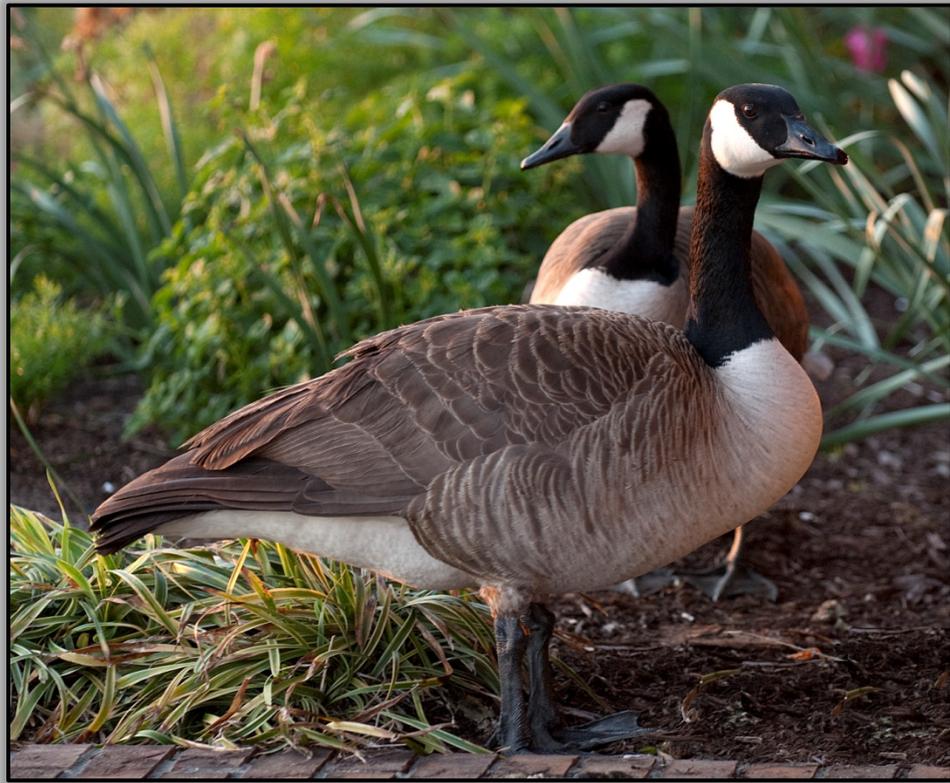


New Hanover County, North Carolina

2012-2013 Adopted Budget



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

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**NEW HANOVER COUNTY
ADOPTED BUDGET**

FISCAL YEAR 2012-2013

County Commissioners

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

County Manager

Bruce T. Shell

Budget Department Staff

Cam Griffin, Budget Director
Elizabeth Schrader, Senior Budget Analyst
Donna G. Seal, Budget Analyst
Amy Akin, Special Projects Officer
Judith Seedorf, Budget Specialist

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

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

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

OUR VISION for NEW HANOVER COUNTY

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

MISSION STATEMENT

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

The New Hanover County
Board of Commissioners

June 2011

BOARD OF COMMISSIONERS



Ted Davis, Jr.
Chairman



Jonathan Barfield, Jr.
Vice-Chairman



Brian M. Berger
Commissioner



Jason R. Thompson, Jr.
Commissioner



Richard G. Catlin
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, 2011

Linda C. Denison Jeffrey R. Egan

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, 2011.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, an operation 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

CHRIS COUDRIET
Assistant County Manager

AVRIL M. PINDER, CPA
Assistant County Manager

June 18, 2012

To the New Hanover County Board of Commissioners and Citizens:

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

The adopted tax rate is 55.4 cents, which is the revenue-neutral tax rate.¹

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

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

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

Personnel Issues

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

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

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

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

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

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

FY12-13 Adopted Budget
Letter of Transmittal
June 18, 2012

be offset by a reduction in the contribution to the Schools. Two positions are being added to enhance the operation of the Senior Resource Center and will be grant funded.

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

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

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

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

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

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

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

GENERAL FUND

Public Schools

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

FY12-13 Adopted Budget
Letter of Transmittal
June 18, 2012

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

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

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

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

Cape Fear Community College (CFCC)

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

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

Community Justice Services

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

Revenues

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

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

Fund Balance

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

ENVIRONMENTAL MANAGEMENT FUND

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

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

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

SPECIAL FIRE SERVICE DISTRICT FUND

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

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

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

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

Capital Improvement Program

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

FY12-13 Adopted Budget
Letter of Transmittal
June 18, 2012

Revaluation

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

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

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

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

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

Strategic Plan

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

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

Superior Public Health, Safety and Education

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

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

Intelligent Growth and Economic Development

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

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

Strong Financial Performance

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

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

Productive Strategic Partnerships

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

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

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

Effective County Management

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

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

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

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

FY12-13 Adopted Budget
Letter of Transmittal
June 18, 2012

Future Concerns

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

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

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

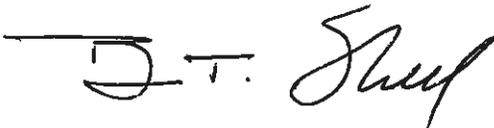
Reflection

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

I am proud to have worked with such an organization. The Staff remain dedicated to the Mission of the Board of County Commissioners: "New Hanover County is committed to progressive public policy, superior service, courteous contact, judicious exercise of authority, and sound fiscal management to meet the needs and concerns of our citizens today and tomorrow."

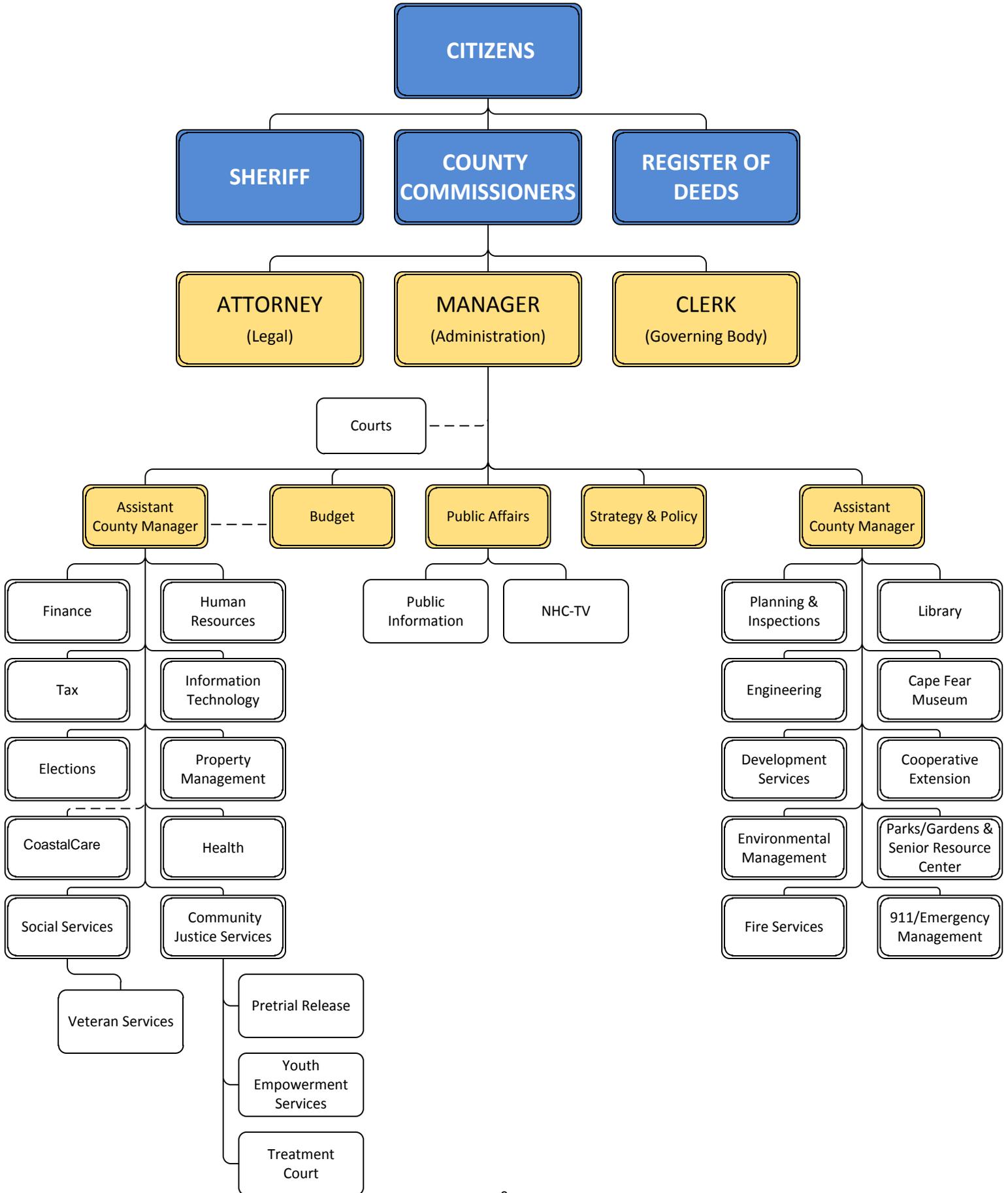
I am confident that Chris Coudriet as Manager and Avril Pinder as Assistant County Manager will serve the Board of County Commissioners and the Citizens of this community well.

