented an Economic Downturn Budget Reduction Plan in response to current economic downturn.
- Prepared the FY09-10 budget without a tax increase at the request of the County Commissioners. This resulted in the FY09-10 budget being \$21 million, or 8%, less than the FY08-09 adopted budget.

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES & PERFORMANCE MEASURES	FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected	
COUNTY GOAL:	Provide prompt, courteous and professional services to the citizens of New Hanover County. Ensure the financial stability and legal protection of the County.				
DEPARTMENT GOAL:	To ensure the financial stability of New Hanover County through the preparation and monitoring of a balanced budget.				
OBJECTIVE:	To accurately forecast County revenues as evidenced by 5% or less variance of "actual revenues as percentage of projected."				
Measure:	Revenue variance	0.02%	-1.88%	-8.06%	0.00%
OBJECTIVE:	To provide an annual document that effectively communicates the financial and operating plan of the County as demonstrated by receiving the GFOA Distinguished Budget Presentation Award.				
Measure:	GFOA Budget Award	16	17	18	19
OBJECTIVE:	To process budget amendments in a timely and efficient manner.				
Measure:	Budget amendments: number processed	404	479	369	375
Measure:	Average time to process budget amendments not requiring Board approval: 1 day	99%	99%	99%	99%
OBJECTIVE:	To have the budget document completed within 60 days of formal adoption. (Goal by year 2010.)				
Measure:	Time frame for completion of budget document	90 days	85 days	90 days	85 days

BUDGET DEPARTMENT CONTINUED

SUMMARY OF EXPENDITURES

<u>BUDGET DEPARTMENT</u>	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
# OF POSITIONS:	4	4	4	4	4
EXPENDITURES:					
SALARIES & BENEFITS	\$448,598	\$433,514	\$443,949	\$428,542	\$428,542
OPERATING EXPENSES	19,846	15,376	13,448	12,920	12,920
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$468,444	\$448,890	\$457,397	\$441,462	\$441,462

EDUCATION

New Hanover County is responsible for the building needs of New Hanover County Schools (with some assistance from the state) and the related bonded debt of the Board of Education. In addition, the County allocates funds for some school personnel and operating expenses. The County does not influence the operations of the Board of Education, and the Board is not accountable to the County for its fiscal matters beyond the County's appropriation. The Board of Education prepares a separate operating budget document, which outlines the Board's spending plan. New Hanover County contributes a small portion of Cape Fear Community College's (CFCC) budget and CFCC's bonded debt through general fund revenues. In North Carolina, the Board of Education formulates educational policy, while the Board of County Commissioners determines the amount of local funding allocated to the school system.

New Hanover County Schools funding includes revenue from the one-half cent sales taxes (Article 40 and 42) as shown in the New Hanover County Schools Fund in the Other Funds section of the budget document (Page 133).

SUMMARY OF EXPENDITURES

<u>EDUCATION</u>	<u>ACTUAL</u>	<u>ADOPTED</u>	<u>REQUESTED</u>	<u>RECOMMENDED</u>	<u>ADOPTED</u>
	<u>FY07-08</u>	<u>FY08-09</u>	<u>FY09-10</u>	<u>FY09-10</u>	<u>FY09-10</u>
EXPENDITURES:					
CFCC	\$6,180,118	\$6,178,085	\$5,841,767	\$5,841,767	\$5,841,767
CFCC DEBT SERVICE	4,158,086	4,039,176	3,924,915	3,924,915	3,924,915
ONE-HALF CENT SALES TAX TRANSFER	7,950,743	8,125,870	7,930,094	7,487,404	7,487,404
TRANSFER TO PUBLIC SCHOOLS	74,444,137	76,136,844	73,987,012	72,754,574	72,754,574
TOTAL EXPENDITURES:	\$92,733,084	\$94,479,975	\$91,683,788	\$90,008,660	\$90,008,660

ENGINEERING AND PUBLIC SERVICES

The New Hanover County Engineering and Public Services Department provides a range of engineering services, both to the community and to other County departments, implements the County's government-wide Customer Service Initiative, manages all major County capital engineering and construction contracts and provides "front door" access to the County's Development Services through the Public Services Center. In addition to these services, the Department Director assists the County Manager with economic development initiatives, particularly regarding infrastructure requirements and availability, and provides liaison as required with the Cape Fear Public Utility Authority.

Under the direction of the Chief Engineer, engineering services include administration and implementation of the Storm Water Ordinance, Drainage Ordinance and the Sedimentation and Erosion Control Ordinance. As a local program office for the State, this department issues and enforces Sedimentation and Erosion Control permits for all non-governmental construction activities within the County. This department works with developers to assure compliance with subdivision requirements, including storm drainage and street design. The department is also responsible for drainage maintenance in the County on a limited basis.

Implementation of the Customer Service Initiative is two-fold: First, serves as an ombudsman to connect citizens with county services when the citizen is unsure of where to access those services or is having difficulty in obtaining required services. Second, develop an organizational culture that supports a sustained, elevated focus on our citizens as customers.

Under the direction of the Public Services Center Manager, the PSC provides a citizen/customer-centric, one-stop approach to projects that require multiple department involvement in plan reviews, permitting and inspection scheduling. PSC staff members serve as process consultants to the development community (from large-scale developers, to builders and contractors, to private individuals/homeowners).

FY08-09 ACCOMPLISHMENTS

- Organized and implemented a revamped Engineering Department, which consolidated the remaining engineering functions (post-water and sewer consolidation into the Cape Fear Public Utility Authority) and incorporated the Customer Service Initiative and NHC Capital Project Management responsibilities.
- Began construction of the approximately \$3.6 million Murrayville Fire Station. Project includes water and sewer infrastructure improvements of approximately \$1,011,570, of which \$685,220 was funded by CFPUA.
- Received the North Carolina Sedimentation Control Commission Local Program Award for Excellence in Erosion and Sedimentation Control.
- Provided "Cultural Competency" training for more than half of County workforce. Training for remaining employees postponed due to budget constraints.
- Established the Public Services Center as the new "front door" to County services in the Development Services arena (Planning, Inspections, Fire Services, Environmental Health and Engineering). Initial implementation has focused on serving customers of Inspections Department services.

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES, & PERFORMANCE MEASURES	FY06-07 Actual	FY07-08 Actual	FY08-09 Estimated	FY09-10 Projected
COUNTY GOAL:	Protect the environment and the quality of life enjoyed by New Hanover County citizens.			
DEPARTMENT GOAL:	To provide public engineering services dedicated to the improvement of New Hanover County through better infrastructure.			
OBJECTIVE:	To review and issue sedimentation and erosion control permits in 20 days or less.			
Measure:	Time to issue permits	30 days	20 days	20 days

ENGINEERING AND PUBLIC SERVICES CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES CONTINUED

GOALS, OBJECTIVES, & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Estimated	FY09-10 Projected
COUNTY GOAL:	Protect the environment and the quality of life enjoyed by New Hanover County citizens.				
OBJECTIVE:	To review and issue storm water permits in 30 days or less.				
Measure:	Time to issue permits	30 days	30 days	30 days	30 days
OBJECTIVE:	Review subdivision plans and provide comments to the Planning Department in 21 days or less 95% of the time.				
Measure:	% completed within 21 days	85%	85%	95%	95%
OBJECTIVE:	To manage County capital construction projects to meet budget and schedule requirements 95% of the time. ¹				
Measure:	% of Projects on schedule	N/A	N/A	95%	100%
Measure:	% of Projects within budget	N/A	N/A	95%	100%
COUNTY GOAL:	Provide prompt, courteous, and professional services to the citizens of New Hanover County.				
DEPARTMENT GOAL:	To promote excellent customer service among employees.				
OBJECTIVE:	To respond to questions and/or complaints from the public within 8 hours 95% of the time.				
Measure:	% responded to within 8 hours	100%	100%	100%	100%
OBJECTIVE:	To provide support to Commissioners and County Manager in response to their commitment to the public by providing written or verbal response to public inquiries within 48 hours 95% of the time.				
Measure:	% responded to within 48 hours	100%	100%	100%	100%
OBJECTIVE:	To provide customer service introduction to 90% of new employees at Orientation, and job-level customer service training to 90% of employees within 3 years.				
Measure:	% of new employees provided customer service introduction at Orientation	30%	80%	90%	95%
Measure:	Cumulative % of employees with job-level customer service training	0%	20%	40%	60%
OBJECTIVE:	To conduct department-level meetings to address questions about the customer service initiative with 90% of employees annually.				
Measure:	% of employees participating in department-level discussions	0%	15%	40%	90%

¹ New objective established for FY08-09 because project management for capital improvement projects was moved to Engineering from Property Management effective July 1, 2008.

ENGINEERING AND PUBLIC SERVICES CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES CONTINUED

GOALS, OBJECTIVES, & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Estimated	FY09-10 Projected
COUNTY GOAL:	Provide prompt, courteous, and professional services to the citizens of New Hanover County.				
DEPARTMENT GOAL:	To provide professional, accurate and timely services to customers requesting Inspections Department Services.				
OBJECTIVE:	Issue stand-a-lone trade permits within 8 business hours of submittal 100% of the time.				
Measure:	Average time to issue permit	N/A	N/A	N/A	6 hours
Measure:	% of permits issued within 8 hrs.	N/A	N/A	N/A	90%
OBJECTIVE:	Schedule/process inspection requests for the next business day when submitted by 3:30pm 100% of the time.				
Measure:	% of timely requests scheduled for next business	N/A	N/A	N/A	90%
OBJECTIVE:	Provide timely service for customers calling in inspection requests by answering the call within 2 minutes and completing the transaction within 2 minutes 90% of the time.				
Measure:	Average telephone queue time to schedule inspections	N/A	N/A	N/A	2 min.
Measure:	Average telephone transaction time to schedule inspections	N/A	N/A	N/A	2 min.
Measure:	% of transactions completed within 2 minutes	N/A	N/A	N/A	90%
OBJECTIVE:	Issue residential bldg permit within 5 days after submittal if no plan review discrepancies 100% of the time.				
Measure:	Average turn-around time	N/A	N/A	N/A	5 days
Measure:	% issued within 5 days	N/A	N/A	N/A	85%
OBJECTIVE:	Provide timely service to customers by initiating required assistance within 15 minutes of arrival 100% of the time.				
Measure:	% assisted within 5 minutes	N/A	N/A	N/A	80%
Measure:	% assisted within 10 minutes	N/A	N/A	N/A	90%
Measure:	% assisted within 15 minutes	N/A	N/A	N/A	100%

ENGINEERING AND PUBLIC SERVICES CONTINUED

SUMMARY OF EXPENDITURES

<u>ENGINEERING & PUBLIC SERVICES</u>					
	<u>ACTUAL</u> <u>FY07-08</u>	<u>ADOPTED</u> <u>FY08-09</u>	<u>REQUESTED</u> <u>FY09-10</u>	<u>RECOMMENDED</u> <u>FY09-10</u>	<u>ADOPTED</u> <u>FY09-10</u>
# OF POSITIONS:	8	11	24	25	25
EXPENDITURES:					
SALARIES & BENEFITS	\$729,288	\$760,519	\$1,489,383	\$1,219,435	\$1,219,435
OPERATING EXPENSES	44,084	110,121	296,398	236,053	236,053
CAPITAL OUTLAY	0	30,000	30,000	0	0
TOTAL EXPENDITURES:	\$773,372	\$900,640	\$1,815,781	\$1,455,488	\$1,455,488

FINANCE

The Finance Department operates a financial accounting and reporting system in compliance with North Carolina General Statute 159 (Local Government Budget and Fiscal Control Act) and other North Carolina General Statutes, federal laws and regulations. The primary purpose of the department is to ensure and maintain accurate financial information to support the overall fiscal management of the County through a system of financial planning, reporting, and control. The department is responsible for bond sales, managing debt, accounting for the County's receipts and disbursements, processing payroll, managing investments, administering the financial aspects of capital projects, managing the County's federal and state financial assistance, tracking and maintaining all County fixed-asset inventory, purchasing, coordinating the annual audit by independent certified public accountants, and preparing the Comprehensive Annual Financial Report (CAFR).

FY08-09 ACCOMPLISHMENTS

- Maintained bond rating of Aa1 with Moody's and maintained bond rating of AA+ with Standard & Poor's.
- Awarded the Certificate of Achievement for Excellence in Financial Reporting for FY07-08, achieving the highest standards in governmental accounting and financial reporting.
- Collected in excess of \$655,000 in delinquent debt, representing a 55% collection rate for FY08-09.
- Implemented e-mail notification of payroll information, reducing pressure-sealed envelope expenses; and implemented electronic vendor payments by Electronic Funds Transfer (EFT), allowing vendors the option to receive their payments deposited directly into their bank accounts.
- Utilized on-line auction through GovDeals's website for the County's surplus property auction.

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES & PERFORMANCE MEASURES	FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected	
COUNTY GOAL:	Ensure the financial stability and legal protection of the County.				
DEPARTMENT GOAL:	To maintain the County's strong financial position and financial stability.				
OBJECTIVE:	To qualify for GFOA Certificate of Achievement for Excellence in Financial Reporting.				
Measure:	Number of consecutive years GFOA certificate has been awarded	27	28	29	30
OBJECTIVE:	To maintain or improve the County's Aa1 rating with Moody's and an AA+ rating with Standard and Poor's rating services.				
Measure:	Credit ratings: Moody's	Aa2	Aa1	Aa1	Aa1
Measure:	Credit ratings: Standard and Poor's	AA	AA+	AA+	AA+
OBJECTIVE:	To maintain unreserved, undesignated fund balance of at least 16.67% (2 months) of the General Fund (GF) expenditures.				
Measure:	Unreserved, undesignated fund balance: # of months	2.16	2.00	2.00	2.00
Measure:	Unreserved, undesignated fund balance: as % of General Fund	18.02%	15.90%	14.90%	16.67%
OBJECTIVE:	To maximize investment earnings on County funds in accordance with the County's investment policy. Goal is to exceed North Carolina Cash Management Trust rate of return.				
Measure:	Average rate of return on investments	5.08%	4.25%	2.50%	0.50%
Measure:	NCCMT Rate of Return	5.14%	4.40%	3.00%	0.50%

FINANCE CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
DEPARTMENT GOAL:	To improve efficiency and decrease costs of financial operations.				
OBJECTIVE:	To reduce costs by increasing the percentage of employees electing direct deposit for payroll to 98%.				
Measure:	% of employees using direct deposit	98.80%	99.00%	99.00%	99.10%
OBJECTIVE:	To improve cash flow and decrease collection costs by increasing the current accounts receivable collected in 60 days or less.				
Measure:	% of accounts receivable 60 days or less to total	86%	87%	80%	90%
DEPARTMENT GOAL:	To increase revenue for New Hanover County through collection of delinquent debts from various departments.				
OBJECTIVE:	To obtain a higher collection rate and improve collection methods by utilizing court actions and debtor locator software.				
Measure:	10% increase in rate of collection of delinquent accounts receivable	47%	50%	55%	60%

SUMMARY OF EXPENDITURES

<u>FINANCE</u>	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
# OF POSITIONS:	21	20	19	19	19
EXPENDITURES:					
SALARIES & BENEFITS	\$1,411,940	\$1,347,062	\$1,343,614	\$1,145,500	\$1,145,500
OPERATING EXPENSES	446,479	527,948	638,313	628,015	628,015
CAPITAL OUTLAY	0	35,236	0	0	0
TOTAL EXPENDITURES:	\$1,858,419	\$1,910,246	\$1,981,927	\$1,773,515	\$1,773,515

GOVERNING BODY - COUNTY COMMISSIONERS

The New Hanover County Board of Commissioners serves as the governing body of the County under the County Manager form of government. The 5 County Commissioners are elected at-large by a countywide election held in November for a staggered 4-year term of office. The Board is charged with making policy for the administration of County government within the framework of the laws of the state of North Carolina. The Board of County Commissioners is responsible for providing and executing policies concerning the operation of the County. The primary duties of the Board include assessing and setting priorities on community needs, especially those relating to health, education, welfare, mental health, and the environment; adopting an annual budget for the County; setting the County property tax rate; and providing administration of the County. The Board also adopts ordinances to implement policies and appoints citizens to serve on various boards and advisory commissions as a way of encouraging citizen participation.

The Clerk to the Board is appointed by the Board and serves as the official administrative officer handling the official records kept by the Board of Commissioners and is responsible for recording, processing, and maintaining accurate records pertaining to the Board's actions. In addition, the Clerk to the Board responds to citizen inquiries and concerns, notifies the public and media of Board meetings and is responsible for advertising, coordinating, and maintaining membership records for 37 boards and advisory commissions. Regular public Board meetings are held on the first and third Monday of each month unless otherwise approved.

FY08-09 ACCOMPLISHMENTS

- Provided an accurate record of Regular Board Meetings, Water and Sewer District Board Meetings, Special Meetings, Work Sessions, Board of Equalization and Review, and Closed Session Meetings held by the Board, including the appropriate exhibits.
- Completed the electronic scanning and indexing of minutes of Regular Board Meetings, Water and Sewer District Board Meetings, Special Meetings, Work Sessions and Board of Equalization and Review Meetings on the web through a link on the County's website. This provides the public with the opportunity to electronically review and search minutes from 1868 to the present.
- Continued to electronically scan and index correspondence sent by the Commissioners and/or Clerk to the Board and correspondence received into the Governing Body Office from 2004 to the present. This provides the public with a link on the County's website and the opportunity to electronically review and search correspondence from 2004 to the present.
- Continued to advertise and recruit applicants for appointment to 37 boards and committees through NHC-TV, the media, and County website; and submitted applicants to the Board for consideration and approval.
- Acknowledged citizen (individual, group or organizations) and corporate accomplishments through correspondence, proclamations, certificates, and resolutions.

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
COUNTY GOAL:	Provide prompt, courteous and professional services to the citizens of New Hanover County.				
DEPARTMENT GOAL:	To respond in a timely manner to the needs of the public and keep the public informed of decisions and/or policies made by the Board of Commissioners.				
OBJECTIVE:	To provide accurate recording of regular meetings and work sessions held by the Board with Minutes prepared within 2 weeks.				
Measure:	Number of sets of Minutes prepared	74	86	68	60
Measure:	Time frame to submit Minutes to Board for approval	2 weeks	2 weeks	2 weeks	2 weeks
Measure:	% of Minutes approved on first reading	100%	99%	100%	98%

GOVERNING BODY - COUNTY COMMISSIONERS CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
OBJECTIVE:	To respond to questions, complaints or requests for information from the public and provide at least a 95% turnaround time within 8 hours.				
Measure:	Time spent daily responding to calls, letters, or emails	6.0 hrs.	6.0 hrs.	6.0 hrs.	6.0 hrs.
Measure:	% responded to within 8 hours	98%	98%	98%	98%
OBJECTIVE:	To provide support to Commissioners in response to their commitment to the public.				
Measure:	Written and/or verbal response to public inquiries within 48 hours	95%	95%	95%	95%
COUNTY GOAL:	Continue investing in technology for citizens to easily and efficiently conduct County business.				
DEPARTMENT GOAL:	To continue pursuing electronic technology to conduct County business more efficiently.				
OBJECTIVE:	To use electronic media to communicate with the public, members of the General Assembly, County staff and Commissioners.				
Measure:	% of daily correspondence sent electronically to the public, members of the General Assembly, County staff and Commissioners	80%	85%	90%	90%
OBJECTIVE:	To post current correspondence on website within 2 weeks of receipt of information.				
Measure:	Number of weeks to post correspondence	Scanning within 2 weeks of receipt; website launch completed	1 week	1 week	1 week

GOVERNING BODY - COUNTY COMMISSIONERS CONTINUED

SUMMARY OF EXPENDITURES

<u>GOVERNING BODY - COUNTY COMMISSIONERS</u>					
	<u>ACTUAL</u> <u>FY07-08</u>	<u>ADOPTED</u> <u>FY08-09</u>	<u>REQUESTED</u> <u>FY09-10</u>	<u>RECOMMENDED</u> <u>FY09-10</u>	<u>ADOPTED</u> <u>FY09-10</u>
# OF POSITIONS:	8	8	8	8	8
EXPENDITURES:					
SALARIES & BENEFITS	\$360,673	\$373,517	\$399,732	\$371,271	\$371,271
OPERATING EXPENSES	90,972	91,046	90,691	86,491	86,491
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$451,644	\$464,563	\$490,423	\$457,762	\$457,762

HUMAN RESOURCES

The Human Resources Department provides a wide array of services to departments and employees. With over 1,600 regular employees, this department is responsible for personnel records and information systems, personnel policy development, classification and compensation, benefits, training and development, employee relations, recruitment, employee recognition, wellness, safety, and NHC-TV. The department provides budget and administrative support for the Customer Service Initiative.

FY08-09 ACCOMPLISHMENTS

- Achieved a 30% reduction in the number of risk factors measured through the Health Risk Assessments completed.
- Achieved 100% participation in electronic enrollment system by eligible employees for annual benefits enrollment process.
- Established a countywide web-based training program.
- Completed new software implementation providing electronic analysis and referrals from Human Resources to departments. In addition, all applicants submitting on-line applications will receive electronic updates on application evaluation.

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES & PERFORMANCE MEASURES	FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected	
COUNTY GOAL:	Ensure equality for all New Hanover County citizens. Provide prompt, courteous and professional services to the citizens of New Hanover County.				
DEPARTMENT GOAL:	To recruit and retain qualified employees, giving good customer service to applicants and hiring department in the referral and selection process.				
OBJECTIVE:	To maintain at least an 80% overall satisfaction rating on post-recruitment process surveys sent to hiring supervisors.				
Measure:	% of surveys returned	43%	70%	50%	70%
Measure:	Average overall satisfaction rating	93%	95%	95%	96%
OBJECTIVE:	To effectively use the probationary employee satisfaction survey as a retention tool to identify and follow up on issues. ²				
Measure:	% of surveys returned	43%	50%	60%	Not. Avail.
Measure:	Overall satisfaction rating	84%	87%	87%	Not. Avail.
Measure:	% of issues resolved	99%	99%	99%	Not. Avail.
COUNTY GOAL:	Provide prompt, courteous and professional services to the citizens of New Hanover County.				
DEPARTMENT GOAL:	To be responsive to the employees of New Hanover County, assuring that their needs and the needs of the County are fairly and effectively met.				
OBJECTIVE:	To provide quality, cost-effective employee training.				
Measure:	# of employees attending	819	1290	1000	1200
Measure:	Average cost per participant	\$31	\$4 ³	\$35	\$35

² Survey practice was suspended during FY09-10 due to the small number of new employees hired due to the severe national economic conditions and cost containment measures enacted by the County for FY08-09.

³ Substantial savings due to use of in-house training by staff and available complimentary training offered by benefit vendors.

HUMAN RESOURCES CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES	FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
OBJECTIVE: (New for FY07-08) To promote and improve employee wellness and reduce health risk factors, thereby enhancing employee satisfaction and productivity and, hopefully, positively impacting health insurance costs.				
Measure: % of employees joining the WAY (Wellness and You) wellness program (first-year goal: 25%)	N/A	25%	27%	25%
Measure: % of WAY participants earning a minimum of 175 core WAY points in one year (first-year goal: 60%)	N/A	60%	60%	60%
Measure: % reduction in overall health risk factors of participants, measured from beginning HRA (health risk assessment) to ending HRA (first-year goal: 5%)	N/A	5%	30%	10%
OBJECTIVE: To maintain the County's employee injury rate lower than 9%. ⁴				
Measure: Injury rate per hours worked	5.1	5	3.9	5
COUNTY GOAL: Continue investing in technology for citizens to easily and efficiently conduct County business.				
DEPARTMENT GOAL: To use the County's technological resources to provide online services for employees and applicants and to manage citizen contacts.				
OBJECTIVE: To have 90% or greater of employment applications completed through HR web page by applicants.				
Measure: % of applications received electronically	95%	96%	99%	99%
OBJECTIVE: To have 90% or greater of applicant referrals to departments sent electronically. ⁵				
Measure: % of electronic applicant referrals to department	Not Avail.	Not Avail.	Not Avail.	90%
OBJECTIVE: To have 100% of the applicants applying for positions on-line receive electronic notification of position status. ⁵				
Measure: % of electronic notifications sent	Not Avail.	Not Avail.	Not Avail.	100%
OBJECTIVE: To have 90% or greater of benefits enrollment/changes initiated by electronic employee self-service.				
Measure: # of transactions	1574	1600	1600	1500
Measure: % received electronically	100%	100%	100%	100%

⁴ Nationwide average injury rate for local government.

⁵ Objective and Measurement added in FY09-10 as a result of the implementation of a new on-line system that will better automate application process workflow.

HUMAN RESOURCES CONTINUED

SUMMARY OF EXPENDITURES

<u>HUMAN RESOURCES</u>	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
# OF POSITIONS:	13	12	12	12	12
EXPENDITURES:					
SALARIES & BENEFITS	\$838,537	\$898,821	\$854,151	\$806,659	\$806,659
OPERATING EXPENSES	148,411	165,805	155,134	111,192	111,192
CAPITAL OUTLAY	72,986	200,000	30,000	20,000	20,000
TOTAL EXPENDITURES:	\$1,059,934	\$1,264,626	\$1,039,285	\$937,851	\$937,851

INFORMATION TECHNOLOGY

The Information Technology Department provides countywide support and maintenance for all computer applications, Geographic Information Systems (GIS), networks, e-mail systems, telephone systems, pagers, and coin-operated telephone services. The department is responsible for analyzing and implementing the electronic needs of all County departments according to response time, storage requirements, hardware/software services, and insuring that adequate training is available for users. The data network allows users to have access to systems at the state, County, or departmental level. In addition, access to the Internet provides users with valuable information obtained from around the world. The software being utilized in the various departments is purchased from reputable commercial vendors.

FY08-09 ACCOMPLISHMENTS

- Managed a major upgrade to the software in Property Management's Vehicle Management Division that will allow the County to better track and utilize its vehicle assets.
- Assisted Human Resources with the transition of the employee benefits enrollment to a hosted service in order to have a paperless open enrollment process for this year.
- Developed and awarded a bid for a new Integrated Library System in cooperation with staff from the Library.
- Worked extensively with the County's initiative to improve its online presence and to begin incorporating social networking into its efforts to better inform citizens about County services.
- Completed the infrastructure rollout of the County's intranet platform, SharePoint, assisting many departments with the use of its many features.

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Estimated	FY09-10 Projected
COUNTY GOAL:	Provide prompt, courteous and professional services to the citizens of New Hanover County.				
DEPARTMENT GOAL:	To ensure a high level of user satisfaction for each Information Technology service provision.				
OBJECTIVE:	To respond to requests for service within 4 hours.				
Measure:	Response rate	92%	95%	96%	96%
OBJECTIVE:	To maintain network uptime at 98% or greater during normal business hours.				
Measure:	% of network uptime	98.6%	98.4%	98.0%	98.0%
DEPARTMENT GOAL:	Continue to offer attractive salary and benefit packages and training opportunities in order to retain professional IT staff.				
OBJECTIVE:	To maintain a staff retention rate of 90% or greater.				
Measure:	IT staff retention rate	93%	97%	97%	94%
OBJECTIVE:	To offer at least 240 hours of on-site training opportunities for IT staff.				
Measure:	# of hours of training offered	160	200	220	120
COUNTY GOAL:	Continue investing in technology for citizens to easily and efficiently conduct County business.				
DEPARTMENT GOAL:	To continue to invest in technology (Internet and Intranet) for conducting business more efficiently.				
OBJECTIVE:	To develop Internet-based systems for customer self-service.				
Measure:	% of Inspection's payments collected online	0%	0%	20%	10%
Measure:	% of Park's reservations made via web	15%	17%	20%	10%
Measure:	% of Library facilities reserved via web	40%	45%	50%	60%

INFORMATION TECHNOLOGY CONTINUED

SUMMARY OF EXPENDITURES

<u>INFORMATION TECHNOLOGY</u>	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
# OF POSITIONS:	26	36	36	36	36
EXPENDITURES:					
SALARIES & BENEFITS	\$1,994,816	\$2,578,299	\$2,677,001	\$2,207,914	\$2,207,914
OPERATING EXPENSES	2,859,151	2,787,993	2,883,722	2,858,922	2,858,922
CAPITAL OUTLAY	335,192	280,000	156,000	142,000	142,000
TOTAL EXPENDITURES:	\$5,189,159	\$5,646,292	\$5,716,723	\$5,208,836	\$5,208,836

LEGAL - COUNTY ATTORNEY

The County Attorney is appointed by the Board of County Commissioners to serve as its legal advisor. The County Attorney provides legal counsel and representation to the Board of County Commissioners, County Manager, County departments, and County-appointed boards and commissions to ensure their activities conform to constitutional and county statutory requirements. This department prepares all ordinances and resolutions adopted by the Board of County Commissioners, in addition to legislation proposed by the Board for enactment by the General Assembly. The department is also responsible for preparing and reviewing all of the County's legal documents, representing the County in all civil litigation, researching legal precedents, and reviewing and enforcing County ordinances. This Office administers the execution process of all County contracts and responds as the Franchising Authority to all cable complaints that are received from New Hanover County citizens.

The Risk Management Division is responsible for identifying and evaluating exposure to accidental loss; developing reasonable and effective risk control policies and procedures; and recommending appropriate methods of funding for accidental loss, including the purchase of property/liability insurance and/or retention of risk. In addition to servicing the needs of New Hanover County, the Risk Management Division provides the aforementioned services to the following entities:

- City of Wilmington
- Cape Fear Community College
- Cape Fear Public Utility Authority
- New Hanover County Airport Authority
- New Hanover County Board of Education
- New Hanover Soil & Water Conservation District
- Southeastern Center for Mental Health, Developmental Disabilities and Substance Abuse Services

FY08-09 ACCOMPLISHMENTS

- Initiated action to achieve compliance with health regulations and public nuisance ordinances and administered legal aspects of housing rehabilitation/replacement grant programs.
- Represented the County in Tax Appeals to the NC Property Tax Commission.
- Initiated numerous zoning compliance actions and secured appropriate abatement orders.
- Continued scanning contract files into the Laser fiche program for intranet viewing.
- Developed procedures to efficiently and expeditiously prepare, route, execute, track, and inventory contracts.

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES & PERFORMANCE MEASURES	FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
COUNTY GOAL: Provide prompt, courteous and professional services to the citizens of New Hanover County. Ensure the financial stability and legal protection of the County.				
DEPARTMENT GOAL: To provide legal advice and litigation services to the Board of County Commissioners, County Manager and all County departments requesting assistance.				
OBJECTIVE: To continue defending the County in lawsuits filed against the County and initiating lawsuits to insure compliance with all County ordinances and regulations as evidenced by a successful litigation rate of 100%.				
Measure: Lawsuits: # civil actions (miscellaneous)	23	22	12	20
Measure: Lawsuits: # tax appeals to NC Property Tax Commission	0	97	15	25

LEGAL - COUNTY ATTORNEY CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES CONTINUED ⁶

GOALS, OBJECTIVES & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
Measure:	Successful litigation rate: Civil actions	90%	90%	80%	80%
Measure:	Successful litigation rate: Tax appeals	n/a	80%	80%	80%
OBJECTIVE:	To respond within 5 days to requests for legal opinions.				
Measure:	Response rate	99%	99%	99%	99%
OBJECTIVE:	To provide legal guidance and support to all County departments as evidenced by annual workload indicators.				
Measure:	Workload indicators: contracts reviewed and drafted	522	537	587	500
Measure:	Workload indicators: Ordinances/amendments	8	3	6	4
Measure:	Workload indicators: Real Property Acquisitions and Disposition and Grant Program Instruments ⁶	Not Avail.	6	150	150

SUMMARY OF EXPENDITURES

<u>LEGAL - COUNTY ATTORNEY</u>					
	<u>ACTUAL</u> <u>FY07-08</u>	<u>ADOPTED</u> <u>FY08-09</u>	<u>REQUESTED</u> <u>FY09-10</u>	<u>RECOMMENDED</u> <u>FY09-10</u>	<u>ADOPTED</u> <u>FY09-10</u>
# OF POSITIONS:	10	10	10	10	10
EXPENDITURES:					
SALARIES & BENEFITS	\$744,630	\$773,655	\$792,831	\$750,236	\$750,236
OPERATING EXPENSES	3,694,315	80,892	87,291	61,391	61,391
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$4,438,944	\$854,547	\$880,122	\$811,627	\$811,627

⁶ Measure added in FY07-08.

NON-DEPARTMENTAL

NON-DEPARTMENTAL EXPLANATIONS

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

Expenditures:

Medical Insurance Expense: Funds are included for administrative fees for Dental Insurance and the Flexible Spending account program, as well as the County's portion of retirees' medical expenses. Any consultant fees incurred related to these benefits are also included in this amount.

Contracted Services:

\$15,000	Employment Background Checks
\$17,500	Random Drug Screening for Employees who are not in Sheriff's Office
\$2,500	Drug Screening (Sheriff's Office only)
\$5,000	Employee Assistance Program (work-related)
\$17,500	Special Insurance
740	American Society of Composers, Authors, and Publishers
\$58,240	TOTAL

Contracted Services - HealthSTAT: Funds are included for the operation of an on-site clinic to address minor health issues and a preventative wellness program for County employees. The operation of the program is expected to reduce the cost of medical claims for FY09-10. In FY07-08, expenses for these services were included in the Professional Services line item. In FY08-09, a special expense line was established for this program for better tracking purposes.

\$23,285	Program Administration Fee
\$186,826	PA Clinic Open hours (40 hours/week)
\$56,000	Assessments (allowance for 700)
\$19,600	PSA for men (maximum of 700)
\$47,880	Data Management Fee per enrolled employee (based on 1,400)
\$32,400	Labs
\$5,000	Supplies
\$370,991	TOTAL

Water Monitoring: Includes contracts with UNC-W and Lower Cape Fear River Research for the monitoring of tidal creeks and the Cape Fear River, respectively. As of FY08-09, the funds for these contracts are budgeted in the Planning Department.

Watershed Board: Administrative expenses for the Watershed Management Advisory Board (previously Tidal Creeks Watershed Management Advisory Board). As of FY08-09, the funds for these contracts are budgeted in the Planning Department.

Service/Retirement Awards: In FY08-09, \$20,000 was included in the Human Resources operating budget. In FY09-10, this item is being moved to Non-Departmental to be consistent with other items that are funded for all New Hanover County employees. The FY09-10 recommended amount was decreased to \$14,000 with the approval of Human Resources staff.

Employee Appreciation: Funds provide for an appreciation lunch or other event for County employees and retirees. For FY08-09, \$25,000 was budgeted. Due to budget restraints, the amount was reduced to \$20,000 for FY09-10.

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. Unexpended funds from the FY07-08 program were used to fund the FY08-09 program. For FY09-10, Human Resources has requested \$15,000 to continue the program.

NON-DEPARTMENTAL CONTINUED

The WAY program has three main components: Health Risk Assessment, Physical Activity, and Wellness Education.

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. The amount was reduced from \$150,000 to \$45,732 due to budget constraints.

Training and Travel: Funds for in-house mandatory web-based training are included in the budget at an amount of \$32,800. This countywide web-based training is administered by the Human Resources department. Funds for customer service program are included in the budget at an amount of \$20,000. The customer service program is administered by the Engineering and Public Services department.

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

\$ 91,295	Commercial Package Policy estimate (includes Property, General Liability, Crime, Excess Crime, and Excess Property Liability Insurance)
1,514	Automobile Estimate
98,500	Law & Public Official Liability estimate
93,500	Umbrella Liability estimate
120,500	Excess Workers' Compensation estimate (Note: This is not for workers compensation payments, but is a stop gap policy.)
\$405,309	TOTAL

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

Unemployment – Employment Security Commission: An annual estimate for FY09-10 is \$150,000. Previously, this has been paid from Insurance and Bonds account. However, for improved tracking in future years, a separate object was established.

Workers Compensation: Estimate of funds that will be required for Workers Compensation.

City of Wilmington:

For the Plan to End Homelessness:

- \$35,000 FY07-08 expended in Non-Departmental.⁷
- \$50,000 FY08-09 included in adopted budget in Non-Departmental.⁷
- \$25,000 FY09-10 included in Non-County Agency Accounts.⁸

For the “Safe Light Program”:

In accordance with the Commissioners’ approval (December 2008), funding for FY09-10 includes an amount up to \$200,000 for funding 50% of the cost of the red light “Safe Light” program.⁹

Contribution to Cape Fear Soccerplex: Annual maintenance contract payable to Cape Fear Soccer Association. This is the final year of a 3-year contract. The County’s share is \$130,964.

Capital Outlay: In FY07-08, \$30,000 was spent for Hardware and Software needed for countywide system. Nothing has been budgeted in FY09-10.

⁷ Amounts in FY07-08 were paid from Non-Departmental Account. These amounts are also listed in the combined table for outside agencies.

⁸ \$25,000 in FY09-10 was budgeted in Non-County Agency Contributions and is not reflected in the amounts listed in the table for FY09-10.

⁹ The “Safe Light Program” does not appear in the Non-County Agency Contributions Summary. It is only reflected in the Non-Departmental Division.

NON-DEPARTMENTAL CONTINUED

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 efficient, affordable 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.

Contingencies:

These funds are intended for unanticipated expenditures, as it is impossible to project in June all the needs of the County during the next fiscal year. A contingency appropriation is limited by law to 5% of the total appropriation in a particular fund. The amount budgeted for contingency (\$89,777) in FY09-10 is less than 1% of the General Fund appropriation. The requested amount of \$300,000 was reduced to \$89,777 due to budget restraints.

Transfers to Other Funds:

Funds are transferred from the General Fund to other funds or capital projects to offset operating expenditures or expenditures of a particular project.

FY07-08 Actual Expenses consisted of five transfers:

- Transfers to Enterprise Funds totaled \$2,427,319. Of this amount, \$385,000 was transferred to the Environmental Management Fund as a loan for the purchase of land. The loan is for a term of 10 years at zero interest. The amount of \$100,000 was a transfer to the Storm Water Drainage Fund. The remaining \$1,942,319 is a transfer to the Water and Sewer District Fund.
- Transfers to Capital Projects totaled \$1,782,688. Of this amount, \$1,750,000 was for the CFCC Public Safety Center Project.
- Transfers to Trust and Agency Funds totaled \$1,028,307. Of this amount, \$328,307 represents the County's cost of a special retirement fund established for the Sheriff's Office. The amount of \$700,000 represents the County's cost for Other Post Employment Benefits (OPEB). Retiree benefits must now be actuarially calculated and accrued during the working years of an employee and recognized as a financial obligation.

FY08-09 Adopted Budget consisted of three transfers:

- Transfers to Enterprise Funds of \$100,000 were budgeted as a transfer to the Storm Water Drainage Fund.
- Transfers to Trust and Agency Funds totaled \$806,872. The transfer of \$306,872 represents the County's cost of a special retirement fund established for the Sheriff's Office. An amount of \$500,000 is budgeted as a transfer for Other Post Employment Benefits (OPEB).

FY09-10 Adopted Budget includes two transfers:

- Transfers to Trust and Agency Funds total \$558,511. The FY09-10 Budget does not include funds for directly funding capital projects. The storm water drainage function has been moved to the Engineering and Public Services department and a transfer is no longer necessary. The transfer of \$358,511 represents the County's cost of a special retirement fund established for the Sheriff's Office. An amount of \$200,000 is budgeted as a transfer for Other Post Employment Benefits (OPEB).

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. General Fund payments of \$7,344,028 are budgeted. Breakdown of bonded debt is found on Pages 162 and 163.

Installment Debt: General Fund payments of \$15,844,423 are budgeted. A breakdown of installment debt is found on Pages 162 through 165.

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

NON-DEPARTMENTAL CONTINUED

SUMMARY OF EXPENDITURES

NON-DEPARTMENTAL	ACTUAL	ADOPTED	REQUEST.	RECOMMEND.	ADOPTED
	FY07-08	FY08-09	FY09-10	FY09-10	FY09-10
NON-DEPARTMENTAL EXPENSES:					
MEDICAL INSURANCE	(\$765,873)	\$677,820	\$775,179	\$775,179	\$775,179
CONTRACT SERVICES	60,696	58,681	58,240	58,240	58,240
CONTR. SVCS-HEALTHSTAT	0	370,991	370,991	360,991	360,991
PROFESSIONAL SERVICES	297,732	0	0	0	0
WATER MONITORING	42,610	0	0	0	0
WATERSHED BOARD	103	0	0	0	0
AWARDS	0	0	20,000	14,000	14,000
EMPLOYEE APPRECIATION	20,097	25,000	25,000	20,000	20,000
WELLNESS	0	0	15,000	15,000	15,000
EMPLOYEE REIMBURSEMENT	160	0	0	0	0
MISCELLANEOUS	(71,558)	150,000	150,000	120,732	45,732
TRAINING & TRAVEL	56,898	70,000	61,000	52,800	52,800
INSURANCE & BONDS	588,208	570,085	405,309	405,309	405,309
INSURANCE DEDUCTIBLE	107,123	35,000	100,000	75,000	75,000
UNEMPLOYMENT	0	0	0	150,000	150,000
WORKERS COMPENSATION	839,402	450,000	600,000	549,815	549,815
CHAMBER OF COMMERCE	25,000	0	0	0	0
CITY OF WILMINGTON	35,000	50,000	200,000	200,000	200,000
CONTRIBUTION TO CAPE FEAR SOCCERPLEX	125,000	128,000	130,964	130,964	130,964
CONTRIBUTION TO WAVE	158,852	147,710	147,710	132,939	132,939
CAPITAL OUTLAY - EQUIP.	30,000	0	0	0	0
NON-DEPT. TRANSFERS ¹⁰	0	0	0	0	0
TOTAL NON-DEPARTMENTAL EXPENSES:	\$1,549,449	\$2,733,287	\$3,059,393	\$3,060,969	\$2,985,969
CONTINGENCIES	\$0	\$567,289	\$300,000	\$332,767	\$89,777
TRANSFERS TO OTHER FUNDS:					
TRANS. TO ENTERPRISE FUND ¹⁰	\$2,427,319	\$100,000	\$0	\$0	\$0
TRANS. TO CAPITAL PROJECTS	1,782,688	0	0	0	0
TRANS. TO TRUST/AGENCY	1,028,307	806,872	558,511	558,511	558,511
TOTAL TRANSFERS:	\$5,238,314	\$906,872	\$558,511	\$558,511	\$558,511
DEBT SERVICE:					
PRINCIPAL ON BONDED DEBT ¹¹	\$2,580,940	\$4,379,892	\$5,073,576	\$5,073,576	\$5,073,576
INTEREST ON BONDED DEBT ¹¹	1,643,446	2,597,272	2,270,452	2,270,452	2,270,452
INSTALLMENT DEBT	12,792,375	18,330,117	15,805,281	15,844,423	15,844,423
BOND SERVICE CHARGES	116,995	115,100	110,850	110,850	110,850
TOTAL DEBT SERVICE:	\$17,133,756	\$25,422,381	\$23,260,159	\$23,299,301	\$23,299,301
TOTAL EXPENDITURES:	\$23,921,518	\$29,629,829	\$27,178,063	\$27,251,548	\$26,933,558

¹⁰ \$100,000 transfer to Storm Water Drainage Fund for FY07-08 and FY08-09, and the \$385,000 FY07-08 zero interest loan to Environmental Management are included in the Transfers to Other Funds section rather than in Non-Departmental Transfers within Non-Departmental Expenses. The FY07-08 \$385,000 zero interest loan to Environmental Management is for the purchase of land for the Administration Building (to be repaid in 10 annual installments).

¹¹ Totals Include debt service for CFCC and NHC Public Schools.

PLANNING

The Planning Department provides guidance and direction in the adoption of policies and regulations to encourage orderly growth and development and long-range planning in New Hanover County. These public policy choices include: residential, commercial and industrial land use development standards; transportation and service delivery, and capital improvements. This work involves the collection and evaluation of data, research and analysis of options and alternatives, and the selection and implementation of projects and programs.

The department serves as professional staff to the County Planning Board. Additionally, it makes recommendations and suggestions to the Board of County Commissioners, citizen advisory groups, and other agencies on comprehensive land use policies and plans, zoning recommendations, special permits hazard mitigation, and subdivision regulations. The department is directly responsible for the administration of the Subdivision Ordinance, Special Use Permits, site plan approvals, street mapping and addressing in the County, zoning ordinance amendments, and map changes.

The Planning staff provides assistance to other County departments to aid in developing service delivery strategies and needs assessments for future plans. Community Development grants and other housing assistance programs are administered for the unincorporated County. Staff initiates and participates in efforts to promote sustainable development and protect our environment for future generations. Efforts include water quality initiatives and enhancement projects promotion of sustainable development, alternative transportation, and floodplain management. Through the creation of specific plans for small areas of the County, all of the publicly-provided services can be distributed fairly and efficiently to support a rapidly growing and dynamic population.

FY08-09 ACCOMPLISHMENTS

- Approved 227 final subdivision lots and 2,108 preliminary lots, including revisions, extensions, and reapprovals. Processed 11 applications for Rezoning, 14 Special Use Permits, 2 road closures, and 2 roads renamed. Over 3,000 customer contacts relating to development projects, service provision, or growth and development in the County were taken during the year.
- Initiated a comprehensive ordinance improvement effort. The effort will review our existing development regulations, identify sections which are outdated or in need of improvement, and draft new language that is more in tune with our County and development techniques being utilized. Notable milestones to date include strengthening our tree protection ordinance and adding development options for the provision of senior housing.
- Continued implementation of the strategies included in the Wilmington/New Hanover County 2006 CAMA Land Use Plan Update. The Low Impact Development manual has been adopted and is being utilized in the development review process. A draft Exceptional Design District is making its way through the approval process.
- Received a Community Development Block Grant (CDBG) award for the replacement of three homes and the substantial rehabilitation of one additional home. The grant will provide up to \$360,000 for the completion of these projects. Work on a housing-needs assessment will allow staff to identify areas appropriate for assistance and help to document progress towards improving conditions where substandard housing exists.
- Completed the transition from the Watershed Management Advisory Board to a water quality task force. The task force has proven far more responsive to specific water quality concerns which have arisen at various locations throughout the County. The task force oversees a comprehensive water quality monitoring effort which involves 10 public and private monitoring efforts. All of the County's major water bodies are now being monitored on a regular basis, so that if problems are detected they can be addressed and corrected as quickly as possible.

PLANNING CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
COUNTY GOAL:	Provide prompt, courteous and professional services to the citizens of New Hanover County.				
DEPARTMENT GOAL:	To encourage efficiency by providing timely information to the citizens served by the Planning Department.				
OBJECTIVE:	To meet County ordinance requirements for processing rezoning change requests and plan reviews.				
Measure:	Map Zoning Amendments and Conditional Use Rezoning Applications: # processed	26	22	11	16
Measure:	Special Use Permit Applications: # processed	22	11	14	14
Measure:	Applications: % completed within ordinance time limit	100%	100%	100%	100%
OBJECTIVE:	To meet County ordinance requirements for processing subdivision plans.				
Measure:	Preliminary lots: # approved	1,900	2,799	2,108	1,850
Measure:	Preliminary lots: % completed within ordinance time limit	100%	100%	100%	100%
OBJECTIVE:	To provide the public with information regarding development activity in New Hanover County.				
Measure:	Notify adjacent property owners of rezoning, conditional use rezoning, special use or street closing/renaming applications at least 10 days before the meeting	100%	100%	100%	100%
Measure:	Post Planning Board and Technical Review Committee agendas and case information on department web page a week before the meeting	80%	85%	85%	80%
Measure:	Advertise Planning Board agendas at least 10 days before the meeting	100%	100%	100%	100%
OBJECTIVE:	Review existing development regulations, identify sections which are outdated or in need of improvement and draft new language that is more in tune with our County and development techniques being utilized.				
Measure:	Number of text amendments	N/A	N/A	10	12

PLANNING CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES	FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
COUNTY GOAL:	Provide a safe community for all New Hanover County citizens.			
DEPARTMENT GOAL:	To reduce the County's risk of flood hazards through hazard mitigation efforts, resulting in lower insurance premiums for unincorporated area residents.			
OBJECTIVE:	To improve the County's Community Rating System (CRS) rating through the "CRS 6" initiative.			
Measure:	CRS rating	7	8	8
Measure:	Reduction in flood insurance premiums for floodplain property owners	15%	10%	10%
COUNTY GOAL:	Ensure the health and welfare of all New Hanover County citizens.			
DEPARTMENT GOAL:	To improve the quality of life in New Hanover County by the renovation of substandard housing.			
OBJECTIVE:	To reduce the percentage of substandard housing units.			
Measure:	# of substandard housing units improved	8	6	3
COUNTY GOAL:	Protect the environment and the quality of life enjoyed by New Hanover County citizens.			
DEPARTMENT GOAL:	To provide for orderly growth and development in the County by implementing the policies in the CAMA Land Use Plan.			
OBJECTIVE:	To implement the policies and strategies of the CAMA Land Use Plan.			
Measure:	# of policies implemented	3	10	17
OBJECTIVE:	To monitor and improve water quality in New Hanover County water bodies.			
Measure:	# of creeks in New Hanover County on the North Carolina Impaired Waters List	8	8	8

SUMMARY OF EXPENDITURES

<u>PLANNING</u>	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
# OF POSITIONS:	8	8	10	8	8
EXPENDITURES:					
SALARIES & BENEFITS	\$621,240	\$627,794	\$771,907	\$567,741	\$567,741
OPERATING EXPENSES	172,873	171,923	205,560	170,658	170,658
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$794,113	\$799,717	\$977,467	\$738,399	\$738,399

PROPERTY MANAGEMENT

Property Management performs maintenance, repair, renovations, custodial services, and energy conservation measures in facilities owned by New Hanover County. The department also maintains the County's fleet of vehicles, recommends vehicle replacements, and purchases new vehicles.

Signs for County streets and regulatory signage for County properties are fabricated and installed by the department.

Key elements of Property Management's facility management services are the department's computerized work order and building automation systems. The work order system allows departments to key various work requests and view the status of those requests as they are processed. The automation systems installed in 26 County buildings aid in trouble shooting HVAC units and lighting and provide data that measures their energy usage. This information enables the department to identify and implement viable energy conservation measures.

FY08-09 ACCOMPLISHMENTS

- Completed automation of heating, ventilation and air conditioning controls at 5 locations, increasing the total number of automated buildings to 26. This enables better management of energy and produces better indoor air quality.
- Upgraded 12 HVAC units that were down or life cycled to more energy efficient systems.
- Installed 3 variable fan drives to units in 2 buildings, enabling those units to perform more efficiently.
- Installed a generator at the Cape Fear Museum.
- Installed 100 low emitting (LED) energy efficient exit lights and incorporated zero-emitting volatile organic compounds (VOC) paint in our building material inventory.

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES & PERFORMANCE MEASURES	FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected	
COUNTY GOAL:	Provide a safe community for all New Hanover County citizens. Provide prompt, courteous and professional services to the citizens of New Hanover County. Ensure the financial stability and legal protection of the County.				
DEPARTMENT GOAL:	To efficiently and effectively provide for the general maintenance and upkeep of County buildings and vehicles.				
OBJECTIVE:	To reduce number of routine work orders with utilization of the Preventive Maintenance and Repair Team System (PARTS). Goal = 25% reduction from 02/03 actual of 2,672.				
Measure:	# of routine work orders	2,111	2,420	3,500	3,500
Measure:	Reduction rate from 02/03 actual	21%	9%	-31%	-31%
OBJECTIVE:	To continue to provide basic automotive service in 2 hours.				
Measure:	Time to perform basic automotive service	1.0 hr.	1.0 hr.	1.0 hr.	1.0 hr.
OBJECTIVE:	To process 100% of routine work requests with the use of MicroMain, which allows technicians to perform work they determine is needed while in the field.				
Measure:	# of routine work requests (all trades)	N/A	7,956	9,031	10,548
Measure:	% processed with MicroMain	N/A	97%	94%	96%

PROPERTY MANAGEMENT CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
OBJECTIVE:	To reduce the average number of days between "requested" work request and "completed" work request to 4 days.				
Measure:	# of work requests (general maintenance only)	2,111	4,150	3,935	3,306
Measure:	Average # of days between "requested" and "completed" work requests	N/A	4	5.5	5.0
OBJECTIVE:	To upgrade all buildings to energy efficient lighting systems (T-8) and LED exit lights by FY 2011-2012.				
Measure:	# of buildings	N/A	N/A	50	50
Measure:	% of buildings upgraded to T-8	N/A	N/A	8%	20%
Measure:	% of buildings upgraded to LED exit lights	N/A	N/A	10%	30%
OBJECTIVE:	To have an "Energy Star" designation for 10% of buildings by FY 2011-2012.				
Measure:	# of buildings	N/A	N/A	50	50
Measure:	# of buildings with "Energy Star" designation	N/A	N/A	0	1

SUMMARY OF EXPENDITURES

<u>PROPERTY MANAGEMENT</u>					
	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
# OF POSITIONS:	74	72	72	72	72
EXPENDITURES:					
SALARIES & BENEFITS	\$3,441,026	\$3,518,877	\$3,511,181	\$3,368,542	\$3,368,542
OPERATING EXPENSES	5,075,342	5,623,664	5,914,333	5,331,767	5,331,767
CAPITAL OUTLAY	944,948	394,800	1,926,000	796,000	796,000
TOTAL EXPENDITURES:	\$9,461,316	\$9,537,341	\$11,351,514	\$9,496,309	\$9,496,309

REGISTER OF DEEDS

The Register of Deeds Department is responsible for recording, indexing, preserving, and maintaining real property documents, financing statements, birth, death, marriage, military discharge, and notary public records in accordance with North Carolina General Statutes and local ordinances. The department assists attorneys, paralegals, realtors, surveyors, banking officers, and the general public with the retrieval of these permanent records and issues certified copies to the recipient. The Registrar of Deeds is an elected position.