Best Regards,

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

Bruce T. Shell
County Manager

NEW HANOVER COUNTY Organizational Chart



**NEW HANOVER COUNTY
POSITION SUMMARY BY FUNCTION**

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

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

BUDGET FUNCTIONS

The County's General Fund budget is comprised of nine functions, which are named in the table below. All General Fund expenditures are classified into one of these nine functions. This is the budgetary level of expenditure control as adopted in the budget ordinance. Following is an outline of the Budget Functions for FY12-13:

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

**NEW HANOVER COUNTY
2011 – 2016 STRATEGIC PLAN**

STRATEGIC FOCUS AREAS AND KEY STRATEGIC OBJECTIVES

In January 2011, New Hanover County, under the direction of the new Chairman of the Board of County Commissioners, began a strategic planning process to guide both policy makers and administrators over the next three to five years.

Actions included the development of a long-term vision, a clear mission statement to guide the operation of County government, and a set of core values.

Five separate strategic focus areas were identified, as well as 26 specific strategic objectives. Under this framework, departments are working on developing key performance indicators for their departments.

Key Performance Indicators (KPIs) can be found in each department's section of this document.

The Strategic Plan was adopted on June 20, 2011, the same day as the FY11-12 budget. While the strategic plan will have more impact on future budgets, the plan identified five strategic focus areas, which were used in the development of the FY12-13 budget.

Strategic Focus Areas

Superior Public Health, Safety and Education

Intelligent Growth and Economic Development

Productive Strategic Partnerships

Strong Financial Performance

Effective County Management

STRATEGIC OBJECTIVES

Within each of the focus areas, key strategic objectives were identified. These include the following:

A. Superior Public Health, Safety and Education

1. Increase public safety and crime prevention.
2. Provide health and wellness education, programs and services.
3. Support programs to improve educational performance.
4. Market and promote New Hanover County's resources.
5. Keep the public informed on important information.

B. Intelligent Growth and Economic Development

1. Attract and retain new and expanding businesses.
2. Enhance and add recreational, cultural and enrichment amenities.
3. Build and maintain infrastructure.
4. Protect the environment through innovative programs.
5. Develop, maintain and implement comprehensive plans for land use, economic development, infrastructure and environmental programs.

C. Productive Strategic Partnerships

1. Influence legislation and external mandates to enhance local autonomy.
2. Develop appropriate public/private partnerships.
3. Collaborate on regional planning.
4. Collaborate on service delivery and implement opportunities to reduce duplication of services.

D. Strong Financial Performance

1. Provide sufficient investment to add/maintain government resources.
2. Maintain strong financial reserves.
3. Control costs and manage the budget.
4. Develop contingency plans to manage risk.
5. Enhance and maintain effective policies.

E. Effective County Management

1. Hire, develop and retain talented people.
2. Leverage technology and information to maximize performance.
3. Increase efficiency and quality of key business processes.
4. Recognize and reward contribution.
5. Create and support an engaged workforce.

Additionally, two strategic objectives are "universal" in that they apply across all of the strategic focus areas:

- Understand and act on citizen needs.
- Deliver value for taxpayer money.

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 FY10-11; b) adopted budget figures for FY11-12; and c) requested, recommended and adopted budget figures for FY12-13.

SYNOPSIS OF FY12-13 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 FY12-13 Budget was adopted on June 18, 2012.

For FY12-13, the County Manager submitted a Recommended Budget with a tax rate of 55.4 cents. The FY12-13 proposed tax rate of 55.4 cents was the revenue neutral tax rate. 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. 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/Budget>. The County Commissioners accepted the recommended rate of 55.4 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 Strategic Plan 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.

The County's budget process requires a balancing of needs and resources in every division of the County. The Board of Commissioners has established 5 Focus Areas and 26 Key Strategic Objectives, which each department uses to develop their service plans for providing County services. Each department further defines and correlates their unique departmental strategies to the applicable respective countywide Focus Areas and Key Strategic Objectives. The Departments establish Key Performance Indicators 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 any 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 expenditure 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 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/Budget>. 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 that 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.

BUDGET PROCESS AND PROCEDURES CONTINUED

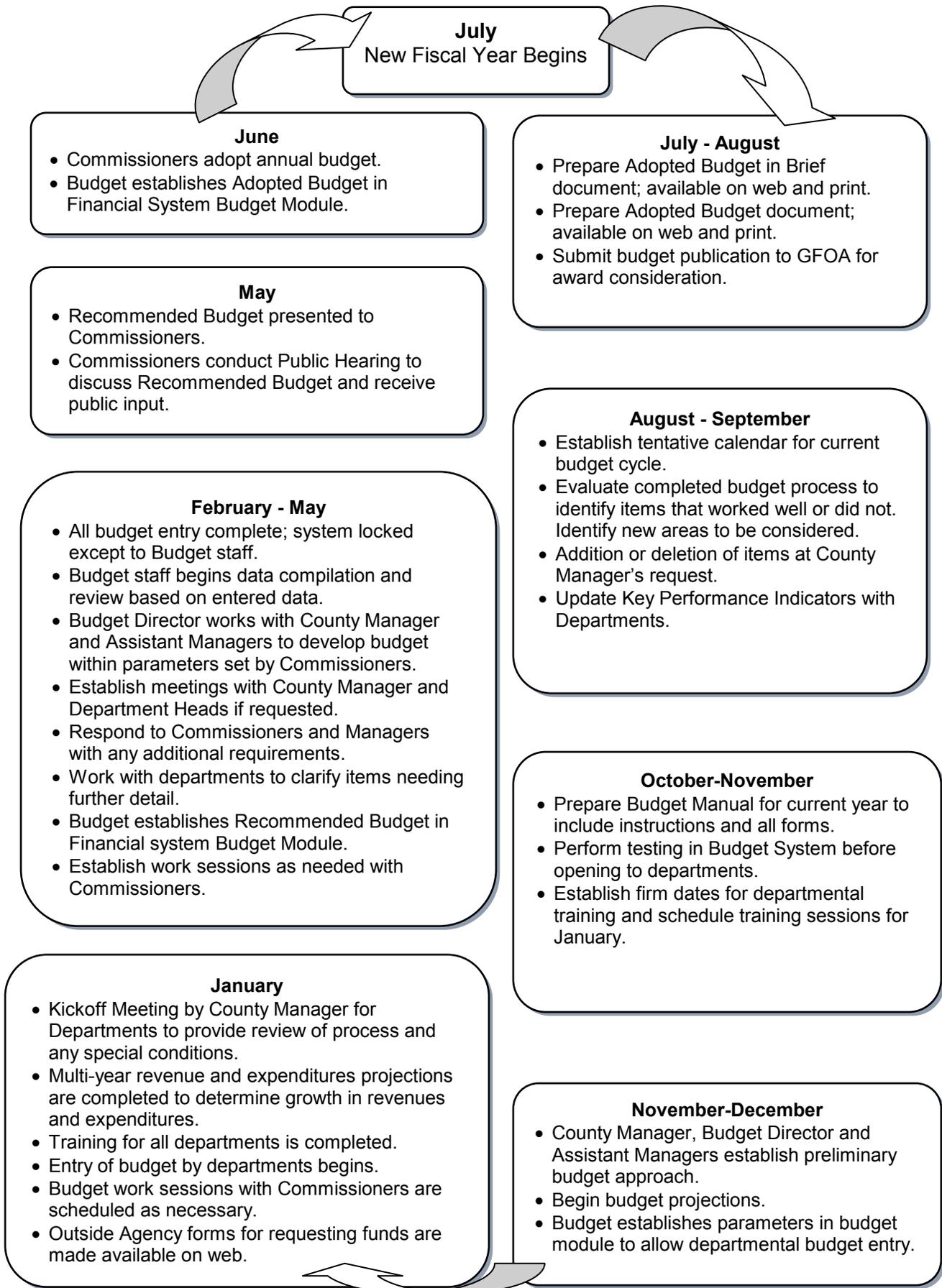
The Budget Department monitors expenses and revenues, adjusts budgets as needed, and prepares reports for the County Manager as needed during the fiscal year.