FY08-09 ACCOMPLISHMENTS

- Implemented document mail return procedures to reduce postage cost.
- Reorganized Public Vault area to include a public terminal for Administrative Office of the Courts.
- Digitized 100% of all aperture card and 35mm images. (Aperture cards are a film slide only viewable on a special piece of equipment that is almost obsolete.)
- Developed process for credit/debit payment in Vital Records and Public Information Departments.

GOALS, OBJECTIVES, & PERFORMANCE MEASURES

GOALS, OBJECTIVES & PERFORMANCE MEASURES	FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
COUNTY GOAL:	Provide prompt, courteous and professional services to the citizens of New Hanover County.			
DEPARTMENT GOAL:	To serve the public in an efficient and accurate manner, while meeting the statutory requirements for the safekeeping of public records.			
OBJECTIVE:	To reduce the time frame between recording and permanent indexing.			
Measure:	Time from recording to indexing ¹²	25 minutes	20 minutes	18 minutes
OBJECTIVE:	To check data base and scanned images for 100% accuracy.			
Measure:	Data base and scanned images that are 100% accurate (new for FY08-09)	n/a	n/a	100%
OBJECTIVE:	To have images available to the public in 30 minutes or less.			
Measure:	Image availability to the public	25 minutes	20 minutes	18 minutes
OBJECTIVE:	To search and copy a document within time frame of 3 minutes.			
Measure:	Time to search and copy one document	1 minute	1 minute	1 minute
OBJECTIVE:	To search index images within 2 minutes utilizing new computer system.			
Measure:	Time to seach index image	2 minutes	1 minute	1 minute
OBJECTIVE:	To process an increasing number of documents efficiently.			
Measure:	# of documents processed	67,000	56,000	94,000

¹² Time frame reduced drastically with purchase of new software, AI Index.

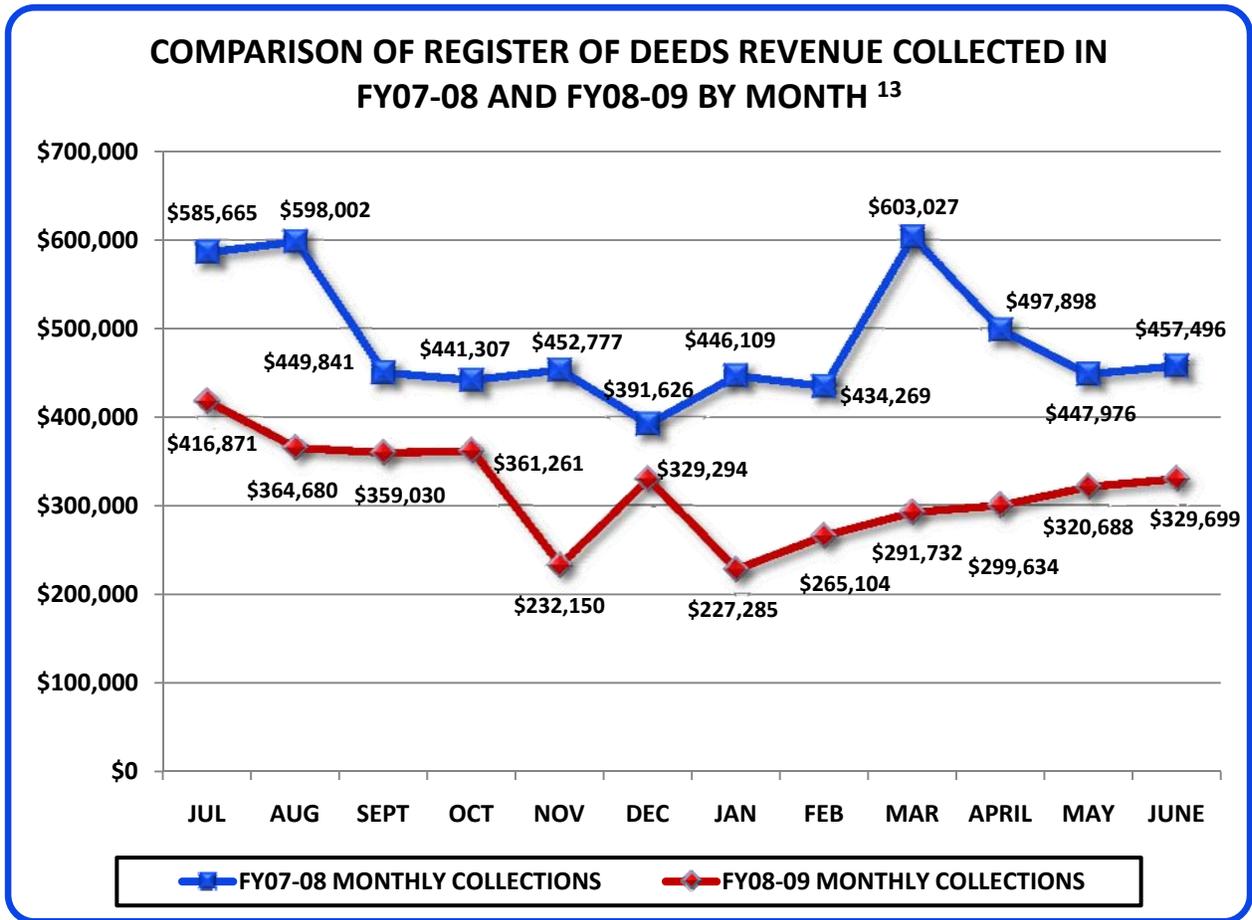
REGISTER OF DEEDS CONTINUED

SUMMARY OF EXPENDITURES AND REVENUES

REGISTER OF DEEDS					
	ACTUAL FY07-08	ADOPTED FY08-09	REQUESTED FY09-10	RECOMMENDED FY09-10	ADOPTED FY09-10
# OF POSITIONS:	20	20	20	20	20
EXPENDITURES:					
SALARIES & BENEFITS	\$1,001,437	\$1,053,011	\$978,559	\$746,151	\$746,151
OPERATING EXPENSES	227,932	226,096	222,835	222,835	222,835
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$1,229,369	\$1,279,107	\$1,201,394	\$968,986	\$968,986
TOTAL REVENUES:	\$3,620,489	\$4,005,050	\$1,791,500	\$2,390,806	\$2,390,806
NET COUNTY COST:	(\$2,391,120)	(\$2,725,943)	(\$590,106)	(\$1,421,820)	(\$1,421,820)

REGISTER OF DEEDS - Automation Enhancement / Preservation Fund					
	ACTUAL FY07-08	ADOPTED FY08-09	REQUESTED FY09-10	RECOMMENDED FY09-10	ADOPTED FY09-10
EXPENDITURES:					
SALARIES & BENEFITS	\$0	\$0	\$0	\$0	\$0
OPERATING EXPENSES	163,135	90,025	109,100	109,100	109,100
CAPITAL OUTLAY	0	60,450	0	0	0
TOTAL EXPENDITURES:	\$163,135	\$150,475	\$109,100	\$109,100	\$109,100
TOTAL REVENUES:	\$193,818	\$150,475	\$109,100	\$109,100	\$109,100
NET COUNTY COST:	(\$30,684)	\$0	\$0	\$0	\$0

REGISTER OF DEEDS CONTINUED



Decrease in revenue for FY08-09 from FY07-08 reflects the drop in real estate transactions and the general economic downturn in the County.

¹³ Amounts are total receipts without deducting state required remittances.

TAX

The Tax Department is responsible for obtaining, developing, analyzing, and maintaining records necessary for the appraisal, assessment, billing, collection, and listing of taxes associated with real and personal property within the jurisdiction of the County and municipalities according to the State of North Carolina General Statutes. The Tax Department is required to provide information and research, as well as maintain records for the North Carolina Department of Revenue. It also provides statistical information for General Assembly analysts. The department serves as the staff liaison to the Board of Equalization and Review.

Reappraisals are conducted every 8 years by state-certified appraisers to establish the market value of property. Land Records maintains ownership records and Geographic Information System (GIS) mapping of property maps for property tax purposes. Listing processes all listing information reported by property owners, assesses market value of personal property, and reviews taxpayer listings for noncompliance with legal requirements. The Collections Division has the responsibility to collect all current and delinquent property taxes and is responsible for administering the Room Occupancy Tax, Privilege License Tax, and Gross Receipts Vehicle Tax.

FY08-09 ACCOMPLISHMENTS

- Achieved combined collection rate of 98.6%, which was the highest since collection rate since 1994 collection rate of 98.57%.
- Progressed from 11th ranking to 4th in the state for collection rates based on population.
- Cleared backlog of documents by imaging to laser fiche.
- Maintained established time-line for 2011 Revaluation.

GOALS, OBJECTIVES, & PERFORMANCE MEASURES

GOALS, OBJECTIVES, & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
COUNTY GOAL:	Provide prompt, courteous, and professional services to the citizens of New Hanover County. Ensure the financial stability and legal protection of the County.				
DEPARTMENT GOAL:	To provide high quality services when locating, listing, and valuing all personal, real estate, and business property in New Hanover County, as well as billing and collecting taxes.				
OBJECTIVE:	To continue monitoring assessment/sales ratio with goal of revaluation at 75%. 14				
Measure:	Assessment/sales ratio	97.03%	93.21%	93.00%	104.00%
OBJECTIVE:	To maintain or surpass a collection rate of 98%.				
Measure:	Collection rate: New Hanover County	98.27%	98.45%	98.60%	98.50%
Measure:	Collection rate: New Hanover County Fire District	98.14%	98.45%	98.57%	98.50%
OBJECTIVE:	To process deeds and transfers within 10 working days of receipt.				
Measure:	% of deeds/transfers processed within 10 working days	95.00%	96.00%	96.00%	97.00%
OBJECTIVE:	To complete work on recorded plats within 30 days of receipt.				
Measure:	% of plats completed within 30 days	85.20%	86.70%	87.00%	87.00%

¹⁴ Assessment/sales ratio should decline each year after revaluation depending on economic conditions and local growth. A revaluation is desired when the ratio reaches 75%. Increase in ratio due to real estate down-turn.

TAX CONTINUED

SUMMARY OF EXPENDITURES

<u>TAX DEPARTMENT</u>	<u>ACTUAL</u>	<u>ADOPTED</u>	<u>REQUESTED</u>	<u>RECOMMENDED</u>	<u>ADOPTED</u>
	<u>FY07-08</u>	<u>FY08-09</u>	<u>FY09-10</u>	<u>FY09-10</u>	<u>FY09-10</u>
# OF POSITIONS:	48	50	50	50	50
EXPENDITURES:					
SALARIES & BENEFITS	\$2,445,022	\$2,706,239	\$2,787,209	\$2,429,045	\$2,429,045
OPERATING EXPENSES	540,714	707,800	943,139	890,780	890,780
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$2,985,736	\$3,414,039	\$3,730,348	\$3,319,825	\$3,319,825



HEALTH DEPARTMENT

The Health Department provides quality healthcare, preventive medical and dental services, and environmental protection for New Hanover County citizens. It is one of the first accredited Health Departments in the State of North Carolina and was reaccredited in 2008.

The Strategic Plan (originally adopted in 2000 and revised in 2003, 2005, 2007, and 2009), along with the Organizational Analysis (completed in October 2002), comprised the baseline used as a guide in developing and reorganizing the Health Department during FY 2004. As part of the 2009 strategic planning process, in-depth program evaluations are being completed by division managers and reviewed by the management team. It is anticipated that these tools will enhance the strategic plan for the future. Health Department programs follow:

Environmental Health Services inspects and monitors restaurants and other eating establishments to minimize the risk of disease transmission through the consumption of food. Inspects and monitors lodging facilities, institutions and swimming pools to determine conformance with health and environmental standards; conducts site/soil evaluations to determine suitability for on-site sewage systems and/or private water supplies and inspects construction/installation of wastewater systems.

Vector Control assesses and implements methods/projects to control mosquito, tick and other insect vector populations in New Hanover County.

Animal Control Services protects the community from the threat of rabies virus exposure and ensures proper animal care through prevention, public awareness and education. Enforces local, state and federal animal laws with emphasis on rabies control, animal licensing, bite investigations, dangerous dogs, disease control and elimination or relocation of stray, sick and unwanted animals.

Personal Health Services provides the following services. All clinical services are provided Monday through Friday with same day appointments available.

Clinical Services include immunizations, international travel medications, Colposcopy services, tuberculosis screening, pregnancy testing, breast and cervical cancer screening, family planning for birth control (and vasectomy counseling), sexually transmitted disease treatment, HIV testing and limited physicals.

Child Service Coordination provides case management, home visitation, developmental screening, monitoring of children's health needs (birth to age 5 years) and parenting education. These programs are geared toward providing resources and early intervention services.

Community Services include surveillance and control of reportable diseases, such as tuberculosis, hepatitis, and shigellosis. The Childhood Lead Poisoning Prevention Program monitors children with high blood lead tests. Child Care Nursing staff work with local child care providers to improve the quality of services. In-home family counseling provides psychological services for families with children ages birth to 5 years.

Dental Health offers preventive and educational services through programs in the schools, including dental health education, sealants, screening and referral. The Mobile Dental Unit serves ages 3 through 18 with dental services, which are provided at elementary schools in New Hanover and Brunswick Counties.

Laboratory performs medical and environmental testing to support the Health Department clinic, Women, Infants and Children (WIC) program, environmental health and community health services. Our lab is certified by the North Carolina Department of Health and Human Services, Clinical Laboratory Improvement Amendments (CLIA) standards and the Commission of Laboratory Accreditation (COLA).

Maternal Health includes Maternity Care Coordination, which provides case management for pregnant women, including home visits prenatal and postpartum, childbirth classes, nutrition and psychosocial counseling.

HEALTH DEPARTMENT CONTINUED

Nutrition Services includes the WIC program and the general nutrition program. Nutrition counseling is provided, along with food or formula vouchers, for qualified women and children.

School Health provides a nurse in every school, offering health screening, coordination of healthcare and health promotion.

School Mental Health provides mental health therapists in the schools.

Support Services - The Support Services Manager oversees this Division, which provides Health Insurance Portability and Accountability Act (HIPAA) Security and Privacy compliance, along with the following services:

Business Officer supervises billing and fiscal operations, contracts, grants and expenditure reporting. Fiscal responsibilities include budget management, travel requests, purchasing, accounts payable and inventory control.

Customer Care provides clinic appointment scheduling services, patient registration, interpreting services and medical records services to include releases of patient information.

Program Support provides administrative support to various programs throughout the Health Department to include Vital Records, Environmental Health and Vector Control.

Human Resources provides on-site support to all Health Department staff, payroll and benefit administration and representation for the department on the County Human Resources Interfaces group.

Information Technology (IT) provides a liaison between the Health Department and County IT Department for provision of on-site and remote support for software applications and hardware.

Health Programs Administration (HPA) - The Deputy Health Director oversees this Division of the Health Department. The HPA division is responsible for overseeing quality improvement efforts, policy development, facilities, staff training, processing internal disciplinary matters and supervision of the following areas:

Health Preparedness Coordinator is responsible for emergency preparedness planning, communication, exercise and resource development.

Health Promotion provides educational programs to the community, promoting safe and healthy lifestyles through injury prevention, tobacco use prevention and general health education services. The tobacco prevention program promotes smoking cessation programs, clean indoor air and tobacco prevention with children and adolescents.

Public Health Regional Surveillance Team provides services to all counties in Region 2 (Brunswick, Carteret, Columbus, Duplin, Onslow, Pender, and New Hanover). Services include surveillance and preparation for possible bioterrorism events to ensure readiness to respond to and recover from significant public health threats and/or events.

FY 08-09 ACCOMPLISHMENTS

- Activated incident command system to prepare and respond to the emerging H1N1 influenza pandemic. As part of this effort, the first shipment of medication and equipment was received and distributed from the Strategic National Stockpile. Community education efforts included a public forum presented in partnership with the New Hanover County Schools.
- Awarded a two-year grant from the Cape Fear Memorial Foundation in the amount of \$80,000 for the establishment of a Men's Preventive Health program. The program is providing health screenings in the community for risks factors of obesity, hypertension, elevated cholesterol, diabetes and prostate cancer to a target population of men who are uninsured, underinsured or are not accessing health care.

HEALTH DEPARTMENT CONTINUED

FY 08-09 ACCOMPLISHMENTS CONTINUED

- Hosted a total of five no cost rabies clinics this fiscal year. These were rotated to various locations throughout the county to ensure the best customer service. Greatest numbers were seen at the Animal Control Services facility on March 21, 2009 with a total of 721 dogs, cats, and ferrets receiving rabies vaccinations. The Health Department was notified of 17 positive rabies cases for FY 08-09.
- Received the 2008 GlaxoSmithKline Local Health Department Recognition Award for Collaborative Child Health Programs for School Children. Child health programs for school children have been developed in cooperation with two school systems, the mental health agency, an adjacent county health department and other community organizations serving children. Staff has utilized the \$5,000 Glaxo Award monies to provide medical, dental and vision care for children in need.
- Implemented state of the art Environmental Health software to better equip field personnel to efficiently perform work in a web-based environment. The public now has the ability to view restaurant inspection details online and to submit complaints electronically. All records for environmental health services were electronically imaged, along with over two million medical records, reducing storage requirements and providing online access for staff. A quality assurance review was completed for 100% of the records imaged.

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
COUNTY GOAL:	Ensure the health and welfare of all New Hanover County citizens.				
DEPARTMENT GOAL:	To protect the public health and environment, promote healthy living and optimize the quality of life through preventive, restorative, environmental and educational services.				
OBJECTIVE:	To have at least 70% of children 12-24 months of age receiving a blood lead test.				
Measure:	Children receiving blood lead test	70%	69%	70%	70%
OBJECTIVE:	To have at least 75% of eligible WIC population receiving WIC services.				
Measure:	% WIC eligible receiving services	70%	72%	74%	75%
OBJECTIVE:	To increase immunization rates from birth to 2 years old to 90%.				
Measure:	Clinic Assessment Software Application (CASA) rates	86%	88%	93%	93%
OBJECTIVE:	To increase the number of recommended (but not required) vaccines given to children and adults by 5%.				
Measure:	Hepatitis A and A/B	n/a	2,423	2,681	2,815
	Varicella	n/a	445	613	645
	Zostavax	n/a	527	599	629

HEALTH DEPARTMENT CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES CONTINUED

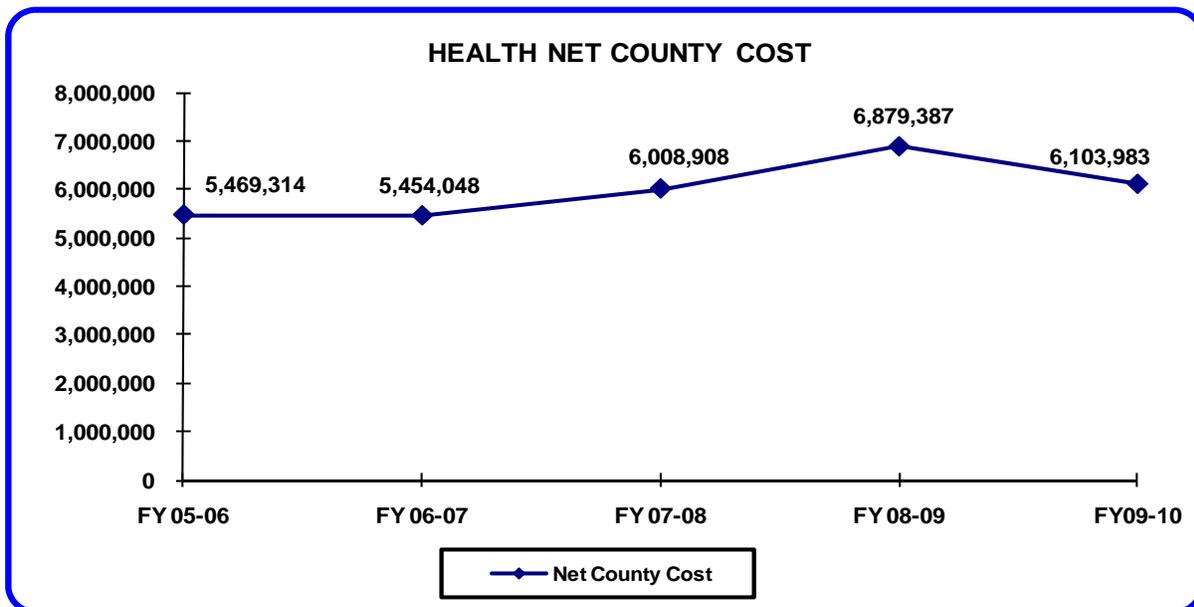
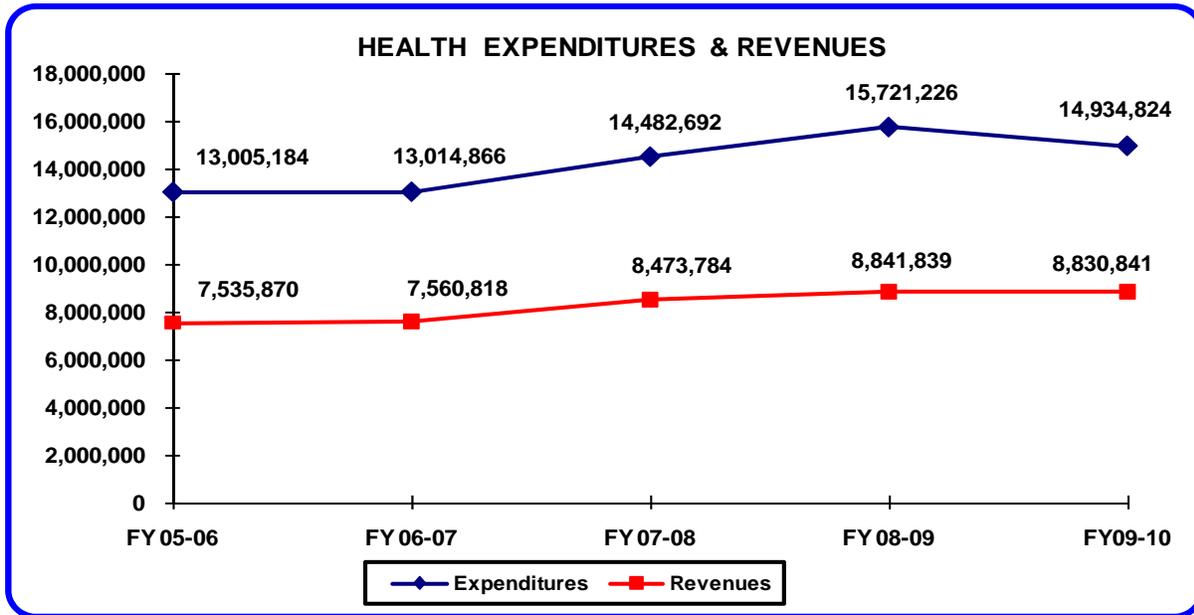
GOALS, OBJECTIVES & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
OBJECTIVE:	To increase by 5% the enrollment in Care Coordination programs.				
Measure:	Enrollment rate of eligible referrals	70%	76%	80%	80%
OBJECTIVE:	To increase by 5% the number of new, unduplicated patients per year receiving services in the Mobile Dental Unit.				
Measure:	# of new patients per year	464	713	773	810
OBJECTIVE:	To obtain new diabetic care plans for at least 95% of students with diabetes in New Hanover County School System.				
Measure:	% of diabetic care plans given to diabetic students	96%	96%	97%	97%
OBJECTIVE:	To increase animal rabies vaccinations of owned dogs and cats by 2%.				
Measure:	# received from area veterinary hospitals / % increase	27,599/49%	29,799/8%	30,395/2%	31,003/2%
DEPARTMENT GOAL:	To provide healthcare services to children who do not qualify for medical services under Medicaid guidelines and whose parents cannot afford private insurance.				
OBJECTIVE:	To provide age-appropriate laboratory testing that meets Medicaid and Health Check guidelines to at least 75% of children seen in the Health Clinic.				
Measure:	% of children receiving recommended Health Check lab tests	100%	100%	98%	99%
DEPARTMENT GOAL:	To protect the public from vector-borne illnesses and provide comfort to citizens from mosquitoes.				
OBJECTIVE:	To control vector-borne illnesses by spraying larvicide on mosquito habitats.				
Measure:	Spray hours	873	675	661	900
Measure:	Acres larvicided	616	350	730	700
Measure:	# reported cases of Eastern Equine Encephalitis (EEE) in horses/caprines in NHC	0	0	0	0
Measure:	# reported cases of West Nile Virus (WNV) in humans in NHC	0	0	0	0

HEALTH DEPARTMENT CONTINUED

SUMMARY OF EXPENDITURES AND REVENUES

<u>HEALTH DEPARTMENT</u>	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
# OF POSITIONS:	225	225	233	226	226
EXPENDITURES:					
SALARIES & BENEFITS	\$12,180,499	\$13,564,522	\$14,395,508	\$12,647,432	\$12,647,432
OPERATING EXPENSES	2,241,872	2,156,704	2,256,914	2,217,844	2,287,392
CAPITAL OUTLAY	60,321	0	0	0	0
TOTAL EXPENDITURES:	\$14,482,692	\$15,721,226	\$16,652,422	\$14,865,276	\$14,934,824
TOTAL REVENUES:	\$8,473,785	\$8,841,839	\$9,797,209	\$8,761,293	\$8,830,841
NET COUNTY COST:	\$6,008,907	\$6,879,387	\$6,855,213	\$6,103,983	\$6,103,983

**NEW HANOVER COUNTY HEALTH DEPARTMENT
EXPENDITURES AND REVENUES AND NET COUNTY COST**



The Net County Cost for the Health Department decreased slightly primarily due to furlough savings.

SENIOR RESOURCE CENTER

The New Hanover County Senior Resource Center (formerly called the Department of Aging) offers direct services to the older adult population of the County. Various services and programs offered by the department include:

Information and Referral offers information about and referrals to appropriate resources for older adults, in-home assessments and a support-linkage system.

Home-Delivered Meals provides a nutritionally-balanced noon meal to frail homebound clients, which are delivered to the client's home by volunteers.

Congregate Nutrition serves daily meals at the Senior Center.

Transportation provides transportation services to clients for the purpose of fulfilling shopping, nutrition and medical needs.

Retired and Senior Volunteer Program (RSVP) encourages retired and senior citizen volunteers to provide a variety of services throughout many organizations.

Senior Center serves as a multi-purpose facility for educational, recreational and wellness programs for seniors.

Family Caregiver Program provides intermittent respite services to caregivers who care for family and/or friends.

In-Home Aide Services offers paraprofessional services, assisting older adults and/or family with essential home management and personal care tasks enabling the individual to remain at home.

Adult Day Care provides an organized program of services in a community group setting to help functionally impaired older adults remain in the community.

Group Respite offers temporary relief to family members and other primary caregivers on weekends.

Adult Day Health provides day care plus healthcare in a community group setting to help older adults avoid institutionalization.

Foster Grandparent Program (FGP) provides stipends to low-income older adults in exchange for 20 hours of direct service each week to special needs children.

FY08-09 ACCOMPLISHMENTS

- NHC Retired and Senior Volunteer Program had more active volunteers (1,100) than any other RSVP program in the state and provided 25% of all volunteer service hours generated by RSVP programs in North Carolina.
- NHC Retired and Senior Volunteer Program Special Needs Registry is being used as the model program by the State of North Carolina.
- NHC Retired and Senior Volunteer Program and Volunteer Income Tax Assistance program (RSVP/VITA) volunteers prepared free income tax returns for 4,875 persons resulting in federal refunds in the amount of \$3,540,000.
- NHC Foster Grandparent volunteer Ella Rush was nominated for Outstanding Volunteer of the Year award working with Special Needs Children from Alderman Elementary School.
- Consolidated 3 nutrition sites into one main site at the Senior Center. Participants from all sites are enjoying fellowship and educational programs at this location.
- Partnered with the Wilmington Fire Department to provide new fire alarms in the homes of home-delivered meal clients.

SENIOR RESOURCE CENTER CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES

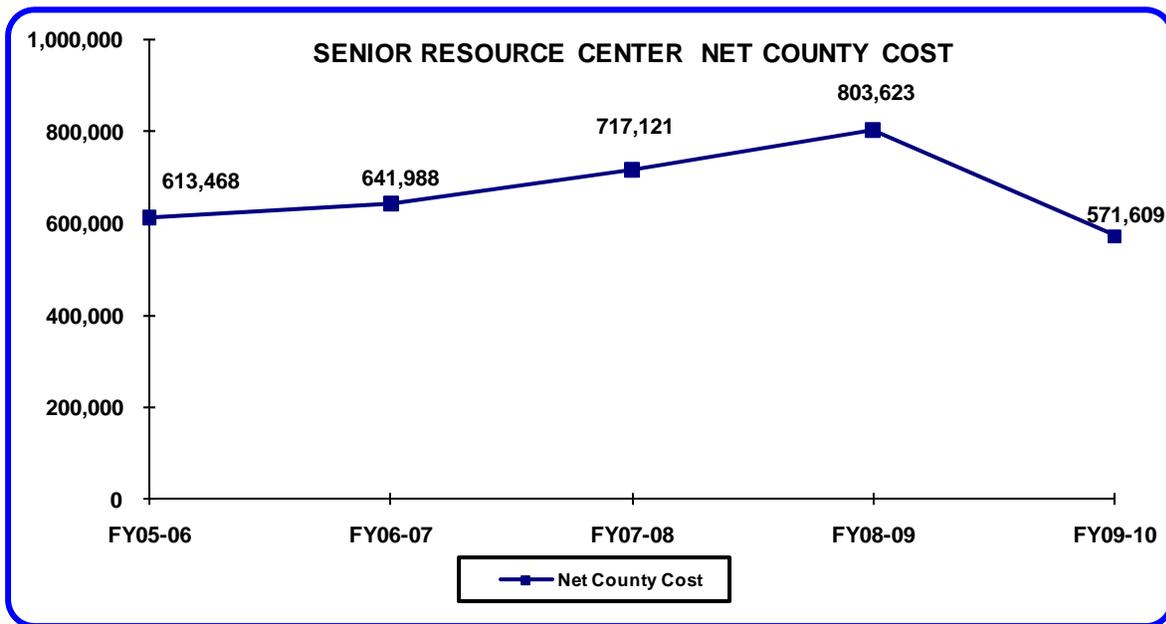
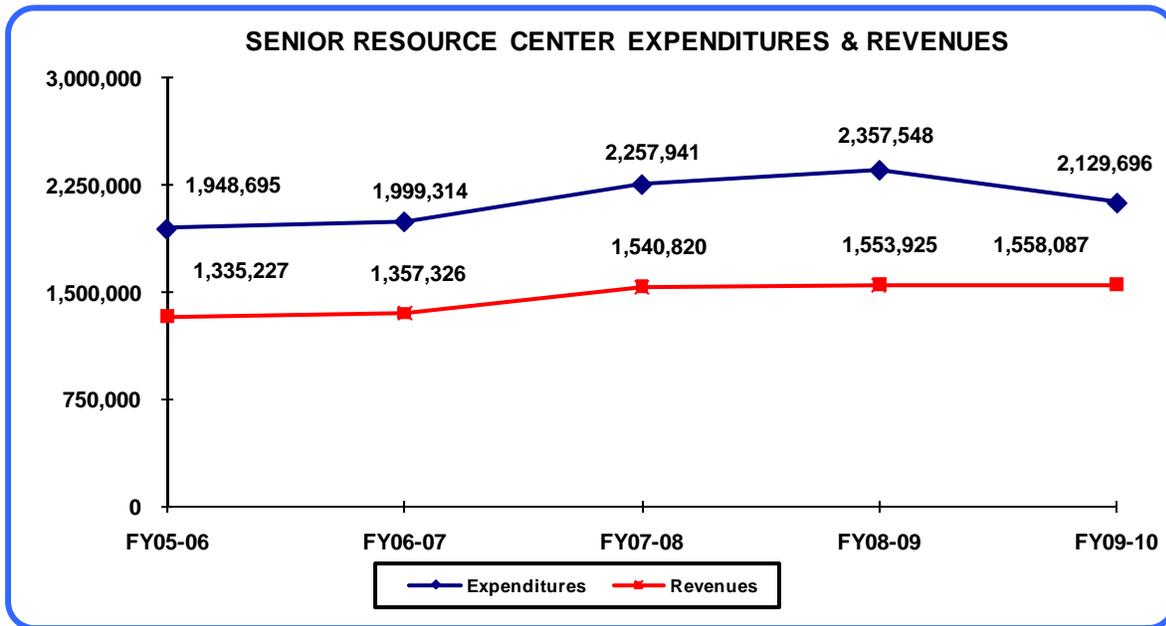
GOALS, OBJECTIVES, & PERFORMANCE MEASURES	FY06-07 Actual	FY07-08 Actual	FY08-09 Estimated	FY09-10 Projected	
COUNTY GOAL:	Ensure the health and welfare of all New Hanover County citizens.				
DEPARTMENT GOAL:	To provide social and recreational activities, transportation services, and safe nutritionally-balanced noon meals to the elderly and frail population of New Hanover County.				
OBJECTIVE:	To provide low cost transportation services with less than a 6% increase.				
Measure:	Unit cost per transportation trip (Title III)	\$12.65	\$12.65	\$12.84	\$13.89
OBJECTIVE:	To provide nutritious, cost-effective meals while maintaining the cost at less than 5% increase and maintaining a 95%, or greater, health inspection rating.				
Measure:	Unit cost per home-delivered meal	\$5.52	\$6.10	\$6.28	\$6.45
Measure:	Unit cost per congregate meal	\$7.26	\$7.69	\$7.92	\$7.94
Measure:	Health rating	95%	95%	95%	95%
OBJECTIVE:	To maintain at least 95% record for 6 month reassessment of each home-delivered meal client.				
Measure:	Assure % of reassessment completed on time	95%	95%	95%	95%
DEPARTMENT GOAL:	To identify, evaluate, and educate the "At Risk/Special Needs" senior residents of New Hanover County who may be in grave danger during a disaster.				
OBJECTIVE:	To provide disaster preparedness educational programs to "At Risk/Special Needs" senior residents. (Long range goal of 30,000 residents by 2010.)				
Measure:	Targeted residents attending programs: Number / % of targeted goal	13,840/46% (cumulative)	18,456/62% (cumulative)	26,828/89% (cumulative)	30,000/100% (cumulative)
Measure:	New "At Risk/Special Needs" individuals added	217	220	223	224
COUNTY GOAL:	Provide for the educational, cultural, and recreational needs of the Community.				
DEPARTMENT GOAL:	To provide exemplary volunteer services that benefit the community through the work of Retired and Senior Volunteers (RSVP) and Foster Grandparents (FGP).				
OBJECTIVE:	To provide tax assistance to seniors through the work of RSVP volunteers in the VITA Income Tax program.				
Measure:	# of tax forms prepared	7,387	7,391	7,947	7,420
Measure:	Dollar amount of refund	\$3.5 mil.	\$3.35 mil.	3.5 mil	3.5 mil
OBJECTIVE:	To increase reading level of children at risk (elementary school age) where Foster Grandparents are assigned. (Goal = 95%)				
Measure:	% of children enrolled in program who achieved reading "grade level or higher"	98%	95%	96%	96%

SENIOR RESOURCE CENTER CONTINUED

SUMMARY OF EXPENDITURES & REVENUES

<u>SENIOR RESOURCE CENTER</u>					
	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
# OF POSITIONS:	17	17	17	17	15
EXPENDITURES:					
SALARIES & BENEFITS	\$1,020,568	\$1,048,916	\$1,095,018	\$859,084	\$859,084
OPERATING EXPENSES	1,226,176	1,268,383	1,289,120	1,275,095	1,270,612
CAPITAL OUTLAY	11,197	40,249	0	0	0
TOTAL EXPENDITURES:	\$2,257,941	\$2,357,548	\$2,384,138	\$2,134,179	\$2,129,696
TOTAL REVENUES:	\$1,540,820	\$1,553,925	\$1,542,102	\$1,544,199	\$1,558,087
NET COUNTY COST:	\$717,121	\$803,623	\$842,036	\$589,980	\$571,609

**NEW HANOVER COUNTY SENIOR RESOURCE CENTER
EXPENDITURES AND REVENUES AND NET COUNTY COST**



The Net County Cost of the Department of Aging decreased significantly due to furlough savings and changes made to the Congregate Meals program.

DEPARTMENT OF SOCIAL SERVICES

The Department of Social Services provides a variety of basic and essential services to assist and protect New Hanover County's most vulnerable citizens – the poor, the children, the aged, the disabled and the sick – to enhance and maintain their quality of life in our community.

Department of Social Services staff offers the following programs in a professional and caring manner that is responsive to all clients and sensitive to the uniqueness of each client's problems and needs:

Adoption Services locates permanent homes for children whose parental rights have been terminated or whose parental rights have been voluntarily relinquished.

Child Day-Care Services enables families to sustain employment by assisting with child-care needs. Services are purchased through individual child day-care arrangements and licensed child day-care centers. A co-pay may apply based on income.

Child Support Enforcement establishes paternity, locates absent parents and determines and enforces support obligations so that children will have the benefit of receiving resources from both parents. This program was privatized effective October 1, 1998.

Food and Nutrition Services provides assistance to lower income families and individuals to purchase more food than they could otherwise afford. The outcome is that nutritional levels are raised in support of a healthier community.

Adult Services places adult clients in licensed substitute homes or institutions if they are no longer able to remain in their own homes. Social workers monitor group homes and adult care homes in New Hanover County.

Foster Care Services formulates permanent plans for children in substitute care that are appropriate to each child's needs, and supervises children in licensed or approved homes or facilities when their families are unable to care for them.

Faith Community Fund, General Assistance, Crisis Intervention, Temporary Assistance to Needy Families (TANF)-Emergency Assistance, Good Friends, and Project Share provide short-term financial assistance to individuals and families in emergency situations as part of a goal for long-term independence.

Health Support Services assists individuals and families to identify health needs and secure health services. Clients are eligible under Medicaid and Work First Block Grant regulations.

Homemaker Services provides services to families and disabled adults who live in their own homes but need intensive short-term assistance to remain there safely. Supportive services are provided to help families overcome specific barriers to maintain, strengthen and safeguard their ability to function in the home.

Prevention/Individual and Family Adjustment Services assists individuals and families to restore social and emotional equilibrium in order to accomplish life tasks, alleviate distress and realize their own aspirations. The services are designed to prevent abuse and neglect and long term welfare dependency.

Low-Income Energy Assistance provides assistance to eligible low-income recipients to help pay heat-related costs.

Medicaid provides access to medical care and services for eligible low-income people.

DEPARTMENT OF SOCIAL SERVICES CONTINUED

Protective Services for Children receives reports of suspected child abuse or neglect. Social workers conduct investigations or assessments that respect the family's integrity and ensure child safety. Protective Services are provided to children and families to protect children from abuse and neglect and improve the ability of the parents to care for their children.

Protective Services for Disabled Adults protects adults who are vulnerable to abuse, neglect or exploitation because of physical or mental incapacity.

Services for the Blind offers group therapy, chore and adjustment services and arranges for the provision of special aid to the blind.

State-County Special Assistance for Adults subsidizes the cost of adult care homes for eligible recipients of Social Security, Supplemental Security Income and certain other disabled persons.

Transportation Services provides transportation for Medicaid recipients for medical appointments.

Work First Services provides time-limited financial assistance to low-income families, while emphasizing personal responsibility, and the placement of capable adults in full-time employment that encourages self-sufficiency.

FY08-09 ACCOMPLISHMENTS

- Forged a partnership with NHC Finance and increased Program Integrity collections for a total of \$206,308. These efforts resulted in a return to the County of incentive funds totaling \$35,769.
- Provided permanent homes for 49 children through the adoption process.
- Informed County residents of DSS services and programs through an expanded outreach program that included a hosted government television series, sponsored Fatherhood Conference, expanded website and numerous community education events.
- Provided 18,705 people with Food and Nutrition Services in June 2009, a 20.9% increase in a 12 month period.
- Utilized innovative strategies through a Work First Demonstration Grant to successfully move people from welfare to work. Strategies included community partnerships to increase work experience sites, Pay for Performance and job coach services.

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES & PERFORMANCE MEASURES	FY06-07 Actual	FY07-08 Actual	FY08-09 Estimated	FY09-10 Projected	
COUNTY GOAL:	Ensure the health and welfare of all New Hanover County citizens.				
DEPARTMENT GOAL:	To provide services that will enable children, families and adults to become economically secure.				
OBJECTIVE:	To increase the % of Work First (WF) persons moving from WF to employment and increase the % of clients retaining jobs after 6 months of employment.				
Measure:	% of clients leaving WF for employment	49%	42%	40%	45%
Measure:	% of clients leaving WF and still employed after 6 months	49%	71%	100%	85%
OBJECTIVE:	To eliminate barriers to employment and training for families with small children by setting goal of 90% receiving child-care subsidy.				
Measure:	% of clients receiving child-care subsidy	52%	73.4%	62%	65%

DEPARTMENT OF SOCIAL SERVICES CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES CONTINUED

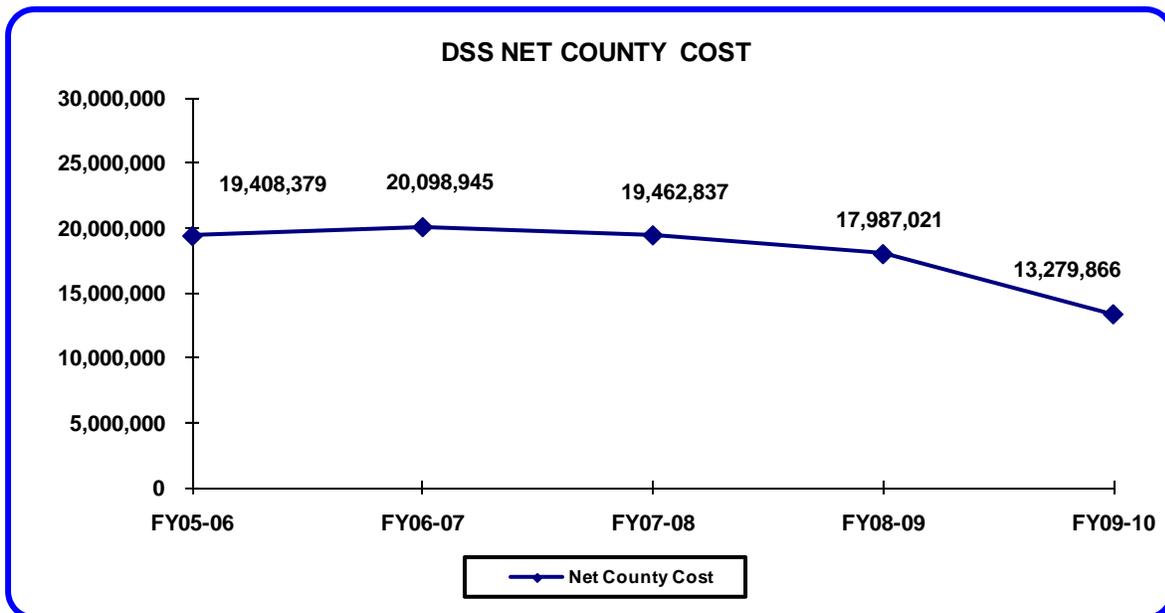
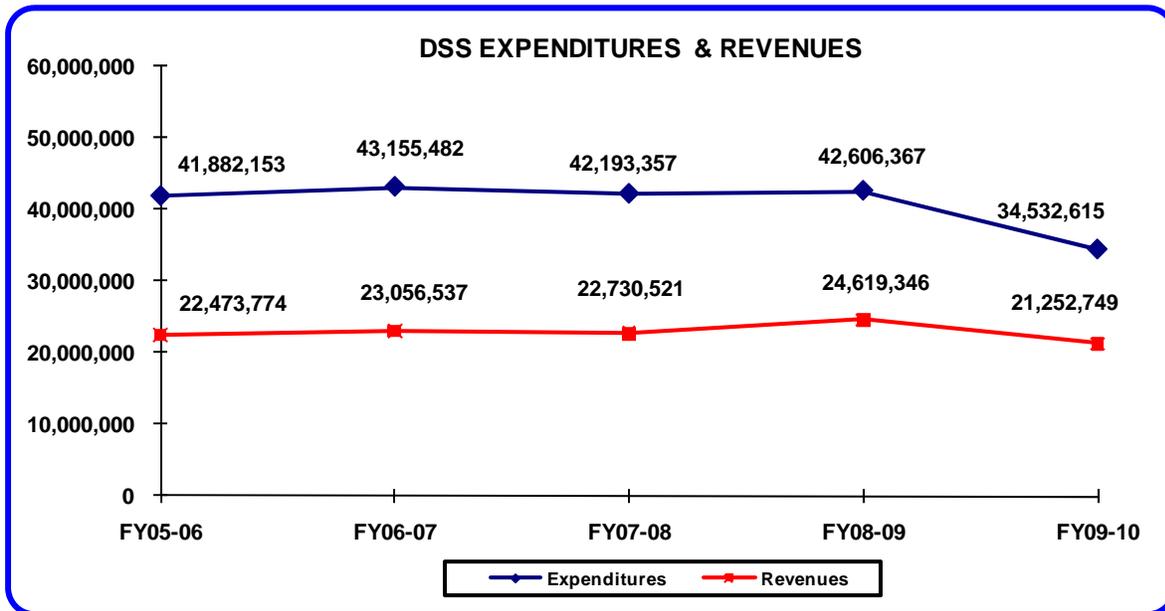
GOALS, OBJECTIVES & PERFORMANCE MEASURES	FY06-07 Actual	FY07-08 Actual	FY08-09 Estimated	FY09-10 Projected	
COUNTY GOAL:	Ensure the health and welfare of all New Hanover County citizens.				
DEPARTMENT GOAL:	To ensure aged and disabled adults live in safe, healthy, stable and least restrictive environments.				
OBJECTIVE:	To increase % of aged/disabled who are not repeat victims of substantiated maltreatment.				
Measure:	% aged/disabled not repeat victims	83%	80.8%	94%	95%
OBJECTIVE:	To have at least 98% of aged/disabled adults living in licensed facilities who have not been abused, neglected or exploited.				
Measure:	% aged/disabled not abused, neglected, or exploited in licensed facility	98.2%	98.2%	99%	100.0%
DEPARTMENT GOAL:	To ensure children in custodial care will achieve safety, permanence, and well being.				
OBJECTIVE:	To decrease number of children in foster homes who are neglected/abused in foster home environment.				
Measure:	% of children in foster homes who are neglected/abused	2.25%	0%	0.00%	0.00%
OBJECTIVE:	To strive to have 55% of children returning to their parents/caretakers in less than 12 months of removal.				
Measure:	% of children returning to parents within 12 months	53%	45%	38%	50%
COUNTY GOAL:	Ensure the health and welfare of all New Hanover County citizens. Provide prompt, courteous and professional services to the citizens of New Hanover County.				
DEPARTMENT GOAL:	To ensure children and families will be in safe, healthy and stable environments.				
OBJECTIVE:	To have at least 95% of abused or neglected children who are not "repeat" victims.				
Measure:	% of children not "repeat" victims	91%	89%	81%	90%
OBJECTIVE:	To improve thoroughness and timeliness of child assessments so less than (<) 45% of unconfirmed cases will be confirmed in the future.				
Measure:	% of children in unconfirmed CPS reports involved in future confirmed reports	54%	30%	32%	40%
COUNTY GOAL:	Provide prompt, courteous and professional services to the citizens of New Hanover County.				
DEPARTMENT GOAL:	To provide professionally responsive and effective services to all clients through retention of qualified staff providing quality services.				
OBJECTIVE:	To reduce employee turnover to 10% or less.				
Measure:	% employee turnover	18%	11%	17%	12%

DEPARTMENT OF SOCIAL SERVICES CONTINUED

SUMMARY OF EXPENDITURES AND REVENUES

<u>SOCIAL SERVICES</u>	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
# OF POSITIONS:	276	275	277	274	274
EXPENDITURES:					
SALARIES & BENEFITS	\$15,287,509	\$16,252,014	\$17,104,210	\$15,201,437	\$15,201,437
OPERATING EXPENSES	26,832,344	26,354,353	19,148,190	19,120,328	19,120,328
CAPITAL OUTLAY	73,504	0	210,850	210,850	210,850
TOTAL EXPENDITURES:	\$42,193,357	\$42,606,367	\$36,463,250	\$34,532,615	\$34,532,615
TOTAL REVENUES:	\$22,730,521	\$24,619,346	\$21,347,899	\$21,252,749	\$21,252,749
NET COUNTY COST:	\$19,462,837	\$17,987,021	\$15,115,351	\$13,279,866	\$13,279,866

**NEW HANOVER COUNTY DEPARTMENT OF SOCIAL SERVICES
EXPENDITURES AND REVENUES AND NET COUNTY COST**



The decrease in Net County Cost for the Department of Social Services is primarily due to decreases in budgeted Medicaid expenses as a result of the Medicaid sales tax swap.

**SOUTHEASTERN CENTER FOR MENTAL HEALTH,
DEVELOPMENTAL DISABILITIES & SUBSTANCE ABUSE SERVICES**

The Southeastern Center for Mental Health, Developmental Disabilities and Substance Abuse Services is a non-profit agency that serves the residents of Brunswick, New Hanover and Pender Counties. The Center was established by respective Boards of County Commissioners and operates as an autonomous local public authority.

The Southeastern Center manages a comprehensive array of services for children, adults and families with mental illness, developmental disabilities and substance abuse problems. The Center provides prevention, intervention and treatment services.

SUMMARY OF EXPENDITURES AND REVENUES

<u>SOUTHEASTERN MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES</u>					
	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
EXPENDITURES:					
SOUTHEASTERN CNTR	\$2,343,584	\$2,043,584	\$2,043,584	\$1,843,584	\$1,843,584
SEMH - ABC 5 CENTS	90,248	94,000	94,000	94,000	94,000
TOTAL EXPENDITURES:	\$2,433,832	\$2,137,584	\$2,137,584	\$1,937,584	\$1,937,584
TOTAL REVENUES:	\$90,248	\$94,000	\$94,000	\$94,000	\$94,000
NET COUNTY COST:	\$2,343,584	\$2,043,584	\$2,043,584	\$1,843,584	\$1,843,584

VETERANS SERVICES

The Veterans Service Officer serves as an advocate for assisting eligible veterans and their dependents and/or survivors to entitlements and benefits under federal and state laws. The Service Officer interviews, counsels and advises the appropriate parties on federal laws, regulations, administrative procedures and policies before processing the applications to the Department of Veterans Affairs. In addition, the Service Officer researches and analyzes denied claims and assists veterans in submitting their notice of disagreements and appeals to the Veterans Affairs Regional Office and the Board of Veterans Appeals. The Service Officer provides informative presentations to local veterans and service/civic organizations regarding veterans' issues on vocational rehabilitation, home loans, life insurance and available benefits.

FY08-09 ACCOMPLISHMENTS

- Counseled, assisted and advised over 3,700 veterans, their dependents and survivors regarding Veterans Administration benefits. These benefits include, but are not limited to, disability compensation, pension, medical treatment, home loans, burial, education and insurance.
- Assisted military retirees in obtaining other benefits to which they are entitled.
- Made several presentations to local community and veterans organizations.
- Collaborated with several local, state and federal agencies to organize the 2009 Wilmington Homeless Veteran Stand Down.

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES & PERFORMANCE MEASURES	FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected	
COUNTY GOAL:	Provide prompt, courteous and professional services to the citizens of New Hanover County.				
DEPARTMENT GOAL:	To provide comprehensive benefit counseling and claim services to veterans, their dependents and survivors.				
OBJECTIVE:	To process an increasing number of requests for veterans' services annually.				
Measure:	Request for services	7,491	3,300	3,726	3,900
OBJECTIVE:	To provide prompt and courteous service by averaging less than 50 minutes from initial interview to completion of benefit or claim application.				
Measure:	Average time from interview to application	Not Available	45 minutes	30 minutes	30 minutes
OBJECTIVE:	To provide efficient and effective services by establishing these goals: a) Answer phone inquiries without a return call 95% of the time and b) Forward applications to District Service Office (DSO) the week of completion 95% of the time.				
Measure:	% of phone inquiries with no call back	Not Available	95%	95%	95%
Measure:	Applications sent to DSO the week completed	Not Available	100%	100%	100%

VETERANS SERVICES CONTINUED

SUMMARY OF EXPENDITURES AND REVENUES

<u>VETERANS SERVICES</u>	<u>ACTUAL</u>	<u>ADOPTED</u>	<u>REQUESTED</u>	<u>RECOMMENDED</u>	<u>ADOPTED</u>
	<u>FY07-08</u>	<u>FY08-09</u>	<u>FY09-10</u>	<u>FY09-10</u>	<u>FY09-10</u>
# OF POSITIONS:	2	2	2	2	2
EXPENDITURES:					
SALARIES & BENEFITS	\$105,596	\$114,155	\$118,542	\$115,616	\$115,616
OPERATING EXPENSES	10,772	9,663	9,662	5,033	5,033
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$116,368	\$123,818	\$128,204	\$120,649	\$120,649
TOTAL REVENUES:	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
NET COUNTY COST:	\$114,368	\$121,818	\$126,204	\$118,649	\$118,649

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

DEPARTMENT	FY 08-09 ADOPTED	FY 09-10 ADOPTED	DOLLAR CHANGE	PERCENT CHANGE
HEALTH				
EXPENDITURES	\$ 15,721,226	\$ 14,934,824	\$ (786,402)	-5.0%
REVENUES	8,841,839	8,830,841	(10,998)	-0.1%
COUNTY \$ REQUIRED	\$ 6,879,387	\$ 6,103,983	\$ (775,404)	-11.3%
SENIOR RESOURCE CENTER				
EXPENDITURES	\$ 2,357,548	\$ 2,129,696	\$ (227,852)	-9.7%
REVENUES	1,553,925	1,558,087	4,162	0.3%
COUNTY \$ REQUIRED	\$ 803,623	\$ 571,609	\$ (232,014)	-28.9%
SOCIAL SERVICES				
EXPENDITURES	\$ 42,606,367	\$ 34,532,615	\$ (8,073,752)	-18.9%
REVENUES	24,619,346	21,252,749	(3,366,597)	-13.7%
COUNTY \$ REQUIRED	\$ 17,987,021	\$ 13,279,866	\$ (4,707,155)	-26.2%
SOUTHEASTERN CENTER				
EXPENDITURES	\$ 2,137,584	\$ 1,937,584	\$ (200,000)	-9.4%
REVENUES	94,000	94,000	0	0.0%
COUNTY \$ REQUIRED	\$ 2,043,584	\$ 1,843,584	\$ (200,000)	-9.8%
VETERANS SERVICES				
EXPENDITURES	\$ 123,818	\$ 120,649	\$ (3,169)	-2.6%
REVENUES	2,000	2,000	0	0.0%
COUNTY \$ REQUIRED	\$ 121,818	\$ 118,649	\$ (3,169)	-2.6%
TOTAL COUNTY COST	\$ 27,835,433	\$ 21,917,691	\$ (5,917,742)	-21.3%

EXPLANATION OF CHANGES TO NET COUNTY COST:

- 1) Decrease in Senior Resource Center is due to furlough, changes in the Congregate Nutrition Program and reduced capital outlay needs (purchased a heated truck for the Home Delivered Meals program in FY08-09).
- 2) Decrease in Health primarily due to furlough and grant adjustments.
- 3) Decrease in Veterans Services due to furlough.
- 4) Decrease in Department of Social Services primarily due to reduced Medicaid expenditures resulting from the Medicaid/Sales Tax swap, as well as a technical correction to Adoption Assistance.
- 5) Decrease in Southeastern Center due to budget constraints.



COURTS

In accordance with North Carolina General Statutes, counties at the local level must provide appropriate and adequate space and furniture for court-related functions. A portion of New Hanover County's contribution to the court system is for operating expenses within the court system. These include: Clerk of Superior Court, Roadside Pick-Up Program, Drug Court, District Attorney, Public Defender's Office, and the Judicial Offices.

Court facilities are maintained by the County's Property Management Department. Therefore, funds for building maintenance, repairs, improvements, utilities, and other custodial functions are included in the Property Management Department's budget. These are additional Court expenditures paid by the County but not reflected in the amounts below.

Support personnel, such as bailiffs, court counselors, and pretrial personnel, are provided through the Sheriff's Office, Juvenile Services, Pretrial Release, or other County departments and are additional Court support services paid by the County but also not reflected in the amounts below.

SUMMARY OF EXPENDITURES AND REVENUES

<u>COURTS</u>	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
# OF POSITIONS ¹	4	N/A	N/A	N/A	N/A
EXPENDITURES:					
Clerk of Superior Court	\$ 24,351	\$ 111,756	\$ 38,590	\$ 38,590	\$ 38,590
Lease for Adult Probation & Parole Offices ²		96,540	96,540	96,540	96,540
Criminal Justice Partnership Grant - Day Sentencing ³	175,412	152,751	163,690	163,690	163,690
Pretrial Release ¹	579,275				
Roadside Trash Pick-Up Program	22,202	9,346	9,345	9,345	9,345
Lease for Adult Probation & Parole Offices ²	96,540				
Drug Court	5,037	5,289	5,553	5,554	5,554
District Attorney ^{4, 5}	40,170	42,122	123,314	42,509	37,509
Public Defender's Office	56,519	10,000	8,500	8,500	8,500
Judicial Offices	0	11,060	10,507	10,507	10,507
TOTAL DIRECT EXPENDITURES:	<u>\$ 999,506</u>	<u>\$ 438,864</u>	<u>\$ 456,039</u>	<u>\$ 375,235</u>	<u>\$ 370,235</u>
REVENUES:					
Jail Fees	12,625	11,000	13,000	18,085	18,085
Officer Fees	129,569	100,000	110,000	125,155	125,155
Court Facility Fees	457,273	460,000	469,000	432,380	432,380
Criminal Justice Partnership Grant - State ³	175,247	152,751	163,690	163,690	163,690
TOTAL REVENUES:	<u>\$ 774,714</u>	<u>\$ 723,751</u>	<u>\$ 755,690</u>	<u>\$ 739,310</u>	<u>\$ 739,310</u>

¹ Pretrial Release: Budgeted in Courts until FY08-09 when it became a separate department.

² Lease for Adult Probation & Parole Offices: Budgeted in FY07-08 in Roadside Trash Pick-Up Program. Beginning in FY08-09, the payment for the lease was moved to the Clerk of Superior Court.

³ Day Sentencing Program: 100% funded through a Criminal Justice Partnership Grant.

⁴ District Attorney: In FY08-09 requested salary and benefits costs for Federal Drug Prosecutor (\$107,739) if grant application was not approved. County was notified April 3, 2009 that pre-application was approved and County reduced recommended amount.

⁵ District Attorney: FY09-10 adopted amount is \$5,000 less than recommended due to the Blue Ribbon Commission being funded in Non-County Division instead of the District Attorney as had been done in previous years.

EMERGENCY MANAGEMENT AND 9-1-1 COMMUNICATIONS

The Department of Emergency Management and 9-1-1 Communications was created June 1, 2009 by merging the Emergency Management Department and the Public Safety Communications Center. The department is responsible for preparedness, response and recovery in disaster situations, and long-term hazard mitigation planning for the County. It is the answering point for calls to 9-1-1 in New Hanover County.

The Department of Emergency Management and 9-1-1 Communications strives to protect the citizens of New Hanover County from the effects of natural and man-made disasters. These include hurricanes, tornadoes, flooding and other weather-related events, hazardous materials or other chemical accidents, acts of terrorism, and nuclear incidents that may occur at the Brunswick Nuclear Power Plant in Southport, North Carolina. The division is responsible for preparedness, response and recovery in disaster situations, and long-term hazard mitigation planning for the County.

In addition to working with all County departments, the Department of Emergency Management and 9-1-1 Communications coordinates with municipalities, public safety agencies, state and federal agencies, and non-profit agencies involved in emergency management activities. The department maintains a 24-hour-a-day, on-call status with paid and volunteer staff providing assistance and resources to ensure that multi-agency emergency responses are successfully coordinated. Incidents requiring this specialized collaboration include: mass casualty events; search and rescue operations; accidents involving radioactive and hazardous materials; acts of terrorism; and large-scale weather events, such as hurricanes, tropical storms, flooding, and tornadoes. The department serves as the lead agency for administration of the hazardous materials reporting program established by Title III of the Superfund Amendments and Reauthorization Act (SARA). Many of the duties and responsibilities of the department are mandated by federal, state, and county legislation and ordinances, copies of which reside in the department's library.

The Department of Emergency Management and 9-1-1 Communications operates the 9-1-1 Communications Center and is the answering point for calls to 9-1-1 in New Hanover County. The Center provides dispatch and emergency communications for all emergency response agencies within New Hanover County. The Center is dedicated to providing citizens with quick, efficient access to public safety services through 9-1-1 and the safe dispatch of emergency responders.

FY08-09 ACCOMPLISHMENTS

- Maintained 24-hour readiness posture related to severe weather and homeland security.
- Maintained oversight and control of New Hanover County's 4-site analog and digital trunked radio systems.
- Upgraded to Web EOC7, a software program used to manage and share information about critical incidents and other operations in the EOC.
- Installed second emergency generator at Noble Middle School. This is the second installation in our 5-year plan to purchase generators for all NHC emergency shelters.
- Partnered with New Hanover County Schools and New Hanover County Animal Control in development of the County's first Animal Co-Location Shelter at Noble School.
- Dispatched 435,395 calls for service through the 9-1-1-Communications Center for area agencies and began installation of the new 9-1-1 digital recorder and upgrade of existing 9-1-1 Center telephone equipment.

EMERGENCY MANAGEMENT AND 9-1-1 COMMUNICATIONS CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES, & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
COUNTY GOAL:	Provide prompt, courteous, and professional services to the citizens of New Hanover County. Provide for the educational, cultural, and recreational needs of the community.				
DEPARTMENT GOAL:	To effectively recruit, train, and retain 9-1-1 Center employees to deliver a high quality of service to the citizens and public agencies in New Hanover County.				
OBJECTIVE:	To have 9-1-1 Center employees trained on all required functions within 12 months of hire.				
Measure:	% of 9-1-1- employees trained within 12 months	70%	80%	80%	80%
OBJECTIVE:	To maintain employee longevity level of 90% with more than 1 year of service.				
Measure:	% of employees with more than 1 year of service	73%	82%	90%	91%
COUNTY GOAL:	Provide a safe community for all New Hanover County citizens. Provide prompt, courteous, and professional services to the citizens of New Hanover County. Provide for the educational, cultural, and recreational needs of the community.				
DEPARTMENT GOAL:	To ensure the Department of Emergency Management and 9-1-1 Communications is well prepared to protect the lives of the citizens in New Hanover County from all emergency and disaster situations, including bio-terrorism.				
OBJECTIVE:	To improve community disaster preparedness by conducting emergency preparedness, response, mitigation and recovery exercises with a satisfaction rating of at least 98%. (Fixed nuclear facility incidents, severe weather, mass casualty, hazardous materials incidents, and terrorism responses.)				
Measure:	Satisfactory completion of all exercise objectives	99%	99%	99%	99%
OBJECTIVE:	To provide timely responses to emergency incidents and disasters.				
Measure:	Response time: On-scene coordination (multi hazard)	1 hour or less			
Measure:	Response time: Activate EOC (fully staffed)	2 hours or less			
OBJECTIVE:	To submit timely damage assessments after events to appropriate state agencies to ensure timely decisions regarding disaster declarations and to expedite federal reimbursements. Goal - 24 hours or less.				
Measure:	Time to submit damage assessments	N/A	N/A	24 Hours	24 Hours
OBJECTIVE:	To effectively coordinate with local municipalities for the safe and expeditious return of residents after natural and other disasters.				
Measure:	Coordination with all affected municipalities in re-entry decisions	N/A	N/A	100%	100%
OBJECTIVE:	To develop and implement a countywide program to ensure compliance with the National Incident Management System (NIMS).				
Measure:	% local agencies in compliance with current NIMS guidelines	95%	95%	95%	96%

EMERGENCY MANAGEMENT AND 9-1-1 COMMUNICATIONS CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES CONTINUED

GOALS, OBJECTIVES, & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
DEPARTMENT GOAL:	To provide exemplary services to the public safety agencies and citizens served by the 9-1-1 Communications Center by performing duties in an efficient and effective manner.				
OBJECTIVE:	To maintain at least a 90% call processing time of less than 3 minutes for 9-1-1 calls.				
Measure:	% call processing time is less than 3 minutes	93%	95%	97%	96%
OBJECTIVE:	To maintain an average answer time of 10 seconds, or less, for 9-1-1 phone line response at least 90% of the time.				
Measure:	Average ring time	10 seconds	8 seconds	6-7 seconds	8 seconds
OBJECTIVE:	To maintain an abandoned call level of less than 3% of 9-1-1 calls.				
Measure:	Abandoned call volume	2%	2%	2%	2%

SUMMARY OF EXPENDITURES AND REVENUES

<u>EMERGENCY MANAGEMENT AND 9-1-1 COMMUNICATIONS</u>					
	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
# OF POSITIONS:	N/A	N/A	N/A	65	65
EXPENDITURES:					
SALARIES & BENEFITS	\$0	\$0	\$0	\$3,572,364	\$3,572,364
OPERATING EXPENSES	0	0	0	1,322,098	1,322,098
CAPITAL OUTLAY	0	0	0	125,500	125,500
TOTAL EXPENDITURES:	\$0	\$0	\$0	\$5,019,962	\$5,019,962
TOTAL REVENUES:	\$0	\$0	\$0	\$587,125	\$587,125
NET COUNTY COST:	\$0	\$0	\$0	\$4,432,837	\$4,432,837

EMERGENCY MANAGEMENT AND 9-1-1 COMMUNICATIONS CONTINUED

SUMMARY OF EXPENDITURES AND REVENUES CONTINUED

<u>EMERGENCY MANAGEMENT</u>					
	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
# OF POSITIONS:	4	4	5	0	0
EXPENDITURES:					
SALARIES & BENEFITS	\$317,168	\$320,524	\$407,437	\$0	\$0
OPERATING EXPENSES	524,332	920,446	791,832	0	0
CAPITAL OUTLAY	155,916	120,000	0	0	0
TOTAL EXPENDITURES:	\$997,416	\$1,360,970	\$1,199,269	\$0	\$0
TOTAL REVENUES:	\$273,695	\$165,000	\$184,088	\$0	\$0
NET COUNTY COST:	\$723,721	\$1,195,970	\$1,015,181	\$0	\$0

<u>PUBLIC SAFETY COMMUNICATIONS</u>					
	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
# OF POSITIONS:	61	61	61	0	0
EXPENDITURES:					
SALARIES & BENEFITS	\$3,257,090	\$3,432,317	\$3,495,366	\$0	\$0
OPERATING EXPENSES	402,006	508,933	594,522	0	0
CAPITAL OUTLAY	152,537	0	0	0	0
TOTAL EXPENDITURES:	\$3,811,632	\$3,941,250	\$4,089,888	\$0	\$0
TOTAL REVENUES:	\$397,180	\$323,998	\$426,455	\$0	\$0
NET COUNTY COST:	\$3,414,452	\$3,617,252	\$3,663,433	\$0	\$0

INSPECTIONS

The Inspections Department enforces the North Carolina State Building, Electrical, Plumbing, Mechanical, and Mobile Home Codes within New Hanover County, the city of Wilmington (by contract), and four surrounding beach communities (by different codes in separate contract). The department also enforces the local County Zoning Ordinances, Flood Plain Management Ordinances, National Flood Insurance Program, Federal Emergency Management Act and NC Coastal Area Management Act regulations within the unincorporated areas of the County. Both the city of Wilmington and beach communities are responsible for enforcement of these regulations within their jurisdiction. Inspectors are required to inspect all buildings being constructed, altered, repaired, demolished, or moved for conformance with the applicable code. Work being performed in violation of a relevant code, or in such manner as to endanger life or property, may be stopped. Permits must be obtained prior to starting any new construction or renovation; however, in limited situations, permits may not be required for renovation to single-family dwellings. There are no exemptions for non-residential buildings. A certificate of compliance must be issued before any new or renovated building may be occupied. The department serves as an administrative check-off for an increasingly longer list of federal, state, and local ordinances.

FY08-09 ACCOMPLISHMENTS

- Worked with the Wilmington Historic Preservation Society to add the “Blue Star” program to expedite and encourage the preservation and renovation of historic structures.
- Worked closely with the State Department of Health and Human Services in final inspections for the major additions to New Hanover Regional Medical Center and was commended by the State for the thoroughness of our inspections.
- Developed in-house, state approved, mandatory continuing education for our code officials thus saving the County travel/training expenses that otherwise would have been incurred to meet requirements.
- Provided leadership through training other local jurisdictions in the use of software developed by the Inspections Department for damage assessment duties as part of the department’s continuing emergency preparedness activities.
- Worked with GE/Hitachi Nuclear to insure that the Inspections Department facility team completed Blue Dot safety training required for continued access into the nuclear processing facility.

GOALS, OBJECTIVES, & PERFORMANCE MEASURES

GOALS, OBJECTIVES, & PERFORMANCE MEASURES		CY 2006 Actual	CY 2007 Actual	CY 2008 Actual	CY 2009 Projected
COUNTY GOAL:	Provide prompt, courteous, and professional services to the citizens of New Hanover County.				
DEPARTMENT GOAL:	To provide high quality code enforcement services and execute enforcement actions in a professional, timely, and uniform manner. ⁶				
OBJECTIVE:	To achieve 98% level of timely service delivery to perform inspections. (Inspections requested before 3:30 p.m. will be completed by close of next business day.) (Goal by CY 2010)				
Measure:	% inspections performed within 24 hours	90%	93%	97%	98%
OBJECTIVE:	To issue permit, or respond in writing within 3 to 5 working days for residential single-family (SF) permit requests.				
Measure:	% of permits issued within 3 to 5 working days	93%	94%	98%	98%

⁶ Statistics based on calendar year.

INSPECTIONS CONTINUED

GOALS, OBJECTIVES, & PERFORMANCE MEASURES

GOALS, OBJECTIVES, & PERFORMANCE MEASURES	CY 2006 Actual	CY 2007 Actual	CY 2008 Actual	CY 2009 Projected	
COUNTY GOAL:	Ensure the financial stability and legal protection of the County.				
DEPARTMENT GOAL:	To encourage the efficient use of the department's field officers by the construction community while providing more control of the final fee costs to individual contractors. ⁷				
OBJECTIVE:	Through the use of per visit inspection fees, provide financial incentive for contractors to make the best and highest use of Inspections Department personnel while controlling overall project costs.				
Measure:	Private fee-paid project inspections per permit issued average.	2.9	3	2.9	3
Measure:	Public free project inspections per permit issued average.	n/a	n/a	6.2	6.4
Measure:	Private fee collection per fee-paid inspection rendered.	\$28.86	\$30.15	\$30.74	\$30.50
Measure:	Public fee lost per free inspection rendered.	n/a	n/a	(\$39.62)	(\$39.32)
DEPARTMENT GOAL:	To ensure adequate code enforcement staffing ability to properly execute the requirements mandated by State General Statutes and Federal Law. ⁷				
OBJECTIVE:	To maintain optimal staffing efficiency for field inspections per day per inspector. ^{8, 9}				
Measure:	Inspections per inspector per day: Building ⁸	12	11	10	10
Measure:	Inspections per inspector per day: Plumbing ⁸	15	11	8	8
Measure:	Inspections per inspector per day: Mechanical ⁸	12	9	8	8
Measure:	Inspections per inspector per day: Electrical ⁸	12	10	9	9
OBJECTIVE:	To maintain quality control audit process executed at least twice per year per field officer to maintain job performance uniformity and to maximize adherence to NC State statutory performance requirements for licensed Code Enforcement Officials.				
Measure:	# of quality control field audits performed per number of employed field officers	108/54	127/48	77/29	58/29

⁷ Statistics based on calendar year.

⁸ Decrease in CY 2007 and CY 2008 due to slowdown in construction activity.

⁹ Services per statewide industry averages are as follows: Building: 10-12; Plumbing: 8-10; Mechanical: 8-10; and Electrical: 8-10.

INSPECTIONS CONTINUED

SUMMARY OF EXPENDITURES AND REVENUES

<u>INSPECTIONS</u>	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
# OF POSITIONS:	77	76	63	63	63
EXPENDITURES:					
SALARIES & BENEFITS	\$4,405,531	\$4,534,989	\$4,023,749	\$3,202,574	\$3,202,574
OPERATING EXPENSES	381,539	452,808	396,315	271,715	271,715
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$4,787,070	\$4,987,797	\$4,420,064	\$3,474,289	\$3,474,289
TOTAL REVENUES:	\$3,532,597	\$3,122,635	\$3,122,635	\$2,573,000	\$2,573,000
NET COUNTY COST:	\$1,254,473	\$1,865,162	\$1,297,429	\$901,289	\$901,289

JUVENILE SERVICES

The Youth Empowerment Services Department serves at risk, delinquent and adjudicated youth who are currently not achieving their full potential. The YES Department is comprised of the Vocational and Educational Development Center, Juvenile Psychological Services and Community Services and Restitution. The department's 3 integrated divisions focus on the participation of the individual youth, their family and community to assist youth in succeeding academically and behaviorally, thus resulting in yielding a productive member of society.

Vocational and Educational Development Center is a programmatically-structured center with an equivalent focus on education and behavior management to promote and influence positive change within the youth we serve.

Juvenile Psychological Services conducts psychological evaluations and assessments to provide appropriate behavioral/mental health treatment and placement recommendations to court-involved youth. Individual and family psychotherapy is provided to ameliorate symptomatology, strengthen skill development as well as increase the overall level of adaptive functioning for the youth and family.

Community Services and Restitution fundamentally focuses on crime prevention and reduction of criminal behavior with an emphasis on civic learning and responsibility.

Juvenile Services Center is a secure, temporary state facility where juveniles ranging from the ages of 6 to 17 years old are confined pursuant to an Order for Secure Custody pending an adjudicatory or dispositional hearing or pending placement. The Center is a local educational agency that provides academics, as well as other quality services and programs, for juveniles based on their individual needs. New Hanover County pays a portion of the daily detention cost for each County juvenile at the Center.

FY08-09 ACCOMPLISHMENTS

- Expanded Student Transition services for youth by ensuring a supportive network and collaborative effort exists between all relevant parties to facilitate a more successful reentry of the youth back into their primary schools.
- Increased participation in the Family Night program since its inception.
- Secured grant for Community Services and Restitution allowing the department to provide services to diverted/adjudicated youth to assist them in completing their court requirements while learning civic responsibility.
- Acquired American Recovery & Reinvestment Act of 2009 Stimulus Funding allowing the department to expand the vocational training provided to youth during the summer.

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES & PERFORMANCE MEASURES	FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
COUNTY GOAL:	Provide a safe community for all New Hanover County citizens.			
DEPARTMENT GOAL:	Provide behavioral, community, educational, psychological and vocational interventions to at risk, and adjudicated youth and their families to promote prosocial interactions, civic responsibility, and to reduce delinquent behaviors in the community, at home and in school.			
OBJECTIVE:	Post one year after completion of program, 70% of participants will have none or no further legal involvement.			
Measure:	% of participants	Not Avail.	Not Avail.	Not Avail.

JUVENILE SERVICES CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
OBJECTIVE:	Reduce by 25% number of suspensions and/or expulsions for youth that are currently enrolled in comparison to their last year rate.				
Measure:	% of reduction (annually)	Not Avail.	Not Avail.	Not Avail.	Not Avail.
OBJECTIVE:	Post one year after completion of program, 70% of participants are enrolled in school.				
Measure:	% of participants	Not Avail.	Not Avail.	Not Avail.	Not Avail.
OBJECTIVE:	Increase post Adult Basic Education test scores for 50% of current participants over their pre Adult Basic Education test scores.				
Measure:	% of increase (annually)	Not Avail.	Not Avail.	Not Avail.	Not Avail.
OBJECTIVE:	Increase youth's prosocial community involvement and civic responsibility				
Measure:	# of community service hrs completed	Not Avail.	Not Avail.	Not Avail.	Not Avail.
Measure:	Dollar amount of restitution paid	Not Avail.	Not Avail.	Not Avail.	Not Avail.

* Due to reorganization as of July 1, 2009, actual and projected data is not yet available.

SUMMARY OF EXPENDITURES AND REVENUES CONTINUED

<u>YOUTH EMPOWERMENT SERVICES</u>					
	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
# OF POSITIONS:	22	20	20	16	16
EXPENDITURES:					
SALARIES & BENEFITS	\$1,157,917	\$1,120,306	\$1,086,098	\$874,710	\$874,710
OPERATING EXPENSES	176,918	78,355	48,705	47,217	47,217
CAPITAL OUTLAY	1,850	0	0	0	0
TOTAL EXPENDITURES:	\$1,336,685	\$1,198,661	\$1,134,803	\$921,927	\$921,927
TOTAL REVENUES:	\$702,364	\$465,032	\$400,370	\$340,128	\$340,128
NET COUNTY COST:	\$634,320	\$733,629	\$734,433	\$581,799	\$581,799

JUVENILE SERVICES CONTINUED

SUMMARY OF EXPENDITURES AND REVENUES

<u>OTHER JUVENILE PROGRAMS</u> ¹⁰					
	<u>ACTUAL</u> <u>FY07-08</u>	<u>ADOPTED</u> <u>FY08-09</u>	<u>REQUESTED</u> <u>FY09-10</u>	<u>RECOMMENDED</u> <u>FY09-10</u>	<u>ADOPTED</u> <u>FY09-10</u>
# OF POSITIONS:	7	7	6	6	6
EXPENDITURES:					
SALARIES & BENEFITS	\$305,339	\$188,683	\$316,486	\$207,142	\$207,142
OPERATING EXPENSES	236,904	349,710	178,522	221,051	221,051
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$542,243	\$538,393	\$495,008	\$428,193	\$428,193
TOTAL REVENUES:	\$372,069	\$300,393	\$226,905	\$265,893	\$265,893
NET COUNTY COST:	\$170,174	\$238,000	\$268,103	\$162,300	\$162,300

¹⁰ Consists of Detention Center payments and 3 juvenile related programs.

PRETRIAL RELEASE PROGRAM

The Pretrial Release Program¹¹ provides assistance to the Courts in selecting and monitoring defendants who pose little danger to the community if released, while holding down the increasing Jail population and related costs. The assistance is provided at Video First Appearance, through Jail Population Management, and in Civil Court (Child Support). Pretrial Release Program activities include: (1) screening defendants and determining eligibility; 2) contacting attorneys, probation officers, family members, employers, district attorneys, the Sheriff's Office, judges and others; 3) recommending those who meet the guidelines and those who have special circumstances; 4) responding to referrals from judges, defense attorneys, family members or other agencies; 5) attending bond hearings and providing information to the Court; 6) processing paperwork and coordinating release with the Sheriff's Department; 7) monitoring defendants until disposition of cases; 8) assisting in the process of expediting cases and 9) enforcing child support obligations by allowing those defendants to find and continue employment.

FY08-09 ACCOMPLISHMENTS

- Enhanced electronic monitoring equipment to include Global Positioning System units. This enhancement has increased the number of program participants through court referrals of more serious cases who would not have been considered for pretrial release otherwise.
- Increased number of releases through coordination with Public Defender's Office.
- Increased number of cases expedited due to collaboration with District Attorney's Office.
- Established a policy that defendants who are financially able must pay for their electronic monitoring rather than the County.
- Contracted with a new electronic monitoring vendor. Contract is based on the number of clients referred rather than a set number of bracelets.

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES & PERFORMANCE MEASURES		FY06-07	FY07-08	FY08-09	FY09-10
		Actual	Actual	Actual	Projected
COUNTY GOAL:	Provide a safe community for all New Hanover County Citizens.				
DEPARTMENT GOAL:	To assist the County in reducing the cost of housing defendants.				
OBJECTIVE:	To increase the number served without electronic monitoring by 10%.				
Measure:	Number of clients without electronic monitoring	365	265	291	320
OBJECTIVE:	To increase the number served with electronic monitoring by 10%.				
Measure:	Number of clients with electronic monitoring	171	177	194	232
OBJECTIVE:	To increase the number of expedited cases by 10%.				
Measure:	Number of cases expedited	542	618	679	746
DEPARTMENT GOAL:	To effectively utilize appropriate monitoring techniques to ensure defendants' compliance with judicial orders.				
OBJECTIVE:	To increase the number of clients without electronic monitoring complying with judicial orders by 10%.				
Measure:	Number compliant	653	151	166	182
Measure:	Number noncompliant	55	114	125	137
OBJECTIVE:	To increase the number of clients with electronic monitoring complying with judicial orders by 10%.				
Measure:	Number compliant	131	172	189	207
Measure:	Number noncompliant	42	5	6	7

¹¹ Pretrial Release was budgeted in Courts until FY08-09 when it became a separate department.

PRETRIAL RELEASE PROGRAM CONTINUED

SUMMARY OF EXPENDITURES

<u>PRETRIAL RELEASE</u>	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
# OF POSITIONS:	N/A	4	4	4	4
EXPENDITURES:					
SALARIES & BENEFITS	\$0	\$213,385	\$220,216	\$162,055	\$162,055
OPERATING EXPENSES	0	371,641	371,641	366,581	366,581
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$0	\$585,026	\$591,857	\$528,636	\$528,636
TOTAL REVENUES:	\$0	\$0	\$0	\$0	\$0
NET COUNTY COST:	\$0	\$585,026	\$591,857	\$528,636	\$528,636

SHERIFF'S OFFICE

The Sheriff is the principal law enforcement officer of New Hanover County. The Sheriff's Office patrols the County, investigates crimes, apprehends criminals, operates the Detention Facility and provides custody or control for arrested defendants between the time of arrest and the time that guilt or innocence is determined and sentence imposed. Courtroom security is also provided. In addition, the Sheriff's Office is responsible for the service of civil process, transporting prisoners and mental patients and service of criminal papers. The Department offers a countywide Community Watch Program and operates a Sheriff's Alcohol Field Enforcement (S.A.F.E.) squad which monitors and enforces highway safety. The Sheriff's Office main divisions include the following:

Administration includes the Sheriff and his highest-ranking law enforcement officers, the Business Office, Human Resources Office and the Internal Affairs Office. The Sheriff and his administrative staff oversee the organization's day-to-day law enforcement and business activities.

Support Services includes the following sections: Civil/Records, Bailiffs and Safety and Security. The Civil Processing Unit serves all civil process – for arrest (Civil Summons, Magistrates Summons, Show Cause Orders, Evictions and Domestic Violence Orders); collects money judgments on executions, seizes property under attachment and claim and deliveries. The Civil Desk Unit is responsible for providing information, processing concealed weapon and pistol purchase permits, filing reports from walk-in public and receives a heavy volume of phone calls from the general public and other agencies. The Civil Records Unit is responsible for enforcement records and keeping that information updated through the computer system. The Bailiff Section maintains Courtroom order by providing safety within the District and Superior Courts and inmate security. The Safety and Security Section is responsible for screening all Courthouse visitors, packages delivered to the Courthouse and maintaining safety and order during the daily operations of the Courthouse. Additionally, the Safety and Security Section provides daily law enforcement services for the Department of Social Services and provides transportation security of prisoners from the Detention Facility to the Courthouse and their return.

Detention supervises the inmate population and operates the Detention Facility. A Transportation Squad is responsible for inmate movement to and from locations outside the Detention Facility. A Booking/Intake unit is staffed 24 hours a day, 7 days a week, and is responsible for processing all inmates confined to the Detention Facility. Additionally, Officers are assigned to augment the medical staff which includes moving inmates to and from medical appointments within the confines of the Detention Facility. A new Detention Facility for housing inmates opened during FY04-05.

Vice and Narcotics conducts undercover investigations and arrests the perpetrators of crimes involving drugs, narcotics, sex crimes, firearms and alcohol. Vice and Narcotics is responsible for seizing drugs, vehicles, weapons, cash and real properties in possession of the perpetrators of these crimes. Also, assists other drug enforcement agencies in New Hanover County in the apprehension of subjects under investigation for drug-related crimes. All the Detectives work closely with the District Attorney to testify in investigations and process necessary documentation.

Patrol Division consists of four Patrol Squads. These squads answer calls, make on-view arrests, serve subpoenas, serve warrants for arrest, serve mental commitment orders and recover stolen property. A Sheriff's Alcohol Field Enforcement (S.A.F.E.) unit, K-9 squad, Crime Prevention, School Resource Officer/D.A.R.E. section, Boat Patrol, Training/Range Master, Bomb Squad, Emergency Operations Division (EOD) and Emergency Response Team (ERT) supplement the Patrol squads.

Detectives Division assigns criminal cases to the investigators for processing and arrests. The Crime Scene Unit photographs felons in addition to processing crime scene/evidence photos and investigating crime scenes. They also maintain the sex offender registry for all of New Hanover County. The Gang Unit monitors the gang activity in New Hanover County including the schools.

SHERIFF'S OFFICE CONTINUED

FY08-09 ACCOMPLISHMENTS

- Transported 12,443 detainees, making 1,852 trips between the Detention Facility and the Courts with no incidents of escape.
- Increased training and continued certification of C.E.R.T. (Cell Extraction Response Team). This team is responsible for responding to violent situations in the detention facility.
- Continued Inmate programs including GED, Second Chance (Juvenile), English as a Second Language, Domestic Violence Life Skills and religious services throughout the year.
- Originated 593 searches (Search Warrants, Consent Searches, and Emergency Searches) that resulted in the seizure of over \$3.7 million in drugs, currency, guns, vehicles and real property.

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES, & PERFORMANCE MEASURES	CY 2006 Actual	CY 2007 Actual	CY 2008 Actual	CY 2009 Projected	
COUNTY GOAL:	Provide a safe community for all New Hanover County citizens.				
DEPARTMENT GOAL:	To ensure a safe community, reduce crime, and prevent personal injury and loss of life and property in New Hanover County.				
OBJECTIVE:	To achieve high clearance rate in all areas of violent crime, resulting in overall violent crime clearance rate of 75%. ¹²				
Measure:	Clearance rate: Murder	n/a ¹³	Not Avail.	100%	100%
Measure:	Clearance rate: Aggravated Assault	86%	Not Avail.	132%	92%
Measure:	Clearance rate: Robbery	75%	Not Avail.	90%	133%
Measure:	Clearance rate: Rape	83%	Not Avail.	105%	116%
Measure:	Clearance rate: Overall	81%	Not Avail.	82%	110%
OBJECTIVE:	To achieve overall clearance rate of 45% for property crime.				
Measure:	Clearance rate: Burglary	86%	Not Avail.	108%	103%
Measure:	Clearance rate: Larceny	83%	Not Avail.	110%	101%
Measure:	Clearance rate: Motor Vehicle	91%	Not Avail.	112%	128%
Measure:	Clearance rate: Overall	86%	Not Avail.	110%	110%
OBJECTIVE:	To achieve clearance rate of 60% for assigned detective cases.				
Measure:	Clearance rate	83%	Not Avail.	96%	110%
OBJECTIVE:	To decrease availability of drugs by increasing number of arrests while maintaining conviction rate of at least 99%.				
Measure:	Drug arrests: # of drug arrests	2,305	2,829	2,630	2,770
Measure:	Drug arrests: \$ value of seized drugs	\$24 million	\$3.5 million	\$3.7 million	Cannot be Projected
Measure:	Drug arrests: Drug conviction rate	99%	99%	99%	99%
OBJECTIVE:	To strive for recovery rate of 35%, or better, for stolen property.				
Measure:	Property losses: \$ value of property recovered	\$1.4 million	\$1.4 million	\$1.5 million	\$1.5 million
Measure:	Property losses: % recovered	38%	38%	39%	39%

¹² Clearance rate possibly includes offenses in prior years cleared this year.

¹³ In 2006, the number of homicides reported in New Hanover County was zero.

SHERIFF'S OFFICE CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES CONTINUED

GOALS, OBJECTIVES, & PERFORMANCE MEASURES		CY 2006 Actual	CY 2007 Actual	CY 2008 Actual	CY 2009 Projected
OBJECTIVE:	To achieve an overall service rate of 80% for civil papers served.				
Measure:	Civil Process: # received	20,272	22,875	24,464	19,669
Measure:	Civil Process: % served	73%	75%	83%	79%
COUNTY GOAL:	Provide a safe community for all New Hanover County citizens. Provide prompt, courteous, and professional services to the citizens of New Hanover County.				
DEPARTMENT GOAL:	To provide a safe and humane detention facility for inmates, staff, and visitors by ensuring that staff strictly adhere to reporting procedures.				
OBJECTIVE:	To reduce reported inmate/staff incidents, decrease inmate grievances upheld, and strive to reduce rate of employees receiving disciplinary sanctions.				
Measure:	Inmate/staff incidents: # inmate/staff reported incidents	1,970	1,556	1,159	1,000
Measure:	% of grievances upheld	11%	14%	7%	5%
Measure:	% of employees receiving disciplinary sanctions	2%	6%	5%	4%
COUNTY GOAL:	Provide prompt, courteous, and professional services to the citizens of New Hanover County.				
DEPARTMENT GOAL:	To enhance child support collections/enforcement and to aggressively enforce collections.				
OBJECTIVE:	To increase number of child support papers served and number of arrests.				
Measure:	Orders for arrests: # orders received	934	819	505	573
Measure:	Orders for arrests: % served	66%	81%	76%	82%
OBJECTIVE:	To aggressively pursue child support collections.				
Measure:	Cash bonds imposed	\$1.2 million	\$943,094	\$1.2 million	Cannot be Projected

SHERIFF'S OFFICE CONTINUED

SUMMARY OF EXPENDITURES AND REVENUES

<u>SHERIFF'S OFFICE</u>	<u>ACTUAL</u>	<u>ADOPTED</u>	<u>REQUESTED</u>	<u>RECOMMENDED</u>	<u>ADOPTED</u>
	<u>FY07-08</u>	<u>FY08-09</u>	<u>FY09-10</u>	<u>FY09-10</u>	<u>FY09-10</u>
# OF POSITIONS:	383	381	383	383	383
EXPENDITURES:					
SALARIES & BENEFITS	\$26,458,710	\$27,708,964	\$28,188,321	\$27,046,178	\$27,046,178
OPERATING EXPENSES	6,562,145	6,670,126	6,574,659	6,574,659	6,574,659
CAPITAL OUTLAY	1,386,918	226,000	150,000	30,000	30,000
TOTAL EXPENDITURES:	\$34,407,772	\$34,605,090	\$34,912,980	\$33,650,837	\$33,650,837
TOTAL REVENUES:	\$5,234,586	\$3,985,411	\$3,690,007	\$3,685,007	\$3,685,007
NET COUNTY COST:	\$29,173,186	\$30,619,679	\$31,222,973	\$29,965,830	\$29,965,830



AIRLIE GARDENS

Airlie Gardens is an historic landmark that encompasses 67 acres of quintessential Southern gardens with 10 acres of freshwater lakes. Features include azaleas, camellias, statuary and the historic Airlie Oak. This once privately-owned garden was purchased for the public by New Hanover County in January 1999 to develop a premier world-class garden facility and environmental quality educational program for New Hanover County citizens and visitors. New Hanover County plans to restore Airlie Gardens to its early 20th century splendor with emphasis on horticultural, architectural, cultural and environmental components. A master plan to further develop the gardens has been completed.

FY08-09 ACCOMPLISHMENTS

- Served 4,000 students of New Hanover County through the Environmental Education Program and taught an additional 750 students from other schools and programs.
- Created a new art curriculum for kindergarten, first and second graders and added new summer camps as part of the new program.
- Increased memberships as of January 2009 by 20% and increased gate attendance by 25% for the third year in a row.
- Selected by Southern Living as a “Don’t miss” destination in Coastal North Carolina section.
- Selected by National Camellia Society as one of the 50 gardens on a new national camellia trail. Airlie will be featured as one of the top historic gardens in the country for camellias.

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Estimated	FY09-10 Projected
COUNTY GOAL:	Protect the environment and the quality of life enjoyed by New Hanover County citizens. Provide for the educational, cultural and recreational needs of the community.				
DEPARTMENT GOAL:	To establish a world-class historic garden with cultural and environmental educational programs that serve the residents and visitors of New Hanover County.				
OBJECTIVE:	To increase the number of volunteers and improve volunteer retention rate. (Long term goal: 75% of volunteers remain with program after 3 years.)				
Measure:	Volunteer hours	2,679	2,760	3,000	3,000
Measure:	Retention rate after 3 years	60%	65%	70%	70%
OBJECTIVE:	To efficiently and effectively maintain Airlie's grounds.				
Measure:	Acres maintained per employee	6.7 acres	6.7 acres	6.7 acres	7.5 acres
OBJECTIVE:	To effectively maintain Environmental Education Programs to serve New Hanover County Schools.				
Measure:	Programs presented	89	90	100	90
Measure:	Attendance	2,422	2,575	2,800	2,700
OBJECTIVE:	To increase membership to 4,000 and generate annual revenue of \$300,000. (Goal by 2010)				
Measure:	# of members	1,500	1,539	2,000	2,000
Measure:	Annual revenue	\$110,876	\$125,992	\$150,000	\$150,000

AIRLIE GARDENS CONTINUED

SUMMARY OF EXPENDITURES AND REVENUES

<u>AIRLIE GARDENS</u>	<u>ACTUAL</u>	<u>ADOPTED</u>	<u>REQUESTED</u>	<u>RECOMMENDED</u>	<u>ADOPTED</u>
	<u>FY07-08</u>	<u>FY08-09</u>	<u>FY09-10</u>	<u>FY09-10</u>	<u>FY09-10</u>
# OF POSITIONS:	19	19	19	19	19
EXPENDITURES:					
SALARIES & BENEFITS	\$952,503	\$1,068,467	\$1,057,586	\$710,248	\$710,248
OPERATING EXPENSES	288,434	299,795	311,399	260,399	260,399
CAPITAL OUTLAY	64,301	0	0	0	0
TOTAL EXPENDITURES:	\$1,305,239	\$1,368,262	\$1,368,985	\$970,647	\$970,647
TOTAL REVENUES:	\$156,724	\$233,949	\$170,295	\$172,495	\$172,495
NET COUNTY COST:	\$1,148,515	\$1,134,313	\$1,198,690	\$798,152	\$798,152

COOPERATIVE EXTENSION SERVICE

The North Carolina Cooperative Extension Service is a unique educational system with support from County, state and federal governments. Only the local share is included in the New Hanover County Budget. The Service is a component of the state's 2 land-grant universities, North Carolina State University and North Carolina A&T State University. The Service helps people improve the quality of their lives by providing research-based information and informal educational opportunities in the areas of consumer and commercial horticulture, nutrition and wellness, 4-H youth development, urban forestry, turf management, environmental issues and community resource development.

During the last quarter of FY 2000-2001, an agreement was reached between New Hanover County and the state of North Carolina whereby all of the employees would become state employees; however, the County contributes a portion of their salaries and benefits. Funds for a portion of the operating and capital expenditures are included in the County budget and the County provides and maintains the facility.

FY08-09 ACCOMPLISHMENTS

- Accumulated a total of 20,520 hours of volunteer service in 4-H youth development, family and consumer sciences, environmental education and horticulture: a value of \$415,530.
- Diagnosed problems for 4,868 citizens in the plant and disease clinic at a value of \$243,400.
- Provided nutrition and wellness programs to 2,150 participants, including the NHC Fire Department, with more than 75% reporting improved dietary and physical activity resulting in weight loss and decreased health risks.
- Served 2,206 youths who participated in 4-H life skills programs and special interest camps.
- Conducted workshops on pruning, fertilization, plant identification and cultural practices for 500 green industry professionals and conducted pesticide education classes for 465 commercial applicators for 1,520 hours of credits.

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES & PERFORMANCE MEASURES		FY06-07	FY07-08	FY08-09	FY09-10
		Actual	Actual	Estimated	Projected
COUNTY GOAL:	Provide prompt, courteous and professional services to the citizens of New Hanover County. Provide for the educational, cultural, and recreational needs of the community.				
DEPARTMENT GOAL:	To utilize the services of volunteers in providing educational programs, advising on horticultural and agricultural issues and enrolling youth in numerous developmental programs.				
OBJECTIVE:	To have at least 90% of all Master Gardener volunteers complete the required volunteer hours.				
Measure:	Volunteers completing required hours	65%	75%	85%	80%
OBJECTIVE:	To increase the annual retention rate of volunteers completing 25 hours of volunteer time to 85%.				
Measure:	Volunteer retention rate	85%	86%	83%	88%
OBJECTIVE:	To enlist the use of volunteers in providing educational programs and conducting events.				
Measure:	Volunteer hours	21,850	22,200	20,520	21,000

COOPERATIVE EXTENSION SERVICE CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Estimated	FY09-10 Projected
COUNTY GOAL:	Protect the environment and the quality of life enjoyed by New Hanover County citizens. Provide prompt, courteous and professional services to the citizens of New Hanover County. Provide for the educational, cultural and recreational needs of the community.				
DEPARTMENT GOAL:	To serve the citizens of New Hanover County by delivering information and educational resources designed to improve the social, economic, and environmental well being of all participants.				
OBJECTIVE:	To provide NHC citizens with practical, research-based, locally adopted information for storm water management.				
Measure:	# of citizens reached with storm water management	10,000	10,000	10,500	11,500
OBJECTIVE:	To increase the number of citizens receiving horticultural and environmental education through the Arboretum grounds.				
Measure:	Estimated # of visits to the Arboretum	36,000	35,000	38,500	40,000
OBJECTIVE:	To provide prompt, unbiased, research-based responses to citizens' horticultural questions through the plant information clinic and other educational programs.				
Measure:	# of questions answered and problems addressed	5,610	5,500	6,750	6,800
OBJECTIVE:	To increase the intellectual growth and development of life skills among all youth by participation in 4-H.				
Measure:	# of 4-H youth participating in educational programs and opportunities	2,568	2,750	2,206	2,500
COUNTY GOAL:	To ensure the health and welfare of all New Hanover County Citizens.				
DEPARTMENT GOAL:	Empower County citizens to improve their health and wellness by increasing activity levels and adopting healthier dietary practices.				
OBJECTIVE:	Provide nutrition and wellness programs that will empower youth and adults to lead healthier lives.				
Measure:	Number indicating improved dietary and exercise habits	2,107	2,400	2,370	2,200

COOPERATIVE EXTENSION SERVICE CONTINUED

SUMMARY OF EXPENDITURES AND REVENUES

<u>COOPERATIVE EXTENSION SERVICE</u>					
	<u>ACTUAL</u> <u>FY07-08</u>	<u>ADOPTED</u> <u>FY08-09</u>	<u>REQUESTED</u> <u>FY09-10</u>	<u>RECOMMENDED</u> <u>FY09-10</u>	<u>ADOPTED</u> <u>FY09-10</u>
EXPENDITURES:					
SALARIES & BENEFITS	\$33,081	\$11,196	\$11,196	\$11,196	\$11,196
OPERATING EXPENSES	491,690	452,921	469,710	404,024	404,024
CAPITAL OUTLAY	76,919	0	0	0	0
TOTAL EXPENDITURES:	\$601,690	\$464,117	\$480,906	\$415,220	\$415,220
TOTAL REVENUES:	\$145,511	\$44,258	\$46,695	\$46,695	\$46,695
NET COUNTY COST:	\$456,180	\$419,859	\$434,211	\$368,525	\$368,525

LIBRARY

The New Hanover County Public Library provides services through the Main, Northeast Regional, Myrtle Grove, Carolina Beach and Law Library branches. The Library also provides public access to their collection through an online catalog which can be accessed via the Internet. General reference service, business and consumer health information, inter-Library loan, a variety of adult and children's programs, audiovisual materials, specialized local history and genealogical research are available. Registered Library users can access various electronic databases through the Library's website. Meeting rooms and computers are available for public use.

FY08-09 ACCOMPLISHMENTS

- Initiated a new online calendar of events and meeting room booking system.
- Prepared an RFP and successfully negotiated the purchase of a new Integrated Library System with the use of Library Science Technology Act grant funds.
- Opened a Virtual Branch which allows citizens complete access to all library resources and functions from home.
- Implemented the use of technology for the checkout of DVD's at the Main Library.
- Created a quiet study area at the Northeast Library courtesy of the Friends of the Library.
- Developed and expanded Grant Finding workshops, Career Path and Computer Skills classes and other adult programs in response to community needs.

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES, & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
COUNTY GOAL:	Continue investing in technology for citizens to easily and efficiently conduct County business. Provide prompt, courteous, and professional services to the citizens of New Hanover County. Provide for the educational, cultural, and recreational needs of the community.				
DEPARTMENT GOAL:	To provide excellent customer service to all Library users by responding to their questions, encouraging their patronage, and providing Internet access to the public.				
OBJECTIVE:	To answer approximately 400,000 reference and directional transactions with a fill rate of 85%, at a cost of no more than \$2.30 per transaction and a minimum of 2.4 requests per capita.				
Measure:	Reference transactions: number	414,955	288,063	360,908	370,000
Measure:	Material and Information fill rate	90%	92%	93%	90%
Measure:	Reference transactions: cost	\$1.91	\$2.75	\$2.05	\$2.20
Measure:	Reference transactions: per capita	2.3	1.6	1.9	1.8
OBJECTIVE:	To strive for a base level of 5 visits per capita.				
Measure:	Visits per capita	3.8	4.2	4.4	4.1
OBJECTIVE:	To provide 120,000 Internet sessions to the public and increase access to Internet resources and on-line library services by 10% annually.				
Measure:	Number of virtual branch reserves	52,641	59,177	70,089	77,100
Measure:	Number of Internet sessions	109,442	140,023	157,717	160,000
Measure:	Hits to Library's web pages	366,950	384,072	300,699	350,000
Measure:	Use of NC LIVE databases	19,276	19,276	69,400	76,340

LIBRARY CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES CONTINUED

GOALS, OBJECTIVES, & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
COUNTY GOAL:	Provide prompt, courteous, and professional services to the citizens of New Hanover County. Provide for the educational, cultural, and recreational needs of the community.				
DEPARTMENT GOAL:	To develop a collection of books and other materials that meet the public's needs and requests.				
OBJECTIVE:	To circulate a minimum of 1.1 million items from the Library's collections, representing a circulation rate of 6.4 circulations/capita, at a cost of no more than \$2.85 per circulation.				
Measure:	Circulation: number	1.16 million	1.23 million	1.32 million	1.35 million
Measure:	Circulation: per capita	6.3	6.7	6.9	6.9
Measure:	Circulation: cost	\$3.15	\$3.06	\$2.68	\$2.50
OBJECTIVE:	To provide 2.7 turnover rate for materials in Library's collections.				
Measure:	Turnover rate	2.7	2.9	3.0	3.2
OBJECTIVE:	To spend a minimum of \$3.50 per capita on Library materials.				
Measure:	Per capita cost	\$3.32	\$2.93	\$2.96	\$2.92
OBJECTIVE:	To have a customer satisfaction rate of over 90%.				
Measure:	Assistance rated "very helpful"	93%	95%	95%	95%
COUNTY GOAL:	Ensure equality for all New Hanover County citizens. Provide for the educational, cultural, and recreational needs of the community.				
DEPARTMENT GOAL:	To provide cultural enrichment opportunities for the public's enjoyment.				
OBJECTIVE:	To provide Library resources to the homebound at no more cost than to circulate a book system wide.				
Measure:	# of items circulated	5,537	7,027	7,828	8,219
Measure:	Cost to circulate	\$3.09	\$2.58	\$2.24	\$2.09
OBJECTIVE:	To provide 250 Library programs for adults and 2,200 story hour programs for children.				
Measure:	Adult programs: number	166	321	393	350
Measure:	Adult programs: average attendance	38	21	16.13	17.14
Measure:	Children's story hours: number	1,943	1,860	1,574	1,500
Measure:	Children's story hours: average attendance	18	18.1	18.98	16.66

LIBRARY CONTINUED

SUMMARY OF EXPENDITURES AND REVENUES

<u>LIBRARY</u>	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
# OF POSITIONS:	44	42	42	42	42
EXPENDITURES:					
SALARIES & BENEFITS	\$2,956,036	\$2,891,899	\$2,940,659	\$2,736,738	\$2,736,738
OPERATING EXPENSES	887,970	907,847	992,679	881,149	902,083
CAPITAL OUTLAY	45,193	0	75,000	0	0
TOTAL EXPENDITURES:	\$3,889,199	\$3,799,746	\$4,008,338	\$3,617,887	\$3,638,821
TOTAL REVENUES:	\$658,691	\$642,348	\$790,017	\$618,540	\$639,474
NET COUNTY COST:	\$3,230,508	\$3,157,398	\$3,218,321	\$2,999,347	\$2,999,347

MUSEUM

Cape Fear Museum of History and Science was established in 1898 and is the oldest history museum in the state of North Carolina. The Museum was awarded accreditation by the American Association of Museums, the highest honor a museum can receive. Cape Fear Museum preserves and interprets artifacts relating to the history, science and cultures of the Lower Cape Fear region. This collection is available to the public through educational exhibitions, publications and programs. Staff-produced temporary exhibits, lectures and hands-on workshops provide a constantly changing atmosphere to attract visitors of all ages. Cape Fear Museum promotes life-long learning by providing school classes that meet North Carolina learning standards, teacher training, family and adult programs and internship experiences. The Strategic Framework adopted in 2002, and revised annually, will continue to guide the Museum in FY09-10.

FY08-09 ACCOMPLISHMENTS

- Increased visitation by 8%; revenues from admissions and program fees increased by 9%; and the number of family memberships doubled.
- Awarded a \$150,000 grant from the Institute of Museum and Library Services to update the long term *Cape Fear Stories* exhibit. Landfall Foundation awarded the Museum a maximum amount of \$6,000 to sponsor the *Toy Time* exhibit for summer visitors. The Museum completed the North Carolina Humanities grant-funded lecture series on the region's Native American and colonial history.
- Increased service with schools, reflecting teacher evaluations that rate Cape Fear Museum programs as "good to excellent" 99% of the time in meeting North Carolina Standards of Learning.
- Revised website, monthly e-newsletter, and completely re-designed *Cape Fear Stories* newsletter. A portion of the Museum's collection is now available on a new section of the website.
- Installed an emergency generator to better protect collections storage. Volunteers from Hands On Wilmington and private donors assisted with major improvements to the Museum Courtyard which expands programming space.