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 2012-2013

2011

Fall/Winter Capital Improvement Projects for FY12-13 evaluated
Preliminary FY12-13 Budget Discussions with Departments

2012

January 4 FY12-13 Budget Request forms available to Non-County Agencies

January 9 Budget Department provides FY12-13 Strategic Initiatives to Departments to be the basis of their FY12-13 Budget

January 17 - 31 Entry period of FY12-13 budget requests into MUNIS
All budget requests completed by Departments and entered into MUNIS (except DSS and Schools)

January 31 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
- Requests to Reinstate Frozen/Unfunded Position
- Fee Schedule Corrections and Adjustments

January 31 Applications for Funding Requests from Non-County Agencies due to BUDGET

February 6 - 27 County Manager meets with Individual Departments and Assistant County Managers on FY12-13 (voluntary)

April 10 Budget Work Session

May 17 Recommended FY12-13 Budget presented to Board of County Commissioners (informally)

FY12-13 Recommended Budget Information to Departments and Non-County Agencies

May 21 County Manager Presents FY12-13 Recommended Budget at Board of County Commissioners Meeting

June 4 Public Hearing on FY12-13 Budget

June 18 Adopt FY12-13 Budget

Additional work sessions may be held as the budget process continues.

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 Aaa 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.

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 G. S. 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.

FINANCIAL AND BUDGETARY POLICIES CONTINUED

Annual Budget (continued)

- 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.

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.

FINANCIAL AND BUDGETARY POLICIES CONTINUED

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.

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 General Statute 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 three 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 three bank accounts: a tax transfer account, a cash concentration account, and an imprest payroll account. These three 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.
- An official depository shall be selected every five 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.

FINANCIAL AND BUDGETARY POLICIES CONTINUED

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 one 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.
- 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

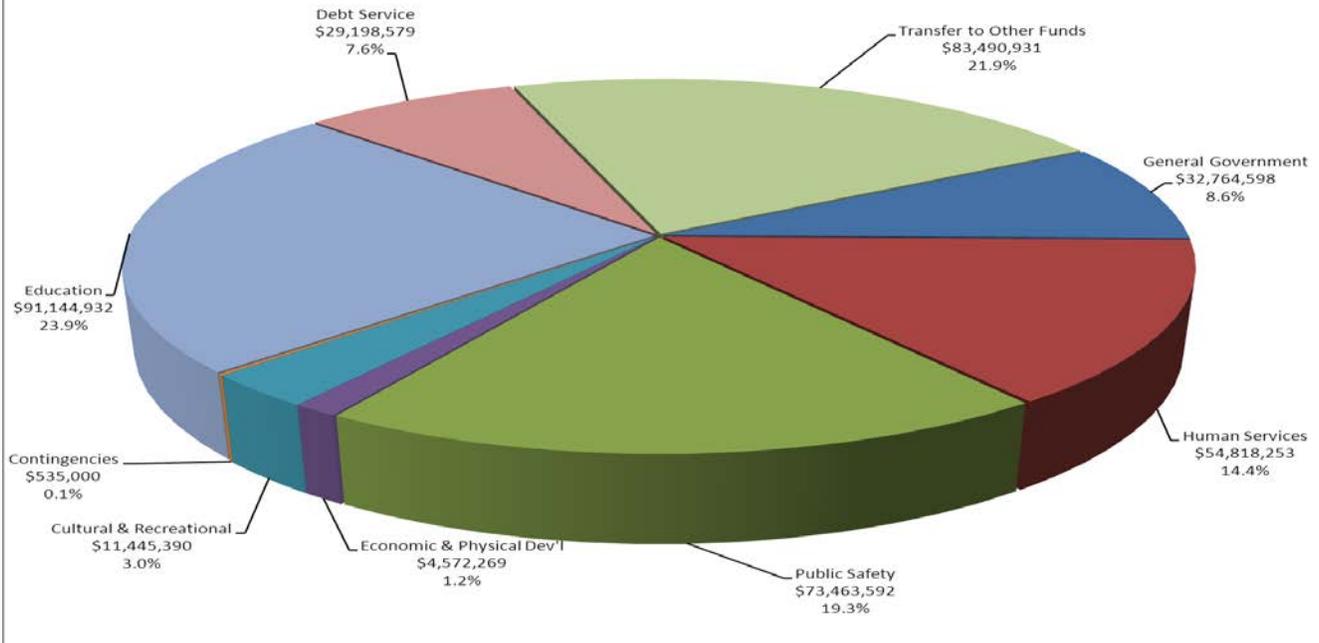
EXPENDITURE SUMMARY	FY10-11 ACTUAL	FY11-12 ADOPTED	FY12-13 ADOPTED	\$ Change	% Change
GENERAL	\$ 253,289,540	\$ 262,275,629	\$ 268,971,456	\$ 6,695,827	2.55%
NEW HANOVER COUNTY SCHOOLS	84,385,687	84,874,086	83,953,165	(920,921)	-1.09%
EMERGENCY TELEPHONE SYSTEM - ARTICLE 3	2,224,565	535,090	665,295	130,205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

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

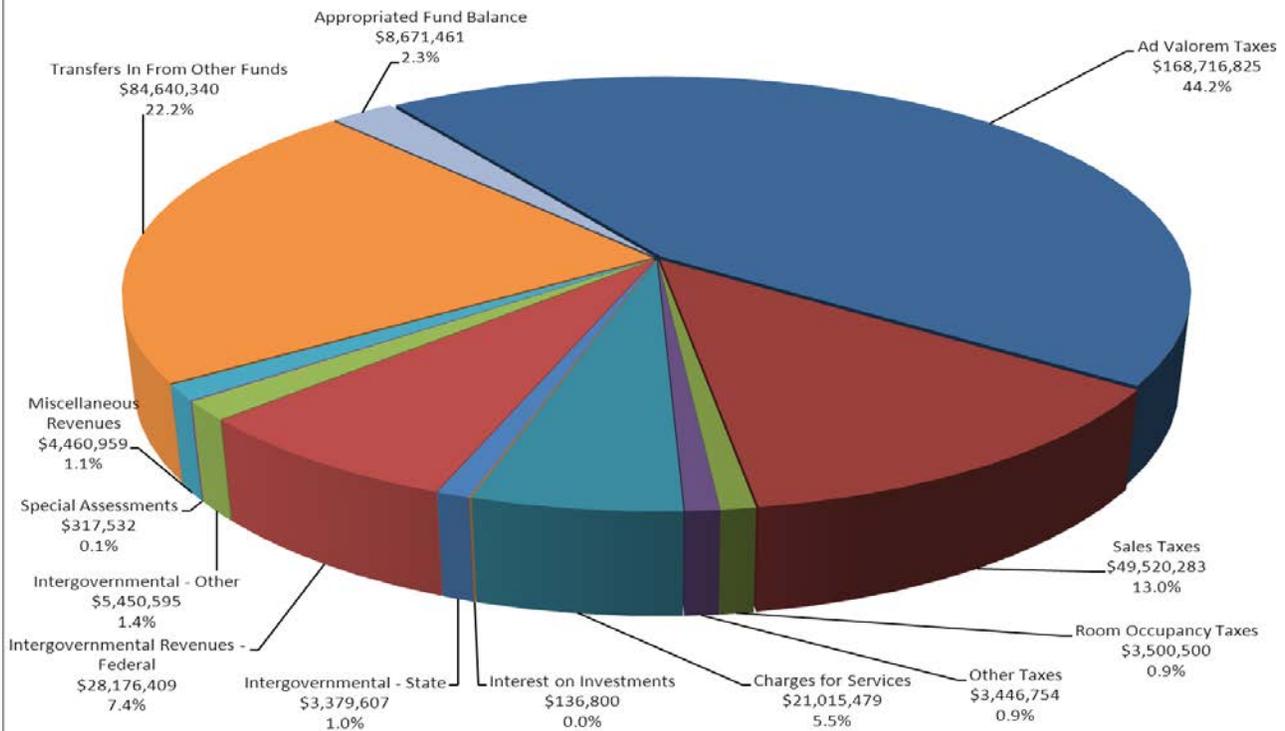
¹ This presentation shows the total budgets of the various funds. Transfers between the General Fund and other funds have not been removed.

SUMMARY OF EXPENDITURES AND REVENUES - ALL FUNDS

FY12-13 Summary of Expenditures by Function - All Funds^{1,2}



FY12-13 Summary of Revenues By Character- All Funds¹



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

² All Environmental Management and Fire Services Funds expenditures are classified as Public Safety expenditures.

EXPLANATION OF SOURCES OF REVENUE AND UNDERLYING ASSUMPTIONS

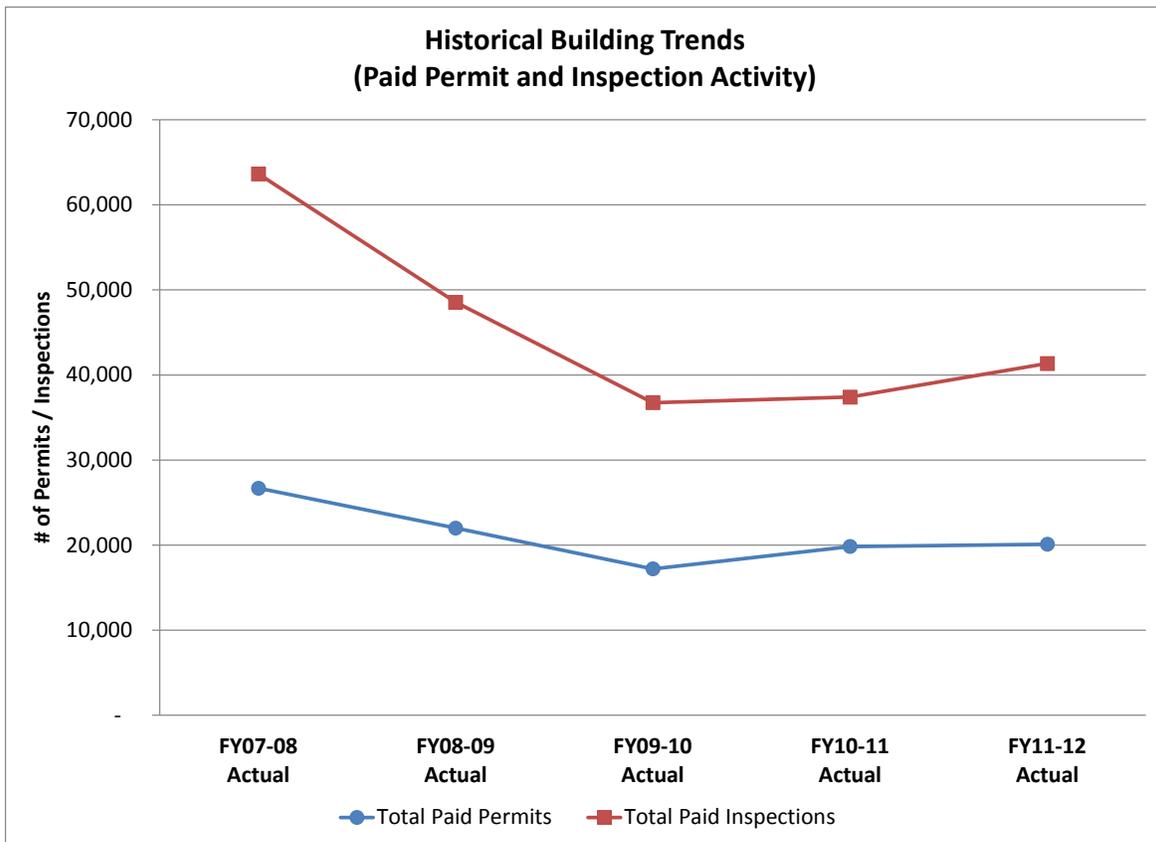
General Fund Revenues

Ad Valorem Tax

Ad valorem tax (property tax) is New Hanover County's largest revenue source, comprising 59.5% of General Fund revenues. Ad valorem tax is a tax on real and personal property 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. Personal property includes vehicles, boats, aircraft and business personal property.

Values of real property are determined by appraisal. The State mandates that a revaluation must be carried out by the County a minimum of once every eight years. The last revaluation took effect January 1, 2012. The FY12-13 budget is the first budget following revaluation. Values of public service companies are assessed every year by the State Department of Revenue.

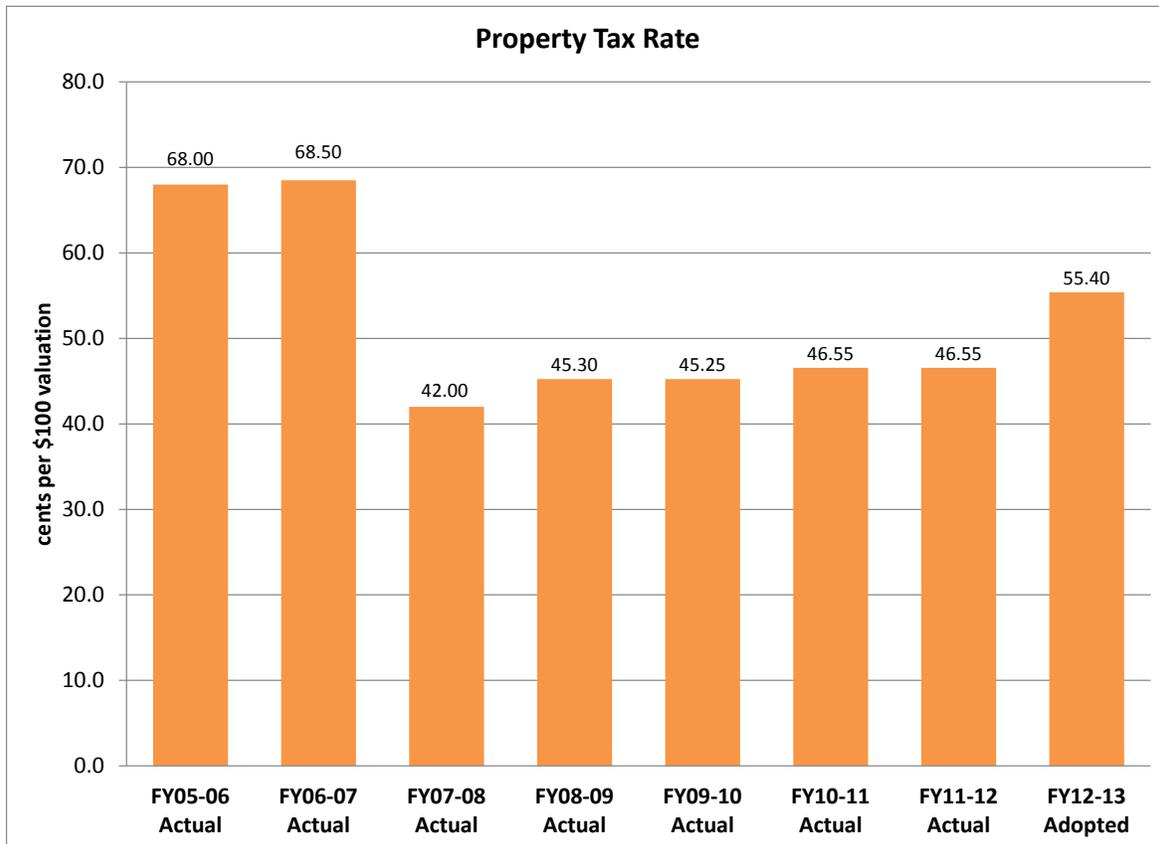
Outside of revaluation years, growth in the tax base is driven primarily by new construction, additions to existing structures and splits of parcels. During the past five years, New Hanover County has seen approximately 1.1% increase in growth in value in non-revaluation years. While building activity appears to have stabilized in FY11-12, it is expected to increase slightly throughout FY12-13.