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
COUNTY GOAL:	Provide prompt, courteous and professional services to the citizens of New Hanover County. Provide for the educational, cultural and recreational needs of the community.				
DEPARTMENT GOAL:	To offer high quality educational programs and exhibits resulting in a high degree of visitor satisfaction with the various offerings of the Museum.				
OBJECTIVE:	To achieve at least a 95% visitor satisfaction rating of "good to excellent" on visitor exit surveys.				
Measure:	Visitor rating of Museum	98%	98%	99%	98%
OBJECTIVE:	To achieve at least a 95% participant satisfaction rating of "good to excellent" on program evaluation forms.				
Measure:	Program rating	98%	98%	98%	98%

MUSEUM CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
COUNTY GOAL:	Provide prompt, courteous and professional services to the citizens of New Hanover County.				
DEPARTMENT GOAL:	To practice effective stewardship in the collections entrusted to the Museum's care by the timely cataloging and processing of newly acquired objects.				
OBJECTIVE:	To have at least 95% of all "Contract of Gift" forms sent to donor within 30 days of acceptance.				
Measure:	"Contract of Gift" forms written within 30 days	89%	96%	95%	95%
OBJECTIVE:	To have at least 95% of all objects "catalogued to database" within 30 days of taking legal ownership.				
Measure:	"Catalogued to database" within 30 days	95%	94%	92%	90%
COUNTY GOAL:	Provide for the educational, cultural and recreational needs of the community.				
DEPARTMENT GOAL:	To increase attendance and membership so the Museum will be recognized as the "gateway for residents and visitors to learn the history and science of the Cape Fear region."				
OBJECTIVE:	To see 3% annual increase of visitation based on sustainable, mission-driven educational programming.				
Measure:	Attendance	32,973	38,456	41,424	42,667
Measure:	% increase	2.0%	17.0%	8.0%	3.0%
OBJECTIVE:	To increase number of participants served in Museum-sponsored programs.				
Measure:	Program participation	13,836	16,906	19,251	19,829
OBJECTIVE:	To increase Museum's membership.				
Measure:	Membership	444	480	502	550

MUSEUM CONTINUED

SUMMARY OF EXPENDITURES AND REVENUES

<u>MUSEUM</u>	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
# OF POSITIONS:	15	14	14	14	14
EXPENDITURES:					
SALARIES & BENEFITS	\$962,497	\$962,579	\$1,007,403	\$862,400	\$862,400
OPERATING EXPENSES	319,520	351,643	520,916	362,016	362,016
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$1,282,017	\$1,314,222	\$1,528,319	\$1,224,416	\$1,224,416
TOTAL REVENUES:	\$384,965	\$290,704	\$424,555	\$424,555	\$424,555
NET COUNTY COST:	\$897,052	\$1,023,518	\$1,103,764	\$799,861	\$799,861

PARKS

The Parks Department provides quality outdoor recreational opportunities for County citizens and visitors through the operation and maintenance of 24 park areas specifically designed for utilization by all age groups and user types. Additionally, the department operates and maintains the outdoor athletic facilities on 10 public school properties used for County recreational programs. The department works with other agencies and organizations to maximize recreational opportunities throughout the area. In addition to the park areas, this department supervises the outside maintenance and landscaping of County-owned buildings and surrounding properties, manages properties acquired through the Federal Emergency Management Agency (FEMA) and Tidal Creeks programs, and is responsible for the maintenance of County-owned fountains, aquariums and cemeteries. The Parks Department manages the tree replacement program which adds trees to parks and public spaces wherever there is a need.

FY08-09 ACCOMPLISHMENTS

- Continued working with Haden-Stanziale Architects on the planning and development of projects included in the 2006 Parks Bond. The parks included in this are: Arrowhead Park, Parkwood Recreation Area, River Road Park, Wrightsboro Park, Smith Creek Park and Monterey Heights Park.
- Completed work on the final phase of Veterans Park including athletic field lighting for 4 soccer fields and an adult softball field, the construction of 3 tennis courts, lighting for 9 tennis courts, 2 picnic shelters, a paved walking trail, restrooms, roads, parking and site landscaping.
- Worked with the City of Wilmington and a management committee to plan and develop the Olsen Farm Park. The County is also working with the city of Wilmington to plan and develop the Empie Park Tennis Center. These are both joint County-City projects included in the 2006 Parks Bond program.
- Conducted a second public meeting to gather input on the development of the Trails End Public Access. The facility will be developed in conjunction with the N.C. Wildlife Resources Commission. In 2009, a portion of the cost was covered by 2006 Parks Bond funds.
- Completed the Ogden Dog Park.

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Estimated	FY09-10 Projected
COUNTY GOAL:	Provide prompt, courteous and professional services to the citizens of New Hanover County. Provide for the educational, cultural and recreational needs of the community.				
DEPARTMENT GOAL:	To provide quality recreational facilities and activities for County citizens, while effectively and efficiently managing the operational and financial responsibilities of the Parks Department.				
OBJECTIVE:	To effectively manage maintenance and operational costs (M & O) ¹ of Park's numerous recreational facilities (excludes wetlands).				
Measure:	Park acres: # of acres	917	917	1,207	1,207
Measure:	Park acres: per 1,000 capita	4.83	4.83	4.83	4.83
Measure:	Park acres: M & O cost per acre	\$3,375	\$4,066	\$3,741	\$3,300
Measure:	Park acres: acres maintained per grounds employee	32.8	30.5	30.5	40.0
OBJECTIVE:	To efficiently accommodate requests for non-athletic use of the parks.				
Measure:	Requests per year	3,500	3,650	3,800	4,200
Measure:	Time to process requests (minutes)	2	2	2	2

PARKS CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Estimated	FY09-10 Projected
COUNTY GOAL:	Provide prompt, courteous and professional services to the citizens of New Hanover County. Provide for the educational, cultural and recreational needs of the community.				
OBJECTIVE:	To have 95% of all emergency work orders completed within 2 working days.				
Measure:	% work orders completed on time	95%	95%	95%	90%
OBJECTIVE:	To repair equipment in a timely manner for return to service within 3 working days.				
Measure:	Repair shop work orders completed within 3 days	90%	90%	95%	90%

SUMMARY OF EXPENDITURES AND REVENUES

<u>PARKS</u>					
	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
# OF POSITIONS:	37	42	42	42	42
EXPENDITURES:					
SALARIES & BENEFITS	\$1,729,309	\$2,022,858	\$2,131,921	\$1,833,442	\$1,833,442
OPERATING EXPENSES	1,289,608	1,305,130	1,415,728	1,289,673	1,289,673
CAPITAL OUTLAY	124,193	162,500	227,660	159,248	159,248
TOTAL EXPENDITURES:	\$3,143,110	\$3,490,488	\$3,775,309	\$3,282,363	\$3,282,363
TOTAL REVENUES:	\$97,769	\$166,360	\$195,271	\$184,939	\$184,939
NET COUNTY COST:	\$3,045,341	\$3,324,128	\$3,580,038	\$3,097,424	\$3,097,424



EMERGENCY TELEPHONE SYSTEM - ARTICLE 3 FUND

The Emergency Telephone System – Article 3 Fund is a special revenue fund established as required through legislation effective January 1, 2008. It is used to account for the funds received from the North Carolina 911 Board for eligible operating expenses and improvements to the County’s Public Safety Communications Center. In FY08-09, \$323,998 was budgeted for eligible operating expenses and improvements to the Public Safety Communications Center.

January 1, 2008, a North Carolina 911 Board was created to consolidate the state’s Enhanced 911 System under a single Board with a uniform 911 service charge. The service charge paid by communication providers to the North Carolina 911 Board is used to integrate the state’s 911 system and enhance efficiency and accountability. The current service charge imposed by the state NC 911 Board on providers is set at 70 cents per connection per month.

Article 3 of the new legislation replaced Article 1, which provided for local collection of landline fees, and Article 2, which provided for state collection of wireless fees from service providers. The consolidated collection and disbursement process specified that previously existing funds for Article 1 and 2 be closed. Therefore, the County’s funds for Article 1 and 2 were closed in FY07-08 and this new fund was established for fees received by the County from the North Carolina 911 Board through Article 3.

As of FY08-09, all funds received by the 911 Board are processed through the Emergency Telephone System – Article 3 Fund.

SUMMARY OF EXPENDITURES AND REVENUES

<u>EMERGENCY TELEPHONE SYSTEM - ARTICLE 3</u>					
	<u>ACTUAL</u>	<u>ADOPTED</u>	<u>REQUESTED</u>	<u>RECOMMENDED</u>	<u>ADOPTED</u>
	<u>FY07-08</u>	<u>FY08-09</u>	<u>FY09-10</u>	<u>FY09-10</u>	<u>FY09-10</u>
EXPENDITURES:					
TRANSFERS TO OTHER FUNDS	\$174,428	\$323,998	\$431,105	\$431,105	\$431,105
TOTAL EXPENDITURES:	\$174,428	\$323,998	\$431,105	\$431,105	\$431,105
TOTAL REVENUES:	\$991,296	\$323,998	\$431,105	\$431,105	\$431,105

ENVIRONMENTAL MANAGEMENT FUND

The Environmental Management Department consists of 4 units: Administration, Landfill, WASTEC (Waste-To-Energy Conversion Facility) and Recycling.

Administration staff provides support to the 3 divisions within the department, handles numerous other environmental issues and recommends solid waste planning strategies and policies. Environmental issues include: monitoring water supplies for compliance with the Safe Drinking Water Act; Superfund site contract administration; compliance with solid waste regulations, including banned materials; conducting environmental audits and contract administration within the department.

The Landfill is situated on 689 acres of land in the northwestern portion of the County. The Landfill operates 5-1/2 days per week. To protect groundwater, cells are constructed with synthetic bottom liners that prevent leakage. Monitoring systems are provided to detect any leakage between the liners, potential groundwater contamination and potential Landfill gas migration. Cell closure includes the installation of a synthetic liner over the waste to prevent the infiltration of rainwater, reducing leachate generation. On-site treatment of leachate is accomplished through the use of a conventional wastewater treatment plant and a continuous backwashing sand filter. A constructed wetlands system for treatment of Landfill leachate began operation in 2003. The treated effluent from the wetlands is used to irrigate grasses on closed Landfill cells in an effort to reduce and eventually eliminate discharge to the Northeast Cape Fear River. To reduce the volume of waste entering the Landfill, the Landfill operates a Construction and Demolition processing facility, oversees the collection of metal waste from the working face of the Landfill and uses ash from the waste-to-energy facility (WASTEC) beneficially as daily cover.

WASTEC is an integrated solid waste disposal facility that burns solid waste for electrical production. The facility operates 24 hours a day, can process 500 tons of solid waste a day, and produces 124,000 pounds of steam per hour. All internal electrical demands are supplied by the facility. Up to 7.5 megawatts of electricity are sold to Progress Energy to help offset operating costs. 3 boilers and 2 turbine/generators keep the facility operational. The initial facility was constructed in 1984 as a means to decrease the need for land filling by reducing the volume of solid waste by incineration. By using the incineration method, the volume of solid waste is reduced approximately 90%, conserving Landfill space. In 1991, the facility was expanded to further meet the needs of the community. Ash produced by the facility is used as a daily cover and also in building roadbeds within the Landfill cells, conserving on-site soils.

The Recycling Division responds to County and state waste reduction needs through development and implementation of informational, educational and productive programs. The Recycling staff coordinates the annual Household Hazardous Waste collection day, numerous electronic collection days, Christmas Tree recycling program and services and maintains the 7 recycling drop-off sites throughout the County. The recyclable materials delivered to the recycling facility are processed by baling plastic, mixed paper, newsprint and cardboard for market. The glass is crushed and loaded into open trailers for market and the aluminum cans are sorted and processed through a can crusher and blown into a trailer for market. Keep America Beautiful of New Hanover County also plays an active role in the recycling division by assisting in education and coordinating efforts for litter prevention with programs such as "Big Sweep."

FY08-09 ACCOMPLISHMENTS

- WASTEC completed Final Site Specific Municipal Waste Combustor Certification for four shift supervisors and Chief Facility Operator Site Specific Certification for 2 managers.
- WASTEC refurbished all 3 fabric filter baghouses and both cooling towers.
- Recycling increased recycling tonnages by 23.9% over the previous record-breaking year with no increase in staffing.
- Recycling assisted and coordinated electronic waste recycling events in New Hanover, Onslow, and Carteret Counties.
- Landfill reduced effluent discharge to the Northeast Cape Fear River by 3.25 million gallons through the use of the constructed wetland treatment system.
- Landfill achieved a compaction density of over 1,800 pounds/cubic yards – the highest density it has ever recorded.

ENVIRONMENTAL MANAGEMENT FUND CONTINUED

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES & PERFORMANCE MEASURES		FY06-07 Actual	FY07-08 Actual	FY08-09 Actual	FY09-10 Projected
COUNTY GOAL:	Provide prompt, courteous and professional services to the citizens of New Hanover County.				
DEPARTMENT GOAL:	To provide a safe working environment for employees by providing safety training and prevention and monitoring the work environment.				
OBJECTIVE:	To have no lost-time accidents per fiscal year.				
Measure:	Lost time accidents	0	1	1	0
OBJECTIVE:	To reduce number of recordable accidents.				
Measure:	Recordable accidents	4	5	4	0
COUNTY GOAL:	Protect the environment and the quality of life enjoyed by New Hanover County citizens.				
DEPARTMENT GOAL:	To improve the productivity at the WASTEC facility.				
OBJECTIVE:	To achieve 85% boiler availability by FY09-10.				
Measure:	% of year boilers are operating	63.4%	68.5%	64.2%	85.0%
OBJECTIVE:	To achieve 125,000 tons of trash burned by FY09-10.				
Measure:	Trash burned (tons)	106,515	110,000	117,811	125,000
OBJECTIVE:	To achieve operational cost of \$60 per ton of waste burned at WASTEC by FY09-10.				
Measure:	Operational cost per ton	\$60.79	\$68.15	\$60.00	\$60.00
OBJECTIVE:	To maintain weight reduction ratio of trash to ash above 60% each fiscal year.				
Measure:	Weight reduction of trash to ash	61.0%	68.0%	50.9%	60.0%
OBJECTIVE:	To produce 710 million pounds of steam by FY09-10.				
Measure:	Steam production (in pounds)	576 million	580 million	542 million	700 million
DEPARTMENT GOAL:	To meet the long-term goals of waste reduction.				
OBJECTIVE:	To continue developing and improving projects to increase recycling/waste diversion volumes.				
Measure:	Annual tonnage of recyclables through recycling facility and diverted materials at the Landfill	15,481 tons	13,456 tons	15,273 tons	17,564 tons
OBJECTIVE:	To increase materials diverted from the waste stream by 15% annually.				
Measure:	Percent change year-over-year	1%	-13%	14%	15%
COUNTY GOAL:	Ensure the financial stability and legal protection of the County.				
DEPARTMENT GOAL:	To efficiently operate the Landfill resulting in a low operational cost per ton.				
OBJECTIVE:	To maintain Landfill's operational cost \$18.00 per ton or less.				
Measure:	Operational cost per ton	\$10.41	\$12.14	\$17.83	\$17.50

ENVIRONMENTAL MANAGEMENT FUND CONTINUED

SUMMARY OF EXPENDITURES AND REVENUES

<u>ENVIRONMENTAL MANAGEMENT</u>					
	<u>ACTUAL</u> <u>FY07-08</u>	<u>ADOPTED</u> <u>FY08-09</u>	<u>REQUESTED</u> <u>FY09-10</u>	<u>RECOMMENDED</u> <u>FY09-10</u>	<u>ADOPTED</u> <u>FY09-10</u>
# OF POSITIONS:	88	88	89	88	88
EXPENDITURES:					
SALARIES & BENEFITS	\$4,515,025	\$5,101,363	\$5,557,116	\$4,541,659	\$4,541,659
OPERATING EXPENSES	7,041,849	8,309,098	8,780,892	8,791,561	8,791,561
DEBT SERVICE	3,112,854	1,135,596	663,893	738,328	738,328
CAPITAL OUTLAY	1,547,637	49,000	1,165,431	410,431	410,431
TRANSFERS TO OTHER FUNDS	14,700	2,175,051	4,350,000	2,458,921	3,028,051
ADMINISTRATIVE RESERVE	0	161,667	0	0	33,870
TOTAL EXPENDITURES:	\$16,232,065	\$16,931,775	\$20,517,332	\$16,940,900	\$17,543,900
TOTAL REVENUES:	\$14,715,112	\$16,931,775	\$20,335,900	\$16,940,900	\$17,543,900

NEW HANOVER COUNTY SCHOOLS FUND (FUND 225)

The New Hanover County Schools Fund is a special revenue fund used to account for the one-half cent sales tax funds, North Carolina Public Schools Building Fund, and transfers from the General Fund. Expenditures from this fund support New Hanover County Public Schools' operations, debt service, and building renovation and construction.

The state of North Carolina assumes primary responsibility for public elementary and secondary schools; however, the financial responsibility for certain areas of public education is delegated to the counties. Federal financial support is also received by the public schools for various programs, including vocational education, lunches, library resources, textbooks, special education, etc. Specifically, North Carolina General Statutes require counties to provide funding for:

- Buildings, furniture, and apparatus
- Garage and maintenance equipment for school buses
- Liability insurance
- Plant maintenance
- School site
- Proper furnishings for the office of the Superintendent
- Supplies for school buildings, including books and other instructional supplies
- Water supply and sewerage facilities

School construction and renovation projects may be funded by counties through general obligation school bond issues, multi-year contracts for payment of capital outlay expenditures, or current revenue appropriated annually. Further, two local option one-half cent sales taxes (Articles 40 and 42) help fund capital outlay. The North Carolina General Statutes require that 30% of Article 40 and 60% of Article 42 sales taxes be used for County public school capital outlay expenditures.

Effective October 1, 2009, distribution of proceeds from the Article 42 sales tax will transition from per capita to point of origin (point of sale). As a result, some counties will receive less funds. Counties will continue to be required to allocate 60% of the Article 42 sales taxes. However, if the amount of the Article 40 sales tax allocated to the county is greater than the amount of Article 42 sales tax, then the county will be required to allocate 60% of the difference between the two amounts in addition.

North Carolina local school systems are not authorized to levy taxes. School district taxes, if any, must be levied by the counties. New Hanover County does not levy a school district tax at this time.

New Hanover County provides funding for the New Hanover County Schools through current County revenues and debt financing. As with other North Carolina counties, New Hanover County Schools receive a larger share of County dollars than any other single program.

**NEW HANOVER COUNTY SCHOOLS FUND CONTINUED
(FUND 225)**

SUMMARY OF EXPENDITURES AND REVENUES

<u>NEW HANOVER COUNTY SCHOOLS</u>					
	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
EXPENDITURES:					
CONTRA-OPERATING	\$63,823,111	\$65,737,804	\$62,320,568	\$61,908,440	\$61,908,440
CONTRA-CAPITAL	2,000,000	0	198,000	0	0
CONTRA-PENSION	46,000	0	0	0	0
PRINCIPAL-BONDED DEBT	9,964,060	12,465,109	13,581,425	13,581,425	13,581,425
INTEREST-BONDED DEBT	6,376,199	8,774,204	8,748,127	8,748,127	8,748,127
BOND SVC CHARGES	161,556	159,624	68,986	68,986	68,986
TOTAL EXPENDITURES:	\$82,370,925	\$87,136,741	\$84,917,106	\$84,306,978	\$84,306,978
TOTAL REVENUES:	\$83,678,291	\$87,136,741	\$84,917,106	\$84,306,978	\$84,306,978

ROOM OCCUPANCY TAX FUND

Room Occupancy Tax Funds are collected through a special tax on room occupancy rental in New Hanover County. According to the formula stipulated by North Carolina General Statutes, 3% of the room occupancy tax is used for beach renourishment (60%) and countywide tourism (40%). This is applicable to all areas within New Hanover County, with the exception of the Wilmington Convention Center District (WCCD). Only this first 3% tax is appropriated and therefore reported in the budget document.

Within the boundaries of the WCCD, a 6% room occupancy tax is levied and designated currently to the Convention Center account. Currently, 100% of room occupancy tax collected by the WCCD is used for the Convention Center account. Before July 2008, the funds were designated to the Convention Center account (40%), beach renourishment (30%), and the Tourism Development Authority (TDA) for promotion (30%). The Convention Center District is the area between Isabel S. Holmes Bridge to the Cape Fear Memorial Bridge with Fourth Street on one side and the Cape Fear River on the other side.

The legislation provides for an additional 3% levy for Carolina, Kure, and Wrightsville Beaches and is designated for promotion of their communities (50%) and expenditures related to tourism activities (50%). The additional 3% that is collected by the unincorporated areas in the County is dedicated to beach renourishment. The additional 3% that is collected within the city limits of Wilmington beyond the Convention Center District is dedicated to the Convention Center account. The second 3% of the room occupancy tax is classified as an agency fund and is therefore not reported in the budget document.

SUMMARY OF EXPENDITURES AND REVENUES

<u>ROOM OCCUPANCY TAX</u>	<u>ACTUAL</u>	<u>ADOPTED</u>	<u>REQUESTED</u>	<u>RECOMMENDED</u>	<u>ADOPTED</u>
	<u>FY07-08</u>	<u>FY08-09</u>	<u>FY09-10</u>	<u>FY09-10</u>	<u>FY09-10</u>
EXPENDITURES:					
OPERATING EXPENSES	\$1,783,404	\$3,530,540	\$3,476,540	\$3,476,540	\$3,476,540
TRANSFER TO OTHER FUNDS	138,630	461,004	356,671	356,671	356,671
TOTAL EXPENDITURES:	\$1,922,034	\$3,991,544	\$3,833,211	\$3,833,211	\$3,833,211
TOTAL REVENUES:	\$5,495,898	\$3,991,544	\$3,833,211	\$3,833,211	\$3,833,211

SPECIAL FIRE SERVICE DISTRICT FUND

The Department of Fire Services provides a full-service emergency response system that includes fire, rescue, medical and technical incident response, utilizing a combination of volunteer fire stations and County-operated facilities. In addition, the department provides code enforcement, fire investigations, public education and logistical support for the fire service community.

The department provides service through 3 major divisions. The Operations Division is responsible for service delivery. The Administration Division is accountable for employee development, hiring, staffing levels and work force safety. The Logistics Division is responsible for countywide equipment purchase and maintenance, facility evaluations and capital project planning.

The department Chief is also responsible for serving as liaison for the Board of Fire Commissioners that is appointed by the County Commissioners. Additionally, the Chief administers contracts and evaluates the volunteer fire departments based on specific performance objectives.

FY08-09 ACCOMPLISHMENTS

- Completed the transition of Ogden Volunteer Fire Rescue to New Hanover County Fire Services. Hired six full-time firefighter/apparatus operators to provide 24/7 coverage at Ogden Station 62 at Porters Neck.
- Completed the installation of 50 fire hydrants to assist homeowners in lowering their insurance rates.
- Placed a ladder truck in service in the northern portion of New Hanover County.
- Completed the certification classes for Fire Officer and Water Rescue.
- Participated in the Meals on Wheels Program to deliver meals and install smoke detectors for low income and elderly families.

GOALS, OBJECTIVES & PERFORMANCE MEASURES

GOALS, OBJECTIVES, & PERFORMANCE MEASURES		CY 2006 Actual	CY 2007 Actual	CY 2008 Actual	CY 2009 Projected
COUNTY GOAL:	Provide a safe community for all New Hanover County citizens. Provide prompt, courteous, and professional services to the citizens of New Hanover County.				
DEPARTMENT GOAL:	To provide a superior level of fire protection and other protective services to the citizens of the unincorporated portions of the County.				
OBJECTIVE:	To decrease number of fires and fire alarm activations per capita by providing public safety education and code enforcement.				
Measure:	Fire incidents per 1,000 capita	75.3	73.3	59	65
OBJECTIVE:	To respond to at least 70% of all emergency incidents in less than 6 minutes.				
Measure:	Emergency calls with response time less than 6 minutes	68%	71%	68%	72%
OBJECTIVE:	To maintain community fire protection rating of less than 9 for NHC County residents.				
Measure:	Fire service area with insurance grade less than 9	100%	100%	100%	100%
OBJECTIVE:	To complete mandated fire inspections in accordance with NC General Statutes.				
Measure:	Inspections: # completed	3,725	4,082	4,380	4,500
Measure:	Inspections per Deputy Fire Marshal	1,230	1,361	1,460	1,500

SPECIAL FIRE SERVICE DISTRICT FUND CONTINUED

SUMMARY OF EXPENDITURES AND REVENUES

<u>FIRE SERVICES</u>	<u>ACTUAL FY07-08</u>	<u>ADOPTED FY08-09</u>	<u>REQUESTED FY09-10</u>	<u>RECOMMENDED FY09-10</u>	<u>ADOPTED FY09-10</u>
# OF POSITIONS:	74	79	92	98	95
EXPENDITURES:					
SALARIES & BENEFITS	\$4,153,916	\$4,933,702	\$5,874,279	\$6,007,003	\$5,821,753
OPERATING EXPENSES	2,205,864	2,242,676	2,509,855	2,180,911	2,147,767
DEBT SERVICE	251,341	1,110,805	1,145,704	1,170,290	1,170,290
CAPITAL OUTLAY	112,909	366,500	1,331,960	266,740	152,120
TRANSFER TO OTHER FUNDS	1,750,000	48,541	48,541	645,541	645,541
ADMIN. RESERVE	0	78	50,000	0	0
TOTAL EXPENDITURES:	\$8,474,030	\$8,702,302	\$10,960,339	\$10,270,485	\$9,937,471
TOTAL REVENUES:	\$11,489,244	\$8,702,302	\$2,056,875	\$10,270,485	\$9,937,471

STORM WATER DRAINAGE FUND

Prior to July 1, 2008, the Storm Water Drainage Fund was considered part of the Water and Sewer District. When the Cape Fear Public Utility Authority (CFPUA) was established July 1, 2008, storm water management responsibilities were not consolidated and remained with the City and County.

Effective July 1, 2009, the Storm water Drainage Fund became part of the Engineering Department in the General Fund. Funds are used for small emergency drainage projects.

SUMMARY OF EXPENDITURES AND REVENUES

<u>STORM WATER DRAINAGE</u>	<u>ACTUAL</u>	<u>ADOPTED</u>	<u>REQUESTED</u>	<u>RECOMMENDED</u>	<u>ADOPTED</u>
	<u>FY07-08</u>	<u>FY08-09</u>	<u>FY09-10</u>	<u>FY09-10</u>	<u>FY09-10</u>
EXPENDITURES:					
OPERATING EXPENSES	\$53,872	\$125,000	\$0	\$0	\$0
TOTAL EXPENDITURES:	\$53,872	\$125,000	\$0	\$0	\$0
TOTAL REVENUES:	\$125,104	\$125,000	\$0	\$0	\$0

WATER AND SEWER DISTRICT FUND

On July 1, 2008, the Cape Fear Public Utility Authority (CFPUA) began operations. No additional funding is approved for the New Hanover County Water and Sewer District in FY08-09 following establishment of the CFPUA.

CFPUA was formed by merging the New Hanover County Water and Sewer District and the City of Wilmington Water and Sewer function. The CFPUA was established to consolidate water and sewer assets of the City and County to better serve the customers.

SUMMARY OF EXPENDITURES AND REVENUES

<u>WATER & SEWER</u>	<u>ACTUAL</u>	<u>ADOPTED</u>	<u>REQUESTED</u>	<u>RECOMMENDED</u>	<u>ADOPTED</u>
	<u>FY07-08</u>	<u>FY08-09</u>	<u>FY09-10</u>	<u>FY09-10</u>	<u>FY09-10</u>
EXPENDITURES:					
SALARIES & BENEFITS	\$3,336,275	\$0	\$0	\$0	\$0
OPERATING EXPENSES	6,739,166	0	0	0	0
DEBT SERVICE	6,489,502	0	0	0	0
CAPITAL OUTLAY	1,003,007	0	0	0	0
TRANSFERS TO OTHER FUNDS	6,770,385	0	0	0	0
TOTAL EXPENDITURES:	\$24,338,336	\$0	\$0	\$0	\$0
TOTAL REVENUES:	\$21,783,220	\$0	\$0	\$0	\$0



CAPITAL IMPROVEMENT PROJECTS PICTORIAL INFORMATION



CAPITAL IMPROVEMENT PROGRAM

Introduction

The primary goal of the Capital Improvement Program (CIP) is to ensure that quality services continue to be delivered to the citizens of New Hanover County in a timely and efficient manner. The County ensures the delivery of effective and efficient services to a growing community via investments in current and new capital facilities, equipment and other fixed assets and services.

For planning purposes, New Hanover County defines *capital improvement projects* (CIP) as any major, non-recurring expenditure or investment in physical facilities / property expected to cost in excess of \$100,000 and take longer than 1 fiscal year to complete.

Large recurring capital expenditures, such as the Computer Replacement Program and Fleet Vehicle Replacement Program and non-recurring capital expenditures greater than \$5,000 that will be completed in less than 1 fiscal year, are generally characterized as *capital outlay*. These expenditures are included in the various funds' operating budgets.

Capital Improvement Budgeting Process

1. Progress on all authorized capital projects is monitored on a project-by-project basis monthly. Project financial records are reviewed and milestone and timing updates provided by the capital projects directors / project manager. Updates to budget estimates are also shared.
2. Various task forces are established to identify long-term capital needs and financing mechanisms for specific needs of the County, such as, fire services or solid waste disposal. These groups report to the Board of County Commissioners on an on-going basis. Their recommendations are considered throughout the current fiscal year and as part of the yearly development of the recommended capital budget.
3. During the fall, the Department Heads review previously submitted projects that were not approved to determine if the need, cost, timeframe or project scope have changed. If changes are needed, the Budget Department is notified and the Requested Capital Improvement Projects Summary is updated. The Department Heads also submit new capital project requests for consideration in both the next fiscal year and future years.
4. In the fall of the year, before preparation begins on the operating budget, the Budget Department works with the department most closely impacted by the project to formulate and refine operating expense estimates for all new and existing Requested Capital Improvement Projects. This analysis includes identification of any associated capital outlay and new position requests.
5. The Requested Capital Improvement Projects list is reviewed and the most critical projects are recommended to the Board of County Commissioners as part of the County Manager's recommended budget. This is done at the same time the County Manager presents the recommended operating budget. Alternate mechanisms for financing the projects are also discussed at this time.

CAPITAL IMPROVEMENT PROGRAM

Capital Improvement Policies

1. Scope, estimated costs and funding source(s) of capital improvements will be presented at the time of request for funding. Each project proposal will also provide an estimate of the costs for furniture, fixtures, equipment, technology and the projected annual impact of the project on operating and maintenance costs, including debt service if applicable.
2. Funding for operating and maintenance costs for approved capital projects must be identified at the time of project approval.
3. Budgets for Capital Improvement Projects may be approved by the Board of Commissioners for the total project, or for a specific phase (land acquisition, design, engineering, construction, etc.).
4. Capital Improvement Projects will be constructed and expenditures incurred for the purpose as approved by the County Board of Commissioners. Additional funding or changes to scope must be reviewed and approved by the County Board of Commissioners.
5. Capital Projects will be budgeted on a “multi-year” basis, a technique to account for funds that carry over from one fiscal year to another for a defined purpose, such as funding a capital project from inception to completion. Once the Board of Commissioners (BOC) commits funds to a capital project, those funds remain with the project until the project is completed or the BOC approves a budget amendment reducing the total approved project budget (or transferring funds to another project or fund).
6. NHC will utilize a variety of financing strategies for funding capital projects that balance project size, duration and scope, anticipated useful life, current availability of funds, cost of capital, available debt capacity and anticipated revenue stream. These strategies include:
 - General Obligation or Revenue bonds
 - Certificates of Participation
 - Installment debt
 - Grant funding
 - User fees
 - Pay-as-you-go and
 - Miscellaneous other revenue sources (asset sales, contributions from Federal / State / Municipalities, etc.)
7. Until such time that the CFPUA can begin to issue its own debt, NHC will continue to guarantee existing indebtedness. New debt will be issued in the interim based on CFPUA’s ability to finance projects from revenues.
8. All approved projects will follow County, Legal and statutory required bidding processes including Minority / Women Business Enterprise Program.

CAPITAL IMPROVEMENT PROJECTS IN PROGRESS

Following is a summary of approved Capital Improvement Projects (CIP) in process. No new projects were approved by the Board of County Commissioners as part of the adoption of the FY09-10 Budget. In FY08-09 \$2.1 million in funds were appropriated in the Environmental Management Enterprise Fund for the design and construction of Cell 6D. However, due to fiscal constraints, no funds were transferred. Funding was re-authorized / re- approved as part of the FY09-10 budget.

The projects listed below were approved in prior years and are now in various stages of development. Several projects, although authorized for funding, have no activity at the present time. In addition, several projects were authorized and funded for a specific phase (e.g., acquisition of land or design). The financial information provided below represents the status of each CIP as of June 29, 2009.

1) \$35.5 Million Parks & Recreational Bond

On May 2, 2006, the voters passed a \$35.5 million bond referendum which included \$13.8 million of County projects, \$13.6 million of city of Wilmington projects, \$.6 million of Beach Town projects and \$7.5 million of joint City and County projects. County projects include renovations, additions and improvements to 4 existing parks, development of 6 new parks (including the recently approved contribution to Kure Beach project) and yet to be determined plans for the Cape Fear Museum Expansion and Library.

Relates to County Goal:	Provide for Educational, Cultural and Recreational Needs of NHC
Impact on Operating Expenses:	\$35,000 FY09-10 (for utilities and supplies) \$280,000 Future Years (for additional staff, supplies and utilities)
Debt Service Impact:	\$1,470,825 in FY09-10; See New Hanover County Debt Service Schedule on pages 162 and 163 for 5 year impact
Responsible Department(s):	Parks Department
Estimated Completion Date:	Unknown

Funding Source	Bond Proceeds	Amended County	Amended Total
COW Projects	\$13,600,000	\$0	\$11,100,000
Beach Projects	600,000	0	1,100,000
Joint Projects	7,500,000	0	10,000,000
County Projects	13,800,000	13,300,000	13,300,000
Transfer from GF	0	3,016,150	3,016,150
Total	\$35,500,000	\$16,316,150	\$38,516,150

CAPITAL IMPROVEMENT PROJECTS IN PROGRESS CONTINUED

Use of Funds	Original Budget	Amended Budget	Expen. As of 6/29/09	FY09-10	Future Years
County Projects					
Planning/ Design	\$550,000	\$550,000	\$378,900	\$171,100	\$0
Arrowhead	1,000,000	1,000,000	0	0	1,000,000
Parkwood	500,000	500,000	0	0	500,000
Wrightsboro Park	500,000	500,000	0	0	500,000
Monterey Heights	250,000	250,000	0	0	250,000
Ogden	500,000	500,000	403,435	96,565	0
Battle Park	1,000,000	500,000	0	0	500,000
Water Access Dev.	1,000,000	4,046,150	4,044,800	1,350	0
Vet. Park Complet.	2,500,000	334,790	320,629	14,161	0
Vet. Park Lighting	0	466,125	466,125	0	0
Vet. Park-Paragon	0	1,699,085	1,699,085	0	0
Library	500,000	500,000	0	0	500,000
Cape Fear Museum	500,000	500,000	0	0	500,000
Northern Parks	5,000,000	4,963,195	20,827	0	4,942,368
Transfer to GF	0	6,805	6,805	0	0
County Sub-Total	\$13,800,000	\$16,316,150	\$7,340,606	\$283,176	\$8,692,368
COW Projects	\$13,600,000	\$11,100,000	\$3,724,618	\$2,815,382	\$4,560,000
Beach Town Proj.	600,000	1,100,000	627,520	272,480	200,000
Joint Projects	7,500,000	10,000,000	4,596,098	2,903,902	2,500,000
Total	\$35,500,000	\$38,516,150	\$16,288,842	\$6,274,940	\$15,952,368

2) Burn Pit

Efforts continue to clean up and monitor the Burn Pit, which has been judged to be contaminated. The 4 organizations involved in the remediation and who have agreed to share in the costs of this project are: city of Wilmington, New Hanover County, Cape Fear Community College and the Army Corps of Engineers.

Relates to County Goal: Ensure the Health and Welfare of all NHC Citizens;
Protect the Environment and Quality of Life

Impact on Operating Expenses: \$5,200 FY09-10 (for operation oversight salary cost)
\$5,200 Future Years (for operation oversight salary cost)

Responsible Department(s): Environmental Management

Estimated Completion Date: Unknown

Funding Source	Original Budget	Amended Budget
Transfer from GF	\$325,000	\$625,000
Army Corp. of Eng.	325,000	330,191
CFCC	325,000	522,431
COW	325,000	525,684
Interest	0	266,714
Total	\$1,300,000	\$2,270,020

CAPITAL IMPROVEMENT PROJECTS IN PROGRESS CONTINUED

Use of Funds	Original Budget	Amended Budget	Expen. As of 6/29/09	FY09-10	Future Years
Construction	\$1,300,000	\$2,140,020	\$1,996,358	\$143,638	\$0
Contingencies	0	0	0	0	0
Transfer to GF	0	130,000	0	130,000	0
Total	\$1,300,000	\$2,270,020	\$1,996,358	\$273,638	\$0

3) Cell 6D (Landfill)

Under the current integrated solid waste program and at the current rate of disposal, each 5-acre cell lasts approximately 2 - 3 years. The current operating cell is expected to reach capacity in the December of 2009 / January 2010. Significant pick up in the construction industry or an increase in the number and / or severity of inclement weather incidents could accelerate when the cell reaches capacity.

Funding for the construction was approved in the FY08-09 budget. Due to fiscal constraints, no funds were transferred to the capital project. Instead, preliminary engineering work was funded from Environmental Management Fund's operating expenses and construction of Cell 6D was placed on hold. Full funding was re-approved as part of the FY09-10 budget.

Relates to County Goal: Ensure the Health and Welfare of all NHC Citizens;
 Protect the Environment and Quality of Life

Impact on Operating Expenses: \$0 FY09-10
 \$5,000 Future Years (for seeding & mowing)

Responsible Department(s) Environmental Management

Estimated Completion Date: Fall / Winter 2009

Funding Source	Original Budget	Amended Budget
Transfer from 700	\$1,494,438	\$1,494,438
Interest	0	0
Total	\$1,494,438	\$1,494,438

Use of Funds	Original Budget	Amended Budget	Expen. As of 6/29/09	FY09-10	Future Years
Eng. Services	\$296,661	\$296,661	\$0	\$296,661	\$0
Construction	1,197,777	1,197,777	0	1,197,777	0
Total	\$1,494,438	\$1,494,438	\$0	\$1,494,438	\$0

4) Community Development Block Grant (CDBG) Scattered Site Housing Program

A 3rd scattered site housing rehabilitation (SSHR) grant was awarded by the North Carolina Department of Commerce, Division of Community Assistance, for housing rehabilitation assistance. These latest grant funds will be used to rehabilitate approximately 10 very low-income, owner-occupied houses. The 2 previous scattered site housing rehabilitation grant projects were completed during FY05-06 and FY07-08.

CAPITAL IMPROVEMENT PROJECTS IN PROGRESS CONTINUED

Relates to County Goal(s): Ensure the Health and Welfare of all NHC Citizens;
 Ensure Equality for All NHC Citizens
 Impact on Operating Expenses: \$27,500 FY09-10 (for Planning salary cost)
 \$27,500 Future Years (for Planning salary cost)
 Responsible Department(s) Planning
 Estimated Completion Date: Winter 2009

Funding Source	Original Budget	Amended Budget
Federal Grant	\$400,000	\$400,000
HUD Grant - G0082	400,000	400,000
HUD Grant - G0175	400,000	400,000
Interest	0	0
Total	\$1,200,000	\$1,200,000

Use of Funds	Original Budget	Amended Budget	Expen. As of 6/29/09	FY09-10	Future Years
SS Housing #1	\$400,000	\$383,346	\$381,946	\$0	\$0
SS Housing #2	400,000	400,000	373,219	0	0
SS Housing #3	400,000	393,311	338,121	55,190	0
Transfer to GF		23,343	23,343	0	0
Total	\$1,200,000	\$1,200,000	\$1,116,629	\$55,190	\$0

5) Jail Expansion

Based on the current inmate population and projected long-term needs, the existing NHC Detention Facility will eventually need to be expanded. When suitable land adjacent to the existing detention center became available, the NHC Board of Commissioners opportunistically authorized funds for the purchase of land for a future jail expansion. When mature timing and plans are available, they will be brought forward for further consideration.

Relates to County Goal: Provide a Safe Community
 Impact on Operating Expenses: \$0 FY09-10
 \$0 Future Years
 Debt Service Impact: \$502,904 for FY09-10; See New Hanover County
 Debt Service on pages 162 and 163 for 5 year impact
 Responsible Department(s) Sheriff
 Estimated Completion Date: Land Acquisition and Survey Complete; Design and
 Construction Timing Unknown

Funding Source	Original Budget	Amended Budget
Installment Loan	\$5,388,100	\$5,388,100
Sales Tax Refund	0	0
Interest	0	1,603
Total	\$5,388,100	\$5,389,703

CAPITAL IMPROVEMENT PROJECTS IN PROGRESS CONTINUED

Use of Funds	Original Budget	Amended Budget	Expen. As of 6/29/09	FY09-10	Future Years
Land Acquisition	\$5,380,100	\$5,380,100	\$5,380,100	\$0	\$0
Survey	8,000	9,603	9,603	0	0
Total	\$5,388,100	\$5,389,703	\$5,389,703	\$0	\$0

6) Mason Inlet Relocation

In 1997, Mason Inlet threatened numerous properties at the northern end of Wrightsville Beach. In an effort to protect property and mitigate a potentially deleterious environmental impact, a plan was developed to relocate the inlet 3,000 feet to the north and to place sand on Figure 8 Island. Following completion of the original dredging project, continued maintenance and monitoring are ongoing and expected to continue indefinitely.

Relates to County Goal: Protect the Environment and Quality of Life Enjoyed by New Hanover County Citizens

Impact on Operating Expenses: \$0 FY09-10
\$0 Future Years

Responsible Department(s): Planning / Engineering

Estimated Completion Date: Ongoing

Funding Source	Original Budget	Amended Budget
Transfer from ROTS	\$605,000	\$10,210,779
Transfer In From GF	0	19,342
Sales Tax Refund	0	0
Interest	0	0
Total	\$605,000	\$10,230,121

Use of Funds	Original Budget	Amended Budget	Expen. As of 6/29/09	FY09-10	Future Years
Assessment #1	605,000	8,031,410	8,031,408	0	0
Assessment #2	0	1,805,874	1,805,872	0	0
Assessment #3		392,837	364,763	24,079	
Total	605,000	10,230,121	10,202,043	24,079	

7) Murrayville Fire Station

In order to improve response time and meet the demands of anticipated population and commercial growth in the Murrayville area, the Fire Service District requested approval to construct a fire station in the Murrayville area. In addition to reduced response times, the project will result in insurance rate improvements and will provide additional resources for effective manpower and equipment responses.

CAPITAL IMPROVEMENT PROJECTS IN PROGRESS CONTINUED

Relates to County Goal: Provide a Safe Community
 Impact on Operating Expenses: \$667,260 FY09-10 (for additional staff (9 FTE), training, equipment, utilities and building maintenance)
 \$618,170 Future Years (for additional staff (9 FTE), training, equipment, utilities and maintenance)
 Debt Service Impact: \$326,136 FY09-10; See New Hanover County Debt Service on pages 166 and 167 for 5 year impact
 Responsible Department(s): Special Fire Service District / Engineering
 Estimated Completion Date: Completed May 2009; August 1, 2009 Dedication

Funding Source	Original Budget	Amended Budget
Installment Loans	\$3,549,966	\$3,549,966
Sales Tax Refund	0	0
Interest	0	0
Total	\$3,549,966	\$3,549,966

Use of Funds	Original Budget	Amended Budget	Expen. As of 6/29/09	FY09-10	Future Years
Construction	\$3,091,696	\$3,132,912	\$3,042,286	\$90,626	\$0
Furniture / Equipt.	300,000	300,000	212,729	87,271	0
Security System		20,330	20,330	0	0
Contingencies	158,270	96,724	6,314	90,410	0
Total	3,549,966	3,549,966	\$3,281,659	\$268,307	\$0

8) Public Safety Training Center

A joint Public Safety Training Facility was approved by Board action on March 14, 2005. The project was estimated to cost \$10.1 million. The Community College allocated \$3.1 million and 15 acres of land, with the remaining \$7 million to be split between the County and City. The County's \$3.5 million portion was funded equally by the General Fund and the Fire Services District. Fees will be collected from private users of the facility to cover operating costs. The County and City will share equally in operating costs not recovered through fees.

Relates to County Goal: Provide a Safe Community
 Impact on Operating Expenses: \$30,000 FY09-10 (estimated County share of unrecovered operating costs)
 \$30,000 Future Years (estimated County share of unrecovered operating costs)
 Debt Service Impact: \$181,796 FY09-10 General Fund; \$181,796 FY09-10 Special Fire Service District; See New Hanover County Debt Service on pages 162, 163, 166 and 167 for 5 year impact
 Responsible Department(s): Special Fire Service District / Engineering
 Estimated Completion Date: August 2009; September 11, 2009 (Dedication)
 2010 (Opening)

CAPITAL IMPROVEMENT PROJECTS IN PROGRESS CONTINUED

Funding Source	Original Budget	Amended Budget
Transfer from GF	\$1,750,000	\$1,750,000
Transfer from FSDF	1,750,000	1,750,000
Sales Tax Refund	0	0
Interest	0	0
Total	\$3,500,000	\$3,500,000

Use of Funds	Original Budget	Amended Budget	Expen. As of 6/29/09	FY09-10	Future Years
Construction	\$3,500,000	\$3,500,000	\$3,266,775	\$233,225	\$0
Total	\$3,500,000	\$3,500,000	\$3,266,775	\$233,225	\$0

9) Smith Creek Park

On December 17, 2007, the Board of Commissioners approved a capital project for the design of Smith Creek Park. The design work was funded by revenues generated from the sale of sand from the site.

During FY08-09, the Board of Commissioners approved the Parks Department application for a \$500,000 grant from the North Carolina Parks and Recreation Trust Fund (PARTF) for park construction. Required grant matching funds of \$500,000 would be funded by funds generated by sand sales. Upon being awarded the grant, the construction phase of the project will be brought to the Board of Commissioners for approval and funding.

Relates to County Goal: Provide for the Educational, Cultural and Recreational Needs of the Community

Impact on Operating Expenses: \$0 FY09-10
\$0 Future Years

Responsible Department(s) Parks Department / Engineering

Estimated Completion Date: October 2009 (design)

Funding Source	Original Budget	Amended Budget
Sale of Sand	\$115,100	\$144,206
Interest	0	0
Total	\$115,100	\$144,206

Use of Funds	Original Budget	Amended Budget	Expen. As of 6/29/09	FY09-10	Future Years
Design	\$115,100	\$123,310	\$123,310	\$0	\$0
Construction	\$0	\$20,896	\$20,500	\$396	\$0
Total	\$115,100	\$144,206	\$143,810	\$396	\$0

CAPITAL IMPROVEMENT PROJECTS IN PROGRESS CONTINUED

10) Southeastern Center for Mental Health / Health Department Building

In an effort to improve coordination of and access to services and provide additional space to better serve the Citizens of NHC, the Board of Commissioners approved the construction of a new joint building facility to house the administrative operations of the Southeastern Center for Mental Health and the New Hanover County Department of Health.

Relates to County Goal: Provide Prompt, Courteous and Professional Services to the Citizens of NHC; Ensure the Health and Welfare of all NHC Citizens

Impact on Operating Expenses: \$0 FY09-10
\$0 Future Years (anticipated to be a larger building but is a replacement for older / less efficient buildings, resulting in no net impact)

Debt Service Impact: \$0 FY09-10; Note: Funding via installment debt was authorized but not issued. Due to continuing fiscal issues at SEMH, project put on hold.

Responsible Department(s): SEMH / Health Department / Engineering

Estimated Completion Date: Unknown

Funding Source	Original Budget	Amended Budget
Contrib. from SEMH	\$5,000,000	\$5,000,000
Instal. Loan Proceeds	17,946,195	17,946,195
Interest	0	0
Total	\$22,946,195	\$22,946,195

Use of Funds	Original Budget	Amended Budget	Expen. As of 6/29/09	FY09-10	Future Years
Construction	\$22,946,195	\$22,946,195	\$4,542	\$0	\$22,941,653
Total	\$22,946,195	\$22,946,195	\$4,542	\$0	\$22,941,653

11) Tax Computer System

The Tax Department had been operating on an outdated system that would not operate on a server platform (mainframe based). After examining different replacement system applications, it was decided to purchase software that was compatible with other County departments (MUNIS). In addition to property assessment, administration and tracking software, the County also purchased billing, motor vehicle, collections, business license and web interface applications. The newly purchased appraisal software was used for the 2007 revaluation and listing of personal property. The collections software, motor vehicle billing system and tax bills were implemented during FY07-08. The final modules to be implemented, Business Licenses and Room Occupancy Tax, are expected to be implemented and all work complete during FY09-10.

CAPITAL IMPROVEMENT PROJECTS IN PROGRESS CONTINUED

Relates to County Goal(s): Provide Prompt, Courteous and Professional Services to the Citizens of NHC; Continue Investing in Technology for Citizens to Easily and Efficiently Conduct County Business

Impact on Operating Expenses: \$125,892 FY09-10 (for software maintenance)
\$125,892 Future Years (for software maintenance)

Debt Service Impact: \$152,842 for FY09-10; See New Hanover County Debt Service on pages 162 and 163 for 5 year impact

Responsible Department(s) Tax Department / Information Technology

Estimated Completion Date: 2010

Funding Source	Original Budget	Amended Budget
Instal. Loan Proceeds	\$1,400,000	\$1,400,000
Interest	0	0
Total	\$1,400,000	\$1,400,000

Use of Funds	Original Budget	Amended Budget	Expen. As of 6/29/09	FY09-10	Future Years
Construction	\$1,400,000	\$1,400,000	\$1,349,863	\$50,137	\$0
Total	\$1,400,000	\$1,400,000	\$1,349,863	\$50,137	\$0

12) Tidal Creek – Smith Creek Greenway Project

In June 2006, the Commissioners adopted a resolution authorizing the submission of a Clean Water Management Trust Fund (CWMTF) grant application to purchase properties located along the Smith Creek Greenway in an identified natural heritage area. Grant funds were awarded in November 2006 to acquire 3 parcels of land in the Greenway. Funds from a separate pre-acquisition grant from the CWMTF will be used to determine the cost of the final project.

Relates to County Goal(s): Protect the Environment and Quality of Life Enjoyed by NHC Citizens

Impact on Operating Expenses: \$0 FY09-10
\$0 Future Years

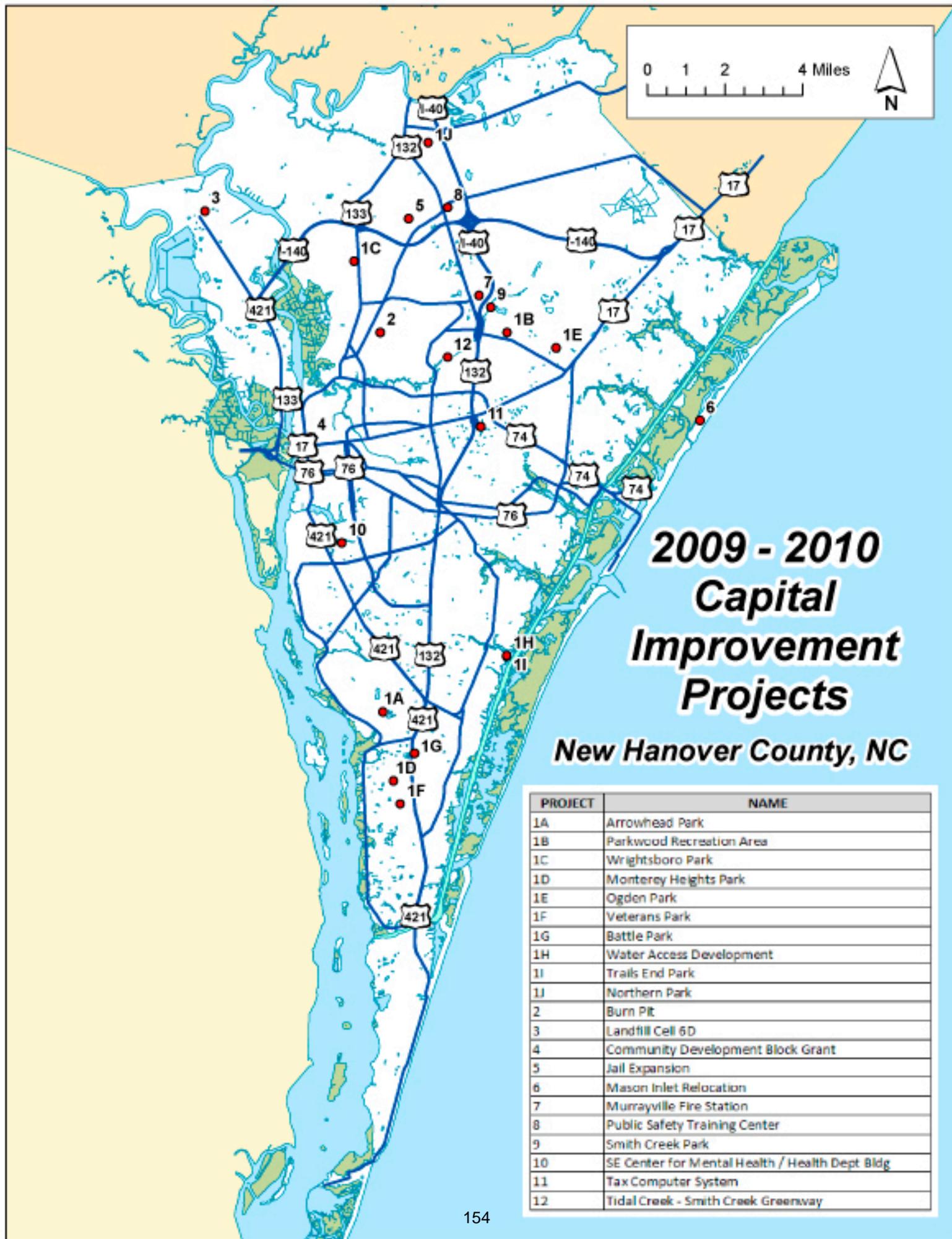
Responsible Department(s) Planning

Estimated Completion Date: 2011

Funding Source	Original Budget	Amended Budget
Transfer from GF	\$2,080,000	\$2,080,000
CWMTF Grant #1	4,000,000	4,000,000
CWMTF Grant #2	0	25,000
CWMTF Grant #3	0	500,000
Sales Tax Refund	0	0
Interest	0	0
Total	\$6,080,000	\$6,605,000

CAPITAL IMPROVEMENT PROJECTS IN PROGRESS CONTINUED

Use of Funds	Original Budget	Amended Budget	Expen. As of 6/29/09	FY09-10	Future Years
Land	\$2,500,000	\$4,799,665	\$4,746,859	\$0	\$0
Design	45,000	25,416	22,888	2,528	0
Construction	3,285,000	1,253,694	1,084,706	27,350	140,396
Education Programs	250,000	58,758	57,148	1,000	0
Transfer to GF		467,467	467,467	0	0
Total	\$6,080,000	\$6,605,000	\$6,379,068	\$30,878	\$140,396



**NON-COUNTY MANAGED
CAPITAL IMPROVEMENT PROJECTS IN PROGRESS**

PROJECT:	APPROVED FUNDS 06/30/09	COUNTY FUNDS COMMITTED	OTHER FUNDS COMMITTED	EXPENDED AS OF 06/30/09	NHC DEBT SERV. IMPACT FY09-10 ¹	PROJECTED COMPLET. DATE
<i>ILM AIRPORT AUTHORITY CAPITAL PROJECTS:</i>						
AIRPORT IMPROVEMENT PROJECTS ²	\$7,471,097	\$7,300,000	\$171,097	\$7,335,162	\$307,748	Fall 2009
<i>PUBLIC SCHOOL CAPITAL PROJECTS:</i>						
\$123 MILLION SCHOOL BONDS PROJECTS	\$127,495,577	\$123,000,000	\$4,495,577	\$96,752,623	\$9,183,688	Ongoing
ANDERSON & OGDEN ELEMENTARY SCHOOLS	11,950,000	4,275,834	7,674,166	11,225,710	0	Ongoing
PUBLIC SCHOOL BUILDING FUND	2,301,000	0	2,301,000	1,961,843	0	Ongoing
<i>CAPE FEAR COMMUNITY COLLEGE CAPITAL PROJECTS:</i>						
\$38.3 MILLION CFCC BOND PROJECTS	\$40,597,424	\$38,300,000	\$2,297,424	\$40,597,425	\$1,832,720	Complete
\$164 MILLION CFCC BOND PROJECTS	\$164,000,000	\$164,000,000	\$0	\$231,073	\$0	Ongoing

¹ Estimated annual impact.

² Airport Improvement Projects includes the construction of a new \$2.9 million customs building.



DEBT MANAGEMENT

The County issues bonds for major capital projects. Borrowing has the advantages of spreading the cost of projects over their useful lives and allowing capital needs to be met more quickly than if annual revenues or reserves were used to finance the projects. North Carolina law requires that a majority of those voting on the issue must approve all general obligation debt (debt secured by a pledge of the County's taxing power) except: (1) refunding bonds issued for the purpose of retiring current general obligation bonds, (2) revenue deficiencies bonds, (3) tax anticipation bonds, (4) riots and insurrections bonds, (5) emergency bonds, and (6) two-thirds limitation bonds. Two-thirds limitation bonds allow the issuance of debt for any authorized purpose in an amount not exceeding two-thirds of the amount by which the outstanding general obligation indebtedness was reduced in the preceding fiscal year.

The County maintains a strong bond rating of Aa1 with Moody's and AA+ with Standard and Poor's rating services.

The County had bonded debt outstanding of \$271,170,000 as of June 30, 2009 and estimates \$253,410,000 will be outstanding as of June 30, 2010. Of the total bonded debt amounts on the following page, \$266,425,000 is general obligation debt as of June 30, 2009 and \$250,480,000 is general obligation debt estimated as of June 30, 2010. General obligation bonds are collateralized by the full faith, credit, and taxing power of the County. Detailed information on bonded debt is found in the schedule of bonded debt outstanding starting on Page 160.

In addition to bonded debt, the County also has installment debt outstanding of \$129,725,777 as of June 30, 2009 and estimates \$117,942,037 will be outstanding as of June 30, 2010. Detailed information on installment debt is found in the schedule of installment debt outstanding starting on Page 161.

Principal and interest requirements for bonded and installment debt are provided by appropriation in the year in which they are due as outlined in the schedule of debt service for five years on Pages 162 through 167.

The North Carolina Local Government Commission oversees local government bonded debt and assists North Carolina cities and counties in all areas of fiscal management. The Commission conducts all bond sales and ensures that local governments have sufficient fiscal capacity to repay debt.

Net general bonded debt is compared to assessed value in the debt coverage chart on Page 168. A graph highlighting net bonded debt per capita is shown on Page 169. Net bonded debt is defined for this purpose as the gross bonded debt less the debt payable from enterprise revenues.

New Hanover County's legal debt margin is calculated on the following page.

LEGAL DEBT MARGIN

North Carolina General Statutes limit the amount of general obligation debt that a unit of government can issue to 8% of the total assessed value of taxable property located within that government's boundaries. The legal debt margin is the difference between the debt limit and the County's net debt outstanding applicable to the limit and represents the County's legal borrowing authority.

Computation of Legal Debt Margin June 30, 2009 (Actual)

Total Assessed Valuation:	\$ 33,424,361,562
<hr/>	
Legal Debt Limit (8% of Assessed Valuation):	\$ 2,673,948,925
<hr/>	
Gross Debt:	
Total Bonded Debt:	\$ 271,170,000
Total Installment Debt:	129,725,777
Authorized and Unissued Bonds (2):	
CFCC General Obligation	\$ 164,000,000
Parks and Recreation	17,500,000
	\$ 181,500,000
Total Gross Debt:	\$ 582,395,777
Deductions from Gross Debt in computing net debt (as per G.S. 159-55(a)(2):	
2003 Water & Sewer Bonds (Refunding)	\$ 4,745,000
Installment (non-COPS)	56,062,977
	\$ 60,807,977
Total Deductions from Gross Debt:	\$ 60,807,977
Total Amount of Debt Applicable to Debt Limit (Net Debt):	\$ 521,587,800
Legal Debt Margin for New Hanover County as of June 30, 2009 (Estimated):	\$ 2,152,361,125

Computation of Legal Debt Margin June 30, 2010 (Estimated)

Total Assessed Valuation:	\$ 33,658,717,000
<hr/>	
Legal Debt Limit (8% of Assessed Valuation):	\$ 2,692,697,360
<hr/>	
Gross Debt:	
Total Bonded Debt:	\$ 253,410,000
Total Installment Debt:	117,942,037
Authorized and Unissued Bonds (2):	
CFCC General Obligation	\$ 164,000,000
Parks and Recreation	17,500,000
	\$ 181,500,000
Total Gross Debt:	\$ 552,852,037
Deductions from Gross Debt in computing net debt (as per G.S. 159-55(a)(2):	
2003 Water & Sewer Bonds (Refunding)	\$ 2,930,000
Installment (non-COPS)	50,711,037
	\$ 53,641,037
Total Deductions from Gross Debt:	\$ 53,641,037
Total Amount of Debt Applicable to Debt Limit (Net Debt):	\$ 499,211,000
Legal Debt Margin for New Hanover County as of June 30, 2010 (Estimated):	\$ 2,193,486,360



NEW HANOVER COUNTY BONDED DEBT OUTSTANDING

BONDED DEBT OUTSTANDING	ACTUAL JUNE 30, 2009	ESTIMATED JUNE 30, 2010
GENERAL FUND:		
CFCC 2000 General Obligation Bonds (\$14 million issued)	\$ 1,217,394	\$ 608,697
CFCC 2002 General Obligation Bonds (\$14.3 million issued)	11,015,550	10,358,660
CFCC 2004 General Obligation Bonds (Refunding)	9,711,750	9,447,550
CFCC 2005 General Obligation Bonds (Refunding)	9,390,613	8,411,824
2003 General Obligation Bonds (Refunding)	0	0
2007 Parks and Recreation Bonds (\$18 million issued)	18,000,000	17,250,000
2003 Water and Sewer Bonds (Refunding) ¹	4,745,000	2,930,000
TOTAL BONDED DEBT -- GENERAL FUND	<u>\$ 54,080,307</u>	<u>\$ 49,006,731</u>
PUBLIC SCHOOLS FUND:		
1995 General Obligation Bonds (\$30 million issued)	\$ 9,000,000	\$ 9,000,000
1998 General Obligation Bonds (\$14 million issued)	0	0
2000 General Obligation Bonds (\$55 million issued)	4,782,606	2,391,303
2001 General Obligation Bonds (\$42 million issued)	28,000,000	26,000,000
2002 General Obligation Bonds (\$14 million issued)	10,784,450	10,141,340
2003 General Obligation Bonds (Refunding)	6,480,000	4,305,000
2004 General Obligation Bonds (Refunding)	34,768,250	34,192,450
2005 General Obligation Bonds (Refunding)	6,919,387	6,198,176
2006 General Obligation Bonds (\$30 million issued)	25,500,000	24,000,000
2007 General Obligation Bonds (\$50 million issued)	47,500,000	45,000,000
2009 General Obligation Bonds (\$43 million issued)	43,000,000	43,000,000
TOTAL BONDED DEBT -- PUBLIC SCHOOLS FUND	<u>\$ 216,734,693</u>	<u>\$ 204,228,269</u>
ENVIRONMENTAL MANAGEMENT FUND:		
1990 Solid Waste Disposal	\$ 220,000	\$ 110,000
2003 General Obligation Bonds (Refunding)	135,000	65,000
TOTAL BONDED DEBT -- ENVIRONMENT. MGT. FUND	<u>\$ 355,000</u>	<u>\$ 175,000</u>
TOTAL INSTALLMENT DEBT	<u>\$ 271,170,000</u>	<u>\$ 253,410,000</u>

¹ As of July 1, 2008, the Water and Sewer debt service was transferred to the General Fund as part of the change to the Cape Fear Public Utility Fund. In FY09-10 \$5.0 M of CFPUA debt will be offset by a \$3.0 M transfer from CFPUA.

NEW HANOVER COUNTY INSTALLMENT DEBT OUTSTANDING

INSTALLMENT DEBT OUTSTANDING	ACTUAL JUNE 30, 2009	ESTIMATED JUNE 30, 2010
GENERAL FUND:		
2000 COPS (Judicial Bldg, Airlie, Wilm-Hanby Beach)	\$ 13,853,147	\$ 12,186,603
2001 COPS (Jail, LEC, Parking Deck, Library)	26,190,000	22,915,000
2003 COPS (Administration Annex Bldg)	4,555,000	4,225,000
2003 COPS (Airport Improvements)	1,540,000	1,155,000
COPS Refunding 2005A-1997 COPS	2,939,200	2,656,500
COPS Refunding 2005A-1997 COPS	3,206,400	2,898,000
COPS Refunding 2005B-2001 COPS	19,425,000	19,425,000
138 N. 4th Street ²	611,812	552,689
Shaw Speak Building (Youth Empowerment Services) ²	56,469	29,385
Financial/HR Software System ²	49,678	0
Tax Software System ²	150,168	0
Computer Infrastructure Upgrade ²	26,138	0
MarketPlace Mall Purchase/Renovation ²	4,563,158	4,026,316
Public Safety Training Center ²	1,633,333	1,516,665
800 MHZ System ²	5,932,087	5,092,087
CISCO Telephone System ²	500,000	300,000
Jail Land ²	5,088,761	4,789,422
NHC Airport Authority (Airport Customs Building) ²	2,492,308	2,284,615
COPS Refunding 2005A-1997 COPS ^{1, 2}	6,947,200	6,279,000
Coastal Carolina Utilities ^{1, 2}	34,989	0
2003 COPS (Brookfield/Brierwood, Middle Sound, Kings Grant) ^{1, 2}	21,135,000	20,020,000
TOTAL INSTALLMENT DEBT -- GENERAL FUND	<u>\$ 120,929,848</u>	<u>\$ 110,351,282</u>
SPECIAL FIRE DISTRICT:		
2003 COPS (Federal Point Fire Station)	\$ 910,000	\$ 845,000
Public Safety Training Center ²	1,633,333	1,516,665
Fire Trucks (2) ²	411,213	139,852
Ladder Truck ²	683,704	520,192
Murrayville Fire Station ²	3,352,746	3,155,525
TOTAL INSTALLMENT DEBT -- SPECIAL FIRE DISTRICT	<u>\$ 6,990,996</u>	<u>\$ 6,177,234</u>
ENVIRONMENTAL MANAGEMENT FUND:		
Compactor ²	\$ 118,667	\$ 0
Bulldozer and Loader ²	642,213	488,624
2000 COPS (Baghouses)	776,853	683,397
COPS Refunding 2005A-1997 COPS	267,200	241,500
TOTAL INSTALLMENT DEBT -- ENVIRONMENT. MGT. FUND	<u>\$ 1,804,933</u>	<u>\$ 1,413,521</u>
TOTAL INSTALLMENT DEBT	<u>\$ 129,725,777</u>	<u>\$ 117,942,037</u>

¹ As of July 1, 2008, the Water and Sewer debt service was transferred to the General Fund as part of the change to the Cape Fear Public Utility Fund. In FY09-10 \$5.0 M of CFPUA debt will be offset by a \$3.0 M transfer from CFPUA.

² Installment deducted from Gross Debt in computing Net Debt as per G.S. 159-55(a) (2).

NEW HANOVER COUNTY DEBT SERVICE FOR NEXT FIVE YEARS

GENERAL FUND	FY 08-09
BONDED:	
CFCC 1998 General Obligation Bonds (\$9 million issued)	\$0
CFCC 1998 General Obligation Bonds (\$10 million issued)	0
CFCC 2000 General Obligation Bonds (\$14 million issued)	689,997
CFCC 2002 General Obligation Bonds (\$14.3 million issued)	1,201,099
CFCC 2004 General Obligation Bonds (Refunding)	729,858
CFCC 2005 General Obligation Bonds (Refunding)	1,418,222
2003 General Obligation Bonds (Refunding)	42,840
Parks and Recreation Bonds (\$18 million issued)	900,000
CFCC General Obligation Bonds (\$70 million authorized)	P
Parks and Recreation Bonds (\$17.5 million authorized)	P
Sewer Construction-Water/Sewer 2003 Refunding ¹	\$1,995,148
Total Bonded Debt Service - General Fund	\$6,977,164
Principal portion of General Fund Bonded Debt	\$4,379,892
Interest portion of General Fund Bonded Debt	2,597,272
	\$6,977,164
INSTALLMENT:	
1997 Certificates of Participation-Library/Admin Bldg & LE Facility	\$266,097
1997 Certificates of Participation - School/Park Land Purchase	278,801
2000 Certificates of Participation - Airlie Gardens	913,594
2000 Certificates of Participation - Judicial Building	1,039,772
2000 Certificates of Participation - Wilmington-Hanby Beach W&S	440,994
2001 Certificates of Participation - Jail, Parking Deck, Library	4,566,079
2003 Certificates of Participation - Administration Annex Building	540,725
2003 Certificates of Participation - Airport Improvements	446,119
2005A Certificates of Participation - Refunding	270,624
2005B Certificates of Participation - Refunding	971,250
138 North Fourth Street	89,700
Shaw Speakes Building	88,390
Financial/HR Software System	238,500
Tax Software System	305,683
Computer Infrastructure Upgrade	53,132
Market Place Mall	740,440
Public Safety Training Center	180,020
800 MHZ System	1,114,362
911 Equipment-Radios	0
Phone System	224,860
Jail Expansion Land	495,005

P = Pending further action

¹As of July 1, 2008, the Water and Sewer debt service was transferred to the General Fund as part of the change to the Cape Fear Public Utility Fund. In FY09-10 \$5.0 M of CFPUA debt will be offset by a \$3.0 M transfer from CFPUA.

NEW HANOVER COUNTY DEBT SERVICE FOR NEXT FIVE YEARS

FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14
\$0	\$0	\$0	\$0	\$0
0	0	0	0	0
657,897	625,197	0	0	0
1,174,823	1,148,548	1,120,630	1,091,070	1,061,510
717,673	704,463	1,276,594	1,228,833	1,181,305
1,374,522	1,328,318	1,283,049	1,235,801	1,192,389
0	0	0	0	0
1,470,825	1,444,575	1,418,325	1,384,575	1,354,575
0	1,559,688	6,566,875	6,461,875	6,348,125
	1,739,063	1,695,313	1,651,563	1,607,813
1,948,288	1,890,644	1,158,750	0	0
\$7,344,028	\$10,440,495	\$14,519,536	\$13,053,717	\$12,745,717
\$5,073,576	\$5,924,182	\$8,724,320	\$7,583,156	\$7,572,751
2,270,452	4,516,313	5,795,216	5,470,561	5,172,966
\$7,344,028	\$10,440,495	\$14,519,536	\$13,053,717	\$12,745,717
\$0	\$0	\$0	\$0	\$0
0	0	0	0	0
883,787	853,741	596,091	575,848	552,939
1,005,848	971,653	678,418	655,379	629,307
426,606	412,103	287,735	277,963	266,905
4,424,844	4,279,516	4,150,563	4,003,188	646,313
531,650	516,750	506,188	495,219	483,844
435,531	423,982	411,469	398,475	0
808,235	806,835	805,840	808,640	807,433
971,250	971,250	971,250	971,250	4,159,500
89,700	89,700	89,700	89,700	89,700
29,993	30,916	0	0	0
50,404	0	0	0	0
152,842	0	0	0	0
26,567	0	0	0	0
718,429	696,419	674,408	652,398	630,387
181,796	177,060	172,323	167,587	162,849
1,066,537	1,033,282	1,000,026	966,771	933,515
0	0	0	0	0
217,212	209,562	101,594	0	0
502,904	490,752	478,598	466,445	454,292

NEW HANOVER COUNTY DEBT SERVICE FOR NEXT FIVE YEARS

GENERAL FUND (CONTINUED)	FY 08-09
BONDED:	
NHC Airport Authority (Airport Customs Building)	\$360,040
Coastal Carolina & G&F Utilities ¹	37,089
1997 Certificates of Participation - Sewer Projects ¹	593,542
2003 Certificates of Participation - Brierwood, Kings Grant, Middle Sound ¹	2,092,457
2005A Certificates of Participation - Refunding ¹	305,923
Water Treatment/Well Field ¹	1,676,919
Total Installment Debt Service - General Fund	\$18,330,117
Principal portion of General Fund Installment Debt	\$10,940,657
Interest portion of General Fund Installment Debt	7,389,460
	\$18,330,117
Total Debt Service - General Fund	\$25,307,281
PUBLIC SCHOOLS FUND	FY08-09
BONDED:	
1995 General Obligation Bonds (\$30 million issued)	\$360,000
1998 General Obligation Bonds (\$14 million issued)	0
2000 General Obligation Bonds (\$55 million issued)	2,716,503
2001 General Obligation Bonds (\$42 million issued)	3,423,000
2002 General Obligation Bonds (\$14 million issued)	1,175,902
2003 General Obligation Bonds (Refunding)	2,559,660
2004 General Obligation Bonds (Refunding)	2,222,468
2005 General Obligation Bonds (Refunding)	1,045,005
2005 General Obligation Bonds (\$15 million fixed issued)	1,296,188
2005 General Obligation Bonds (\$15 million variable issued)	1,280,000
2007 General Obligation Bonds (\$50 million fixed issue)	5,160,587
2009 General Obligation Bonds (\$43 million authorized) ²	0
Total Debt Service - Public Schools Fund	\$21,239,313
Principal portion of Public Schools Fund Bonded Debt	\$12,465,109
Interest portion of Public Schools Fund Bonded Debt	8,774,204
	\$21,239,313
P = Pending further action	

¹ As of July 1, 2008, the Water and Sewer debt service was transferred to the General Fund as part of the change to the Cape Fear Public Utility Fund. In FY09-10 \$5.0 M of CFPUA debt will be offset by a \$3.0 M transfer from CFPUA.

² 2009 General Obligation Bonds (\$43.M authorized) issued June 9, 2009. Amounts listed in Debt Service Schedule are projected amounts due for budget preparation.

NEW HANOVER COUNTY DEBT SERVICE FOR NEXT FIVE YEARS

FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14
\$307,748	\$299,233	\$290,717	\$282,202	\$273,687
37,089	0	0	0	0
0	0	0	0	0
2,061,794	2,028,344	1,992,107	1,954,475	1,915,450
913,657	912,074	910,949	914,115	912,750
0	0	0	0	0
\$15,844,424	\$15,203,172	\$14,117,977	\$13,679,655	\$12,918,870
\$10,578,551	\$10,357,166	\$9,664,354	\$9,621,645	\$9,279,477
5,265,873	4,846,006	4,453,623	4,058,010	3,639,393
\$15,844,424	\$15,203,172	\$14,117,977	\$13,679,655	\$12,918,870
\$23,188,451	\$25,643,666	\$28,637,512	\$26,733,371	\$25,664,587

FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14
\$360,000	\$360,000	\$360,000	\$2,587,500	\$2,497,500
0	0	0	0	0
2,588,103	2,457,303	0	0	0
3,338,000	3,253,000	3,163,000	3,073,000	2,983,000
1,150,178	1,124,453	1,097,121	1,068,181	1,039,241
2,499,000	2,375,250	2,252,250	0	0
2,197,778	2,168,988	4,484,732	4,320,743	4,157,521
1,012,805	978,759	945,403	910,589	878,602
1,266,188	1,236,188	1,206,188	1,176,188	1,148,064
1,250,000	1,220,000	1,190,000	1,160,000	1,130,000
4,517,500	4,411,250	4,305,000	4,198,750	4,092,500
2,150,000	3,187,500	3,142,500	3,097,500	3,045,000
\$22,329,552	\$22,772,691	\$22,146,194	\$21,592,451	\$20,971,428
\$13,581,425	\$13,980,819	\$13,970,681	\$14,051,846	\$14,032,257
8,748,127	8,791,872	8,175,513	7,540,605	6,939,171
\$22,329,552	\$22,772,691	\$22,146,194	\$21,592,451	\$20,971,428

NEW HANOVER COUNTY DEBT SERVICE FOR NEXT FIVE YEARS

SPECIAL FIRE DISTRICT	FY08-09
INSTALLMENT:	
2003 Certificates of Participation - Federal Point Volunteer Fire Dept.	\$107,088
Public Safety Training Center	180,020
Fire Trucks (2)	285,419
Ladder Truck	182,434
Station 52-Murrayville Fire Station	326,136
Fire Engine	P 29,708
Total Debt Service - Special Fire District	\$1,110,805
Principal portion of Special Fire District Installment Debt	\$823,546
Interest portion of Special Fire District Installment Debt	287,259
	<u>\$1,110,805</u>
ENVIRONMENTAL MANAGEMENT	FY08-09
BONDED:	
Steam Plant Construction	<u>\$477,200</u>
Principal portion of Environmental Management Bonded Debt	425,000
Interest portion of Environment Management Bonded Debt	52,200
	<u>\$477,200</u>
INSTALLMENT:	
1997 Certificates of Participation - Scrapper Pan-Landfill	\$23,234
Front End Loader-Landfill	0
Trash Compactor-Landfill	248,737
2000 Certificates of Participation - Baghouses-Wastec	134,271
2005A Certificates of Participation - Refunding - Landfill	11,767
Bulldozer and Loader -Landfill	171,364
Loader -Wastec	0
Scrapper Pan-Landfill	P 69,023
Total Installment Debt Service - Environmental Management Fund	\$658,396
Principal portion of Environmental Management Installment Debt	\$563,098
Interest portion of Environmental Management Installment Debt	95,298
	<u>\$658,396</u>
Total Debt Service - Environmental Management Fund	\$1,135,596
Total Debt Service - All Funds	\$48,792,995

P = Pending further action

NEW HANOVER COUNTY DEBT SERVICE FOR NEXT FIVE YEARS

FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14
\$105,300	\$103,350	\$101,238	\$99,035	\$96,769
181,796	177,060	172,323	167,587	162,849
285,419	142,710	0	0	0
182,434	182,434	182,434	182,434	0
331,340	323,334	315,326	307,320	299,311
84,001	168,003	168,003	84,001	
\$1,170,290	\$1,096,891	\$939,324	\$840,377	\$558,930

\$893,818	\$837,254	\$710,091	\$639,305	\$378,888
276,472	259,637	229,233	201,072	180,042
\$1,170,290	\$1,096,891	\$939,324	\$840,377	\$558,930

FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14
\$206,550	\$188,150	\$0	\$0	\$0
180,000	175,000			
26,550	13,150			
\$206,550	\$188,150	\$0	\$0	\$0

\$0	\$0	\$0	\$0	\$0
0	0	0	0	0
120,948	0	0	0	0
129,890	125,474	87,608	84,633	81,266
35,141	35,080	35,037	35,159	35,106
171,364	171,364	171,364	171,363	0
0	0	0	0	0
74,435	148,869	148,869	148,869	148,869
\$531,778	\$480,787	\$442,878	\$440,024	\$265,241

\$449,839	\$399,390	\$376,908	\$389,327	\$229,231
81,939	81,397	65,970	50,697	36,010
\$531,778	\$480,787	\$442,878	\$440,024	\$265,241

\$738,328	\$668,937	\$442,878	\$440,024	\$265,241
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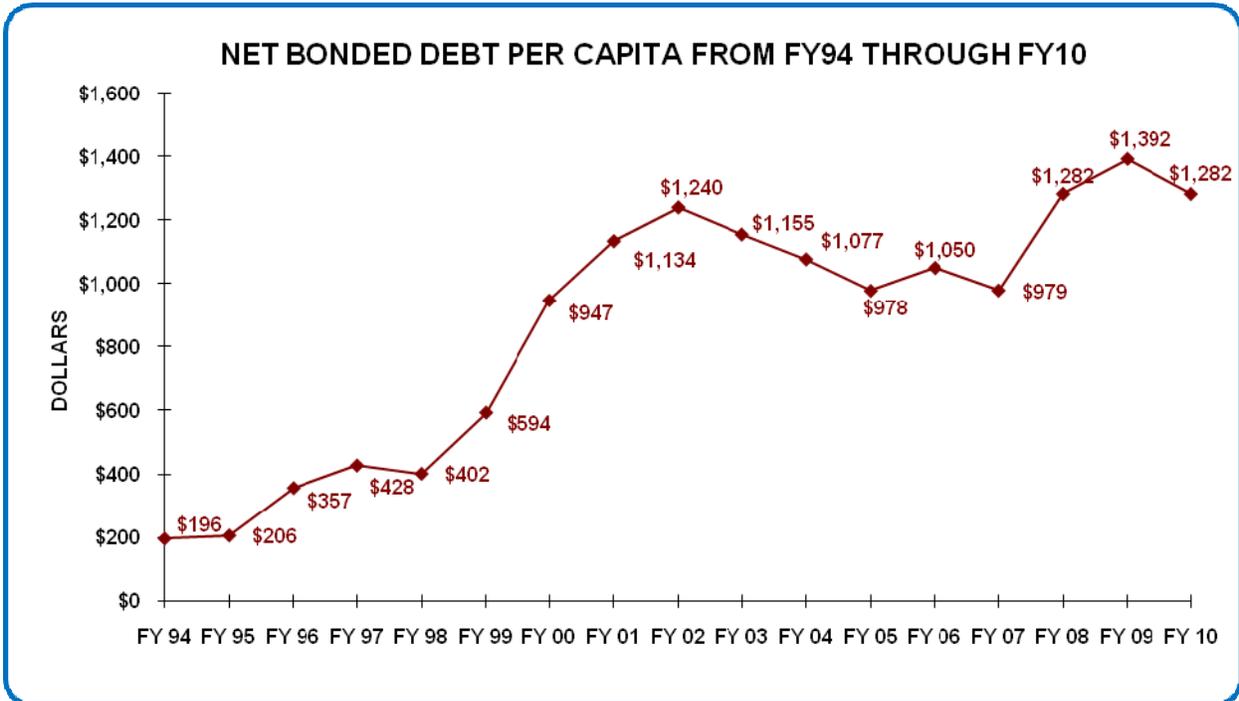
\$47,426,621	\$50,182,186	\$52,165,908	\$49,606,223	\$47,460,186
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**NEW HANOVER COUNTY RATIO OF NET GENERAL BONDED DEBT
TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA**

Fiscal Year Ended June 30	Population Estimate	Taxable Property Assessed Value	Gross Bonded Debt	Debt Payable from Enterprise Revenues	Net Bonded Debt	Ratio of Net	
						Bonded Debt to Assessed Value	Net Bonded Debt per Capita
1994	134,912	\$7,814,763,042	\$58,305,000	\$31,895,000	\$26,410,000	0.34%	196
1995	139,500	8,191,563,111	58,565,000	29,785,000	28,780,000	0.35%	206
1996	143,234	8,646,082,828	78,520,000	27,390,000	51,130,000	0.59%	357
1997	147,761	9,274,126,204	88,225,000	24,935,000	63,290,000	0.68%	428
1998	148,370	9,975,023,536	82,060,000	22,465,000	59,595,000	0.60%	402
1999	148,822	10,561,590,950	109,045,000	20,690,000	88,355,000	0.84%	594
2000	160,327	15,447,985,673	170,675,000	18,845,000	151,830,000	0.98%	947
2001	163,828	15,990,342,660	202,655,000	16,930,000	185,725,000	1.16%	1,134
2002	166,017	16,524,186,222	220,855,000	14,940,000	205,915,000	1.25%	1,240
2003	169,050	16,976,210,211	207,610,000	12,285,000	195,325,000	1.15%	1,155
2004	174,302	17,363,984,377	197,810,000	10,040,000	187,770,000	1.08%	1,077
2005	179,553	17,896,300,639	183,510,000	7,880,000	175,630,000	0.98%	978
2006	185,222	18,754,771,006	200,150,000	5,625,000	194,525,000	1.04%	1,050
2007	186,512	19,499,335,347	185,895,000	3,255,000	182,640,000	0.94%	979
2008 ¹	189,856	32,862,470,391	244,218,716	780,000	243,438,716	0.74%	1,282
2009 ¹	194,558	33,424,361,562	271,170,000	355,000	270,815,000	0.81%	1,392
2010 ¹	197,548	33,658,717,000	253,410,000	175,000	253,235,000	0.75%	1,282

¹ Decrease in Debt Payable from Enterprise Revenues due to transfer of Water and Sewer operations to CFPUA. Cannot use the annual transfer received from CFPUA for payment in calculating Net General Bonded Debt Per Capita.

**NEW HANOVER COUNTY RATIO OF
NET GENERAL BONDED DEBT PER CAPITA**



Comments:

FY07-08: The increase from FY06-07 to FY07-08 was due to the County retaining obligation of Water and Sewer debt after the transfer of Water and Sewer operations to the CFPUA. As per General Statute requirements, the transfers received from CFPUA to pay bonded debt do not meet the criteria to be included in the calculation of net bonded debt.

FY09-10: The decrease in bonded debt per capita is due to the \$17.6 M decrease in net bonded debt for FY09-10 and the projected increase in population of 2,990 for 2010. For detail, please see facing page.

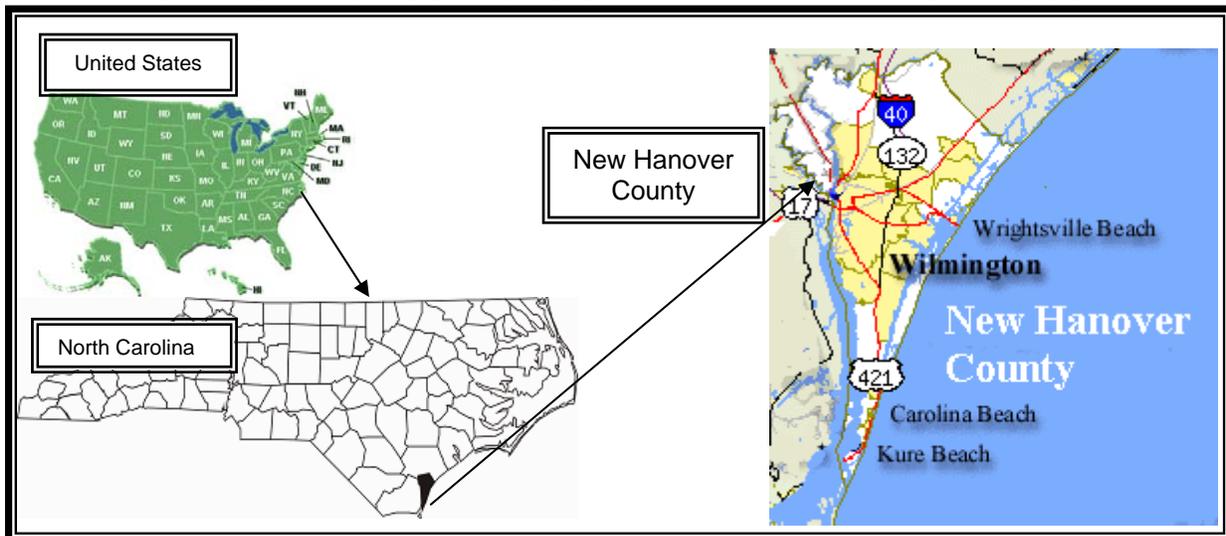


NEW HANOVER COUNTY PROFILE

GENERAL DESCRIPTION

New Hanover, a coastal county in southeastern North Carolina, is home to 4 incorporated municipalities: Wilmington, Carolina Beach, Kure Beach, and Wrightsville Beach. The County's beaches provide miles of unspoiled natural beauty and are the area's most popular tourist attractions. The surrounding terrain is low lying, with an average elevation of less than 40 feet. The highest elevation is approximately 75 feet above sea level. The maps in the illustration below provide visual placement of the County within the state of North Carolina and the United States and a detailed map of the County. New Hanover is the second smallest county but is one of the most densely populated counties in the State. The County's land area totals approximately 220 square miles. Of this total, over 21 square miles consist of water and wetlands. The projected population of New Hanover County for July 2009 is approximately 194,914, a 22% increase over the 2000 U. S. Census of 160,327.

MAPS INDICATING LOCATIONS STATE AND NEW HANOVER COUNTY¹



Established in 1729, New Hanover County was formed from Craven County, one of three original counties in North Carolina. It was named for the House of Hanover, which was then ruling Great Britain. When New Hanover County was originally established, it encompassed the current counties of Bladen, Onslow, Duplin, Brunswick, and Pender. From 1734 through 1764, New Hanover County's land was divided to create the counties of Bladen, Onslow, Duplin, and Brunswick. The last division occurred in 1875 to form Pender County. The County has retained the same boundaries since 1875.

The County's focus is government, in partnership with its citizens, dedicated to promoting growth in an orderly fashion, while preserving the outstanding quality of life that has made the County a desirable place in which to live and work.

¹ North Carolina Department of Commerce.

GOVERNMENT STRUCTURE

**New Hanover County
Historic Courthouse**

New Hanover County is governed by 5 commissioners who are elected by a countywide vote and serve 4-year staggered terms. A County Manager is appointed to serve as Chief Executive Officer. Partisan elections for the Board of County Commissioners are held in November in even-numbered years. The Board takes office the first Monday in December following the November election. At that time, the Board elects a Chairman and Vice Chairman from among its members. The Commissioners still utilize the historic Courthouse located in the historic district of the city of Wilmington for their bimonthly Board meetings.

The major duties of the Board include: assessing the needs of the County and establishing programs and services to meet these needs, adopting an annual balanced budget, establishing the annual property tax rate, appointing members to County boards and commissions (and some employees), regulating land use and zoning outside the jurisdiction of municipalities, enacting local ordinances, and adopting policies concerning the operations of the County. The Board also has the authority to call bond referendums, enter into contracts, and establish new programs.

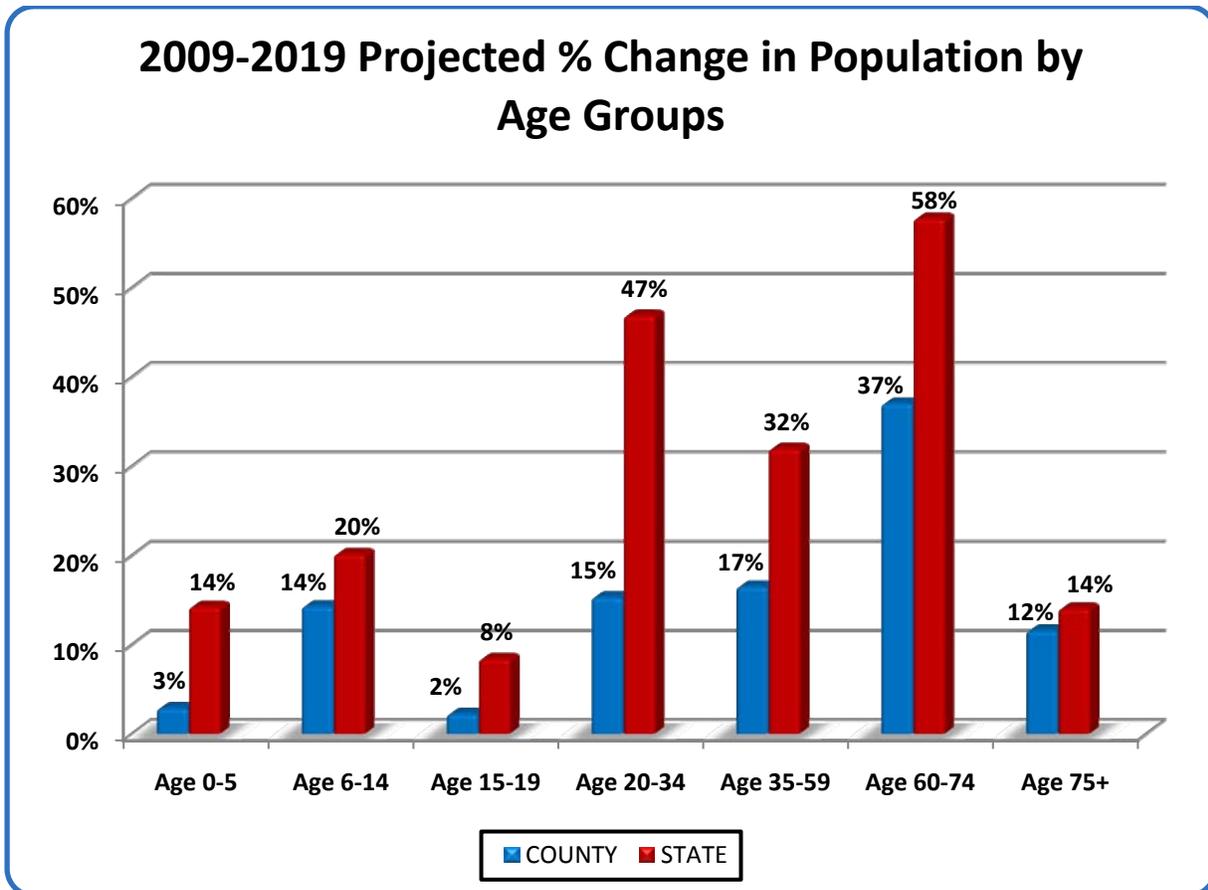
The County Manager is responsible to the Board of County Commissioners for management of all County employees, except the Sheriff and Registrar of Deeds who are elected officials. The Board appoints the County Attorney and the Clerk to the Board as well. The major duties of the County Manager include supervising and coordinating the activities of the County departments, executing all orders and policies set forth by the Board, attending all Board meetings, making recommendations on appropriate matters of business, recommending an annual budget, advising the Board of the financial condition of the County, representing the County in business with other agencies, and performing other duties assigned by the Board.

New Hanover County serves its citizens through approximately 30 departments with over 1,600 regular employees.

POPULATION CHARACTERISTICS AND PROJECTIONS²

In the last decade, the County experienced rapid population growth. Current projections indicate that the County will continue to grow, but at a slower rate, and will fall below the state's projected growth rate. From 2009 to 2019, the state's population is expected to grow by 18.2%; whereas, the County's population is expected to grow by only 13.5%. Neighboring counties of Brunswick and Pender are expected to grow by 35% and 30%, respectively.

² North Carolina State Office of Management and Budget



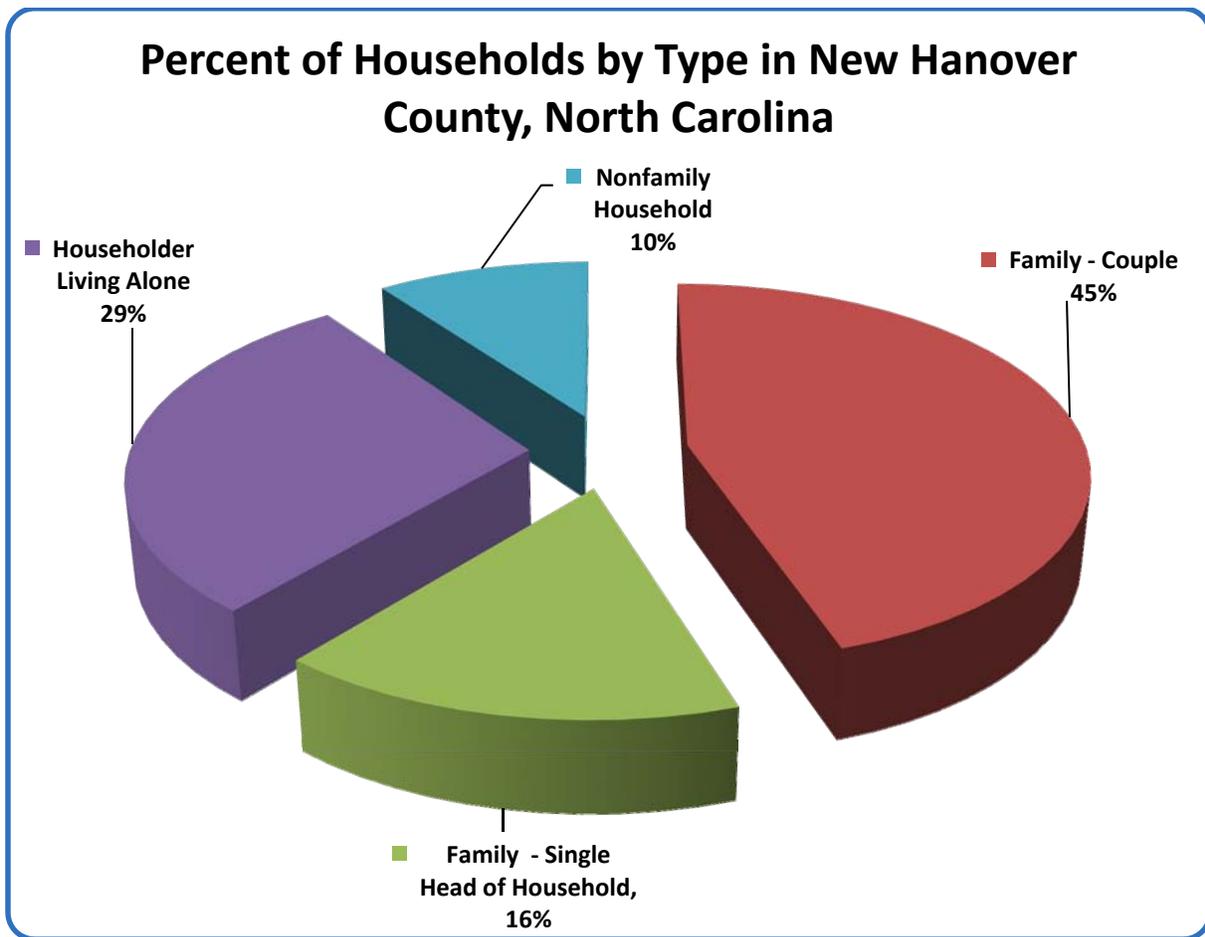
Anticipating future populations by age group assists agencies in developing long-term plans to meet future needs. The graph above provides a comparison of the County's percentage of change in specific population age groups for the period 2009 to 2019 to the state's percentage of change for each respective group. The County's rate of change is consistently below the state's at every age group. However, there are significant variations in the percentage of change in several groups. Specifically, the age group of 20-34 shows the County being 32% less than the state projected increase in this group. The projected increase for school age children also lags behind the state's increase amount. The County's largest increase in age group is the 60-74 group with an estimated increase of 37%. This projection indicates young families with children not seeking the County as a place to live. This will result in a realignment of resources to meet the change of needs of the population group the County serves.

SELECTED SOCIAL CHARACTERISTICS³

Households and Families

In 2007, there were 82,219 households in New Hanover County. The average household size was 2.26 people.

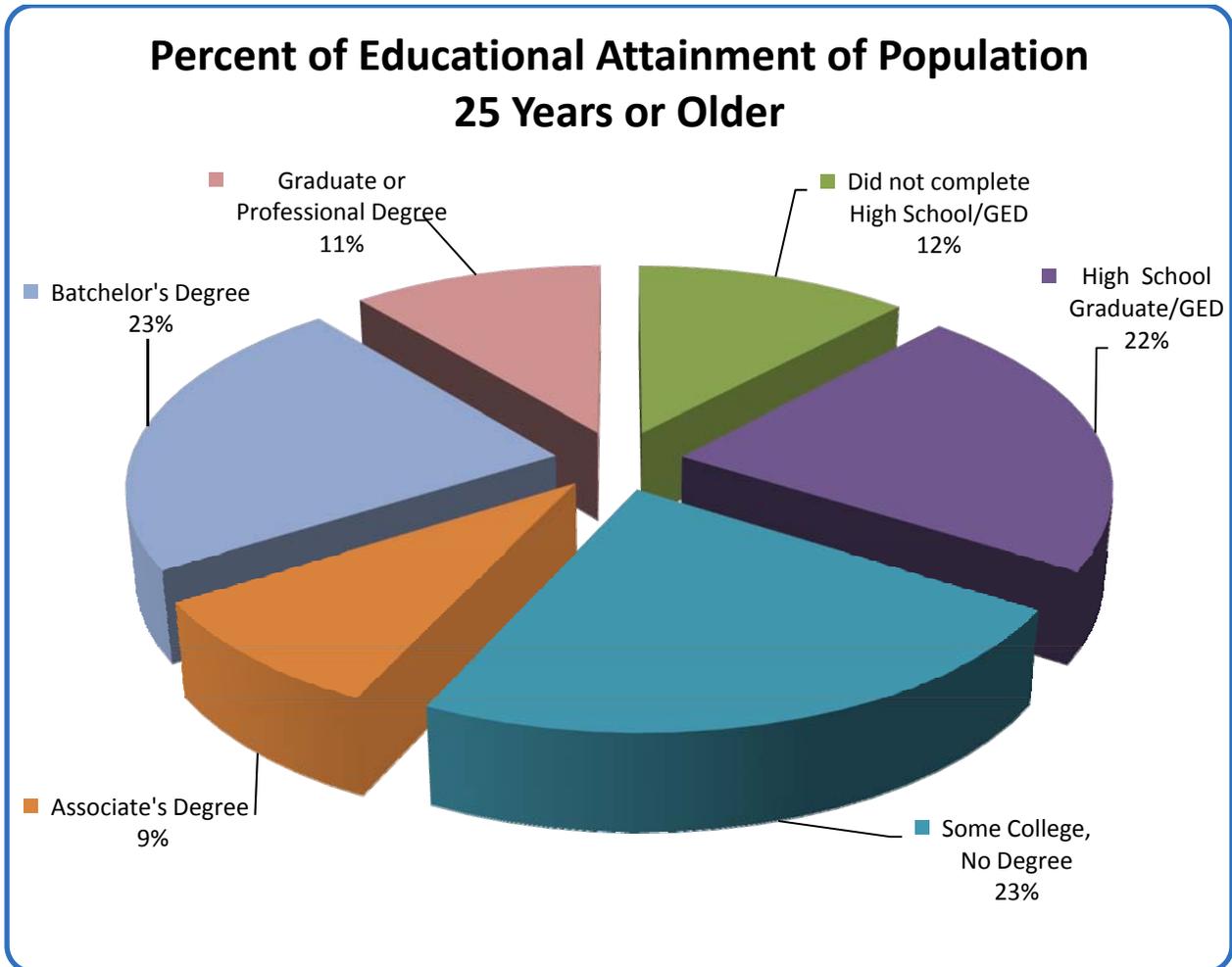
Families make up 61% of the households in New Hanover County. This figure includes married/couple families (45%) and single head of household (16%). Householder living alone was 29% and non-family households were 10%.



³ American Community Survey, 2007 at American FactFinder

Educational Attainment⁴

In 2007, 88% of people 25 years and over had at least graduated from high school and 35% had a bachelor's degree or higher. 12% percent were dropouts who were not enrolled in school and had not graduated from high school.



Travel to Work⁴

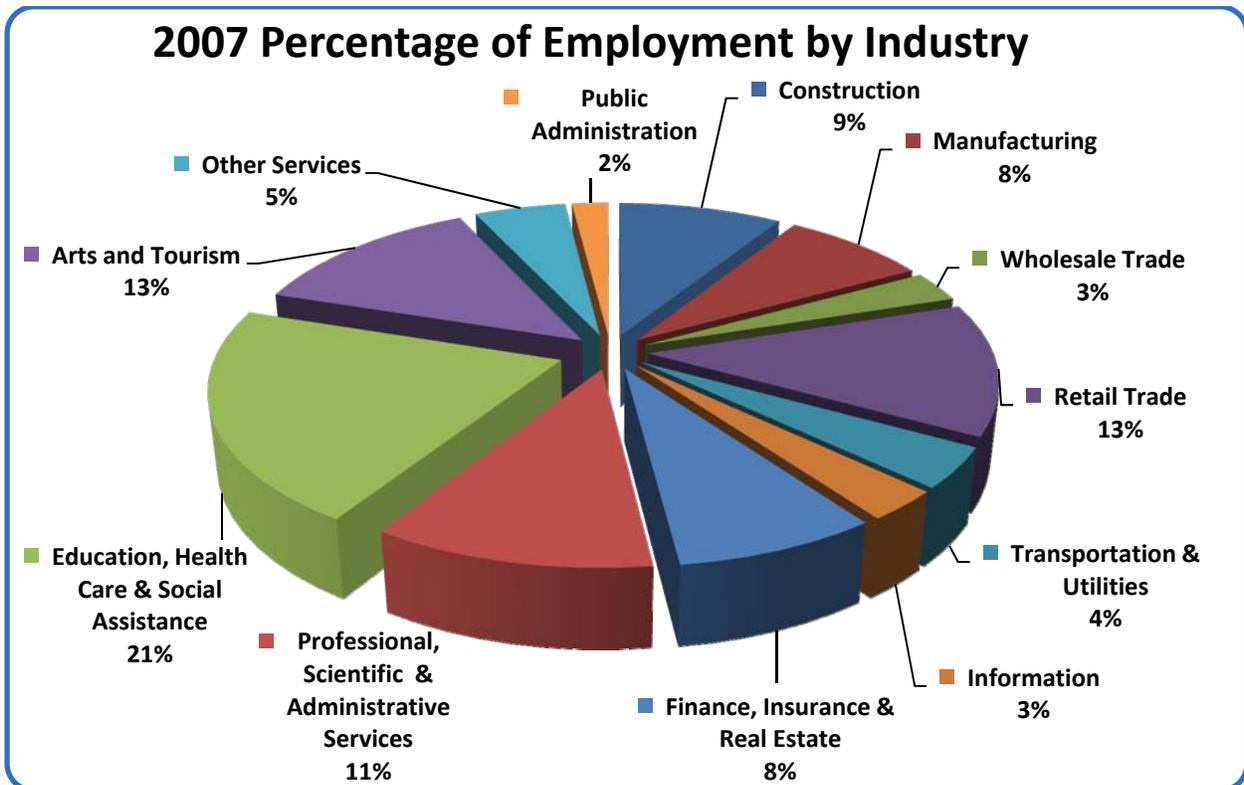
The average commute time in 2007 was 19.6 minutes to get to work. The percentages of the method of transportation for 2007 were:

- 83% of workers drove to work alone in 2007
- 9% of workers carpooled
- 1% took public transportation
- 3% used other means
- 4% worked at home

⁴ American Community Survey, 2007 at American FactFinder

Employment by Industry in New Hanover County, North Carolina⁵

The chart illustrates the major sectors of the County's economy. Largest is the Education, Healthcare, and Social Assistance sector. Arts and Tourism (comprised of entertainment, recreation, accommodations, and food services) and retail trade tie for second. The Arts and Tourism sector and the Retail Trade sector total 26% of the County's employment. These two sectors mirror current conditions, whether positive or negative.



Cost of Living⁶

The cost of living for New Hanover County, as measured to a national composite index average of 100.0 for calendar year 2008, measures 97.1. The comparison for New Hanover County's cost of living for specific goods and services is provided below and is also stated as a comparison to the national average index of 100.0 for each index.

Index for Products & Services	Cost of Living New Hanover County
Grocery Items	103.5
Housing	83.6
Utilities	97.6
Transportation	93.9
Health Care	103.6
Miscellaneous	100.4

⁵ American Community Survey, 2007 at American FactFinder.