The values of the personal property and vehicles portion of the tax base are determined using pricing guides and vehicle valuation guidelines based on characteristics such as size, make, model and year.

Each year, the Board of County Commissioners establishes a tax rate. 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. The FY12-13 tax rate is 55.4 cents per \$100 valuation, which is the revenue-neutral tax rate. General Statute 159-11(e) defines the revenue-neutral rate as the rate that is estimated to produce revenue for the next fiscal year equal to the revenue that would have been produced for the next fiscal year by the current tax rate if no revaluation had occurred.

EXPLANATION OF SOURCES OF REVENUE AND UNDERLYING ASSUMPTIONS CONTINUED



The County’s property tax collection rate continues to be one of the highest in the State and consistently exceeds 98% of the levy billed. In FY12-13, every one cent of the general fund property tax rate will generate approximately \$2.8 million in revenue.

Ad valorem taxes on real estate and other personal property, excluding motor vehicles, become legally due on September 1st and must be paid by January 5th, or interest is applied. The interest rate is 2% for the month of January and 0.75% per month for February through December — a total of 10.25% per year.

Motor vehicles are billed based on a staggered registration system on a monthly basis. Motor vehicle taxes are due and payable on the first day of the fourth month following renewal or application for registration. These taxes can be paid without interest until the last day of the fourth month. On the next business day, interest applies. The first delinquent month’s interest charge is 5.0% and then 0.75% each month, or fraction thereof, until paid in full. Of the 5.0% charged the first month, 3.0% is sent to the North Carolina State Treasurer’s Office as required by General Statute 105-330 to fund the new statewide integrated computer effort to combine the process of taxation, registration and inspections into one system and one point of collection. The County and respective jurisdiction retains a portion of the 2.0% and future interest payments.

Sales Taxes

The County’s second largest source of revenue is sales tax. All North Carolina counties are authorized to levy four sales taxes: a County 1-cent (Article 39), two local option one-half cent sales taxes (Articles 40 and 42), and one local option one-quarter cent sales tax (Article 46).

Sales 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. Proceeds are then distributed to the County by the state on either a per capita or point-of-sale basis. Revenue receipts are on a three-month delay (e.g., the tax from a sale that occurred in January 2012 would be received in April 2012).

EXPLANATION OF SOURCES OF REVENUE AND UNDERLYING ASSUMPTIONS CONTINUED

In a May 4, 2010 advisory referendum, voters authorized the levy of the Article 46 one-quarter cent sales tax. On July 16, 2010, the Board of County Commissioners voted to levy this tax. FY11-12 was the first full year for Article 46 revenues. New Hanover County currently levies all four authorized sales taxes.

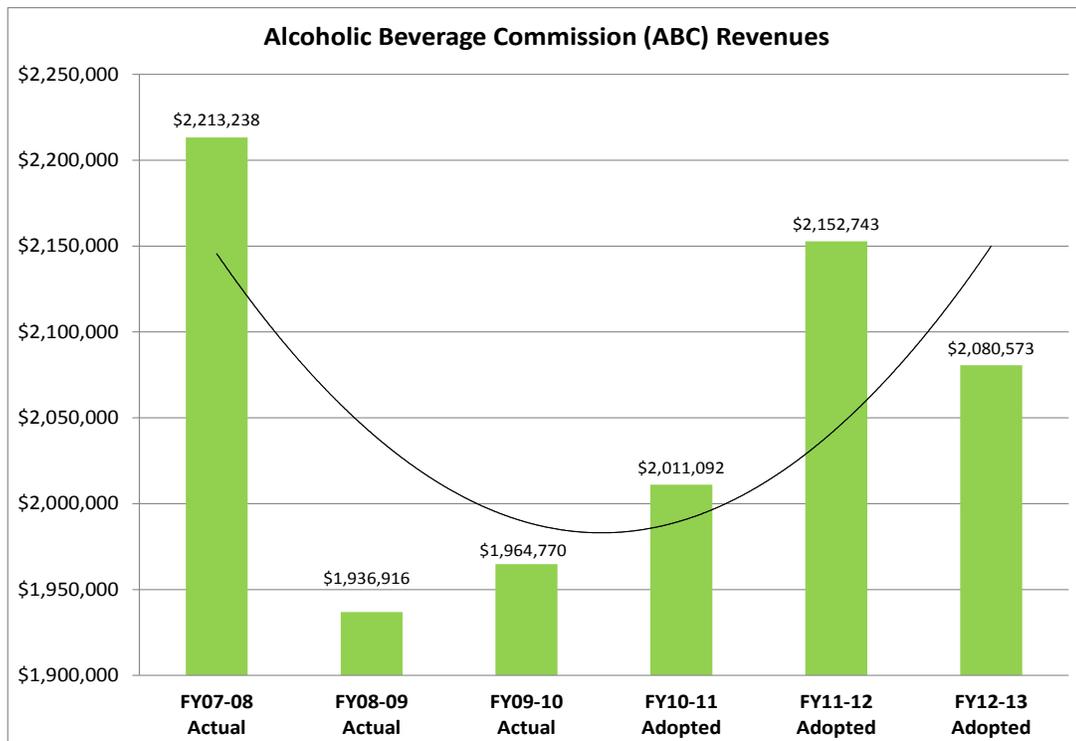
The FY12-13 budget for sales taxes is \$47.6 million, 2.2% higher than the FY11-12 Adopted Budget.

The Board of Commissioners has elected to distribute the Article 39, 40 and 42 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. New Hanover County is not required (or authorized) to share the Article 46 sales tax and, therefore, will retain all proceeds. Currently, the total combined state and local sales tax is 7.0%.

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. These revenue sources are highly dependent on legislative actions of the state and federal government, as well as the administrators of various programs. Collectively, intergovernmental revenues are projected to decrease 2.8% between FY11-12 and FY12-13. This is primarily due to reductions in the Department of Social Services – cuts in the TANF (Temporary Assistance to Needy Families) program, as well as continued decreases in state funding for administration and social work. The decrease is also due to the loss of revenue received from the Schools for Deputies, which is offset by a corresponding decrease in the County’s Schools contribution.

- **Alcoholic Beverage Control (ABC)** – 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. Total ABC revenues are expected to decrease 3.0% versus the FY11-12 Adopted Budget based on receipts to date, economic conditions, historic trends and an increase to the law enforcement allocation.



EXPLANATION OF SOURCES OF REVENUE AND UNDERLYING ASSUMPTIONS CONTINUED

- **Jail Fees** – The United States Marshal Service reimburses counties for locally housing inmates at \$60 per day, and the Federal Bureau of Prisons reimburses counties for locally housing inmates at \$80 per day. The State no longer reimburses for inmates that have been sentenced to 90 days or less. Counties are reimbursed through a program administered by the North Carolina Sheriff Association at \$40 per day, plus transportation costs and medical expenses for inmates that are housed from 91-180 days.
- **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 the costs paid in each civil and criminal action rendered in a Courtroom facility provided by the County. FY12-13 projects a 6.5% decrease from FY11-12 adopted amounts based on FY10-11 actuals and FY11-12 estimated receipts.

Charges for Services

New Hanover County maintains a schedule of fees to be charged to direct users of select County services. Typically, these fees finance, in part, the County functions that collect them. Revenue from permits and inspections makes up the largest revenue source.

- **Planning and Inspections** – Consistent with the slowdown in the housing market and sharp drop in construction, revenues from permits and inspections have declined significantly since the height of FY06-07. An increase is anticipated in FY12-13.

Based on FY11-12 permit and inspection activity, permit quality, and revenue receipts to date, FY12-13 projects \$2 million in revenues, an increase of 7.6% more than the FY11-12 Adopted Budget.

- **Register of Deeds Fees and Charges** – The Register of Deeds collects fees to record deeds, marriage licenses and other instruments. Based on FY11-12 actuals, the FY12-13 budget anticipates \$1.2 million of revenues, an increase of 5% versus the FY11-12 budget.

Reimbursements for Debt

New Hanover County receives reimbursement for principal and interest payments paid by the County for debt issued on behalf of various entities, including the Airport Authority, City of Wilmington (for Parks Bonds), and Cape Fear Public Utility Authority (CFPUA).

As specified in the inter-local agreement signed to form the CFPUA, 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. For FY12-13, total debt repayments by these entities are estimated to be \$3.7 million. The inter-local agreement terms run through FY17-18.

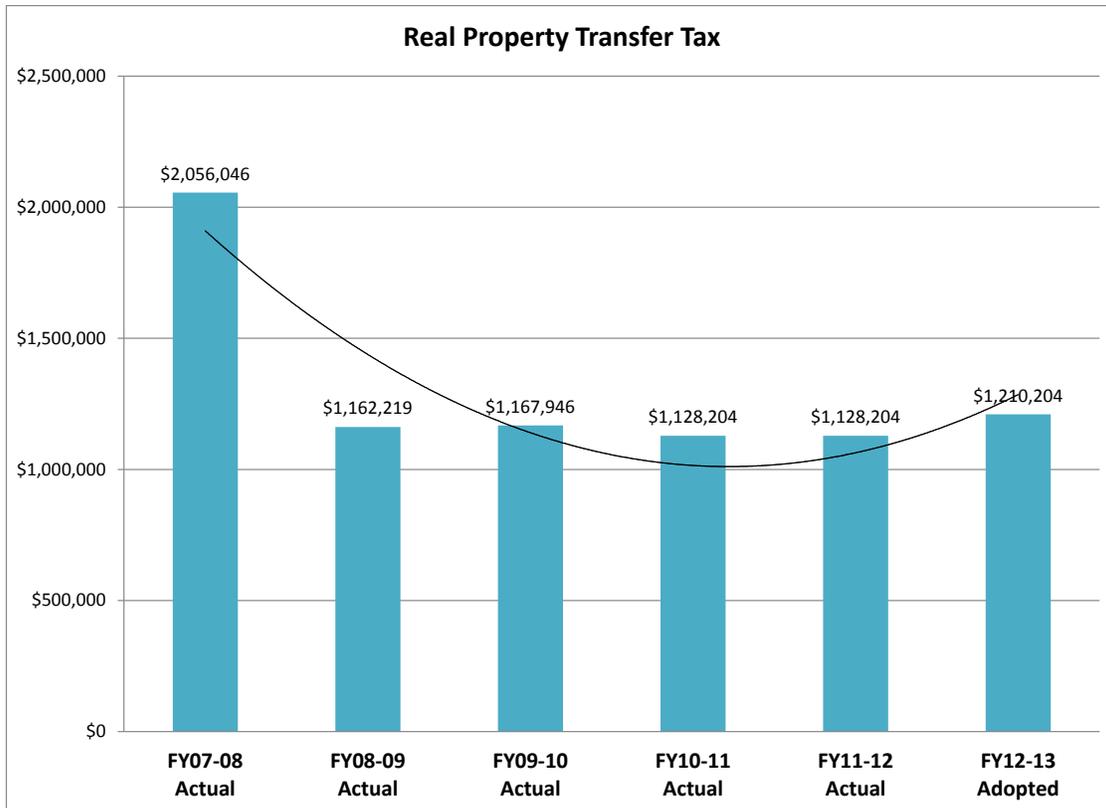
Cable TV Franchise Tax

The state collects a tax on video programming services (telecommunications services, video programming and direct-to-home satellite). The County receives quarterly distributions and supplemental PEG (Public, Education or Government) channel funding. In addition, New Hanover County has existing franchise contracts with Time Warner and Charter Cable companies; and receives additional revenues for items in these contracts, which are not covered by the video programming services tax. These additional payments expire in 2012. FY12-13 adopted amount is \$1.1 million, a decrease of 15% from FY11-12 due to the expiring cable franchise agreements.

EXPLANATION OF SOURCES OF REVENUE AND UNDERLYING ASSUMPTIONS CONTINUED

Real Property Transfer Tax

State statutes provide for counties to collect an excise tax on each Deed or other instrument by which real property is conveyed. The tax levied by the state of North Carolina is \$2.00 per \$1,000 property valuation. New Hanover County receives one-half of the collections as revenue to support County services and the remainder is remitted to the state. 2% of the state's disbursement amount is retained by the County as a processing fee. 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, Real Property Transfer Tax is expected to increase 7.3% from the FY11-12 Adopted Budget.



Inter-Fund Transfers

In FY12-13, \$843,688 is budgeted from the Fire Service District Fund and \$482,457 from the Environmental Management Enterprise Fund to reimburse the General Fund for direct and indirect expenses.

As in FY11-12, there are no transfers in from capital projects in FY12-13.

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. The tax collection fee for vehicles is limited to 1.5%. There is no change in the collection rate anticipated between FY11-12 and FY12-13.

Interest on Investments

County funds are invested to maximize the return between the time funds are collected and used. A decrease of \$14,000, compared to the FY11-12 adopted amount, is anticipated based on cash balances available for investment and the current prevailing low interest rates.

EXPLANATION OF SOURCES OF REVENUE AND UNDERLYING ASSUMPTIONS CONTINUED

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. \$7.0 million of fund balance is budgeted in FY12-13. Preliminary projections for FY11-12 are that fund balance will meet the 8% minimum established by North Carolina General Statute, and will meet the 16.67% goal for fund balance established by the County.

Non-General Fund Revenues**Room Occupancy Tax**

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, funds were designated with 40% going to the Convention Center account, 30% to beach renourishment, and 30% to the Tourism Development Authority (TDA) for promotion. 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.

Fire Service District

New Hanover County has a Fire Service Tax District to provide fire services to the unincorporated areas of New Hanover County. An ad valorem tax rate is levied on real and personal property located in the unincorporated area to fund all operating and capital expenses for the district. The FY12-13 revenue-neutral tax rate is 7.9 cents per \$100 valuation. Following revaluation, the ad valorem tax base in the Fire Service District is estimated to be \$11.1 billion. This is a \$1.7 million decrease in the base due to the recent revaluation. The value of a penny is \$1.1 million.

In addition to the ad valorem revenues, the Fire Service District also receives a proportional share of the Article 39, 40 and 42 sales taxes based on the value of the ad valorem levy. FY12-13 projects \$2.0 million in total sales tax revenue for the Fire Service District, no change in the total from the FY11-12 Adopted Budget. Fund balance of \$0.4 million is appropriated in the Fire Service District.

Environmental Management Fund

Municipal solid waste services are budgeted in the Environmental Management Fund, a separate enterprise fund. The revenues that support solid waste operations come from tipping fees, sales from recycling and scrap revenues, the state (tire rebate and white goods programs) and miscellaneous revenue sources.

The operating budget for FY12-13 is \$13 million. The FY12-13 tipping fee is \$59.00 per ton, no increase from FY11-12. Annual tonnage is estimated at 200,000, the same tonnage as FY11-12.