⁶ Missouri Economic Research and Information Center, Economic Indicators

TRANSPORTATION INFRASTRUCTURE/RESOURCES

New Hanover County is unique in its ability to provide a complex transportation infrastructure to facilitate industrial growth. With a regional airport, a North Carolina State Port, well-developed highway and rail system, Wilmington is an industrial transportation hub of southeastern North Carolina.

North Carolina State Port in Wilmington⁷



Arial View of the Port of Wilmington



Tug Navigating International Vessel up the Cape Fear River

The Port at Wilmington is one of two international deepwater ports located in North Carolina, which link the state's consumers, business and industry to world markets. It serves as a magnet to attract new business and industry. The Port maintains cutting-edge services customized to meet supply chain and logistics needs. These two ports play a crucial role in the state's economy as they help foster the movement of goods across North Carolina. These ports are becoming extremely important as the nearby ports in Charleston, South Carolina, and Norfolk, Virginia, approach their capacity. The Port is in the beginning stages of developing the new North Carolina International Port (NCIP) just north of Southport. This port will have 50' channel depth with capability of handling 2,000,000+ TEUs (20-foot equivalent units, the industry standard measurement of container traffic) annually.

The Port of Wilmington is operated by the North Carolina State Ports Authority as an enterprise agency and is funded by revenue earned at the docks and not funded by state taxes. Located on the east bank of the Cape Fear River, the port in Wilmington offers facilities to handle three types of cargo:

- **Container:** Boxes used to contain cargo for transport. Cargo is loaded directly into container at the point of origin. The containers are moved from there by truck or rail to a port, onto a ship, across the ocean, off the ship at a port, then on to the shipper's facilities again by truck or rail, all without ever being unloaded.
- **BreakBulk:** Cargo that is bundled, palletized, in bales or crates, or otherwise unitized, such as steel, paper products, or lumber. It is handled using forklifts and other specialized lift equipment.
- **Bulk:** Cargo that flows or fits the shape of its container, such as dry cement or fertilizer. It can be dry bulk or liquid bulk.

⁷ Port of Wilmington

The Wilmington Terminal is designated as a Foreign Trade Zone. The Port's channel, which was expanded to a 42-foot width in 2004, along with other infrastructure improvements, provides capacity to process the world's largest "post-Panamax" vessels.⁸ The "post-Panamax" vessels sized at 5,000 TEU's are the largest class of ship able to navigate the Panama Canal.

The Port has direct access to Interstates 40 and 95, and twice daily train service from CSX and Norfolk Southern railways. Close to 3.5 million tons of cargo passed through the ports in 2007. The Port at Wilmington has helped North Carolina become a key player in international trade, and multiply related jobs and economic impact in the state. "Of all the economic activities a state can have, ports have the highest multiplier. Every dollar spent importing or exporting through a port adds \$12 to state income."⁹

The Port of Wilmington is also designated one of the 15 "strategic ports" by the Department of Defense. Strategic ports are commercial ports that have been selected based on their usefulness in terms of location, type of facilities, capacity, equipment, and available services and must meet high standards of efficiency and flexibility.¹⁰ A strategic port must have the capability to manage continued commercial operations while processing military deployment traffic. The Maritime Administration assists ports in acquiring and maintaining the strategic commercial port designation by training deployment stakeholders and managing port assets with a coordination network.

The Wilmington Port participates in the Homeland Security Department's Customs-Trade Partnership Against Terrorism program and received C-TPAT certification in February 2007 and completed a successful validation in March 2008.

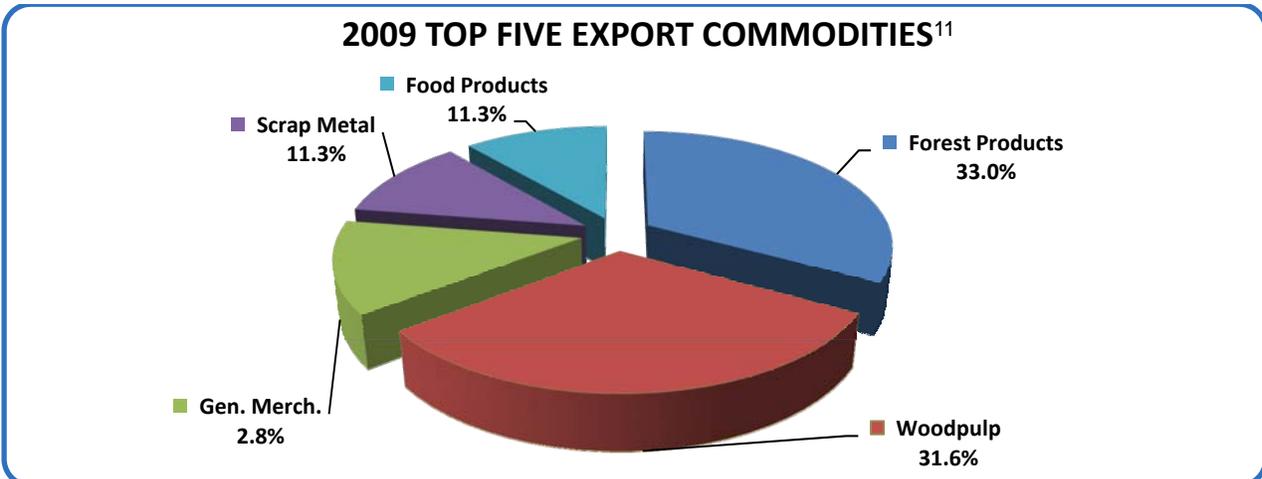
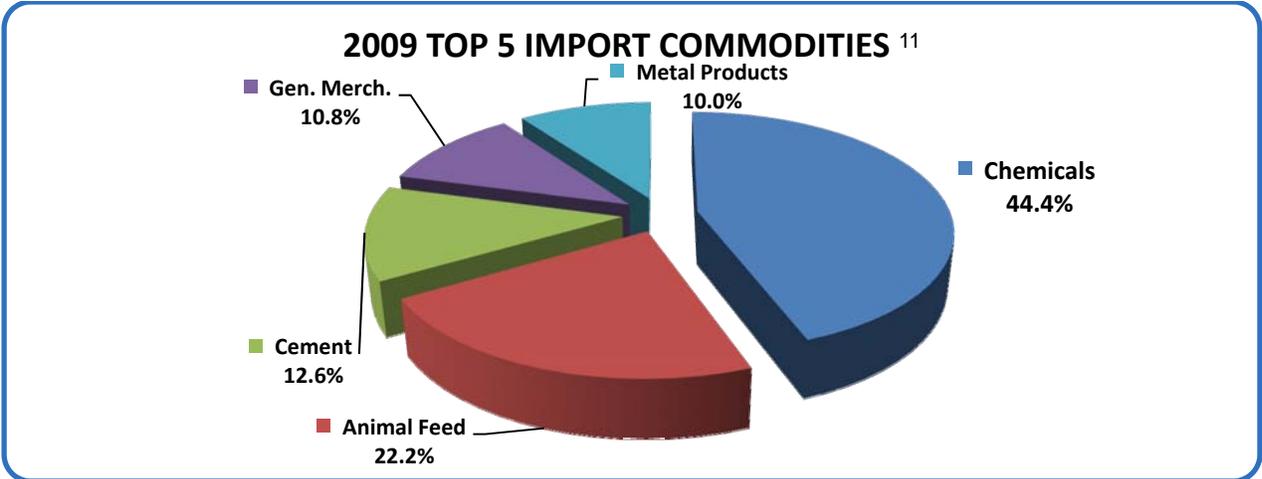
In March 2009, two new container shipping companies were added to the Port of Wilmington, bringing the total container shipping companies to 3. The prolonged and deep economic recession has reduced general tonnage volumes at the Port of Wilmington. However, the benchmark of "container moves" was only 4% less in FY09 as compared to FY08. General cargo volumes fell 8% in FY09 as compared to FY08. However, broad cost containment initiatives implemented in 2007 helped to reduce expenses by \$700,000 in FY08-09. These same cost reduction measures are projected to realize an additional cost reduction of \$700,000 in fiscal year 2010.

⁸ North Carolina's Southeast.

⁹ Business North Carolina, June 2005, Jim Smith, UNC Economist.

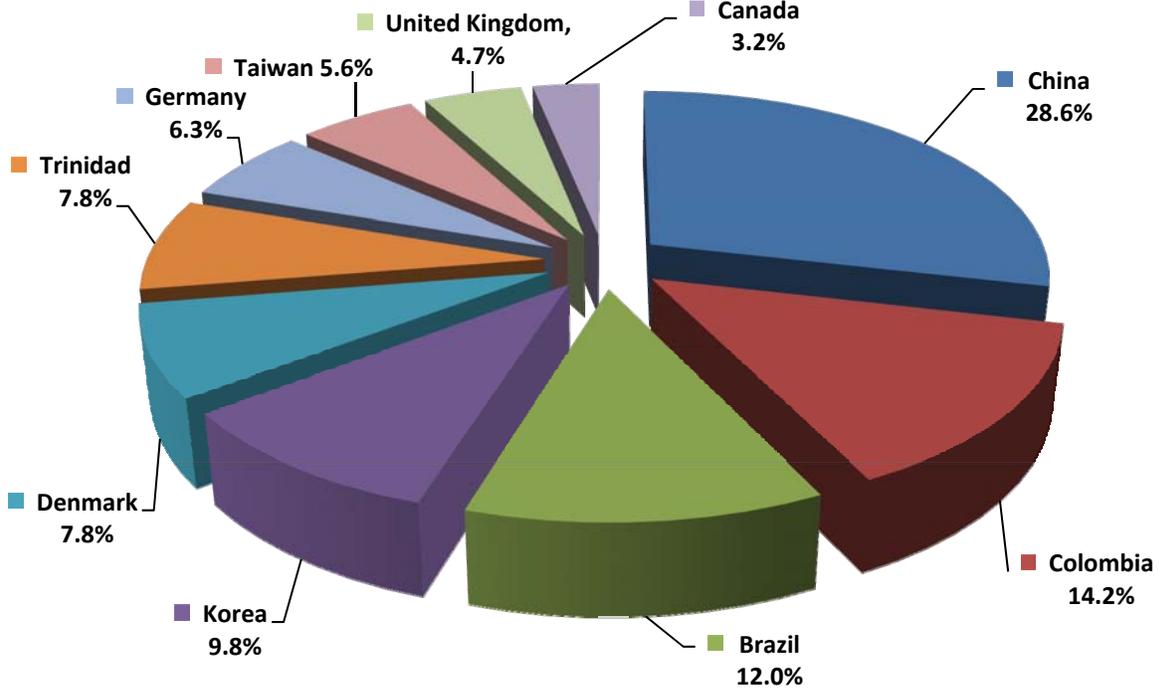
¹⁰ Sea Power, 2008 Almanac.

NEW HANOVER COUNTY PROFILE CONTINUED

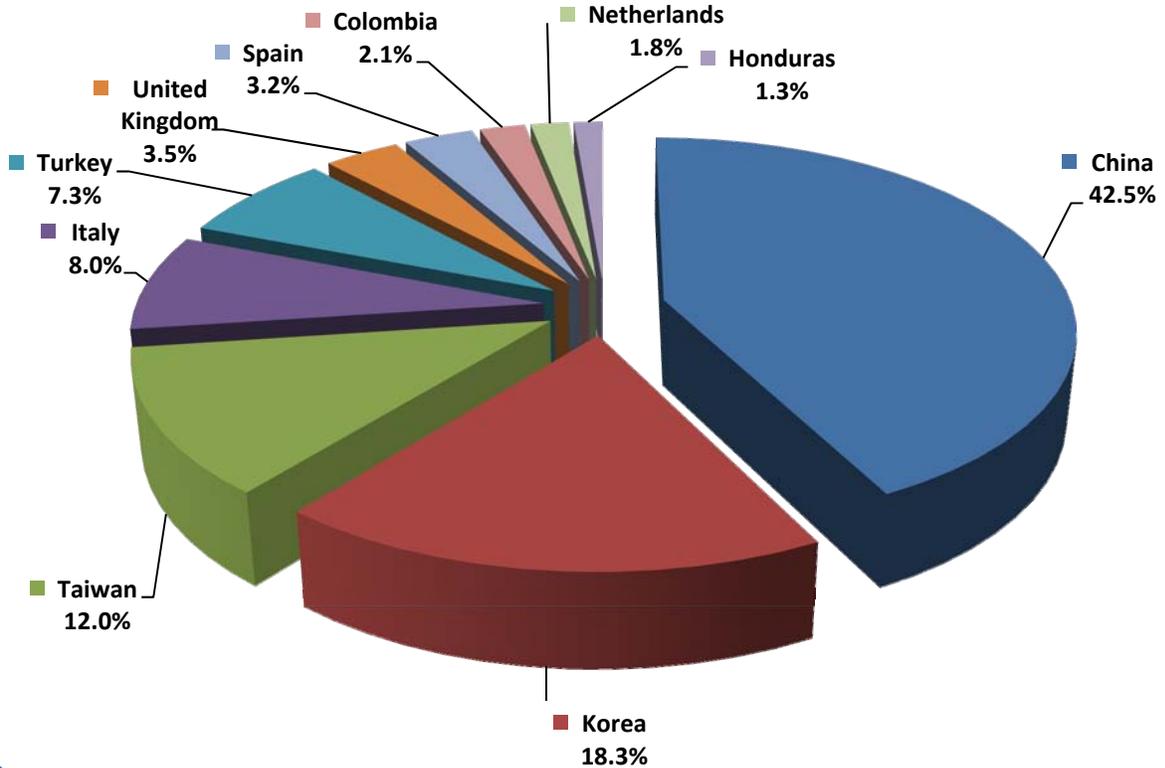


¹¹ "Port of Wilmington 2009 Statistics", published by Port of Wilmington

2009 TOP 10 IMPORT PARTNERS¹²



2009 TOP 10 EXPORT PARTNERS¹²



¹² Port of Wilmington 2009 Statistics, published by Port of Wilmington

Freight Railways

For years, freight railroads tore up or sold sections of rail lines as the trucking industry became the cheaper method of transport. However, the reduction in freight rail service has begun a reversal over the past several years. Due to higher fuel costs, traffic congestion, shortage of truck drivers, and stricter regulations, transporting freight has begun to revert back to the freight railways. The industry doesn't see these areas as short term problems. As a result, more and more industries are using freight railroads for transporting products. Railroad industries are regrouping to accommodate the freight requests.¹³

The County is served by two of the premiere national rail companies: CSX and Norfolk Southern Railways. New Hanover County has north to south and east to west rail lines. The availability of high-quality rail services is a major economic asset to the County. CSX has gone from daily to twice daily service in New Hanover County.

The industry trend toward using rail and the increase in port activity puts New Hanover County in priority status for improved rail service. CSX is in the preliminary stages of a \$700 million project to provide double-stacked container trains to move cargo from the ports of Wilmington, North Carolina; Hampton Roads, Virginia; and Baltimore, Maryland.¹³ Also, with the dependence of the Department of Defense on commercial ports for military deployment, the Department of Defense has begun evaluating the rail infrastructure between bases and the strategic ports. The DOD uses special heavy equipment railcars known as DODX cars ("X-cars"). While most rail carriers were able to meet DOD requirements, selected areas of the country were not able to accommodate the X-cars. Since Desert Storm, the government has spent \$250 million to improve railways and is considering funding for rail improvements between military installations and strategic ports.

Wilmington International Airport (ILM)¹⁴

New Hanover County's Airport, located on 1,500 acres, accommodates private and commercial flights. The primary instrument runway is 7,013 feet long by 150 feet wide. Commercial jet service is provided directly to and from Wilmington International Airport (ILM). ILM offers full, regional air service including connections via Delta and US Airways. Wilmington has direct flights to LaGuardia (NY) and Philadelphia (PA). The size of the existing 3,000 square foot International Terminal allows for a maximum international flight capacity of 50 passengers. A new 13,500 square foot International Arrivals Facility is slated for construction and will allow U.S. Customs and Border Protection officials to handle a 150 passenger jet.

The airport is open 24 hours a day and the control tower is operated 18 hours a day. A federal inspection station provides entry, clearance and documentation for foreign flights by U.S. Customs, Department of Agriculture, and the Immigration & Naturalization Service (I.N.S.).

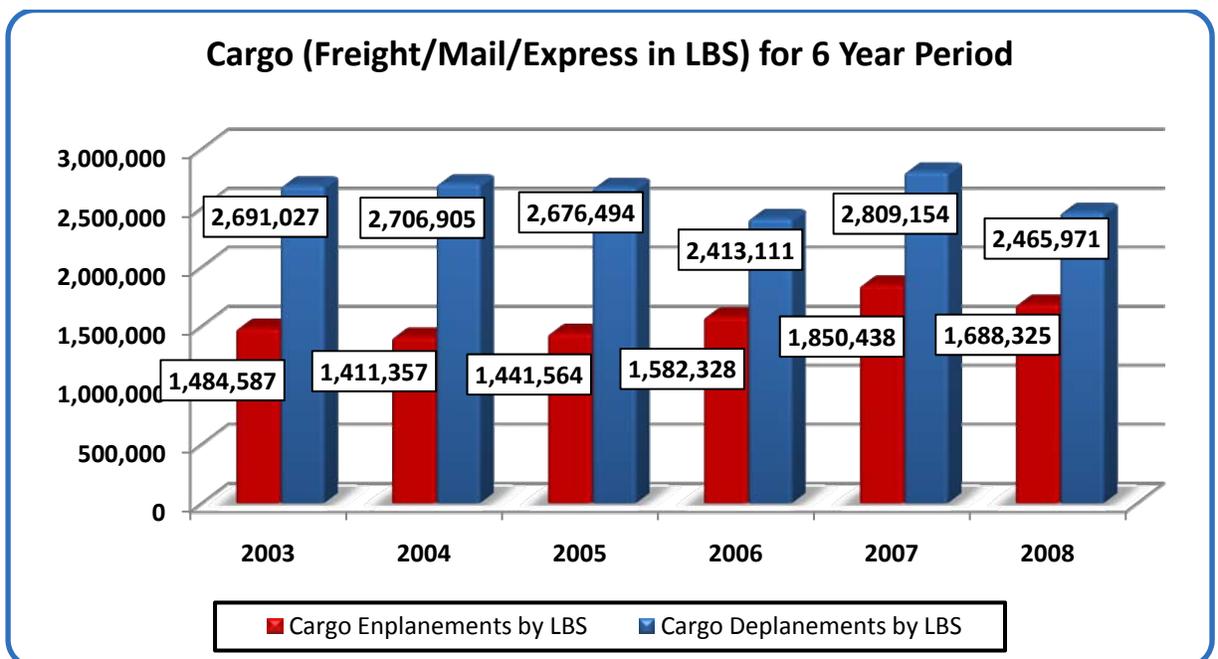
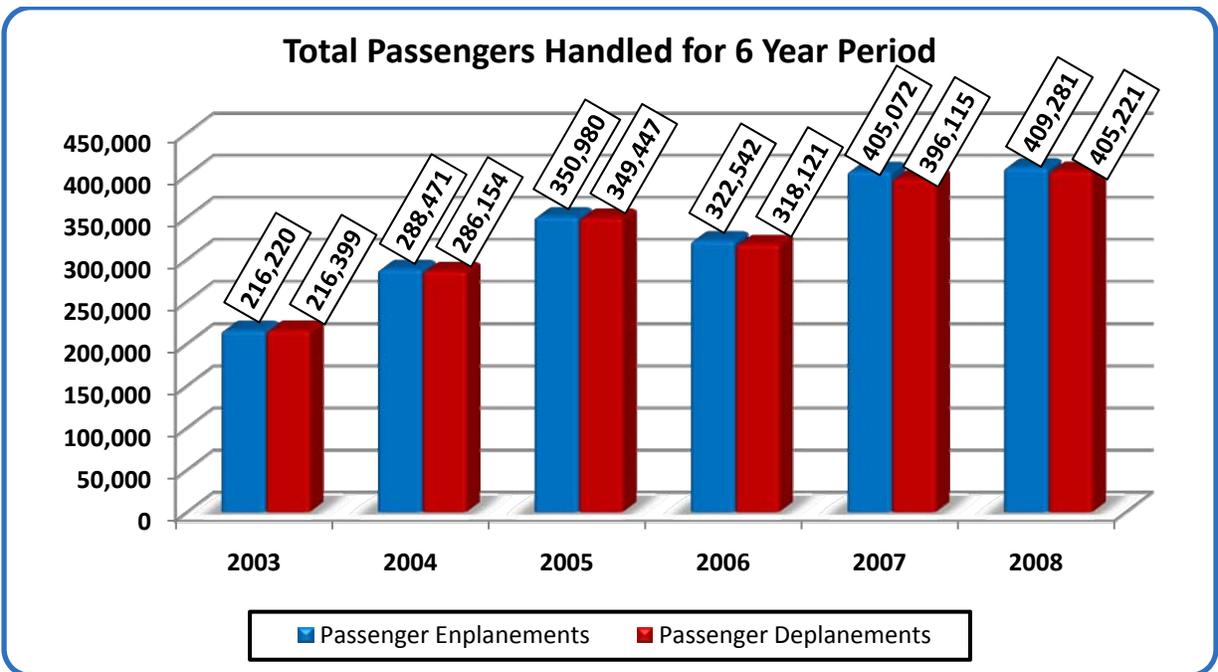
¹³ The Virginia Pilot, Sunday, April 6, 2008.

¹⁴ Provided Wilmington International Airport

NEW HANOVER COUNTY PROFILE CONTINUED

The airport provides a full-time, professional Public Safety Office staffed by fully trained and certified law enforcement officers, firefighters, and medical technicians utilizing state of the art equipment to provide efficient security and aircraft rescue/firefighting protection.

The Federal Aviation Administration (FAA) classifies ILM as a Nonhub Primary Airport (more than 10,000 passengers boarding, but less than 0.5% of the national passenger boardings). Statistics for the period of calendar years 2003 and 2008 are provided for Passenger Enplanements and Deplanements and for Cargo Enplanements and Deplanements from the Wilmington International Airport.



New Hanover County Roads and Interstate Access

In New Hanover County, 94% of the population lives within 10 miles of a 4-lane highway. The inter-regional network of roads and highways in the region has ready access to North-South Interstate 95, East-West Interstate 40, and the developing East-West Interstate 73/74. The region's strategic location, relative to domestic and international markets, provides an important competitive advantage to the industrial sector of the economy.

Public Transportation

WAVE Transit operates transportation for the City of Wilmington, UNC-W campus, and New Hanover County. It also offers a free downtown trolley, paratransit services, and dial-a-ride transportation.

Passenger Ferry Service

North Carolina's state-owned ferry service operates on the Cape Fear River to connect Fort Fisher in New Hanover County to Brunswick County. The ferry transports motor vehicles and pedestrians.



State Ferry Arriving at Fort Fisher

GROWTH IN EMPLOYMENT AND INDUSTRY

Projections by the North Carolina Employment Security Commission forecast New Hanover County's economy will grow approximately 18.2% from 2006 to 2016.¹⁵ The population of the County has tripled over the last 10 to 15 years and large employers, such as PPD, Inc., have moved into the area. With the growing global economy, future emphasis is on knowledge-based industries, information services and technologies. The location of the University of North Carolina-Wilmington and Cape Fear Community College in New Hanover County is an additional positive factor for attracting knowledge-based information and technological industries. Currently the County is suffering from the national economic recession along with the rest of the country. With data in for the period of January through July 2009, the average unemployment rate for that period is 9.3%. This is the highest unemployment rate the County has experienced in 20 years.

Real Estate Market

For the first half of 2008, the number of foreclosures in New Hanover was 57% above the comparable year-earlier level. There were an estimated 5.4 foreclosure filings per 1,000 population for the period (0.054%).¹⁶

¹⁵ Employment Security Commission.

¹⁶ Wilmington Chamber of Commerce

NEW HANOVER COUNTY PROFILE CONTINUED

Building Permits¹⁷

For FY07-08, as compared to FY06-07, the variance in the number of permits is as follows:

Type of Permits	FY06-07		FY07-08		% Change	% Change
	Permits	\$ Value	Permits	\$ Value	Permits	\$ Value
New Construction	12,280	\$ 631.4 M	11,550	\$ 558.3 M	-5.9%	-11.6%
Existing Construction	9,632	91.7 M	10,802	108.5 M	12.1%	18.3%
Total Construction	21,912	\$ 723.1 M	22,352	\$ 666.8 M	2.0%	-7.8%

Comments:

New Construction includes all residential and commercial permits.

Existing Construction includes all residential and commercial permits and is for alterations, renovations, and/or general repairs.

New construction was impacted by the state-imposed moratorium on construction in the section of the County served by the Northeast Interceptor. The moratorium was lifted in May 2008 and it is anticipated that this will encourage a forward movement for construction. New Hanover County has not been impacted with large foreclosures as in other areas of the nation, but the economic downturn continues to hamper movement in the construction sector. It is anticipated that a positive slow growth pattern will develop by the end of the fiscal year.

Health Care¹⁸

A trauma center is defined as a specialized hospital facility distinguished by the immediate availability of specialized surgeons, physician specialists, anesthesiologist, nurses, and resuscitation and life support equipment on a 24-hour basis to care for severely injured patients or those at risk for severe injury. There are only a limited number of centers across North Carolina. As a result, people seeking services provided by a trauma center often travel significant distances within a region to reach one. New Hanover County is fortunate to have a trauma center located within the County. New Hanover Regional Medical Center (NHRMC) received designation of a Level II Trauma Center in 1989. Centers are revisited three years after their first state designation and continued verification as per state requirements. Level II facilities provide definitive trauma care regardless of the severity of the injury; but may not be able to provide the same comprehensive care as a Level I Trauma Center, and do not have trauma research as a primary objective. NHRMC is 1 of 12 trauma medical centers located in the state and is the only trauma medical center located in the southeast portion of the state.

¹⁷ Statistics provided by New Hanover County Inspections Department.

¹⁸ NC Division of Health Service Regulation, Office of Emergency Medical Services

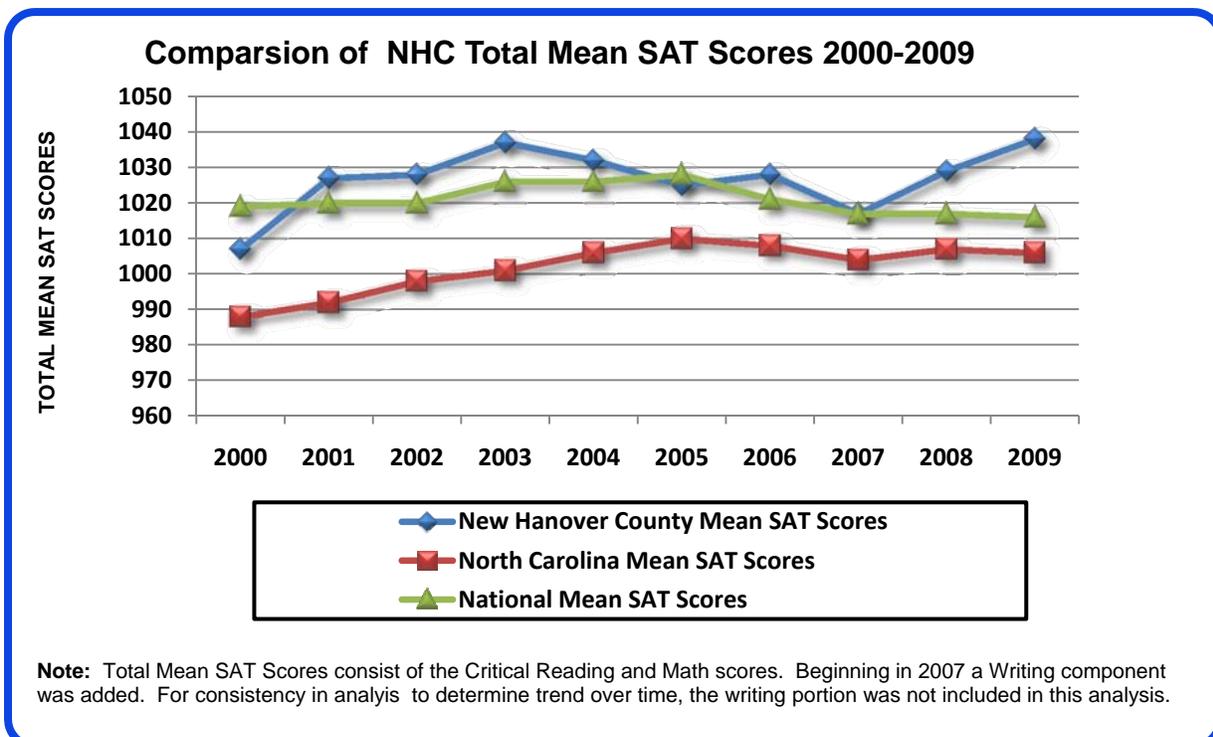
NEW HANOVER COUNTY PROFILE CONTINUED

NHRMC has continued to expand to serve the needs of the southeastern region of North Carolina. Their most recent expansion is the Betty H. Cameron Women’s and Children’s Hospital. This is a \$45 million project opened in the fall of 2008. The addition allowed New Hanover Regional Medical Center to expand into pediatric intensive care, bridging a gap in services provided in this area.

Educational Concerns¹⁹

Although the school age population continues to grow, it is at a slower rate than in the past. As discussed previously, the decrease in the rate of growth in this population group requires long-range planning to realign educational resources as needed. In addition, the ratio of this age group to total population will decrease over the next several years. The change in student population is a continual challenge to the system’s capacity to keep up with the need for adequate space and learning materials. Economic growth, while excellent for New Hanover County, also comes with a budgeting responsibility to help fund the additional resulting costs of increased student population.

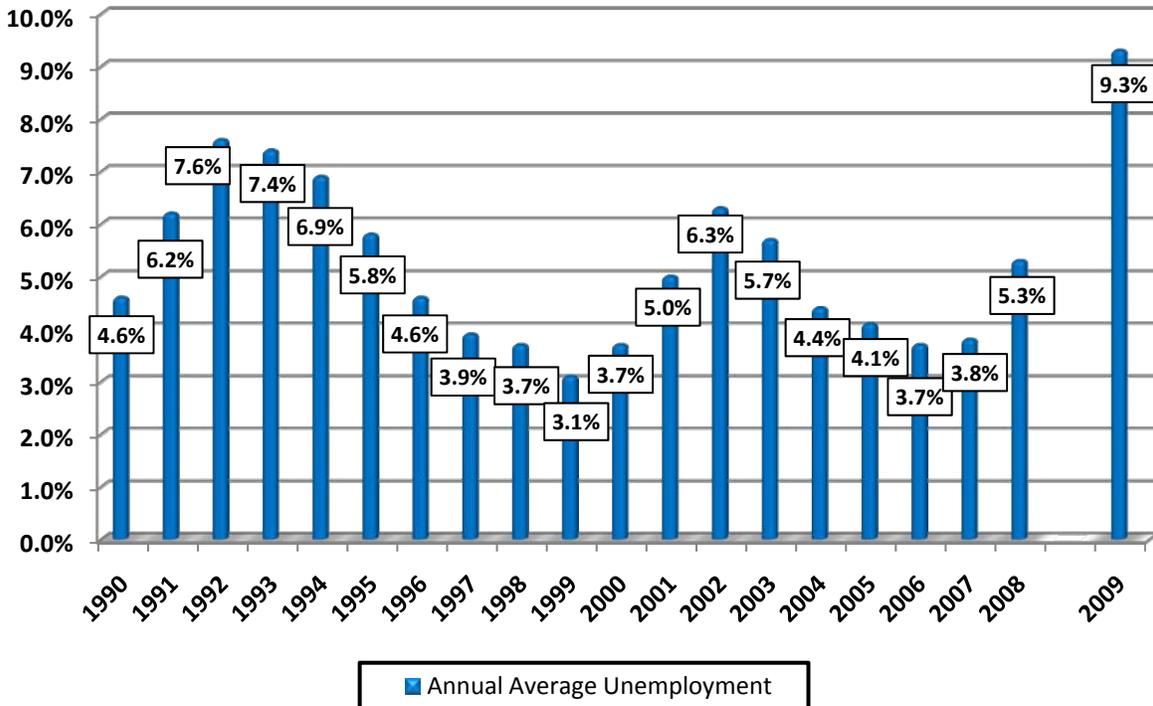
NHC PUBLIC EDUCATION UNITS	
Pre-K	3
Elementary Schools	25
Middle Schools	7
High Schools	
Traditional	4
Alternative	4
Community Colleges	1
Universities	1
Total Public Education Units	45



¹⁹ Public Education Units provided by New Hanover County School District. Mean SAT Scores from www.ncpublicschools.org

NEW HANOVER COUNTY PROFILE CONTINUED

Annual Average Unemployment Over 20 Years ²⁰
 (2009 is an average of the first 7 months of 2009)



Top 10 Largest Employers in New Hanover County ²¹

Rank	Company	Employees	Industry
1	New Hanover Health Network	1,000+	Hospital/Health Services
2	New Hanover County School System	1,000+	Education
3	University of N.C. at Wilmington	1,000+	Higher Education
4	County of New Hanover	1,000+	County Government
5	PPD, Inc.	1,000+	Pharmaceutical & Biotech
6	The Shaw Group, Inc.	1,000+	Construction
7	Cellco Partnership	1,000+	Information
8	Wal-Mart Associates, Inc.	1,000+	Trade, Transportation & Utilities
9	Corning Incorporated	1,000+	Manufacturing
10	City of Wilmington	1,000+	City Government

²⁰ Employment Security Commission

²¹ EDIS from NC Employment Security Commission as of 3rd Quarter 2008. County is determined by the address provided by the business.

Tourism and Retail Sales



Fall Riverfest

New Hanover County's other economic strengths lie in tourism and retail sales. This has helped New Hanover County continue to have a strong economy even during downturns experienced in other business sectors of the County's economy. However, this past year has been very difficult and the County is experiencing the same effects of the economic downturn as is the state and the nation.

However, its recognition as a popular travel destination has helped ease some of the impact to the local economy. New Hanover County has over 17 festivals/events that draw participants from the state and the nation, some of which are: the Wilmington Azalea Festival; Cucalorus Film Festival; Airlie Gardens Concert Series; Beach Music Festival; Riverfest; North Carolina Jazz Festival; and the Pleasure Island Seafood, Blues & Jazz Festival, to name a few.



Area Beaches

Airlie Gardens is a valuable cultural and ecological component of New Hanover County and North Carolina history. In 1999, the County purchased and began restoration of Airlie's 67 acres of gardens.

The beaches in New Hanover County continue to be a great asset to the tourism industry in New Hanover County. The County offers a unique combination of barrier islands, inland waterways, and river access that creates opportunities for a diversity of tourist activities. In addition, the County has over 1,200 acres of recreational park areas available to the public.

Summation

New Hanover County continues to experience population and growth at a slower rate than the rate experienced over the past decade. The local economy is feeling the effects of the current national recession. Growth in most sectors of the local economy has slowed, in some sectors dramatically. During the expected beginning of recovery from the current economic recession (early 2010), the County's economic base is expected to grow in diversity given its regional importance as a retail services and health care center for southeastern North Carolina, as well as a tourism and retirement community. The top 10 employers show a diverse range of industries, which creates an economy able to absorb short-term industry market variances. The shift in growth in the population sector of 55 and older, and the always present educational issues, provides budgeting requirements for community services and schools that continue to be reviewed each year. For further statistics concerning New Hanover County, see the demographic, tax, and miscellaneous statistics provided in the following tables.

**NEW HANOVER COUNTY
DEMOGRAPHIC STATISTICS**

DEMOGRAPHIC STATISTICS					
Fiscal Year Ended June 30	Population ¹	Per Capita Income ²	Median Age ¹	School Enrollment ADM ³	Unemployment Rate ⁴
1991	124,160	17,525	34.2	19,166	6.0%
1992	127,246	18,285	34.6	19,382	7.3%
1993	130,746	19,153	34.9	19,679	7.0%
1994	134,912	19,887	35.4	20,253	6.9%
1995	139,500	21,705	35.7	20,649	5.8%
1996	143,234	22,819	36.1	20,929	4.6%
1997	147,761	25,068	36.5	21,351	3.7%
1998	148,370	26,166	36.9	21,520	3.8%
1999	148,822	26,479	37.3	21,468	3.0%
2000	160,327	28,000	36.3	21,425	3.5%
2001	163,828	28,969	38.1	21,430	4.7%
2002	166,017	29,408	36.7	21,854	6.6%
2003	169,050	29,607	37.0	22,882	5.1%
2004	174,302	30,466	36.3	22,296	3.9%
2005	179,553	32,607	37.0	23,208	4.0%
2006	185,222	33,705	36.0	23,848	3.7%
2007	189,922	35,461	38.0	23,781	3.7%
2008	192,279	N/A	37.1	23,757	5.3%

ANNUAL POPULATION GROWTH ⁵						
YEAR	CITY OF WILMINGTON	CAROLINA BEACH	KURE BEACH	WRIGHTSVILLE BEACH	UNINCORPORATED COUNTY	TOTAL COUNTY
1990	55,530	3,630	619	2,937	57,568	120,284
1991	56,624	3,792	622	2,970	60,152	124,160
1992	58,679	4,291	642	3,045	60,589	127,246
1993	59,378	4,273	693	3,052	63,350	130,746
1994	60,886	4,433	726	3,052	65,815	134,912
1995	62,256	4,598	742	3,115	68,789	139,500
1996	62,968	4,690	738	3,165	71,673	143,234
1997	64,513	4,804	756	3,196	74,492	147,761
1998	65,058	4,831	746	3,198	74,537	148,370
1999	75,629	5,139	749	3,182	64,123	148,822
2000	75,838	4,778	1,512	2,593	75,606	160,327
2001	90,981	5,225	1,573	2,604	63,445	163,828
2002	91,458	5,264	1,629	2,612	65,054	166,017
2003	92,668	5,316	1,755	2,604	66,707	169,050
2004	94,718	5,434	1,857	2,612	69,681	174,302
2005	95,476	5,388	2,171	2,567	73,951	179,553
2006	97,135	5,640	1,964	2,648	77,835	185,222
2007	98,529	5,796	2,048	2,663	77,476	189,922
2008	100,746	5,974	2,160	2,710	80,689	192,279

¹ U.S. Census Bureau.

² Federal Agency Data: Bureau of Economic Analysis.

³ New Hanover County Board of Education.

⁴ North Carolina Employment Security Commission.

⁵ Office of State and Budget Management.

**NEW HANOVER COUNTY
PROPERTY TAX INFORMATION¹**

FY Ended June 30	Total Assessed Value ²	% Change in Assessed Value	Total Levy ³	Collection	% Collected	Property Tax Rate
1995	8,191,563,111	4.82%	50,517,978	49,795,558	98.57%	0.615
1996	8,646,082,828	5.55%	54,584,717	53,777,595	98.52%	0.630
1997	9,274,126,204	7.26%	59,936,203	58,977,744	98.40%	0.645
1998	9,975,023,536	7.56%	66,515,171	65,245,424	98.09%	0.665
1999	10,561,590,950	5.88%	70,407,028	69,123,184	98.18%	0.665
2000 ⁴	15,447,985,673	46.27%	87,823,814	86,007,067	97.93%	0.565
2001	15,990,342,660	3.51%	97,522,328	95,582,878	98.01%	0.610
2002	16,524,186,222	3.34%	113,912,703	111,617,810	97.99%	0.690
2003	16,976,210,211	2.74%	117,478,416	114,878,468	97.79%	0.690
2004	17,363,984,377	2.28%	118,502,456	116,273,246	98.12%	0.680
2005	17,896,300,639	3.07%	121,948,982	119,911,021	98.33%	0.680
2006	18,754,771,006	4.80%	127,712,284	125,732,775	98.45%	0.680
2007	19,499,335,347	3.96%	133,831,150	131,522,360	98.27%	0.685
2008 ⁴	32,862,470,391	68.53%	139,222,476	136,794,280	98.26%	0.420
2009 ⁵	33,424,361,562	1.71%	151,208,013	149,085,287	98.60%	.4525
2010 ⁶	33,658,717,000	.70%	152,305,694	149,640,345	98.25%	.4525

TEN LARGEST TAX PAYERS IN NEW HANOVER COUNTY⁷

Rank	Company	Assessed Valuation	Tax Levy	Type of Industry
1	Progress Energy	\$280.0 M	\$1.2 M	Utility
2	Corning, Inc.	\$195.4 M	\$0.8 M	Optical Fiber Manufacturer
3	General Electric, Co.	\$139.0 M	\$0.6 M	Nuclear/Aircraft/Fuel/Energy
4	UDRT of North Carolina	\$85.8 M	\$0.3 M	Real Estate
5	Bell South Tel. Co.	\$83.1 M	\$0.3 M	Utility
6	Fortron Industries	\$72.6 M	\$0.3 M	Chemical Manufacturer
7	Centro Independence LLC (Mall)	\$48.4 M	\$0.2 M	Real Estate
8	Arteva Specialties DBA Kosa	\$45.4 M	\$0.2 M	Chemical Manufacturer
9	PPD, Inc.	\$41.7 M	\$0.1 M	Pharmaceutical & Biotech
10	Global Nuclear Fuel Americas LLC	\$40.6 M	\$0.1 M	Chemical Manufacturer

¹ New Hanover County Special Fire District is not included above.

² Original tax levy per scroll, discoveries added, less abatements.

³ Includes taxes, fee, penalties, and liens.

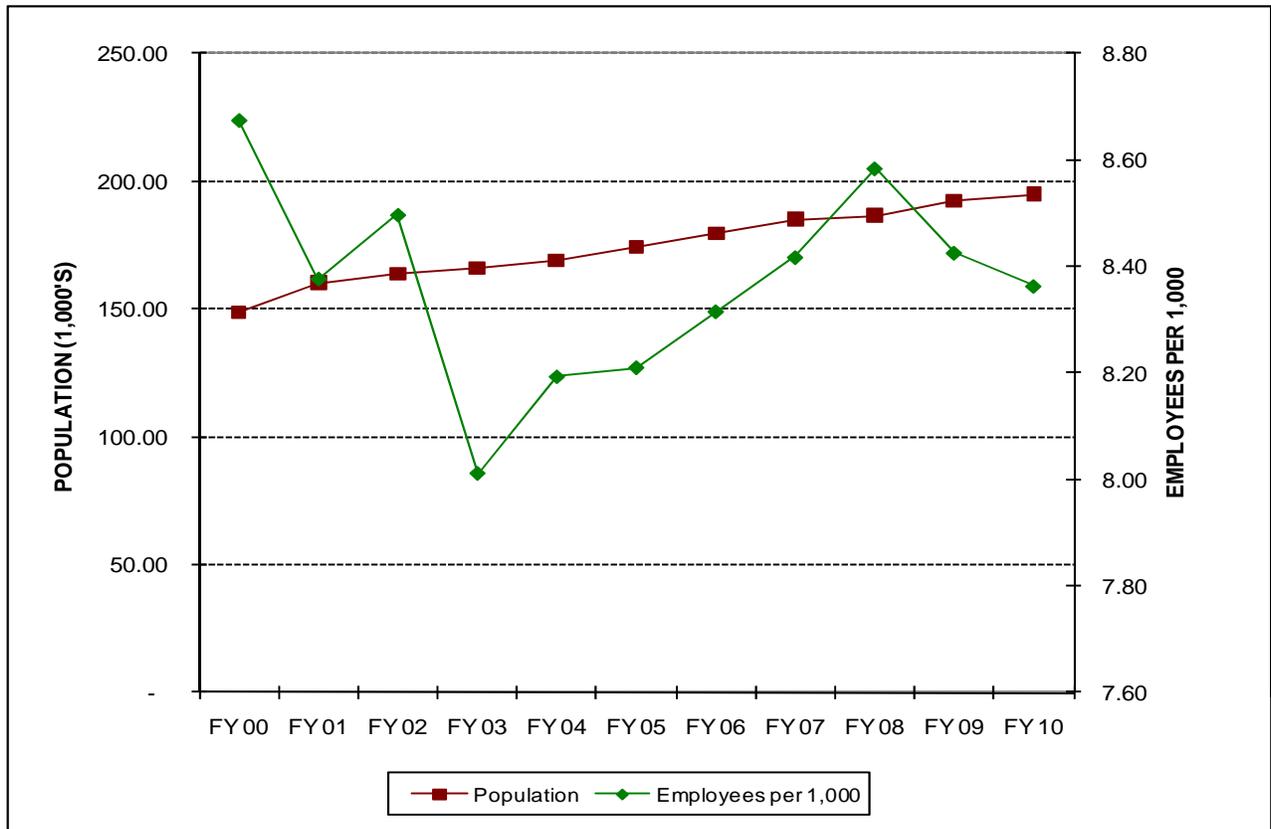
⁴ Revaluation Year.

⁵ Amounts provided are estimated figures until final close of FY09.

⁶ Amounts provided are projections for FY10.

⁷ Statistics provided by New Hanover County Tax Department.

**NEW HANOVER COUNTY
EMPLOYEES PER 1,000 POPULATION**



As the above graph indicates, the growth in County population has increased steadily and that trend is projected to continue. In FY02-03, the number of County employees per 1,000 decreased due to the County Commissioners' directive to decrease the size of County government. Between FY07-08 and FY08-09, the number of employees decreased due to the transfer of 66 Water & Sewer employees to the Cape Fear Public Utility Authority and a slight decrease between FY08-09 and FY09-10 was due to the economic conditions.

**NEW HANOVER COUNTY
POSITION SUMMARY BY DEPARTMENT**

	FY 07-08 ADOPTED		FY08-09 ADOPTED		FY09-10 ADOPTED		DIFFERENCE	
	POSITIONS	FTE	POSITIONS	FTE	POSITIONS	FTE	POSITIONS	FTE
GENERAL FUND:								
Administration - County Manager	6	6.00	7	7.00	7	7.00	0	0.00
Airlie Gardens	19	19.00	19	19.00	19	19.00	0	0.00
Board of Elections	5	5.00	5	5.00	5	5.00	0	0.00
Budget	4	4.00	4	4.00	4	4.00	0	0.00
Emergency Management & 911 Comm ¹	4	4.00	4	4.00	65	64.60	61	60.60
Engineering & Public Services ²	8	8.00	11	11.00	25	25.00	14	14.00
Finance	21	21.00	20	20.00	19	19.00	(1)	(1.00)
Governing Body - County Commissioners	8	8.00	8	8.00	8	8.00	0	0.00
Health	221	215.15	225	217.95	226	220.70	1	2.75
Human Relations ³	5	5.00	5	5.00	0	0.00	(5)	(5.00)
Human Resources	13	12.50	12	11.50	12	11.50	0	0.00
Information Technology	26	26.00	36	36.00	36	36.00	0	0.00
Inspections	77	77.00	76	76.00	63	63.00	(13)	(13.00)
Juvenile Services	7	6.50	7	6.00	6	5.12	(1)	(0.88)
Legal	10	9.75	10	9.75	10	9.55	0	(0.20)
Library	44	43.80	42	41.80	42	41.80	0	0.00
Museum	15	15.00	14	14.00	14	14.00	0	0.00
Parks	37	37.00	42	42.00	42	42.00	0	0.00
Planning	8	8.00	8	8.00	8	8.00	0	0.00
Pretrial Release	4	4.00	4	4.00	4	4.00	0	0.00
Property Management	74	74.00	72	72.00	72	72.00	0	0.00
Public Safety Communications	61	61.00	61	60.80	0	0.00	(61)	(60.80)
Register of Deeds	20	20.00	20	20.00	20	20.00	0	0.00
Senior Resource Center	17	15.43	17	15.43	15	14.31	(2)	(1.12)
Sheriff's Office	373	373.00	381	381.00	383	383.00	2	2.00
Social Services	274	274.00	275	275.00	274	274.00	(1)	(1.00)
Tax	43	43.00	50	50.00	50	50.00	0	0.00
Youth Empowerment Services	20	20.00	20	20.00	16	16.00	(4)	(4.00)
Veterans Services	2	2.00	2	2.00	2	2.00	0	0.00
GENERAL FUND	1,426	1,417.13	1,457	1,446.23	1,447	1,438.58	(10)	(7.65)
ENVIRONMENTAL MANAGEMENT FUND:	88	87.50	88	87.50	88	87.50	0	0.00
FIRE SERVICES FUND:	74	74.00	79	79.00	95	95.00	16	16.00
WATER & SEWER FUND:	64	64.00	0	0.00	0	0.00	0	0.00
TOTALS:	1,652	1,642.63	1,624	1,612.73	1,630	1,621.08	6	8.35

¹Emergency Management & 911 Communications - Public Safety Communications & Emergency Management Departments combined as of July 1, 2009. 61 positions moved from Public Safety Communications to Emergency Management & 911 Communications.

²Engineering & Public Services - Engineering restructured to incorporate a Customer Service section. 13 positions moved from Inspections and 1 from Human Resources.

³Human Relations Department was eliminated effective July 1, 2009. The Director was relocated to the Human Resources Department.

**NEW HANOVER COUNTY
AUTHORIZED POSITIONS WITH FTE EQUIVALENCY**

FY08-09 ADOPTED		FY09-10 ADOPTED	
POSITIONS	FTE's	POSITIONS	FTE's

GENERAL FUND

ADMINISTRATION:

County Manager	1	1.00	1	1.00
County Manager, Assistant	3	3.00	3	3.00
Executive Assistant to County Manager	1	1.00	1	1.00
Administrative Support Specialist	<u>2</u>	<u>2.00</u>	<u>2</u>	<u>2.00</u>
	7	7.00	7	7.00

AIRLIE GARDENS:

Airlie Director	1	1.00	1	1.00
Development Coordinator	1	1.00	1	1.00
Gardens Superintendent	1	1.00	1	1.00
Grounds Maintenance Worker	4	4.00	4	4.00
Grounds Curator	1	1.00	1	1.00
Landscape Technician	5	5.00	5	5.00
Program Manager	1	1.00	1	1.00
Program Coordinator	1	1.00	1	1.00
Ticket Agent	1	1.00	1	1.00
Program Assistant	2	2.00	2	2.00
Administrative Support Specialist	<u>1</u>	<u>1.00</u>	<u>1</u>	<u>1.00</u>
	19	19.00	19	19.00

BOARD OF ELECTIONS:

Elections Director	1	1.00	1	1.00
Elections Program Coordinator	1	1.00	1	1.00
Elections Specialist	<u>3</u>	<u>3.00</u>	<u>3</u>	<u>3.00</u>
	5	5.00	5	5.00

BUDGET:

Budget Director	1	1.00	1	1.00
Budget Analyst, Senior	1	1.00	1	1.00
Budget Analyst	1	1.00	1	1.00
Administrative Support Specialist	<u>1</u>	<u>1.00</u>	<u>1</u>	<u>1.00</u>
	4	4.00	4	4.00

EMERGENCY MANAGEMENT & 911 COMMUNICATIONS:

Emergency Management:				
Emergency Management Director	1	1.00	1	1.00
Emergency Management Specialist	2	2.00	2	2.00
Administrative Support Specialist	1	1.00	1	1.00
Public Safety Communications:				
Public Safety Communications Director	1	1.00	1	1.00
Telecommunications Supervisor	1	1.00	n/a	n/a
911 Manager	n/a	n/a	1	1.00
911 Supervisor	n/a	n/a	4	4.00
911 Trainer	n/a	n/a	1	1.00
Telecommunicator, Senior	6	6.00	1	1.00
Telecommunicator	52	51.80	52	51.60
Administrative Support Specialist	<u>1</u>	<u>1.00</u>	<u>1</u>	<u>1.00</u>
	65	64.80	65	64.60

ENGINEERING & PUBLIC SERVICES:

Engineering:				
Engineering Services/Economic Development Dir	1	1.00	1	1.00
Project Engineer, Chief	1	1.00	1	1.00
Project Engineer	1	1.00	1	1.00
Project Manager, Senior	1	1.00	1	1.00
Construction Project Coordinator	1	1.00	1	1.00
Engineering CAD Specialist	1	1.00	1	1.00
Engineering Specialist	2	2.00	2	2.00
Engineering Constructor Inspector	1	1.00	1	1.00
Administrative Support Assistant	1	1.00	n/a	n/a
Customer Service Assistant	n/a	n/a	1	1.00
Administrative Support Technician	1	1.00	1	1.00
Public Services:				
Code Enforcement Officer, Senior	n/a	n/a	1	1.00
Code Administration Services	n/a	n/a	1	1.00
Administrative Support Technician	n/a	n/a	11	11.00
Administrative Support Assistant	<u>n/a</u>	<u>n/a</u>	<u>1</u>	<u>1.00</u>
	11	11.00	25	25.00

NEW HANOVER COUNTY
AUTHORIZED POSITIONS WITH FTE EQUIVALENCY

	FY08-09 ADOPTED		FY09-10 ADOPTED	
	POSITIONS	FTE's	POSITIONS	FTE's
FINANCE:				
Finance Director	1	1.00	1	1.00
Finance Director, Assistant	1	1.00	1	1.00
Financial Analyst	2	2.00	2	2.00
Purchasing Supervisor	1	1.00	1	1.00
Property Auditor	1	1.00	1	1.00
Grants & Project Analyst	1	1.00	1	1.00
Investment Officer	1	1.00	1	1.00
Fiscal Support Supervisor	2	2.00	2	2.00
Fiscal Support Specialist	3	3.00	3	3.00
Fiscal Support Technician	5	5.00	5	5.00
Payroll Administration Specialist	1	1.00	1	1.00
Parking Lot Attendant	1	1.00	n/a	n/a
	20	20.00	19	19.00
GOVERNING BODY:				
Commission Chairperson	1	1.00	1	1.00
Commissioners	4	4.00	4	4.00
Clerk to the Board	1	1.00	1	1.00
Clerk, Deputy	2	2.00	2	2.00
	8	8.00	8	8.00
HEALTH:				
Administrative Support Coordinator	1	1.00	1	1.00
Administrative Support Specialist	2	2.00	2	2.00
Administrative Support Supervisor	3	3.00	3	3.00
Administrative Support Technician	28	26.25	29	28.50
Animal Control Officer	7	7.00	7	7.00
Animal Control Service Manager	1	1.00	1	1.00
Animal Control Supervisor	1	1.00	1	1.00
Business Officer	1	1.00	1	1.00
Community Health Assistant	3	3.00	3	3.00
Dental Assistant	3	2.40	3	2.40
Dietitian	1	1.00	1	1.00
Emergency Management Specialist	1	1.00	1	1.00
Environmental Health Program Specialist	3	3.00	3	3.00
Environmental Health Program Specialist, Sr	1	1.00	1	1.00
Environmental Health Service Manager	1	1.00	1	1.00
Environmental Health Services Specialist, Sr	3	3.00	3	3.00
Environmental Health Specialist	12	12.00	12	12.00
Fiscal Support Specialist	1	1.00	1	1.00
Fiscal Support Supervisor	2	2.00	2	2.00
Fiscal Support Technician	11	10.80	10	9.80
Health Dept Support Services Manager	1	1.00	1	1.00
Health Director	1	1.00	1	1.00
Health Director, Assistant	1	1.00	1	1.00
Health Education, Supervisor	1	1.00	1	1.00
Health Educator	4	4.00	4	3.50
Health Planner	1	1.00	1	1.00
Human Resources Representative	1	1.00	1	1.00
Licensed Clinical Therapist	15	15.00	15	15.00
Licensed Clinical Therapist Supervisor	1	1.00	1	1.00
Licensed Practical Nurse	3	2.50	3	2.50
Medical Lab Assistant	3	3.00	3	3.00
Medical Lab Supervisor	1	1.00	1	1.00
Medical Lab Technologist	2	2.00	2	2.00
Nutritionist	4	3.50	4	4.00
Nutritionist Services Supervisor	1	1.00	1	1.00
Personal Health Services Manager	1	1.00	1	1.00
Physician	n/a	n/a	1	1.00
Physician Epidemiologist	1	1.00	1	1.00
Physician Extender	3	3.00	2	2.00
Program Assistant	6	6.00	7	7.00
Program Coordinator	1	0.50	1	0.50
Public Health Nurse	63	60.70	62	59.70
Public Health Nurse Epidemiologist	1	1.00	1	1.00
Public Health Nurse Supervisor	6	6.00	6	6.00
Shelter Attendant	3	3.00	3	3.00
Shelter Supervisor	1	1.00	1	1.00
Social Worker	10	9.30	11	10.80
Vector Control Operator	2	2.00	2	2.00
Vector Control Operator, Senior	1	1.00	1	1.00
	225	217.95	226	220.70

NEW HANOVER COUNTY
AUTHORIZED POSITIONS WITH FTE EQUIVALENCY

	FY08-09 ADOPTED		FY09-10 ADOPTED	
	POSITIONS	FTE's	POSITIONS	FTE's
HUMAN RELATIONS:				
Human Relations Director	1	1.00	n/a	n/a
Public Relations Specialist	1	1.00	n/a	n/a
Equal Opportunity Specialist	2	2.00	n/a	n/a
Administrative Support Specialist	<u>1</u>	<u>1.00</u>	<u>n/a</u>	<u>n/a</u>
	5	5.00	n/a	n/a
HUMAN RESOURCES:				
Human Resources Director	1	1.00	1	1.00
Human Resources Analyst, Senior	3	3.00	3	3.00
Human Resources Analyst	1	1.00	1	1.00
Public Affairs Specialist	n/a	n/a	1	1.00
Safety Officer	1	1.00	1	1.00
Human Resources Technician	2	2.00	2	2.00
Public Information Officer	1	1.00	1	1.00
TV Production Specialist	1	1.00	1	1.00
Customer Service Assistant	1	1.00	n/a	n/a
Administrative Support Technician	<u>1</u>	<u>0.50</u>	<u>1</u>	<u>0.50</u>
	12	11.50	12	11.50
INFORMATION TECHNOLOGY:				
Information Technology Director	1	1.00	1	1.00
Information Technology Manager	1	1.00	1	1.00
Information Technology Supervisor	4	4.00	4	4.00
GIS Analyst	1	1.00	1	1.00
Network Administrator	3	3.00	3	3.00
Programmer/Analyst	7	7.00	7	7.00
Systems Analyst, Sr.	1	1.00	1	1.00
Information Systems Support Specialist, Sr	2	2.00	2	2.00
Information Systems Support Specialist	12	12.00	12	12.00
Computer Operations Coordinator	1	1.00	1	1.00
Information Systems Technician	2	2.00	2	2.00
Information Tech Procurement & Admin Specialist	<u>1</u>	<u>1.00</u>	<u>1</u>	<u>1.00</u>
	36	36.00	36	36.00
INSPECTIONS:				
Inspections Director	1	1.00	1	1.00
Inspections Director, Assistant	1	1.00	1	1.00
Zoning Enforcement Official, Chief	1	1.00	1	1.00
Zoning Enforcement Official, Senior	1	1.00	1	1.00
Zoning Enforcement Official	5	5.00	5	5.00
Code Enforcement Official, Chief	5	5.00	5	5.00
Code Enforcement Official, Senior	10	10.00	9	9.00
Code Enforcement Official	36	36.00	36	36.00
Code Administration Services, Chief	1	1.00	n/a	n/a
Administrative Support Specialist	1	1.00	1	1.00
Administrative Support Technician	<u>14</u>	<u>14.00</u>	<u>3</u>	<u>3.00</u>
	76	76.00	63	63.00
JUVENILE SERVICES:				
Disproportionate Minority Contact Coordinator	1	1.00	n/a	n/a
Licensed Clinical Therapist Supervisor	n/a	n/a	1	1.00
Licensed Clinical Therapist	4	3.50	3	2.75
Fiscal Support Technician	n/a	n/a	1	0.75
Administrative Assistant	<u>2</u>	<u>1.50</u>	<u>1</u>	<u>0.62</u>
	7	6.00	6	5.12
LEGAL:				
County Attorney	1	1.00	1	1.00
County Attorney, Deputy	1	1.00	1	1.00
County Attorney, Assistant	1	1.00	1	1.00
Risk Management Specialist	1	1.00	1	1.00
Risk Management Coordinator	1	1.00	1	0.80
Paralegal	2	2.00	2	2.00
Administrative Support Specialist	1	1.00	1	1.00
Administrative Support Technician	1	0.75	1	0.75
Administrative Support Assistant	<u>1</u>	<u>1.00</u>	<u>1</u>	<u>1.00</u>
	10	9.75	10	9.55

NEW HANOVER COUNTY
AUTHORIZED POSITIONS WITH FTE EQUIVALENCY

	FY08-09 ADOPTED		FY09-10 ADOPTED	
	POSITIONS	FTE's	POSITIONS	FTE's
LIBRARY:				
Library Director	1	1.00	1	1.00
Library Director, Assistant	1	1.00	1	1.00
Librarian, Supervising	2	2.00	2	2.00
Librarian, Senior	5	5.00	6	6.00
Librarian	7	7.00	6	6.00
Library Associate	11	11.00	11	11.00
Library Assistant	12	12.00	12	12.00
Program Manager	1	0.80	1	0.80
Administrative Support Specialist	1	1.00	1	1.00
Administrative Support Technician	1	1.00	1	1.00
	42	41.80	42	41.80
MUSEUM:				
Museum Director	1	1.00	1	1.00
Museum Education Coordinator	1	1.00	1	1.00
Museum Educator	2	2.00	2	2.00
Museum Historian	1	1.00	1	1.00
Museum Curator	1	1.00	1	1.00
Museum Exhibit Coordinator	1	1.00	1	1.00
Museum Exhibit Designer	1	1.00	1	1.00
Public Relations Specialist	1	1.00	1	1.00
Development Coordinator	1	1.00	1	1.00
Museum Registrar	1	1.00	1	1.00
Graphics Specialist	1	1.00	1	1.00
Program Assistant	1	1.00	1	1.00
Administrative Support Specialist	1	1.00	1	1.00
	14	14.00	14	14.00
PARKS:				
Parks Director	1	1.00	1	1.00
Parks Superintendent	1	1.00	1	1.00
Program Coordinator	1	1.00	1	1.00
Grounds Maintenance Supervisor	3	3.00	3	3.00
Trades Supervisor	1	1.00	1	1.00
Trades Specialist	1	1.00	1	1.00
Trades Technician	4	4.00	4	4.00
Equipment Operator	n/a	n/a	1	1.00
Mechanic	1	1.00	1	1.00
Landscape Technician	1	1.00	1	1.00
Grounds Maintenance Worker	26	26.00	25	25.00
Administrative Support Specialist	1	1.00	1	1.00
Administrative Support Assistant	1	1.00	1	1.00
	42	42.00	42	42.00
PLANNING:				
Planning Director	1	1.00	1	1.00
Planner, Senior	2	2.00	2	2.00
Planner, Community Development	1	1.00	1	1.00
Planner	1	1.00	1	1.00
Planning Specialist	1	1.00	1	1.00
GIS Technician	1	1.00	1	1.00
Administrative Support Specialist	1	1.00	1	1.00
	8	8.00	8	8.00
PRETRIAL RELEASE:				
Pretrial Release Coordinator, Sr.	1	1.00	1	1.00
Pretrial Release Coordinator	2	2.00	2	2.00
Pretrial Release Specialist	1	1.00	1	1.00
	4	4.00	4	4.00
PROPERTY MANAGEMENT:				
Property Management Director	1	1.00	1	1.00
Property Management Manager	1	1.00	1	1.00
Trades Supervisor	2	2.00	2	2.00
Trades Specialist	12	12.00	13	13.00
Trades Technician	6	6.00	8	8.00
Equipment Shop Superintendent	1	1.00	1	1.00
Equipment Shop Supervisor	1	1.00	1	1.00
Materials Control Technician	2	2.00	2	2.00
Mechanic	4	4.00	4	4.00
Custodial Superintendent	1	1.00	1	1.00
Custodial Supervisor	2	2.00	2	2.00
Custodial Crew Leader	6	6.00	5	5.00
Custodian	24	24.00	24	24.00
Maintenance Supervisor	1	1.00	1	1.00
Maintenance Assistant	5	5.00	2	2.00
Parking Lot Attendant	n/a	n/a	1	1.00
Administrative Support Specialist	1	1.00	1	1.00
Administrative Support Technician	1	1.00	n/a	n/a
Administrative Support Assistant	n/a	n/a	1	1.00
Fiscal Support Technician	1	1.00	1	1.00
	72	72.00	72	72.00

NEW HANOVER COUNTY
AUTHORIZED POSITIONS WITH FTE EQUIVALENCY

	FY08-09 ADOPTED		FY09-10 ADOPTED	
	POSITIONS	FTE's	POSITIONS	FTE's
REGISTER OF DEEDS:				
Register of Deeds	1	1.00	1	1.00
Register of Deeds, Deputy	16	16.00	16	16.00
Register of Deeds, Assistant	2	2.00	2	2.00
Administrative Support Specialist	<u>1</u>	<u>1.00</u>	<u>1</u>	<u>1.00</u>
	20	20.00	20	20.00
SENIOR RESOURCE CENTER:				
Aging Services Director	1	1.00	1	1.00
Program Manager	3	3.00	3	3.00
Program Coordinator	4	3.75	4	3.75
Program Assistant	3	1.68	1	0.56
Social Worker	3	3.00	3	3.00
Transportation Coordinator	1	1.00	1	1.00
Administrative Support Specialist	<u>2</u>	<u>2.00</u>	<u>2</u>	<u>2.00</u>
	17	15.43	15	14.31
SHERIFF:				
Sheriff	1	1.00	1	1.00
Deputy Sheriff, Chief	2	2.00	2	2.00
Deputy Sheriff, Major	2	2.00	2	2.00
Deputy Sheriff, Captain	6	6.00	6	6.00
Deputy Sheriff, Lieutenant	26	26.00	27	27.00
Deputy Sheriff, Sergeant	36	36.00	36	36.00
Deputy Sheriff, Detective	33	33.00	32	32.00
Deputy Sheriff, Corporal	22	22.00	22	22.00
Deputy Sheriff	162	162.00	162	162.00
Detention Officer, Sergeant	2	2.00	2	2.00
Detention Officer, Corporal	2	2.00	2	2.00
Detention Officer	58	58.00	58	58.00
Gang Prevention & Intervention Case Manager	2	2.00	3	3.00
Gang Prevention & Intervention Counselor	1	1.00	1	1.00
Business Officer	2	2.00	2	2.00
Administrative Support Specialist	2	2.00	1	1.00
Administrative Support Technician	17	17.00	17	17.00
Administrative Support Coordinator	1	1.00	1	1.00
Administrative Support Assistant	3	3.00	3	3.00
Fiscal Support Specialist	n/a	n/a	1	1.00
Custodial Crew Leader	n/a	n/a	1	1.00
Human Resources Representative	<u>1</u>	<u>1.00</u>	<u>1</u>	<u>1.00</u>
	381	381.00	383	383.00
SOCIAL SERVICES:				
Social Services Director	1	1.00	1	1.00
Social Services Director, Assistant	2	2.00	2	2.00
Social Services Manager	3	3.00	3	3.00
Social Services Supervisor	16	16.00	16	16.00
Human Services Agency Business Manager	1	1.00	n/a	n/a
Business Officer	1	1.00	2	2.00
Business Specialist	n/a	n/a	1	1.00
Attorney, Senior	1	1.00	1	1.00
Attorney	2	2.00	2	2.00
Paralegal	3	3.00	3	3.00
Human Services Planner	1	1.00	1	1.00
Social Worker	102	102.00	101	101.00
Information Systems Support Specialist	1	1.00	n/a	n/a
Information Systems Technician	1	1.00	1	1.00
Economic Services Manager	2	2.00	2	2.00
Economic Services Supervisor	10	10.00	10	10.00
Economic Services Caseworker	86	86.00	86	86.00
Administrative Support Coordinator	1	1.00	1	1.00
Administrative Support Supervisor	3	3.00	3	3.00
Administrative Support Specialist	2	2.00	2	2.00
Administrative Support Technician	13	13.00	13	13.00
Administrative Support Assistant	4	4.00	5	5.00
Program Assistant	1	1.00	1	1.00
Fiscal Support Specialist	3	3.00	3	3.00
Fiscal Support Technician	3	3.00	3	3.00
Fiscal Support Assistant	2	2.00	1	1.00
Community Service Coordinator	1	1.00	1	1.00
Community Services Assistant	7	7.00	7	7.00
Transportation Coordinator	<u>2</u>	<u>2.00</u>	<u>2</u>	<u>2.00</u>
	275	275.00	274	274.00

NEW HANOVER COUNTY
AUTHORIZED POSITIONS WITH FTE EQUIVALENCY

	FY08-09 ADOPTED		FY09-10 ADOPTED	
	POSITIONS	FTE's	POSITIONS	FTE's
TAX:				
Tax Administrator	1	1.00	1	1.00
Tax Administrator, Assistant	1	1.00	1	1.00
Tax Business Analyst	1	1.00	1	1.00
Collector of Revenue	1	1.00	1	1.00
Collector, Deputy	2	2.00	2	2.00
Appraisal Supervisor	1	1.00	1	1.00
Appraiser	10	10.00	10	10.00
Revaluation Coordinator	1	1.00	1	1.00
Tax Listing Supervisor	1	1.00	1	1.00
Tax Mapping Supervisor	1	1.00	1	1.00
Tax Mapper, Senior	1	1.00	1	1.00
Tax Mapper	3	3.00	3	3.00
Administrative Support Coordinator	1	1.00	1	1.00
Administrative Support Technician	7	7.00	7	7.00
Fiscal Support Supervisor	2	2.00	2	2.00
Fiscal Support Specialist	2	2.00	2	2.00
Fiscal Support Technician	13	13.00	13	13.00
Fiscal Support Assistant	1	1.00	1	1.00
	50	50.00	50	50.00
YOUTH EMPOWERMENT SERVICES:				
Juvenile Center Director	1	1.00	1	1.00
Juvenile Center Clinical Manager	1	1.00	1	1.00
Juvenile Center Education Coordinator	1	1.00	1	1.00
Juvenile Center Treatment Supervisor	2	2.00	1	1.00
Juvenile Center Intervention Specialist	8	8.00	7	7.00
Juvenile Center Family Therapist	1	1.00	1	1.00
Juvenile Center Teacher	1	1.00	n/a	n/a
Program Assistant	3	3.00	2	2.00
Support Services Coordinator	1	1.00	1	1.00
Administrative Support Technician	1	1.00	1	1.00
	20	20.00	16	16.00
VETERANS SERVICES:				
Veterans Service Officer	1	1.00	1	1.00
Veterans Services Specialist	1	1.00	1	1.00
	2	2.00	2	2.00
GENERAL FUND TOTAL	1457	1446.23	1447	1438.58

NEW HANOVER COUNTY
AUTHORIZED POSITIONS WITH FTE EQUIVALENCY

	FY08-09 ADOPTED		FY09-10 ADOPTED	
	POSITIONS	FTE's	POSITIONS	FTE's
ENVIRONMENTAL MANAGEMENT FUND				
ADMINISTRATION:				
Environmental Management Director	1	1.00	1	1.00
Environmental Program Manager	1	1.00	1	1.00
Environmental Program Assistant	1	1.00	1	1.00
Safety Officer	1	1.00	1	1.00
Environmental Specialist	1	1.00	1	1.00
Environmental Technician	1	1.00	1	1.00
Keep America Beautiful Program Coordinator	1	0.50	1	0.50
Administrative Support Specialist	2	2.00	2	2.00
Fiscal Support Assistant	3	3.00	3	3.00
	12	11.50	12	11.50
RECYCLING:				
Solid Waste Planner	1	1.00	1	1.00
Recycling Operations Supervisor	1	1.00	1	1.00
Equipment Operator	4	4.00	4	4.00
Maintenance Assistant	5	5.00	5	5.00
	11	11.00	11	11.00
LANDFILL:				
Landfill Manager	1	1.00	1	1.00
Equipment Operator	8	8.00	8	8.00
Maintenance Assistant	6	6.00	6	6.00
	15	15.00	15	15.00
WASTEC FACILITY:				
Plant Manager	1	1.00	1	1.00
Plant Maintenance Manager	1	1.00	1	1.00
Plant Maintenance Mechanic Supervisor	1	1.00	1	1.00
Plant Maintenance Mechanic	9	9.00	9	9.00
Plant Operations Manager	1	1.00	1	1.00
Plant Shift Supervisor	5	5.00	5	5.00
Control Room Operator	5	5.00	5	5.00
Instrumentation Control Specialist	3	3.00	3	3.00
Mechanic	1	1.00	1	1.00
Materials Control Specialist	1	1.00	1	1.00
Materials Control Technician	1	1.00	1	1.00
Pollution Control Specialist	5	5.00	5	5.00
Equipment Operator	8	8.00	8	8.00
Boiler Technician	5	5.00	5	5.00
Tipping Floor Attendant	1	1.00	1	1.00
Maintenance Assistant	2	2.00	2	2.00
	50	50.00	50	50.00
ENVIRONMENTAL MANAGEMENT FUND TOTAL	88	87.50	88	87.50
SPECIAL FIRE SERVICE DISTRICT FUND				
ADMINISTRATION:				
Fire Chief	1	1.00	1	1.00
Fire Chief, Deputy	3	3.00	3	3.00
Fire Training Coordinator	1	1.00	2	2.00
Fire Marshal, Senior	1	1.00	n/a	n/a
Fire Marshal, Deputy	3	3.00	4	4.00
Administrative Support Specialist	1	1.00	1	1.00
Administrative Support Technician	1	1.00	1	1.00
	11	11.00	12	12.00
OPERATIONS:				
Fire Captain	2	2.00	2	2.00
Fire Lieutenant	21	21.00	24	24.00
Fire Battalion Chief	3	3.00	3	3.00
Fire Fighter	42	42.00	54	54.00
	68	68.00	83	83.00
SPECIAL FIRE SERVICE DISTRICT FUND TOTAL	79	79.00	95	95.00
TOTAL ALL FUNDS	1624	1612.73	1630	1621.08

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

	FY 07-08 ACTUAL	FY 08-09 REVISED	FY 09-10 REQUESTED	FY 09-10 RECOMMENDED	FY 09-10 ADOPTED
HUMAN SERVICES:					
A D R Center (Teen Court)	\$ 15,000	\$ 13,500	\$ 15,000	\$ 12,150	\$ 12,150
American Red Cross (Cape Fear Chapter)	0	0	20,000	0	0
Blue Ribbon Commission (Youth Violence)	0	5,000	5,000	0	5,000
Cape Fear Literacy Council	5,000	4,500	4,500	4,050	4,050
Carousel Center	20,000	18,000	20,000	16,200	16,200
Coastal Horizons/Crisis Line/Open House	33,100	29,790	40,000	26,811	26,811
Coastal Horizons/Rape Crisis Center	11,033	9,930	20,000	8,937	8,937
Domestic Violence Shelter & Services	17,654	15,889	15,889	14,300	14,300
Elderhaus	55,079	49,571	55,079	44,613	44,613
Food Bank of Central & Eastern NC	5,000	4,500	10,000	4,050	4,050
Good Shepherd Center	10,000	9,000	50,000	8,100	8,100
Justice in Motion	0	0	1,000	0	0
Ten Year Plan to End Homelessness	35,000	50,000	50,000	0	25,000
Wilmington A.M.E. Zion Housing Development	0	0	10,000	0	0
Wilmington Interfaith Hospitality Network	0	0	10,000	0	0
TOTAL HUMAN SERVICES:	\$ 206,866	\$ 209,680	\$ 326,468	\$ 139,211	\$ 169,211
CULTURAL AND RECREATIONAL:					
Cameron Art Museum *	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Children's Museum	25,000	0	50,000	0	5,000
Legion Stadium Committee *	214,911	209,286	203,868	203,868	203,868
TOTAL CULTURAL AND RECREATIONAL:	\$ 289,911	\$ 259,286	\$ 303,868	\$ 253,868	\$ 258,868
ECONOMIC AND PHYSICAL DEVELOPMENT:					
Cape Fear Council of Government **	\$ 35,169	\$ 28,654	\$ 25,788	\$ 25,788	\$ 25,788
Cape Fear Public Transportation Authority (WAVE)	158,852	303,480	147,710	132,939	132,939
Cape Fear Resource Conservation & Develop.	3,000	2,700	9,000	2,430	2,430
Cape Fear River Assembly	9,524	0	0	0	0
Cape Fear Soccerplex *	125,000	128,000	130,964	130,964	130,964
City of Wilmington/Safe Light Program	0	0	200,000	200,000	200,000
Committee of 100 */***	129,000	134,160	134,160	134,160	134,160
Greater Wilmington Sports Hall of Fame	0	1,500	0	0	0
Highway 17 Association	0	0	10,000	0	0
New Hanover Port, Waterway & Beach Comm.	5,000	4,500	4,500	4,050	4,500
New Hanover Soil & Water Conservation District	50,000	45,000	60,000	40,500	45,500
North Carolina Beach, Inlet & Waterway	2,000	2,000	2,000	1,800	2,000
Southeastern Economic Development	17,634	17,634	17,634	15,876	15,876
USS North Carolina Commissioning Ceremony	50,000	0	0	0	0
Wilmington Downtown, Inc. */***	20,275	21,086	21,086	21,086	21,086
Wilmington Regional Film Commission */***	105,370	109,585	109,585	109,585	109,585
TOTAL ECONOMIC AND PHYSICAL DEV:	\$ 710,824	\$ 798,299	\$ 872,427	\$ 819,178	\$ 824,828
TOTAL	\$ 1,207,601	\$ 1,267,265	\$ 1,502,763	\$ 1,212,257	\$ 1,252,907
* = Multi-year Contracts					
** = 10% Reduction in FY09-10 Fee					
*** = Requested no CPI increase					

BUDGET STRUCTURE

Rounding of numbers in budget document preparation has been used in the tables and text to make the 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.

FUND ACCOUNTING

The County uses fund accounting to account for their financial resources and reports the results of their operations. In fund accounting, accounts are organized on the basis of funds, each of which is considered an independent fiscal entity with a separate set of self-balancing accounts comprised of assets, liabilities, fund balance, revenues, and expenditures. The establishment of discrete funds is beneficial in ensuring that public monies are only spent for approved and legitimate purposes.

Local governments can establish as many funds as required to operate efficiently and account for resources accurately. However, all funds used must be classified into one of the three classifications of funds, as well as one of the specified types of funds allowed under that particular classification. The chart below lists the allowable fund classifications for governments with the fund types under each classification. The County's fund classification system is listed below as it correlates to the GAAP standards.

NEW HANOVER COUNTY FUND CLASSIFICATIONS		
GOVERNMENTAL	PROPRIETARY	FIDUCIARY
NEW HANOVER COUNTY FUND TYPES WITH CORRESPONDING FUNDS		
General Fund: General Fund Special Revenue: Emergency Telephone System Fund Fire Service District Fund New Hanover County Schools Fund Revolving Loan Fund Room Occupancy Tax Fund (1st 3%) Capital Projects	Enterprise: Environmental Management	Trust and Agency Funds: Other Escrows Agency Funds LEO Pension Trust Fund Post Employment Benefits Agency Fund Room Occupancy Tax Agency Fund Tax Clearing Agency Fund

All funds, except Capital Project Funds and Trust and Agency Funds, are included and appropriated through the annual budget ordinance. Capital Projects are approved during the year with an adopted project ordinance. Trust and Agency Funds are not budgeted. These particular funds do not appear in the budget document, but are included in audited financial statements.

BUDGET STRUCTURE CONTINUED

Governmental Funds

Governmental Funds are used to account for the acquisition, use and balances of expendable financial resources and the related current liabilities (except those accounted for in proprietary funds and fiduciary funds). Most of the County's basic services are accounted for in governmental funds.

- **General Fund** is the principal fund of the County and accounts for the normal recurring activities of the County, including cultural and recreational, general government, education, human services, and public safety. It is funded principally by property tax and sales tax. Debt service payments for general long-term debt are also accounted for in the General Fund. Any transaction that cannot be accounted for in another fund must be recorded in the General Fund.
- **Special Revenue Funds** are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes (other than major capital projects). The following activities of the County are established as a Special Revenue Fund:
 - **Emergency Telephone System Fund** is used to budget and disburse funds assessed by the state on all voice communication services connections, including landline, wireless, and voice-over internet protocol (VoIP). Funds are disbursed to local governments according to a state formula to be used for eligible E-911 expenditures.
 - **Fire Service District Fund** is primarily funded by a special fire tax in the unincorporated areas of New Hanover County, as well as sales tax proceeds and fees. These funds are budgeted to provide fire protection throughout the County's Fire Service District.
 - **New Hanover County Schools Fund** encompasses all County expenditures for the Schools, including current operating expenses, capital outlay expenses, and bond related expenses. Revenues are transfers from the General Fund and proceeds from the one-half cent sales tax established by the state to fund school capital outlay.
 - **Room Occupancy Tax Funds** are collected through a special tax on room occupancy rental in New Hanover County according to the formula stipulated by North Carolina General Statutes. The room occupancy tax is used for beach renourishment and tourism. Only the first 3% tax is appropriated and, therefore, reported in the budget document. The remainder of the tax collected is handled as an Agency fund and is not appropriated and not included in the budget document. Details of the Room Occupancy Tax are explained in the Special Revenue Section of this document.

BUDGET STRUCTURE CONTINUED

- **Capital Project Funds** account for all resources used for acquisition, construction, or renovation of major capital facilities of the County. Each defined capital project has a fund established based on the adopted project ordinance. These funds are not included in the budget ordinance.

Proprietary Funds

Proprietary Funds account for funds for County operations, which are managed in a manner similar to private business. Unlike governmental funds, net income is determined in Proprietary Funds.

Within the Proprietary Fund classification, the two fund types are Internal Service Fund and Enterprise Fund. An Internal Service Fund is used to account for goods or services provided by one department or agency to other departments or agencies of the County, or to other governments, on a cost-reimbursement basis. At this time, the County does not have Internal Service Funds.

- **Enterprise funds** are used to account for operations that financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

Effective July 1, 2008, the County transferred the Water and Sewer function to the Cape Fear Public Utility Authority (CFPUA). During FY08-09, the Storm Water Drainage Fund was closed and tasks were transferred to the Engineering Department. The Storm Water Drainage Fund had been used for small storm water drainage projects within the unincorporated area. The majority of funding was from a transfer from the General Fund and not predominantly supported by user charges. The only remaining enterprise fund is the Environmental Management Fund.

- **Environmental Management** budgets for the Landfill operating costs, the operation of the Waste-To-Energy Facility (WASTEC), and the Recycling Program.

Fiduciary Funds

Fiduciary Funds are used to account for assets held by the County in a trustee capacity, or as an agent for individuals, private organizations, other governmental units, and/or other funds. ***Since, by state statutes, these funds are not subject to appropriation by the Board of County Commissioners, these funds are not included in annual budget ordinance or the budget document.*** However, these funds are reported in the Comprehensive Annual Financial Report. The Fiduciary Fund classification includes Agency Funds and Trust Funds.

BUDGET STRUCTURE CONTINUED

- **Agency Funds** are custodial in nature, used to account for funds held by the County for individuals, private organizations, other governmental units, and other funds. The County's Agency funds include:
 - **Other Escrows Agency Funds** are custodial in nature, used to account for assets held by the County for individuals, private organizations, other governmental units and other funds.
 - **Other Post Employment Benefits Agency Fund**
 - **Room Occupancy Tax Agency Fund (fund not part of 1st 3%)**
 - **Social Services Agency Fund**
 - **Tax Clearing Agency Fund**

- **Trust Funds** are funds held by the County in a trustee capacity, which are designated for a particular purpose.
 - **LEO Pension Trust Fund** is a single-employer, defined benefit, public safety employee retirement system.

BUDGETARY ACCOUNTING

Budgetary accounting is unique to governments and other public agencies. The County is required by state statute to adopt an annual budget that is balanced by each Fund, as well as by the unit of government. Budgetary accounting requires local governments to enter the adopted budget into the government's accounting system to ensure expenditures do not exceed budgeted amounts. In short, the adopted budget is both a plan and a legal limit on spending.

Annual budgets are adopted as required by North Carolina General Statutes. Budgets are prepared for all Proprietary Funds and Governmental Funds (except for Capital Project Funds). Capital Project Funds are established by the adoption of a project ordinance, which establishes the budget for the life of the project. The County Fiduciary Funds are not subject to appropriation and are not included in the budget ordinance.

Annual appropriated budgets are adopted at the Function level within the General Fund and at the Fund level for all other funds. The budget constitutes the legal authority for expenditures at that level. Annual appropriations included in the budget ordinance lapse at the end of the fiscal year; whereas, appropriations under project ordinance continue for the life of the project.

FINANCIAL "BASIS OF ACCOUNTING"

"Basis of accounting" refers to criteria used for determining when revenues and expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied. The "basis of accounting" as applied to budgeting has to do with which year the expenditures or revenues are appropriated.

BUDGET STRUCTURE CONTINUED

There are three “basis of accounting” methods:

- **Cash basis:** revenue and expense recorded when cash *received* or *spent*.
- **Accrual basis:** revenue recorded when *earned*; expense recorded when *incurred*.
- **Modified accrual basis:** revenue recorded when *measurable and available*; expenditures are recorded when the liability is *incurred*. Exceptions to this general rule include principal and interest on general long-term debt, which are recognized when due.

For purposes of financial reporting for the Comprehensive Annual Financial Report, the County maintains financial records in accordance with generally accepted accounting principles (GAAP). The County uses the **modified accrual basis of accounting** for all **Governmental Funds** and **accrual basis of accounting** for the **Enterprise Fund** and all **Fiduciary Funds**.

BUDGETARY “BASIS OF ACCOUNTING”

The County maintains all financial and budgetary records in accordance with generally accepted accounting principles (GAAP). The table below shows the County’s “basis of accounting” for budgeting and financial perspectives for each Fund Class.

Fund Classification	Budgetary "Basis of Accounting"	Financial "Basis of Accounting"
Governmental Funds	Modified Accrual	Modified Accrual
Proprietary Funds	Accrual	Accrual
Fiduciary Funds	<i>Not Applicable</i>	Accrual

A summary of the key reporting differences between information provided in the Adopted Budget Document and the Comprehensive Annual Financial Report are as follows:

Reporting Differences between Budget Document and Comprehensive Annual Financial Report	Ordinance/Budget Document	CAFR
COMPARISON OF FUNDS AND IF INCLUDED IN BUDGET ORDINANCE/BUDGET DOCUMENT AND CAFR:		
Governmental Type Fund:		
General	Included in Both	Included
Emergency Telephone System	Included in Both	Included
Fire Service District	Included in Both	Included
New Hanover County Schools	Included in Both	Included
Revolving Loan	Included in Both	Included
Room Occupancy Tax (1st 3%)	Included in Both	Included
Capital Projects	No/Yes	Included
Proprietary Type Fund:		
Environmental Management	Included in Both	Included
<i>(continued on next page)</i>		

BUDGET STRUCTURE CONTINUED

Reporting Differences between Budget Document and Comprehensive Annual Financial Report	Ordinance/Budget Document	CAFR
Trust & Agency Type Fund:		
Other Escrows Agency Funds	<i>No/No</i>	Included
LEO Pension Trust Fund	<i>No/No</i>	Included
Post Employment Benefits Agency Fund	<i>No/No</i>	Included
Room Occupancy Tax (2nd 3%)	<i>No/No</i>	Included
Tax Clearing Agency Fund	<i>No/No</i>	Included
BLENDED COMPONENT UNITS AND HOW/IF ADDRESSED IN BUDGET AND CAFR:		
New Hanover County Parks Foundation	<i>No/No</i>	Included
Airlie Gardens Foundation	<i>No/No</i>	Included
DISCRETELY PRESENTED COMPONENT UNITS AND HOW/IF ADDRESSED IN BUDGET AND CAFR:		
New Hanover County Airport Authority	<i>No/No</i>	Included
New Hanover County Regional Medical Center	<i>No/No</i>	Included
New Hanover County ABC Board	<i>No/No</i>	Included
New Hanover County Tourism Development Authority	<i>No/No</i>	Included
Reporting Differences between Budget Document and Comprehensive Annual Financial Report	Annual Adopted Budget Document	CAFR
FINANCIAL DATA PRESENTED IN RESPECTIVE REPORTS:		
Change in Net Assets from FY08 to FY09 based on actual	<i>NO</i>	YES
Change in Fund Balance based on FY10 Adopted Budget/FY09 Estimated/FY08 Actual	YES	<i>NO</i>
Depreciation Expense Used in reporting	<i>NO</i>	YES
Financial Data Provided in the following formats:		
Countywide	YES	YES
By Fund Type	YES	YES
By Fund	YES	YES
By Major and Minor Funds	YES	YES
By Function within Fund (if applicable)	YES	<i>NO</i>
By Departments within Function	YES	<i>NO</i>
TIME PERIOD FORMAT USED FOR INFORMATION:		
FY09 Actual (only)	<i>NO</i>	YES
FY09 Original Budget/FY09 Final Revised Budget/FY09 Actual/FY09 Variance	<i>NO</i>	YES
FY08 Actual/FY09 Adopted/FY10 Requested/FY10 Recommened/FY10 Adopted	YES	<i>NO</i>
CAPITAL PROJECTS:		
Narrative of Project	YES	<i>NO</i>
Financial Data by Project in Summation	YES	YES
Status of Project	YES	<i>NO</i>

BUDGET STRUCTURE CONTINUED

FUNDS APPROPRIATED ANNUALLY & INCLUDED IN BUDGET ORDINANCE	FUND TYPE ¹	BUDGET FUNCTIONS						
		General Government	Human Services	Public Safety	Education	Cultural & Recreational	Economic & Physical Development	Transfers, Debt & Other
Major Funds								
General Fund	G							
Administration – County Manager		▪						
Airlie Gardens						▪		
Board of Elections		▪						
Budget		▪						
Cooperative Extension						▪		
Courts				▪				
Education					▪			▪
Emergency Management & 9-1-1 Communications				▪				
Engineering and Public Services		▪						
Finance		▪						▪
Governing Body – County Commissioners		▪						
Health			▪					
Human Resources		▪						
Information Technology		▪						
Inspections				▪				
Juvenile Services				▪				
Legal – County Attorney		▪						
Library						▪		
Museum						▪		
Outside Agencies			▪	▪		▪	▪	
Parks						▪		
Planning		▪						
Pretrial Release				▪				
Property Management		▪						
Register of Deeds		▪						
Senior Resource Center			▪					
Sheriff's Office				▪				
Social Services			▪					
Southeastern Center for Mental Health			▪					
Tax		▪						
Veterans Services			▪					
Youth Empowerment Services				▪				
Public Schools Fund	SR				▪			
Room Occupancy Tax Fund	SR						▪	
Environmental Management Fund	E			▪				
Non-Major Funds								
Emergency Telephone System Fund	SR			▪				
Revolving Loan Program	G	▪						
Fire Service District Fund	SR			▪				

¹G=Governmental, E=Enterprise, SR=Special Revenue

FUND BALANCE

Fund balance is generally defined as the difference between a fund's assets and liabilities and is called equity in a non-governmental environment. It may include cash, but often consists of other investments as well.

In a typical fiscal year, actual total expenditures are less than total expenditures appropriated, and revenues are greater than anticipated. The difference creates an increase in fund balance, which is carried forward for use in future years.

An adequate fund balance is needed for numerous reasons. Several of the most important include:

- To have funds available in case of an emergency or unexpected event.
- To maintain or enhance the County's financial position and related bond ratings from Moody's (Aa1) and Standard & Poor's (AA+).
- To provide cash for operations prior to receipt of property tax revenues, and
- To maximize investment earnings.

Property taxes are the single most important revenue source for the County and, although due September 1 of each tax year, are considered timely paid if payment is received prior to January 6. Thus, fund balance is needed to meet cash flow requirements during the early months of the fiscal year.

Not all fund balance is available for appropriation. North Carolina General Statutes, in Chapter 159-8, define the available amount as "cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts." The portion of fund balance not legally available as defined is termed "reserved by State Statute."

Fund balance may also be reserved for specific purposes. A good example is found in the Special Revenue funds where each fund balance is fully reserved for the designated purpose of the fund.

The County has established as its goal to have no less than 2 months, or 16.67%, of expenditures in available fund balance – a goal that more than meets the North Carolina Local Government Commission's recommended minimum of 8%. The estimated available fund balance on June 30, 2009 is within the required 8% as established by the Local Government Commission. As the General Fund has grown over time, the dollar value of the General Fund balance needed to maintain the established percentage fund balance goal has also grown. While the appropriation of fund balance will not jeopardize the strong financial position of the County in FY09-10, proactive steps are necessary to rebuild the fund balance to the County established goal in the near future.

NEW HANOVER COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE
MAJOR GOVERNMENTAL FUNDS

	GENERAL FUND			PUBLIC SCHOOLS FUND		
	FY 07-08 ACTUAL	FY 08-09 ESTIMATED	FY 09-10 ADOPTED	FY 07-08 ACTUAL	FY 08-09 ESTIMATED	FY 09-10 ADOPTED
Revenues:						
Ad Valorem Taxes	\$ 139,160,287	\$ 151,679,364	\$ 151,449,581			
Sales Taxes	53,209,342	43,647,808	39,827,821			
Other Taxes	3,743,936	2,963,923	2,919,179			
Intergovernmental ¹	39,482,842	79,665,696	34,694,635	\$ 500,000		
Special Assessments	185,635	219,535	142,121			
Charges for Services	10,926,520	9,479,478	9,105,119			
Interest on Investments	2,764,668	897,026	574,457	\$ 234,514	79,182	
Miscellaneous ¹	5,088,372	5,378,359	7,441,037			
Total Estimated Financial Sources	<u>\$ 254,561,602</u>	<u>\$ 293,931,189</u>	<u>\$ 246,153,950</u>	<u>\$ 234,514</u>	<u>\$ 579,182</u>	<u>\$ 0</u>
Expenditures:						
General Government	\$ 32,906,560	\$ 29,504,966	\$ 30,662,587			
Human Services	62,122,735	58,190,893	53,824,579			
Public Safety	47,439,806	46,300,286	44,632,759			
Economic & Physical Devl	1,408,639	1,321,985	1,250,925			
Cultural & Recreational	10,511,166	10,483,322	9,790,335			
Contingencies		0	89,777			
Education - Community College	6,180,118	6,147,195	5,841,767			
Education - Schools Operating				\$ 65,869,110	\$ 65,377,120	\$ 61,908,440
Debt Service	17,133,756	65,458,694	23,299,301	16,501,815	20,911,330	22,398,538
Total Expenditures	<u>\$ 177,702,780</u>	<u>\$ 217,407,341</u>	<u>\$ 169,392,030</u>	<u>\$ 82,370,925</u>	<u>\$ 86,288,450</u>	<u>\$ 84,306,978</u>
Adjustments: ²						
Cooperative Escrow Account						
Smith Creek Park						
Adjustment for Rounding						
Total Adjustments	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Other Financing Source (uses):						
Long-Term Debt Issued	\$ 1,750,000	\$ 0				
Transfers From Other Funds	4,144,185	707,908	\$ 2,105,919	\$ 83,443,777	\$ 85,182,359	\$ 81,306,978
Transfers to Other Funds	(86,604,887)	(84,915,204)	(80,800,489)			
Appropriated Fund Balance	0		1,932,650			3,000,000
Proceeds of Refunding Bonds	0					
Proceeds to Refunded Bond Escrow	0					
Total Other Financing Source(uses)	<u>\$ (80,710,702)</u>	<u>\$ (84,207,296)</u>	<u>\$ (76,761,920)</u>	<u>\$ 83,443,777</u>	<u>\$ 85,182,359</u>	<u>\$ 84,306,978</u>
Net Increase (Decrease) in Fund Balance	\$ (3,851,880)	\$ (7,683,448)	\$ 0	\$ 1,307,366	\$ (526,909)	\$ 0
Fund Balance - July 1	\$ 72,356,421	\$ 68,504,541	\$ 60,821,093	\$ 3,616,240	\$ 4,923,606	\$ 4,396,697
Fund Balance - June 30	<u>\$ 68,504,541</u>	<u>\$ 60,821,093</u>	<u>\$ 60,821,093</u>	<u>\$ 4,923,606</u>	<u>\$ 4,396,697</u>	<u>\$ 4,396,697</u>
Percent Change in Fund Balance	-5.32%	-11.22%	0.00%	36.15%	-10.70%	0.00%

¹ ABC 3.5 cent surcharge, extra 5 cent surcharge, LBD surcharge, and profits distribution were deducted from Intergovernmental Revenues and added to Miscellaneous Revenues.

² Adjustments for non-budgeted funds not included in the budget document

**NEW HANOVER COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE
MAJOR GOVERNMENTAL FUNDS**

ROOM OCCUPANCY TAX FUND			TOTAL MAJOR GOVERNMENTAL FUNDS		
FY 07-08 ACTUAL	FY 08-09 ESTIMATED	FY 09-10 ADOPTED	FY 07-08 ACTUAL	FY 08-09 ESTIMATED	FY 09-10 ADOPTED
			\$ 139,160,287	\$ 151,679,364	\$ 151,449,581
			53,209,342	43,647,808	39,827,821
\$ 4,245,495	\$ 3,326,931	\$ 3,476,540	7,989,431	6,290,854	6,395,719
			39,482,842	80,165,696	34,694,635
50,016	1,774,055	356,671	235,651	1,993,590	498,792
			10,926,520	9,479,478	9,105,119
1,200,387	577,083		4,199,569	1,553,291	574,457
			5,088,372	5,378,359	7,441,037
<u>\$ 5,495,898</u>	<u>\$ 5,678,069</u>	<u>\$ 3,833,211</u>	<u>\$ 260,292,014</u>	<u>\$ 300,188,440</u>	<u>\$ 249,987,161</u>
			\$ 32,906,560	\$ 29,504,966	\$ 30,662,587
			62,122,735	58,190,893	53,824,579
\$ 1,783,404	\$ 1,214,266	\$ 3,476,540	47,439,806	46,300,286	44,632,759
			3,192,043	2,536,251	4,727,465
			10,511,166	10,483,322	9,790,335
					89,777
			6,180,118	6,147,195	5,841,767
			65,869,110	65,377,120	61,908,440
			33,635,571	86,370,024	45,697,839
<u>\$ 1,783,404</u>	<u>\$ 1,214,266</u>	<u>\$ 3,476,540</u>	<u>\$ 261,857,109</u>	<u>\$ 304,910,057</u>	<u>\$ 257,175,548</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ (138,630)		\$ (356,671)	\$ 87,449,332	\$ 85,890,267	\$ 83,056,226
			(86,604,887)	(84,915,204)	(80,800,489)
					4,932,650
<u>\$ (138,630)</u>	<u>\$ 0</u>	<u>\$ (356,671)</u>	<u>\$ 844,445</u>	<u>\$ 975,063</u>	<u>\$ 7,188,387</u>
\$ 3,573,864	\$ 4,463,803	\$ 0	\$ 1,029,350	\$ (3,746,554)	\$ 0
\$ 27,184,051	\$ 30,757,915	\$ 35,221,718	\$ 103,156,712	\$ 104,186,062	\$ 100,439,508
<u>\$ 30,757,915</u>	<u>\$ 35,221,718</u>	<u>\$ 35,221,718</u>	<u>\$ 104,186,062</u>	<u>\$ 100,439,508</u>	<u>\$ 100,439,508</u>
13.15%	14.51%	0.00%	1.00%	-3.60%	0.00%

NEW HANOVER COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS

	SPECIAL FIRE DISTRICT			EMERGENCY TELEPHONE SYSTEM - Article 1 ²	
	FY 07-08 ACTUAL	FY 08-09 ESTIMATED	FY 09-10 ADOPTED	FY 07-08 ACTUAL	FY 08-09 ESTIMATED
Revenues:					
Ad Valorem Taxes	\$ 6,062,028	\$ 6,248,906	\$ 7,504,171		
Sales Taxes	1,788,024	1,921,011	1,742,785		
Other Taxes				\$ 301,169	
Intergovernmental	3,041	658	274,690		
Special Assessments					
Charges for Services	165,976	110,015	112,800		
Interest on Investments	74,105	49,698	18,150	34,735	
Miscellaneous	3,300	2			
Total Estimated Financial Sources	<u>\$ 8,096,474</u>	<u>\$ 8,330,290</u>	<u>\$ 9,652,596</u>	<u>\$ 335,904</u>	<u>\$</u>
Expenditures:					
General Government					
Human Services					
Public Safety	\$ 6,472,689	\$ 7,790,558	\$ 8,121,640		
Economic & Physical Devl					
Cultural & Recreational					
Education					
Debt Service	251,341	1,081,094	1,170,290		
Total Expenditures	<u>\$ 6,724,030</u>	<u>\$ 8,871,652</u>	<u>\$ 9,291,930</u>	<u>\$</u>	<u>\$</u>
Adjustments: ¹					
Adjustment for Rounding					
Other Financing Source (uses):					
Long Term Debt Issued	\$ 3,392,769				
Transfers From Other Funds					
Transfers to Other Funds	\$ (1,750,000)		\$ (645,541)	\$ (1,622,759)	
Appropriated Fund Balance		100,000	284,875		
Total Other Financing Source(uses)	<u>\$ 1,642,769</u>	<u>\$ 100,000</u>	<u>\$ (360,666)</u>	<u>\$ (1,622,759)</u>	<u>\$ 0</u>
Net Increase (Decrease) in Fund Balance	\$ 3,015,213	\$ (441,362)	\$ 0	\$ (1,286,855)	\$ 0
Fund Balance - July 1	\$ 1,289,754	\$ 4,304,967	\$ 3,863,605	\$ 1,286,855	\$
Fund Balance - June 30	<u>\$ 4,304,967</u>	<u>\$ 3,863,605</u>	<u>\$ 3,863,605</u>	<u>\$</u>	<u>\$</u>
Percent Change in Fund Balance	233.78%	-10.25%	0.00%	-100.00%	NA

¹ Adjustments for non-budgeted funds not included in the budget document.

² During FY07-08, Emergency Telephone System Article 3 took effect, replacing Article 1 and Wireless 911. The replaced funds were closed, and remaining fund balances transferred to Article 3 fund.

NEW HANOVER COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS

WIRELESS 911 ²		EMERGENCY TELEPHONE SYSTEM - Article 3 ²			TOTAL NON-MAJOR GOVERNMENTAL FUNDS		
FY 07-08 ACTUAL	FY 08-09 ESTIMATED	FY 07-08 ACTUAL	FY 08-09 ESTIMATED	FY 09-10 ADOPTED	FY 07-08 ACTUAL	FY 08-09 ESTIMATED	FY 09-10 ADOPTED
					\$ 6,062,028	\$ 6,248,906	\$ 7,504,171
					1,788,024	1,921,011	1,742,785
\$ 194,333		\$ 341,854	\$ 1,097,196	\$ 431,105	837,356	1,097,196	431,105
					3,041	658	274,690
					165,976	110,015	112,800
14,382		10,176	19,973		133,398	69,671	18,150
					3,300	2	
<u>\$ 208,715</u>	<u>\$</u>	<u>\$ 352,030</u>	<u>\$ 1,117,169</u>	<u>\$ 431,105</u>	<u>\$ 8,993,123</u>	<u>\$ 9,447,459</u>	<u>\$ 10,083,701</u>
					\$ 6,472,689	\$ 7,790,558	\$ 8,121,640
					251,341	1,081,094	1,170,290
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 6,724,030</u>	<u>\$ 8,871,652</u>	<u>\$ 9,291,930</u>
					3,392,769		
		\$ 639,266			639,266		
\$ (730,096)		\$ (174,428)	(214,460)	\$ (431,105)	\$ (4,277,283)	\$ (214,460)	\$ (1,076,646)
						100,000	284,875
<u>\$ (730,096)</u>	<u>\$ 0</u>	<u>\$ 464,838</u>	<u>\$ (214,460)</u>	<u>\$ (431,105)</u>	<u>\$ (3,638,017)</u>	<u>\$ (114,460)</u>	<u>\$ (791,771)</u>
\$ (521,381)	\$ 0	\$ 816,868	\$ 902,709	\$ 0	\$ (1,368,924)	\$ 461,347	\$ 0
\$ 521,381	\$	\$	\$ 816,868	\$ 1,719,577	\$ 3,097,990	\$ 1,729,066	\$ 2,190,413
<u>\$</u>	<u>\$</u>	<u>\$ 816,868</u>	<u>\$ 1,719,577</u>	<u>\$ 1,719,577</u>	<u>\$ 1,729,066</u>	<u>\$ 2,190,413</u>	<u>\$ 2,190,413</u>
-100.00%	NA	NA	110.51%	0.00%	-44.19%	26.68%	0.00%

NEW HANOVER COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS
ENTERPRISE FUNDS¹

	WATER AND SEWER	WATER AND SEWER	ENVIRONMENTAL MANAGEMENT	ENVIRONMENTAL MANAGEMENT
	FY 07-08 ACTUAL	FY 08-09 ESTIMATE	FY 07-08 ACTUAL	FY 08-09 ESTIMATE
Operating Revenues:				
Charges for Service	15,983,732		\$ 12,839,757	\$ 12,758,047
Other	34,731		309,202	241,470
Total Operating Revenues	<u>\$ 16,018,463</u>	<u>\$ -</u>	<u>\$ 13,148,959</u>	<u>\$ 12,999,517</u>
Operating Expenses:				
Personnel	\$ 3,855,697		\$ 4,558,616	\$ 4,670,763
System Maintenance	8,811,226		7,049,349	7,329,774
Landfill Closure & Postclosure Costs	-		742,184	629,384
Depreciation	4,841,233		1,828,492	1,800,000
Total Operating Expenses	<u>\$ 17,508,156</u>	<u>\$ -</u>	<u>\$ 14,178,641</u>	<u>\$ 14,429,921</u>
Operating Income	<u>\$ (1,489,693)</u>	<u>\$ -</u>	<u>\$ (1,029,682)</u>	<u>\$ (1,430,404)</u>
Non-Operating Revenues (expenses):				
Interest Earned on Investments	\$ 2,557,277		\$ 7,010	\$ 6,160
Intergovernmental Revenue	1,251,917		384,108	365,405
Interest Expense on Debt	(2,586,786)		(257,121)	
Amortization of Bond Issuance Costs	(71,395)		(6,083)	
Sale of Capital Assets				
Net Non-Operating (expenses)	<u>\$ 1,151,013</u>	<u>\$ -</u>	<u>\$ 127,914</u>	<u>\$ 371,565</u>
Income (loss) Before Operating Transfers and Capital Contributions	<u>\$ (338,680)</u>	<u>\$ -</u>	<u>\$ (901,768)</u>	<u>\$ (1,058,839)</u>
Special Item - Transfer to CPFUA		(183,909,407)		
Contributed Capital	\$ 4,547,403		\$ -	
Donated Capital Assets	\$ 4,073,870		\$ -	
Transfer From Other Funds	2,042,322		385,000	
Transfers To Other Funds	(150,400)		(14,700)	(75,051)
Change in Net Assets	<u>\$ 10,174,515</u>	<u>\$(183,909,407)</u>	<u>\$ (531,468)</u>	<u>\$ (1,133,890)</u>
Total Net Assets (deficit) Beginning of Year	<u>\$ 173,734,892</u>	<u>\$ 183,909,407</u>	<u>\$ 8,554,767</u>	<u>\$ 8,023,299</u>
Total Net Assets End of Year	<u>\$ 183,909,407</u>	<u>\$ -</u>	<u>\$ 8,023,299</u>	<u>\$ 6,889,409</u>
Percent Change in Fund Balance	5.86%	-100.00%	-6.21%	-14.13%

¹ Reasonable estimates for FY08-09 cannot be determined at this time. Major accruals involving depreciation, amortization, debt proceeds and other adjusting entries have not been determined prior to the printing of this document.