**NEW HANOVER COUNTY
GENERAL FUND EXPENDITURE COMPARISON**

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

- ¹ County Manager's Office - Increased due to the transfer of 5 positions from other departments to accentuate the implementation of the strategic plan and enhance government relations and marketing strategies. This increase is more than offset by decreases in the departments where the positions were transferred from and cable franchise fee revenue that was previously budgeted in Human Resources.
- ² Community Justice Services - Youth Empowerment Services, Pretrial Release and Drug Court were combined into a single department for FY12-13. Funding was also increased in Drug Court for a new DWI Court Coordinator position.
- ³ Courts (excluding Drug Court) decreased due to the elimination of the funding for the Criminal Justice Partnership.
- ⁴ Please see Other Funds section for additional detail regarding New Hanover County Schools and Cape Fear Community College line items.
- ⁵ Emergency Management & 911 Communications - Funding increased in FY12-13 due to the addition of 4 Telecommunicator positions to assist with call taking and dispatch.
- ⁶ Economic Development - In FY12-13, a new division was created for Economic Development Programs. \$271,086 of FY11-12 economic development funds were reclassified from Transfers to Economic Development for ease of comparison.
- ⁷ Cape Fear Public Utility Authority (CFPUA) debt decreased due to final repayment of outstanding bonded debt held by NHC. \$2.9 million of CFPUA installment debt payments will be partially offset by a \$968,000 transfer from CFPUA.
- ⁸ During FY11-12, Animal Control moved from Health to the Sheriff's Office. FY12-13 is the first year the program will be budgeted in Sheriff's Office. The \$1.9 million decrease in Health, and corresponding increase in the Sheriff's Office, is due to this transfer.
- ⁹ In FY10-11, the Psychological Services Division moved from Juvenile Services Department to Youth Empowerment Services.
- ¹⁰ Decrease primarily due to the elimination of incentive payments for two outside companies.
- ¹¹ Increase in Parks & Gardens due to an additional position and operating expenses associated with assuming landscaping services for NHC Schools. The increase will be offset by a reduction in the contribution to the Schools. Additionally, two grant-funded positions were added at the Senior Resource Center.
- ¹² Register of Deeds - Automation & Enhancement Fund is included.
- ¹³ For FY12-13, five positions that have been frozen since FY08-09 were unfrozen in DSS to help address continued high demand. Additional increases were associated with the Energy Assistance, Food Stamp and Medical Transportation programs.

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

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

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

1) General Government Departments increase is primarily due to:

- a) Information Technology increases (\$.5 million) for needed server equipment expansion, mandated implementation of criminal justice security system, and other upgrades due to obsolete programs and/or hardware.
- b) Property Management increases (\$0.1 million) due to increases in utility rates and fuel prices and (\$1.0 million) for vehicle purchases.

2) Human Services decrease is primarily due to:

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

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

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

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

6) Education increase is due to:

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

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

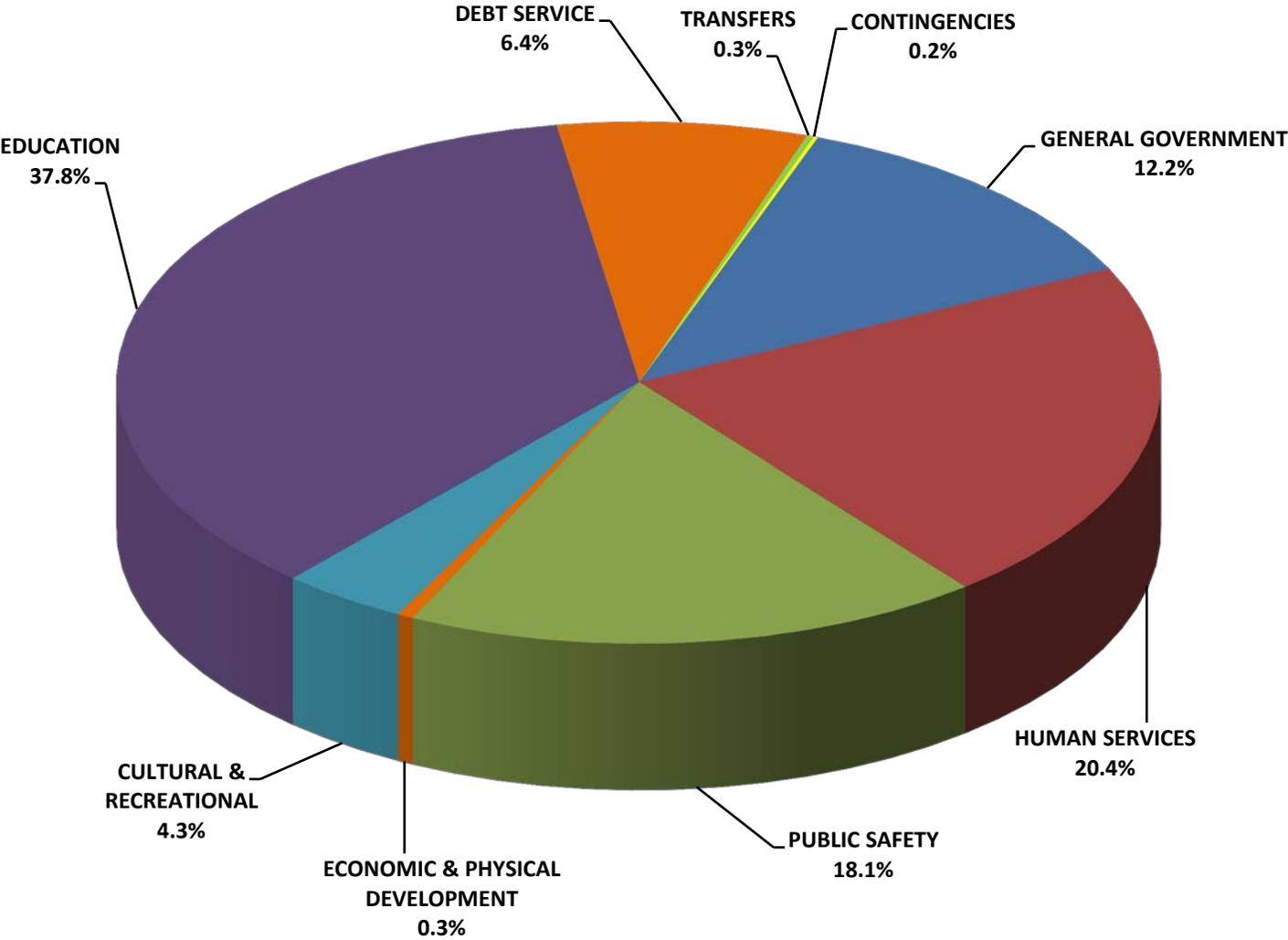
8) Transfers increase is due to increase in LEO¹ Pension and an increase in OPEB² transfers (\$0.1 million).

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

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

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

2012-2013 ADOPTED BUDGET EXPENDITURES



Expenditures for Education (37.8%) and Human Services (20.4%) continue to dominate the General Fund. For greater detail, please see facing page.