NEW HANOVER COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS
ENTERPRISE FUNDS¹

**TOTAL FOR NEW HANOVER
COUNTY ENTERPRISE FUNDS**

<u>FY 07-08</u> <u>ACTUAL</u>	<u>FY 08-09</u> <u>ESTIMATE</u>
\$ 28,823,489	\$ 12,758,047
343,933	241,470
<u>\$ 29,167,422</u>	<u>\$ 12,999,517</u>
\$ 8,414,313	\$ 4,670,763
15,860,575	7,329,774
742,184	629,384
6,669,725	1,800,000
<u>\$ 31,686,797</u>	<u>\$ 14,429,921</u>
\$ (2,519,375)	\$ (1,430,404)
\$ 2,564,287	\$ 6,160
1,636,025	365,405
(2,843,907)	-
(77,478)	-
<u>\$ 1,278,927</u>	<u>\$ 371,565</u>
\$ (1,240,448)	\$ (1,058,839)
	\$(183,909,407)
\$ 4,547,403	\$ -
4,073,870	-
2,427,322	-
(165,100)	(75,051)
<u>\$ 9,643,047</u>	<u>\$(185,043,297)</u>
\$ 182,289,659	\$ 191,932,706
<u>\$ 191,932,706</u>	<u>\$ 6,889,409</u>
5.29%	-96.41%

**NEW HANOVER COUNTY
INTERFUND TRANSFERS DETAILED ANALYSIS¹**

FUND	FY 06-07 ACTUAL	FY 07-08 ACTUAL	FY 08-09 ADOPTED	FY 09-10 ADOPTED
GENERAL FUND				
Budget Before Transfers	\$ 257,541,034	\$ 260,163,481	\$ 271,362,002	\$ 247,850,226
Transfers In:				
From Environmental Management Fund	31,485	14,700	75,051	678,051
From Fire Services	1,082	0	48,541	645,541
From Water & Sewer District Fund	288,807	150,400	0	0
From Emergency Telephone System Fund- Art. 1	243,424	1,622,759	0	0
From Wireless 911 Fund	(169,219)	90,830	0	0
From Emergency Telephone System Fund- Art. 3	0	174,428	323,998	431,105
From Other Funds (Non-Budgeted Funds)	0	2,091,068	0	587,596
TOTAL BUDGET	\$ 257,936,613	\$ 264,307,665	\$ 271,809,592	\$ 250,192,519
Transfers Out:				
To Storm Water Drainage Fund	(100,000)	(100,000)	(100,000)	0
To Water & Sewer District Fund	(1,942,319)	(1,942,319)	0	0
To Environmental Management Fund	0	(385,000)	0	0
To New Hanover County Schools Fund	(79,080,425)	(82,394,880)	(84,262,714)	(80,241,978)
To Other Funds (Non-Budgeted Funds)	(5,874,295)	(2,810,995)	(806,872)	(558,511)
Total Transfers Out	(86,997,039)	(87,633,194)	(85,169,586)	(80,800,489)
NET GENERAL FUND	\$ 170,939,573	\$ 176,674,472	\$ 186,640,006	\$ 169,392,030
NEW HANOVER COUNTY SCHOOLS FUND				
Budget Before Transfers	\$ (1,994,255)	\$ (1,072,852)	\$ 1,800,000	\$ 3,000,000
Transfers In:				
From General Fund - One-Half Cent Sales Tax	7,704,986	7,950,743	8,125,870	7,487,404
From General Fund Portion	71,375,439	74,444,137	76,136,844	72,754,574
From Other Funds (Non-Budgeted Funds)	556,751	1,048,897	1,074,027	1,065,000
TOTAL BUDGET	\$ 77,642,922	\$ 82,370,925	\$ 87,136,741	\$ 84,306,978
Transfers Out:				
To General Fund	0	0	0	0
Total Transfers Out	0	0	0	0
NET NEW HANOVER COUNTY SCHOOLS FUND	\$ 77,642,922	\$ 82,370,925	\$ 87,136,741	\$ 84,306,978
EMERGENCY TELEPHONE SYSTEM FUND- ART. 1				
Budget Before Transfers	\$ 243,424	\$ 1,622,759	\$ 0	\$ 0
Transfers In:				
From Other Funds (Non-Budgeted Funds)	0	0	0	0
TOTAL BUDGET	\$ 243,424	\$ 1,622,759	\$ 0	\$ 0
Transfers Out:				
To General Fund	(243,424)	(1,622,759)	0	0
Total Transfers Out	(243,424)	(1,622,759)	0	0
NET EMERG. TELEPHONE SYSTEM FUND-ART. 1	\$ 0	\$ 0	\$ 0	\$ 0

¹ Transfers titled "Non-budgeted Funds" are transfers to various funds not included in this budget document. These funds include Capital Improvement Project Funds and Trust and Agency Funds.

**NEW HANOVER COUNTY
INTERFUND TRANSFERS DETAILED ANALYSIS¹**

FUND	FY 06-07 ACTUAL	FY 07-08 ACTUAL	FY 08-09 ADOPTED	FY 09-10 ADOPTED
WIRELESS 911 FUND				
Budget Before Transfers	\$ (169,219)	\$ 730,096	\$ 0	\$ 0
Transfers In:				
From Other Funds (Non-Budgeted Funds)	0	0	0	0
TOTAL BUDGET	\$ (169,219)	\$ 730,096	\$ 0	\$ 0
Transfers Out:				
To General Fund	169,219	(90,830)	0	0
To Emergency Telephone System Fund - Art. 3	0	(639,266)	0	0
To Other Funds (Non-Budgeted Funds)	0	0	0	0
Total Transfers Out	169,219	(730,096)	0	0
NET WIRELESS 911 FUND	\$ 0	\$ 0	\$ 0	\$ 0
EMERGENCY TELEPHONE SYSTEM FUND- ART. 3				
Budget Before Transfers	\$ 0	\$ (464,838)	\$ 323,998	\$ 431,105
Transfers In:				
From Wireless 911 Fund	0	639,266	0	0
TOTAL BUDGET	\$ 0	\$ 174,428	\$ 323,998	\$ 431,105
Transfers Out:				
To General Fund	0	(174,428)	(323,998)	(431,105)
Total Transfers Out	0	(174,428)	(323,998)	(431,105)
NET EMERG. TELEPHONE SYSTEM FUND-ART. 3	\$ 0	\$ 0	\$ 0	\$ 0
ROOM OCCUPANCY TAX FUND				
Budget Before Transfers	\$ 3,077,738	\$ 1,922,034	\$ 3,991,544	\$ 3,833,211
Transfers In:				
From Other Funds (Non-Budgeted Funds)	0	0	0	0
TOTAL BUDGET	\$ 3,077,738	\$ 1,922,034	\$ 3,991,544	\$ 3,833,211
Transfers Out:				
To Other Funds (Non-Budgeted Funds)	0	(138,630)	(461,004)	(356,671)
Total Transfers Out	0	(138,630)	(461,004)	(356,671)
NET ROOM OCCUPANCY TAX FUND	\$ 3,077,738	\$ 1,783,404	\$ 3,530,540	\$ 3,476,540
SPECIAL FIRE SERVICE DISTRICT FUND				
Budget Before Transfers	\$ 7,625,943	\$ 8,474,030	\$ 8,702,302	\$ 9,937,471
Transfers In:				
From Other Funds (Non-Budgeted Funds)	0	0	0	0
TOTAL BUDGET	\$ 7,625,943	\$ 8,474,030	\$ 8,702,302	\$ 9,937,471
Transfers Out:				
To General Fund	(1,082)	0	(48,541)	(645,541)
To Other Funds (Non-Budgeted Funds)	0	(1,750,000)	0	0
Total Transfers Out	(1,082)	(1,750,000)	(48,541)	(645,541)
NET SPECIAL FIRE SERVICE DISTRICT FUND	\$ 7,624,861	\$ 6,724,030	\$ 8,653,761	\$ 9,291,930

¹ Transfers titled "Non-budgeted Funds" are transfers to various funds not included in this budget document. These funds include Capital Improvement Project Funds and Trust and Agency Funds.

**NEW HANOVER COUNTY
INTERFUND TRANSFERS DETAILED ANALYSIS¹**

FUND	FY 06-07 ACTUAL	FY 07-08 ACTUAL	FY 08-09 ADOPTED	FY 09-10 ADOPTED
ENVIRONMENTAL MANAGEMENT FUND				
Budget Before Transfers	\$ 16,191,143	\$ 15,847,065	\$ 16,931,775	\$ 17,543,900
Transfers In:				
From General Fund		385,000		0
From Other Funds (Non-Budgeted Funds)	0	0	0	0
TOTAL BUDGET	\$ 16,191,143	\$ 16,232,065	\$ 16,931,775	\$ 17,543,900
Transfers Out:				
To General Fund	(31,485)	(14,700)	(75,051)	(678,051)
To Other Funds (Non-Budgeted Funds)	(800,000)	0	(2,100,000)	(2,350,000)
Total Transfers Out	(831,485)	(14,700)	(2,175,051)	(3,028,051)
NET ENVIRONMENTAL MANAGEMENT FUND	\$ 15,359,658	\$ 16,217,365	\$ 14,756,724	\$ 14,515,849
WATER & SEWER DISTRICT FUND				
Budget Before Transfers	\$ 18,600,392	\$ 20,274,862	\$ 0	\$ 0
Transfers In:				
From General Fund - One-Half Cent Sales Tax	1,942,319	1,942,319	0	0
From General Fund	0	0	0	0
From Other Funds (Non-Budgeted Funds)	1,421,732	2,121,155	0	0
TOTAL BUDGET	\$ 21,964,443	\$ 24,338,336	\$ 0	\$ 0
Transfers Out:				
To General Fund	(288,807)	(150,400)	0	0
To Storm Water Drainage Fund	(63,939)	0	0	0
To Other Funds (Non-Budgeted Funds)	(5,697,954)	(6,619,985)	0	0
Total Transfers Out	(6,050,700)	(6,770,385)	0	0
NET WATER & SEWER DISTRICT FUND	\$ 15,913,743	\$ 17,567,951	\$ 0	\$ 0
STORM FUND DRAINAGE FUND				
Budget Before Transfers	\$ (130,511)	\$ (46,128)	\$ 25,000	\$ 0
Transfers In:				
From General Fund	100,000	100,000	100,000	
From Water & Sewer Fund	63,939	0	0	0
TOTAL BUDGET	\$ 33,428	\$ 53,872	\$ 125,000	\$ 0
Transfers Out:				
To Other Funds (Non-Budgeted Funds)	0	0	0	0
Total Transfers Out	0	0	0	0
NET STORM WATER DRAINAGE FUND	\$ 33,428	\$ 53,872	\$ 125,000	\$ 0
NON-BUDGETED FUNDS				
Budget Before Transfers	\$ (12,372,249)	\$ (11,319,610)	\$ (3,367,876)	\$ (3,265,182)
Transfers In: (Non-Budgeted Funds)	12,372,249	11,319,610	3,367,876	3,265,182
TOTAL BUDGET	\$ 0	\$ 0	\$ 0	\$ 0
Transfers Out: (Non-Budgeted Funds)	(1,978,483)	(5,261,120)	(1,074,027)	(1,652,596)
NET NON-BUDGETED FUNDS	\$ (1,978,483)	\$ (5,261,120)	\$ (1,074,027)	\$ (1,652,596)

¹ Transfers titled "Non-budgeted Funds" are transfers to various funds not included in this budget document. These funds include Capital Improvement Project Funds and Trust and Agency Funds.

**NEW HANOVER COUNTY
INTERFUND TRANSFERS DETAILED ANALYSIS¹**

FUND	FY 06-07 ACTUAL	FY 07-08 ACTUAL	FY 08-09 ADOPTED	FY 09-10 ADOPTED
SUMMARY - ALL FUNDS				
Budget Before Transfers	\$ 288,613,440	296,130,899	299,768,745	279,330,731
Transfers In:	95,932,994	104,095,311	89,252,207	86,914,453
TOTAL BUDGET	\$ 384,546,434	\$ 400,226,210	\$ 389,020,952	\$ 366,245,184
Transfers Out:	(95,932,994)	(104,095,311)	(89,252,207)	(86,914,453)
NET BUDGET OPERATING TRANSFERS	\$ 288,613,440	\$ 296,130,899	\$ 299,768,745	\$ 279,330,731

¹ Transfers titled "Non-budgeted Funds" are transfers to various funds not included in this budget document. These funds include Capital Improvement Project Funds and Trust and Agency Funds.

PLANNING PROCESSES

Formal planning processes are proposed or underway in a number of County departments that will impact current and future budgets. More specific budgetary impacts will unfold as the process continues.

Airlie Gardens

The Airlie Gardens Master Plan will impact future budgets as implementation of the plan continues. Improvements and maintenance of landscaping will require additional County or volunteer hours. The Garden Services Center opened in late FY04-05. The planned Visitors Center will generate additional revenue in future years, but will require additional maintenance, staffing, and operating expenses.

Board of Elections

The Board of Elections will implement additional “One-Stop” voting sites depending on the type of election. Municipal elections and second primary elections will require one site, which will be housed at the New Hanover County Government Center in a location near the Board of Elections office. In years that host primary and general elections, we will implement additional “One-Stop” voting sites. The Board will determine the number of sites based upon the expected voter turnout.

Due to advances in technology and software applications, our procedures in processing “One-Stop” voting will become more sophisticated. This advancement will allow voters to be processed more quickly and error rates will be reduced,

Health

The Health Department continues to focus on improvement both within the organization and with services provided to the community. A strategic planning session was held in June 2009 with several key topics identified as areas of concentration. The New Hanover County Health Department staff and Board of Health members participated in this planning process. The areas of focus identified included: 1) addressing community assessment priorities, such as access to care, mental health, dental care, and obesity prevention; 2) assuring our programs meet standards for quality, accreditation, and state accountability; and 3) identifying new sources of revenue or determining how to select which programs to reduce or eliminate due to decreased funding. Other priorities identified as areas for preparedness included succession planning and workforce development, securing funding for a new facility, response to natural disasters, and the emergence of infectious diseases.

PLANNING PROCESSES CONTINUED

Library

The Library has completed its 2006-2010 Strategic Plan, "Building Knowledge, Building Value, and Building Excellence." The plan was based upon a survey of over 700 users of the Library. The survey indicated a high degree of satisfaction with current Library services, as well as a desire for improvement in various areas. Key findings were: 1) the desire for increased Library hours, 2) the need for a better technology infrastructure, and 3) additional funding for books and other materials.

The plan also addressed the expansion of branch Libraries in order to better serve New Hanover County residents. The replacement of Myrtle Grove with a larger facility, the construction of a North Chase branch, and the eventual replacement of the Carolina Beach Library are recommended. The Library would like to expand parking at the Northeast Regional Library. Branch expansion would require a significant increase in the Library's operational budget.

In FY07-08, the Library contracted with RMG and Associates to develop an information technology plan for the Library. The consultant concluded that the Library should enhance its public access interface capabilities and expand in-Library access to information resources. The Library is currently evaluating replacement of its current integrated Library system.

Museum

The Museum's Strategic Vision, adopted in 2002 and updated annually, provides direction for Museum planning. The Exhibit Design Master Plan was adopted in April 2003 and addressed the important goals of improving the visitors experience, encouraging return visits, showcasing the Museum's collection, and strengthening the identity of the Museum. Implementation of the 10-year plan is dependent on the development of balanced funding, increased membership, attendance levels, and program revenues.

In March 2006, the Commissioners approved a new Facilities Master Plan that calls for a 3-story, 42,000 square foot expansion and internal renovations. The Plan responds to the need for above-ground storage, additional programming space, and improved visitor amenities, particularly for accessibility. Implementation is dependent upon a successful public-private commitment to fundraising.

North Carolina Cooperative Extension Service

The Arboretum Master Plan will impact future budgets as implementation continues. Cooperative Extension is committed to continuous improvement that will enable the grounds to serve as a valuable resource for education in the areas of storm water management and other environmental concerns for citizens of New Hanover County and the surrounding area. Volunteer and outside funding resources will be actively solicited, but increases in material costs and large renovation projects may require additional support from the County.

PLANNING PROCESSES CONTINUED

Environmental Management

Environmental Management maintains a 10-Year Comprehensive Solid Waste Management Plan for New Hanover County, which will require updating in summer 2009. The plan focuses on New Hanover County's Integrated Solid Waste Management System as a valuable means of solid waste disposal for many years into the future.

Central to the management system is the Landfill. In fiscal year 2009/2010, a new 6-acre cell will be constructed. A recent permit allowing vertical expansion to an additional height of 70 feet will add years to the current permitted area. The permitting process for the adjacent 273-acre southern property begins in fiscal year 2010/2011. Installation of Landfill gas collection and control and Landfill gas-to-energy systems are also in the planning stages. These projects will reduce methane, a greenhouse gas, and provide an additional source of revenue.

Burning refuse at WASTEC and expanding recycling are crucial to extending the life of the Landfill. A program to replace worn tubes in WASTEC's boilers will continue over the next several years. This will add life and availability to the facility. Another recycling drop-off site has been set up at Murray Middle School, which is expected to increase even further the record amounts of recycling material being processed.

Planning

The Planning Department anticipates completion of 3 major planning initiatives during FY09-10. The first involves the Castle Hayne Community in northern New Hanover County. The department has contracted with Cline Design to complete schematic drawings illustrating a new downtown corridor for central Castle Hayne. Ordinance language, which should guide development towards the vision developed through the planning process, will be presented for the Commissioners to consider. Revitalization of this sagging economic core is just one of the initiative's objectives.

Together with the City of Wilmington and the Metropolitan Planning Organization, the department is working on a corridor plan for Market Street between Colonial Drive and the Pender County line. The plan will identify catalysts for economic growth and development of the corridor and recommend access management strategies to address a growing traffic congestion problem. The \$240,000 process will be funded by the Department of Transportation and administered by our Metropolitan Planning Organization.

As development pressures on our fragile ecosystem continue to mount, the department will unveil a manual promoting the use of Low Impact Development techniques. The manual will be the cornerstone of the department's effort to encourage exceptional design in all new development projects. Protecting the quality of the water in our ocean, lakes, streams, creeks, and rivers is the primary goal of this manual.

PLANNING PROCESSES CONTINUED

Parks

The development of a Comprehensive Master Plan for Parks, Recreation, and Open Space was funded in the FY04-05 Budget. The Master Plan was approved in 2006. The impact on future budgets will be \$35.5 million as a result of the passage of the Parks Bond referendum in May 2006. The city of Wilmington will reimburse the County \$17.5 million of this amount. These funds will be used for acquisition and development of new facilities, as well as renovations to existing parks. When the facilities are completed, the recurring expenses for operation and maintenance will be a substantial amount. The Master Plan is scheduled to be updated in FY10-11. At that time, the progress-to-date and the changes in demographics and market conditions will be examined to plan for future park development.

Social Services

The Department of Social Services has completed its 4th full year of its strategic planning process, "Leading by Results" (LBR). This performance management strategy is a joint initiative of the North Carolina Association of County Directors of Social Services and the North Carolina Association of County Boards of Social Services. During the initial implementation, DSS staff and the members of the Board of Social Services refined the organization's "definitions of success" and identified key indicators to monitor and measure progress trends. Each year, strategies and processes are evaluated to determine if changes will increase the odds of creating positive results. LBR has encouraged more intra-department communication and has emphasized the importance of a coordinated, collaborative human service network throughout the County to address the needs of County residents. LBR has become an integral DSS management tool. It is an important management strategy that assists the department to: 1) articulate changes and progress to all stakeholders; 2) build strong partnerships to develop a sustainable capacity to achieve results; and 3) systematically evaluate and, as needed, revise the processes, activities, and resources to make a positive impact on County residents.

Youth Empowerment Services Department

The Youth Empowerment Services Department is undergoing a reorganizational process that equally focuses on the academic and behavioral successes of our youth, with an emphasis on their vocational, social and life skills development as an integral part of their education and overall growth and development. This process includes an integration of the department's three Divisions: Vocational and Educational Development Center, Juvenile Psychological Services, and Community Service and Restitution. This comprehensive model will allow the department to more effectively serve our youth; to strategically function more efficiently as a staff; and, thus, ultimately provide a higher level of service to the community as a New Hanover County Department.

GLOSSARY

A

Account: A basic component of the accounting ledger used to classify financial transactions that are similar in terms of a given frame of reference, such as purpose, object, or source.

Accrual Basis: A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

Ad Valorem Tax: Commonly referred to as property taxes, are levied on both real and personal property according to the property's valuation and the tax rate.

Adopted Budget: The budget document formally approved by the Board of County Commissioners after the required public hearing and deliberations on the Recommended Budget. This document sets forth authorized expenditures and the means of financing those expenditures. This term is used interchangeably with the term, "Final Budget."

Agency Fund: A fund that is a type of Fiduciary Fund. Agency Funds are custodial in nature, used to account for funds held by the County for individuals, private organizations, other governmental units, and other funds.

Allocation: A part of a lump-sum appropriation granted by the Board of Commissioners, which is designated for expenditure by specific organizational units and/or for special purposes, activities, or objects.

Amended Budget: A budget that includes authorized changes by the County Board of Commissioners to the original adopted budget.

Annualize: Taking changes that occurred mid-year and calculating their cost for a full year for the purpose of preparing an annual budget.

Amortization: (1) The gradual reduction of a debt by means of equal periodic payments sufficient to meet current interest and liquidate the debt at maturity. (2) The process of spreading the costs of an intangible asset over the expected useful life of the asset. (3) The deduction of capital expenses over a specific period of time. Similar to depreciation, it is a method of measuring the "consumption" of the value of long-term assets like equipment and buildings.

Appropriated Fund Balance: Amount of fund balance designated as revenue for a given fiscal year.

Appropriation: A legal authorization to incur obligations and to make expenditures for specific purposes.

Asset: Resources owned or held by a government that have monetary value.

GLOSSARY CONTINUED

Assessed Valuation: The valuation set by the County upon real estate and certain personal property as a basis for levying property taxes.

Audit: The examination of some or all of the following items: documents, records, reports, systems of internal control, accounting procedures, and other evidence, for one or more of the following purposes: (a) determining the propriety, legality, and mathematical accuracy of proposed or completed transactions; (b) ascertaining whether all transactions have been recorded; and (c) determining whether transactions are accurately recorded in the accounts and in the statements drawn therefrom in accordance with accepted accounting principles.

Authorized Positions: Employee positions that are authorized in the adopted budget to be filled during the year.

Automation Enhancement and Preservation Fund: Effective January 1, 2002, the General Assembly of North Carolina mandated that 10% of fees collected pursuant to General Statute 161-10 and retained by the County shall be set aside annually and placed in a nonreverting fund, the proceeds of which shall be expended on computer and imaging technology in the office of the Register of Deeds. This is a sub-fund of the General Fund.

Available (Undesignated) Fund Balance: This refers to the funds remaining from the prior year, which are available for appropriation and expenditure in the current year.

B

Balance Sheet: A formal statement of assets, liabilities, and fund balance as of a specific date.

Balanced Budget: A budget in which planned revenues are equal to planned expenditures. All county budgets are required by the State of North Carolina to be balanced.

Benefits: Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included is the government's share of costs for Social Security, retirement, medical and life insurance plans.

Bond: A long-term I.O.U. or promise to pay. It is a promise to repay a specified amount of money (the face amount of the bond) on a particular date (the maturity date). Bonds are primarily used to finance capital projects.

Bond Rating: The level of credit risk as evaluated by a bond company associated with the County's bond issue. A bond rating ranges from AAA, the highest possible, to D, or default. The higher the County's bond rating, the lower the interest rate to the County on projects financed with bonds.

Bond Refinancing: The payoff and re-issuance of bonds to obtain better interest rates and/or bond conditions.

GLOSSARY CONTINUED

Breakbulk: Loose cargo, such as cartons, stowed directly in the ship's hold as opposed to containerized or bulk cargo.

Budget: A plan of financial activity for a specified period of time (fiscal year or biennium) indicating all planned revenues and expenses for the budget period.

Budget Calendar: The schedule of key dates that a government follows in the preparation and adoption of the budget.

Budget Ordinance: The legal document adopted by the Board to estimate revenues, establish appropriations and levy taxes for a unit of government for the coming year. It has the full force and effect of law within the County boundaries unless it is in conflict with any higher form of law, such as a state statute or constitutional provision. It establishes the legal framework for the financial operations of the County for the current year.

Budgetary Basis: This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: Generally Accepted Accounting Principles (GAAP), cash, or modified accrual.

Budgetary Control: The control or management of a government in accordance with the approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources.

C

CADD: Acronym for Computer Aided Drafting Design system.

CAFR: Acronym for Comprehensive Annual Financial Report; see ***Comprehensive Annual Financial Report*** listing.

Capital Assets: Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.

Capital Improvements: Expenditures related to the acquisition, expansion, or rehabilitation of an element of the government's physical plant that is sometimes referred to as infrastructure.

Capital Improvements Program: A plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long-term needs.

Capital Outlay: Fixed assets that have a value of \$5,000 or more, and have a useful economic lifetime of more than one year; or assets of any value if the nature of the item is such that it must be controlled for custody purposes as a fixed asset.

GLOSSARY

Capital Project: Major construction, acquisition, or renovation activities that add value to a government's physical assets or significantly increase their useful life; also called capital improvements.

Cash Basis: A basis of accounting in which transactions are recognized only when cash is increased or decreased.

Certificates of Participation: A County obligation secured by relatively short-term leases on public facilities. Voter approval is not required.

CIP: Acronym for Capital Improvements Program; see ***Capital Improvements Program*** listing.

Comprehensive Annual Financial Report: The official annual financial report of the County. This report summarizes and discloses the financial activity of the County and its component units for the fiscal year. The County Finance Department produces this document.

Contingency: A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contractual Services: Services rendered to a government by private firms, individuals, or other governmental agencies.

COP's: An acronym for Certificates of Participation; see ***Certificates of Participation*** listing.

CY: Acronym for ***calendar year***.

D

Debt Service: The cost of paying principal and interest on borrowed money according to a pre-determined payment schedule.

Department: A basic organizational unit of government that is functionally unique in its delivery of services. The department may be subdivided into divisions or programs.

Depreciation: The systematic allocation of the cost of an asset (less residual value if any) over the useful life of the asset. Depreciation recognizes the gradual exhaustion of the asset's service capacity.

Disbursement: The expenditure of monies from an account.

Distinguished Budget Presentation Awards Program: A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

GLOSSARY CONTINUED

Division: A functioning group of related activities within a department. The department's unique function is further delineated into smaller functioning units (divisions) that focus on delivery of specific services.

E

Encumbrance: The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a specified future expenditure.

Entitlements: Payments to which local governmental units are entitled pursuant to an allocation formula determined by the agency providing the moneys, usually the state or the federal government.

Enterprise Fund: A fund that is a type of Proprietary Fund. An enterprise fund is established to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the Board of County Commissioners is that the costs of providing services be fully or predominantly financed through user fees.

Expense: The amount of assets or services used during a period.

Expenses: The daily costs incurred in running and maintaining a business or governmental entity.

Expenditure: The payment of funds against appropriations that reduce cash balance. Expenditures are made for the purpose of acquiring an asset, service, or settling a loss.

F

Fiduciary Fund: One of 3 Fund classifications established by the GAAP standards. Fiduciary Funds are used to account for assets held by the County in a trustee capacity, or as an agent for individuals, private organizations, other governmental units, and/or other funds. Since, by state statutes, these funds are not subject to appropriation by the Board of County Commissioners, these funds are not included in the annual budget ordinance or the budget document. However, these funds are reported in the Comprehensive Annual Financial Report. The Fiduciary Fund Classification includes two types: Agency and Trust Funds. See ***Agency Fund and Trust Fund***.

Fiscal Year: A 12-month period designated as the operating year for accounting and budgeting purposes in an organization. North Carolina State Statutes require local governments to begin the fiscal year on July 1 and end on June 30.

Fixed Assets: Assets of long-term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment.

FTE'S: An acronym for Full-Time Equivalent Positions; see ***Full-Time Equivalent Positions*** listing.

GLOSSARY CONTINUED

Full Faith and Credit: A pledge of a government's taxing power to repay debt obligations.

Full-Time Equivalent Positions: A position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time position working for 20 hours per week would be the equivalent to .5 of a full-time position.

Function: A group of related activities aimed at accomplishing a major service or regulatory program for which a government is responsible (e.g., public safety).

Fund: A fiscal entity with revenues and expenses that are segregated for the purpose of carrying out a specific purpose or activity.

Fund Accounting: is a method of accounting and presentation whereby assets and liabilities are grouped by individual fund according to the purpose for which they are to be used. Generally used by government entities and not-for-profits.

Fund Balance: The excess of the assets of a fund over its liabilities, reserves, and carryover.

FY: Acronym for fiscal year; see *Fiscal Year* listing.

G

GAAP: An acronym for Generally Accepted Accounting Principles. See *Generally Accepted Accounting Principles* listing.

General Fund: The general fund is used to account for the financial activities of the general government not required to be accounted for in another account.

General Obligation Bond: This type of bond is backed by the full faith, credit, and taxing power of the government.

Generally Accepted Accounting Principles: Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules and procedures that define accepted accounting principles.

Goal: A statement of broad direction, purpose, or intent based on the needs of the community. A goal is general and timeless.

Governmental Funds: One of 3 Fund classifications established by the GAAP standards. Governmental funds are used to account for most typical governmental functions focusing on the acquisition, use, and balances of a local or state government's expendable financial resources and the related current liabilities. The accounting for governmental funds has a budget orientation using the current financial

GLOSSARY CONTINUED

resources measurement focus and the modified accrual basis of accounting. The governmental fund types included in the New Hanover County Budget are the General Fund and Special Revenue Fund. See **General Fund** and **Special Revenue Fund** listings.

Grants: A contribution by a government or other organization to support a particular function.

H *(reserved for future use)*

I

Indirect Cost: A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one service.

Infrastructure: The physical assets of a government (e.g., streets, water, sewer, public buildings, and parks).

Interest: The cost for using money. The payment of interest is an expense to the County; the receipt of interest is revenue.

Interfund Transfers: The movement of monies between funds of the same governmental entity.

Intergovernmental Revenue: Funds received from federal, state, and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

Investments: Securities held for the production of income. All investments made by the County must be in accordance with North Carolina General Statute 159-30.

J *(reserved for future use)*

K *(reserved for future use)*

L

Lease Purchase Agreement: Contracted agreements that are termed leases but apply the lease amount to the purchase.

M

Major Funds: Represent the significant activities of the County and include any fund whose revenues or expenditures, excluding other financing sources and uses, constitute more than 10% of the revenues or expenditures of the appropriated budget.

GLOSSARY CONTINUED

Mandated Service: A legal requirement usually imposed by state or federal law. This term is used to refer to County services that are provided to comply with state or federal laws.

Modified Accrual: A budgetary accounting technique whereby revenues are recognized when they become measurable and available as net current assets to pay liabilities of the current period. Expenditures are recorded when the liability is actually incurred.

N

Net County Cost: Net appropriation less program revenues (or special-purpose funds allocated). This figure represents the part of a budget unit's appropriation that is financed by the County's discretionary (general-purpose) revenues.

Non-Departmental Accounts: Items of expenditure essential to the operation of the County government that do not fall within the function of any department, or which provide for expenditures related to more than one department.

Non-Major Funds: Represent any fund that does not meet the requirements of a Major Fund.

O

Object: An expenditure classification, referring to the lowest and most detailed level of classification; such as, telephone expense, postage expense, or departmental supplies.

Objective: Something to be accomplished in specific, well defined and measurable terms that is achievable within a specific time frame.

Obligations: Amounts that a government may be legally required to meet from its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Expenses: The cost for personnel, materials, and equipment required for a department to function.

Operating Revenue: Funds that the government receives as income to pay for on-going operations. It includes such items as taxes, fees from specific services, interest earning and grant revenues. Operating revenues are used to pay for day-to-day services.

Ordinance: A law set forth by a government authority, specifically, a County regulation or formal legislative enactment by the Board of Commissioners. It has the full force and effect of law within the County boundaries unless it is in conflict with any higher form of law, such as, a state statute or constitutional provision. An ordinance has higher legal standing than a resolution.

GLOSSARY CONTINUED

P

Pay-As-You-Go Basis: A term used to describe a financial policy by which capital outlays or capital projects are financed from current revenues rather than through borrowing.

Performance Measure: Defines data that documents how effectively or efficiently a program is achieving its objectives. In the New Hanover County Performance Measures tables, the use of the term “*not avail.*” denotes data that was not collected or recorded during a period of time. The abbreviation “*N/A*” denotes “*not applicable*” and is used when the information does not apply to prior years.

Personnel: Expenditures made for salaries and wages for regular and temporary employees of the County.

Prior Year: The fiscal year immediately preceding the current year.

Property Tax: A tax levied on the assessed value of real property. This tax is also known as ad valorem tax.

Proprietary Fund: One of 3 Fund classifications established by the GAAP standards. This Fund is used to account for funds for County operations which are managed in a manner similar to private business. Unlike governmental funds, net income is determined in Proprietary Funds. The two types of Proprietary Funds are Enterprise and Internal Service Funds. Only the Enterprise Fund type is included in the New Hanover County Budget. The County does not use Internal Service Funds. See ***Enterprise Fund*** listing.

Program: A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the government is responsible.

Purchase Order: A written authorization for a vendor to supply goods or services at a specified price over a specified time period. Acceptance of the purchase order constitutes a purchase contract and is legally binding on all parties.

Q (*reserved for future use*)

R

Resolution: A formal decision of action or policy adopted by the County Board of Commissioners at a Board meeting.

Revaluation: A process by which all County property values are reviewed to assure they are true value. True value is a monetary value that a buyer and seller would agree on without being compelled to buy or sell. Every county in North Carolina is required to reappraise its real property at least every 8 years.

GLOSSARY CONTINUED

Revenue Bond: This type of bond is backed only by the revenues from a specific enterprise or project, such as a hospital or toll road.

Revenue Neutral: The revenue neutral property tax rate is 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 reappraisal had occurred. Each year after a general reappraisal of property, the Budget Officer is required to include in the budget, for comparison purposes, a statement of the revenue neutral tax rate.

Revenues: Sources of income financing the operations of government.

S

Salary Lag: Anticipated savings resulting from authorized positions being unfilled. Estimated vacancies are subtracted from the amount budgeted for salaries.

Sales Tax: A tax levied on the taxable sales of all final goods. The state of North Carolina levies a 4.25% sales tax and allows counties to levy up to a 2.5% sales tax. New Hanover County levies the full 2.5% sales tax and distributes the proceeds on an ad valorem basis with jurisdictions within the County.

Source of Revenue: Revenues are classified according to their source or point of origin.

Special District: A unit of local government (other than a county or city) that is created for the performance of limited governmental functions and for the operation of a particular utility or public service enterprise.

Special Revenue Fund: A fund used to account for the proceeds of specific revenue sources (other than trusts for individuals, private organizations, or other governments, or for major capital projects) that are legally restricted to expenditure for specific purposes.

T

Tax Base: The total assessed value of real, personal, and state appraised property within the County.

Tax Collection Rate: The percentage of the tax levy that is expected to be collected in a fiscal year. The budgeted collection rate cannot exceed the actual collection rate for the previous year.

Tax Levy: The resultant product when the tax rate per \$100 is multiplied by the tax base and adjusted for the rate of collection.

Tax Year: The calendar year in which tax bills are sent to property owners.

GLOSSARY CONTINUED

Taxes: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

Transfers In/Out: Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

Trust Fund: One of the two types of Fiduciary Funds. Trust Fund amounts are held by the County in a trustee capacity when the amounts are designated for a particular purpose.

U

Unencumbered Balance: The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purposes.

Unreserved Fund Balance: The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

User Charge: The payment of a fee for direct receipt of a public service by the party who benefits from the service.

V *(reserved for future use)*

W *(reserved for future use)*

X *(reserved for future use)*

Y *(reserved for future use)*

Z *(reserved for future use)*

ACRONYMS

Acronyms are alphabetized by the acronym itself and not the full text name. **For example: GAAP** (Generally Accepted Accounting Principles) is listed before **GF** (General Fund) in the acronyms listing. If the order was based on the full text spelling of the acronym, GF would come before GAAP. This presentation is used to provide an efficient method for the reader to locate the acronym meaning.

A

ABC: Alcohol Beverage Control
ALE: Alcohol Law Enforcement

B

BCOL: Bradley Creek Outfall Line

C

CADD: Computer Aided Drafting Design System
CAFR: Comprehensive Annual Financial Report
CAMA: Coastal Area Management Act
CAS: Code Administration Services
CDBG: Community Development Block Grant
CERT: Cell Extraction Response Team
CFCC: Cape Fear Community College
CFPUA: Cape Fear Public Utility Authority
CIP: Capital Improvements Program
CLIA: Clinical Laboratory Improvement Amendments
COLA: Commission of Laboratory Accreditation
COPS: Certificates of Participation
CPS: Child Protection Services
CRS: Community Rating System
CSI: Crime Scene Investigation
CWMTF: Clean Water Management Trust Fund
CY: Calendar Year

D

DOD: Department of Defense
DSS: Department of Social Services

E

EAP: Employee Assistance Program
EEE: Eastern Equine Encephalitis
EEFund: Environmental Education Fund
EEOC: Equal Employment Opportunity Commission
EFT: Electronic Funds Transfer
EOC: Emergency Operations Center
EOD: Emergency Operations Division

ACRONYMS CONTINUED

EPA: Environmental Protection Agency
EPIC: Emergency Public Information Center
ERT: Emergency Response Team

F

FAA: Federal Aviation Administration
FEMA: Federal Emergency Management Agency
FFS: Full Fleet Service
FGP: Foster-Grandparent Program
FMLA: Family and Medical Leave Act
FTE: Full-Time Equivalent Positions
FY: Fiscal Year

G

GAAP: Generally Accepted Accounting Principles
GF: General Fund
GFOA: Government Finance Officers Association
GIS: Geographic Information Systems
GMTS: Governmental Moneys Transfer System
GPS: Global Positioning System

H

HIPPA: Health Information Privacy Protection Act
HIV: Human Immunodeficiency Virus
HPA: Health Programs Administrator
HUD: Housing and Urban Development

I

IDEA: Inspection Department Express Access
ILM: Wilmington International Airport
INS: Immigration & Naturalization Service
IT: Information Technology

J

(reserved for future use)

K

(reserved for future use)

L

LBR: "Leading by Results"
LED: Light-Emitting Diode

ACRONYMS CONTINUED

M

M: Million
M&O: Maintenance and Operational

N

NA: Not Applicable
N/A: Not Available
NCCMT: North Carolina Cash Management Trust
NCIP: North Carolina International Port
NEI: North East Interceptor
NHC: New Hanover County
NHC-TV: New Hanover County Television
NHRMC: New Hanover Regional Medical Center
NIMS: National Incident Management System

O

OPEB: Other Post Employment Benefits

P

PARTS: Preventive Maintenance and Repair System
PSC: Private Sector Cost

Q

(reserved for future use)

R

RSVP: Retired Senior Volunteer Program

S

SAFE: Sheriff's Alcohol Field Enforcement
SARA: Superfund Amendments and Reauthorization Act
SEMH: Southeastern Center for Mental Health
SRT: Specialized Response Team
STAR: Short Turn Around Review

T

TANF: Temporary Assistance to Needy Families
TB: Tuberculosis
TDA: Tourism Development Authority
TILT: Time-in-Lieu-of-Temperature

U

(reserved for future use)

ACRONYMS CONTINUED

V

VA: Veterans Administration
VOC: Volatile Organic Compounds

W

WAY: Wellness and You
WASTEC: Waste-to-Energy Conversion Facility
WCCD: Wilmington Convention Center
WF: Work First
WIC: Women, Infants and Children
WNV: West Nile Virus

X

(reserved for future use)

Y

YES: Youth Empowerment Services

Z

(reserved for future use)

**NEW HANOVER COUNTY, NORTH CAROLINA
FISCAL YEAR 2009-2010 BUDGET ORDINANCE**

BE IT ORDAINED by the Board of Commissioners of New Hanover County, North Carolina:

Section 1: The following amounts are hereby appropriated in the General Fund for the operation of the New Hanover County government and its activities for the fiscal year beginning July 1, 2009, and ending June 30, 2010, in accordance with the Chart of Accounts heretofore established for New Hanover County:

GENERAL FUND

<u>Function</u>	<u>Appropriation</u>
General Government	\$30,662,587
Human Services	53,824,579
Public Safety	44,632,759
Economic & Physical Development	1,250,925
Cultural & Recreational	9,790,335
Education (Cape Fear Community College)	5,841,767
Debt Service	23,299,301
Transfers to Other Funds	80,800,489
Contingency	<u>89,777</u>
Total Appropriation - General Fund	<u>\$250,192,519</u>

Section 2: It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2009, and ending June 30, 2010:

<u>Revenue Source</u>	<u>Amount</u>
Ad Valorem Taxes	\$151,449,581
Sales Taxes	39,827,821
Room Occupancy Taxes	36,000
Other Taxes	2,883,179
Charges for Services	9,105,119
Interest on Investments	574,457
Intergovernmental Revenue - State	2,628,369
Intergovernmental Revenue - Federal	28,138,584
Intergovernmental Revenue - Other	5,583,682
Special Assessments	142,121
Miscellaneous Revenue	5,785,037
Transfer In From Other Funds	2,105,919
Appropriated Fund Balance	<u>1,932,650</u>
Total Estimated Revenues - General Fund	<u>\$250,192,519</u>

NEW HANOVER COUNTY SCHOOLS FUND

Section 3: The following amounts are hereby appropriated and allocated in the New Hanover County Schools Fund pursuant to G.S. 115-429(b). Allocations made to the New Hanover County School Board through G.S. 115-429(b) binds the Board of Education to the following directions and limitations in regards to these funds:

1) The Budget Resolution adopted by the New Hanover County Board of Education shall conform to the specific allocations by operating and capital as set forth in this Budget Ordinance.

2) The Budget Resolution adopted by the New Hanover County Board of Education may not be amended without the prior approval of the Board of Commissioners if the proposed amendment increases or decreases expenditures from the capital outlay fund for the Board of Education; or, the proposed amendment would result in a cumulative increase or decrease of appropriation in any category by 25 percent or more.

<u>Category</u>	<u>Appropriation</u>
Current Operating Expenditures	\$61,908,440
Capital Outlay	0
School Debt Service	22,398,538
Contribution to School Pension Fund	0
Total Appropriation – New Hanover County Schools Fund	<u>\$84,306,978</u>

Section 4: It is estimated that the following revenues will be available in the New Hanover County Schools Fund for the fiscal year beginning July 1, 2009, and ending June 30, 2010:

<u>Revenue Source</u>	<u>Amount</u>
Transfer In From General Fund	\$80,241,978
Transfer In From Capital Project	1,065,000
Appropriated Fund Balance	<u>3,000,000</u>
Total Revenues – New Hanover County Schools Fund	<u>\$84,306,978</u>

In accordance with G.S. 115-429(c), the Board of Commissioners requires the Board of Education to notify the Board of Commissioners in writing of any changes made to their planned capital fund expenditures. The notification should include: (1) nature of the change; (2) reason for the change; (3) dollar amount of any expenditure change by planned project; and (4) plans for, and estimated cost of, completing the planned project in the future if completion as originally anticipated will not be possible.

EMERGENCY TELEPHONE SYSTEM FUND – ARTICLE 3

Section 5: The following amount is hereby appropriated in the Emergency Telephone System Fund for the fiscal year beginning July 1, 2009, and ending June 30, 2010, for the purpose of maintaining an Emergency 911 System in New Hanover County:

Total Appropriation – Emergency Telephone System Fund – Article 3	<u>\$431,105</u>
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Section 6: It is estimated that the following revenue will be available in the Emergency Telephone System Fund for the fiscal year beginning July 1, 2009, and ending June 30, 2010:

<u>Revenue Source</u>	<u>Amount</u>
Other Taxes	<u>\$431,105</u>
Total Revenue – Emergency Telephone System Fund – Article 3	<u>\$431,105</u>

ROOM OCCUPANCY TAX FUND

Section 7: The following amount is hereby appropriated in the Room Occupancy Tax Fund for the fiscal year beginning July 1, 2009, and ending June 30, 2010:

Total Appropriation – Room Occupancy Tax Fund \$3,833,211

Section 8: It is estimated that the following revenues will be available in the Room Occupancy Tax Fund for the fiscal year beginning July 1, 2009, and ending June 30, 2010:

<u>Revenue Source</u>	<u>Amount</u>
Room Occupancy Taxes	\$3,476,540
Special Assessments	356,671
Total Revenues – Room Occupancy Tax Fund	<u>\$3,833,211</u>

ENVIRONMENTAL MANAGEMENT FUND

Section 9: The following amount is hereby appropriated in the Environmental Management Fund for the fiscal year beginning July 1, 2009, and ending June 30, 2010:

Total Appropriation – Environmental Management Fund \$17,543,900

Section 10: It is estimated that the following revenues will be available in the Environmental Management Fund for the fiscal year beginning July 1, 2009, and ending June 30, 2010:

<u>Revenue Source</u>	<u>Amount</u>
Intergovernmental Revenue - State	\$355,000
Charges for Services	14,883,000
Miscellaneous Revenues	2,305,900
Total Revenues – Environmental Management Fund	<u>\$17,543,900</u>

SPECIAL FIRE DISTRICT FUND

Section 11: The following amount is hereby appropriated in the Special Fire District Fund for the operation of fire protection services for the fiscal year beginning July 1, 2009, and ending June 30, 2010, in accordance with the Chart of Accounts heretofore established for New Hanover County:

Total Appropriation – Special Fire District Fund \$9,937,471

Section 12: It is estimated that the following revenues will be available in the Special Fire District Fund for the fiscal year beginning July 1, 2009, and ending June 30, 2010:

<u>Revenue Source</u>	<u>Amount</u>
Ad Valorem Taxes	\$7,504,171
Sales Taxes	1,742,785
Charges for Service	112,800
Intergovernmental Revenues - State	0
Intergovernmental Revenues - Federal	274,690
Interest on Investments	18,150
Appropriated Fund Balance	284,875
Total Revenues – Special Fire District Fund	<u>\$9,937,471</u>

Section 13: The following amounts are a summary of the foregoing appropriations as detailed in this Budget Ordinance for the fiscal year beginning July 1, 2009, and ending June 30, 2010, in accordance with the Chart of Accounts heretofore established for New Hanover County:

<u>Summary</u>	<u>Estimated Revenues</u>	<u>Fund Balance Appropriated</u>	<u>Total Appropriation</u>
General Fund	\$248,259,869	\$1,932,650	\$250,192,519
New Hanover County Schools Fund	81,306,978	3,000,000	84,306,978
Emergency Telephone System-Article 3	431,105	0	431,105
Room Occupancy Tax Fund	3,833,211	0	3,833,211
Environmental Management Fund	17,543,900	0	17,543,900
Special Fire District Fund	<u>9,652,596</u>	<u>284,875</u>	<u>9,937,471</u>
Total Budget	<u>\$361,027,659</u>	<u>\$5,217,525</u>	<u>\$366,245,184</u>

Section 14: There is hereby levied a tax at the rate of forty-five and twenty-five-hundredths cents (\$.4525) per one hundred dollars (\$100) valuation of property listed as of January 1, 2009, for the purpose of raising revenue included in "Ad Valorem Taxes" in the General Fund in Section 2 of this Ordinance.

This rate is based on an estimated total valuation of property for the purpose of taxation of \$33,658,717,000 and an estimated collection rate of 98.0%. The estimated rate of collection is based on the fiscal 2008–2009 collection rate of 98.2%.

Section 15: There is hereby levied a tax at the rate of six cents (\$.06) per one hundred dollars (\$100) valuation of property listed for taxes as of January 1, 2009, located within the Special Fire District for the raising of revenue for said Special Fire District.

This rate of tax is based on an estimated total valuation of property for the purposes of taxation of \$12,609,985,000 and an estimated collection rate of 98.0%. The estimated rate of collection is based on the fiscal year 2008-2009 collection rate of 98.2%.

Section 16: All expenditures relating to obtaining the bond referendum and or installment purchase will be reimbursed from non-taxable bond proceeds and installment purchase proceeds in accordance with the requirements of the United States Treasury Regulations Section 1.150-2.

Section 17: That appropriations herein authorized and made shall have the amount of (1) outstanding purchase orders as of June 30, 2009, and (2) grants unexpended by New Hanover County as of June 30, 2009, added to each appropriation as it appears in order to account for the payment against the fiscal year in which it is paid.

Section 18: The County Manager, and or the Budget Director as the County Manager's designee, is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a. He/she may transfer amounts between expenditure line items within a department without limitation and without a report being required.
- b. He/she may transfer amounts between appropriation units within the same budget function and fund without limitation and without a report being required.

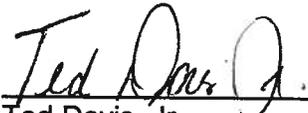
- c. He/she may make transfers up to \$2,500 between budget functions within the same fund. Those transfers must subsequently be reported at the next regular meeting of the Board of Commissioners.
- d. He/she may not transfer any amounts between funds nor from the General Fund contingency appropriation without approval by the Board of Commissioners.

Section 19: At June 30, 2009, the estimated outstanding Interfund Loan balance owed to the General Fund by the Environmental Management Fund is \$5,000,000. This amount represents principal amount only. Principal is required to be repaid. No interest will be charged.

Section 20: This ordinance and the budget document shall be the basis for the financial plan for New Hanover County for the 2009-2010 fiscal year. The Budget Officer shall administer the budget. The Finance Director shall establish and maintain all records which are in concurrence with this budget and the budget ordinance and the appropriate statutes of the State of North Carolina.

Section 21: Copies of this Budget Ordinance shall be furnished to the Clerk to the Board of Commissioners and to the Budget Director and Finance Director of New Hanover County, North Carolina, to be kept on file by them for their direction in the disbursement of funds.

ADOPTED, this 22nd day of June 2009.



Ted Davis, Jr.
Chairman



Sheila L. Schult
Clerk to the Board



**ORDINANCE OF THE NEW HANOVER COUNTY
BOARD OF COMMISSIONERS**

WHEREAS, as part of the FY09-10 budget process departments are asked to review existing fee schedules and recommend changes if needed;

AND WHEREAS, the Environmental Management has submitted revisions to be considered by the Board of Commissioners;

NOW, THEREFORE, the Board of Commissioners of New Hanover County, North Carolina, does hereby ordain that the New Hanover County Ordinances are amended as follows to be effective August 1, 2009:

1. Amend Sec. 44-41. Charges generally:

Sec. 44-41. Charges generally.

For the service of collecting and disposing of refuse, the owner or occupant of all premises from which refuse is collected by the county or its franchisee shall be charged such rates as may be established, from time to time, by the county commissioners. No owner or occupant of these premises shall be exempt from the collection and disposal service provided by the county or by individual franchisees. All owners or occupants of premises within the county shall be subject to the service charges prescribed by the county commissioners, and an adjustment for such charges shall be made at the discretion of the county commissioners on recommendation of the county manager. Fees for the collection and disposal of refuse by the county and its franchisees shall be charged to the owner of all premises in the amount specified in the fee schedule located in Appendix B.

(Ord. of 6-2-2003, § 4)

1. Amend Appendix B Fee Schedule to read:

Chapter 44. Solid Waste
Article II. Collection and Disposal
Division I. Mandatory Residential Service

§ 44-41. Charges generally

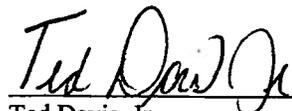
Franchisees' fees are available upon request from each individual franchisee.

County Fees

Category	Fee
Municipal Solid Waste	\$55.65 / ton
Construction / Demolition	\$55.65 / ton
Concrete / Brick / Dirt (Must be verified by Landfill attendant)	\$26.45 / ton
Shingles / Built-Up Roofing (Must be verified by Landfill attendant)	\$24.00 / ton
Refuse Delivered in Cars, Pick-Up Trucks, or Trailers	\$55.65 / ton
Cardboard (85% to 100%)(Must be verified by attendant)	No Charge
Mixed Glass	\$18.00 / ton
Color Sorted Glass	No Charge

Special Waste	Fee
Asbestos (ACCEPTED WITH SPECIAL APPROVAL ONLY)	\$69.00/cubic yard
Sludge (ACCEPTED WITH SPECIAL APPROVAL ONLY)	\$61.30 / ton
Tires (GENERATED DURING THE "NORMAL COURSE OF BUSINESS")	No Charge
Tires (NOT GENERATED DURING THE "NORMAL COURSE OF BUSINESS")	\$83.00 / ton
Oyster Shells (RECYCLED)	No Charge
Household or Lead Acid Batteries (RECYCLED)	No Charge
Waste Oil / Antifreeze (RECYCLED)	No Charge
Waste Paint (HOMEOWNERS ONLY, LIMIT 10 GALLONS)	No Charge
Appliances (WHITEGOODS FEES PAID)	No Charge
Special Handling (DIRECT INCINERATION)	\$100 minimum

ADOPTED, this 22nd day of June 2009.


 Ted Davis, Jr.
 Chairman


 Sheila L. Schult
 Clerk to the Board