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

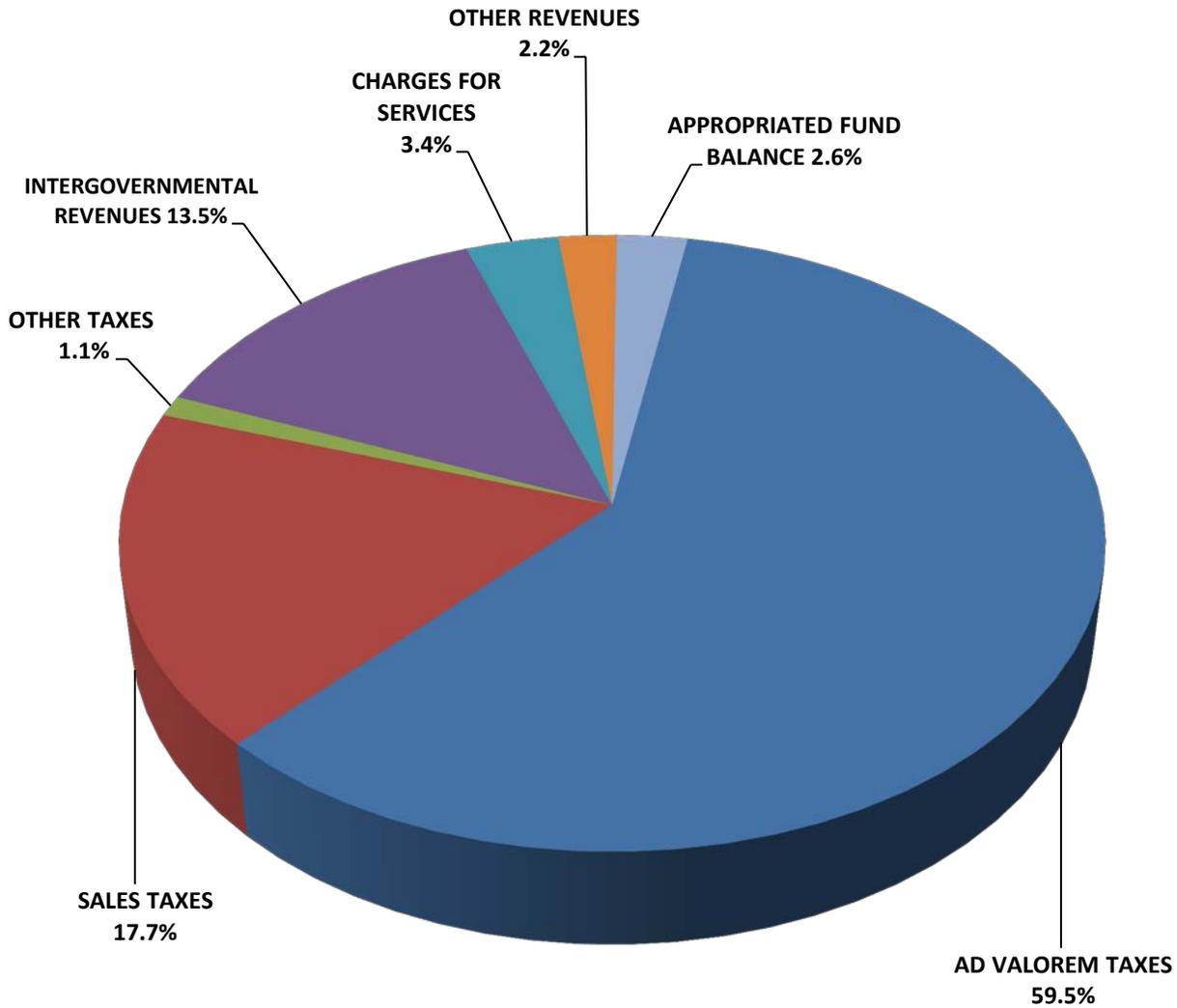
	FY11-12 ADOPTED	FY12-13 ADOPTED	PERCENT DIFFERENCE
BUDGETED REVENUES:			
AD VALOREM TAXES	\$ 156,967,697	\$ 160,084,721	1.99%
SALES TAXES	46,541,536	47,573,764	2.22%
OTHER TAXES	3,033,332	2,922,204	-3.66%
INTERGOVERNMENTAL REVENUES	37,471,061	36,431,646	-2.77%
CHARGES FOR SERVICES	8,598,148	9,175,479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

EXPLANATION OF CHANGES:

- 1) **Ad Valorem Taxes** are based on a revenue-neutral tax rate of 55.4 cents, an estimated base of \$29,002,500,000 and a 98.2% collection rate. The revenue-neutral tax rate allows for an annual average growth rate of 1.10% since the last revaluation.
- 2) **Sales Taxes** is based on a 4.5% growth from FY10-11 actual adjusted for changes in distribution.
- 3) **Other Taxes** decrease is primarily due to loss of revenue due to expiration of Cable Franchises.
- 4) **Intergovernmental Revenues** decrease is primarily due to Department of Social Services' \$0.6 million in Federal cuts to the TANF program; as well as continued decreases in state funding for administration and social work services; as well as loss of various grants. The decrease is also due to the loss of revenue received from the Schools for deputies, which is now offset in the County's Schools contribution.
- 5) **Charges for Services** increase is primarily due to increase in Sheriff's Office Civil Fees, which were increased by the state after the FY11-12 budget was adopted.
- 6) **Other Revenues** decrease was primarily due to a reduction in debt service repayments. Other revenues also include Miscellaneous Revenue¹.
- 7) **Appropriated Fund Balance** of \$7 million is due to the County's strong financial health and desire to keep the ad valorem tax rate constant.

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

2012-13 ADOPTED BUDGET REVENUES



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



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.

FY11-12 ACCOMPLISHMENTS

- Conducted property revaluation.
- Consolidated local mental health entity (LME) status with Onslow and Carteret Counties.
- Developed beach nourishment contingency plan.
- Maintained Aaa bond rating with Moody's Investors.
- Recognized nationally as the first community to implement white space technology, which allows the County to benefit from the available unused TV broadcast frequencies resulting from the digital TV transition. White space technology provides wireless connectivity to assist County departments and allows the County to provide free Wi-Fi in public places.

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Effective County Management				
KEY STRATEGIC OBJECTIVE:	Increase efficiency and quality of key business processes.				
STRATEGY:	Offer responsive engagement to the citizens, businesses, and community organizations of New Hanover County.				
Key Performance Indicator:	% of citizens, businesses, and County organizations that rate New Hanover County services as good or excellent	N/A	N/A	N/A	85%
FOCUS AREA:	Effective County Management				
KEY STRATEGIC OBJECTIVE:	Create and support an engaged workforce.				
STRATEGY:	Develop and maintain an organizational setting that ensures New Hanover County is the public employer of choice in eastern North Carolina.				
Key Performance Indicator:	% of County employees who are satisfied with their jobs	N/A	N/A	83%	85%
FOCUS AREA:	Productive Strategic Partnerships				
KEY STRATEGIC OBJECTIVE:	Influence legislation and external mandates to enhance local autonomy.				
STRATEGY:	Develop and pursue a legislative agenda and strategy that benefits New Hanover County and its partner organizations.				
Key Performance Indicator:	% of legislative changes secured during the legislative session(s)	N/A	N/A	80%	100%

ADMINISTRATION - COUNTY MANAGER CONTINUED

SUMMARY OF EXPENDITURES

ADMINISTRATION-COUNTY MANAGER	ACTUAL	ADOPTED	REQUESTED	RECOMMENDED	ADOPTED
	<u>FY10-11</u>	<u>FY11-12</u>	<u>FY12-13</u>	<u>FY12-13</u>	<u>FY12-13</u>
EXPENDITURES:					
SALARIES & BENEFITS	\$711,222	\$724,332	\$906,952	\$1,124,943	\$1,124,943
OPERATING EXPENSES	38,430	46,423	46,227	67,702	67,702
CAPITAL OUTLAY	0	0	0	16,300	16,300
TOTAL EXPENDITURES:	\$749,652	\$770,755	\$953,179	\$1,208,945	\$1,208,945

BOARD OF ELECTIONS

The New Hanover County Board of Elections is responsible for conducting all federal, state and local elections held within the County. The Board consists of three members and is responsible for the administration of Elections and Related Laws and Rules of North Carolina. The Board appoints all chief judges, judges, assistants and other officers of elections and is responsible for investigating irregularities, non-performance of duties, and violations of laws by election officers and other persons.

The canvassing of returns and certification of abstracts for each election are under the Board's authority, including the issuance of certificates of election to county officers and members of the General Assembly. The Board is delegated to perform such other duties as may be prescribed by North Carolina General Statutes Chapter 163, or by the rules, orders and directives of the State Board of Elections. The Elections Department is headed by a Director who is the chief administrative officer to the Board.

The Elections Department is responsible for the day-to-day tasks of elections administration including record maintenance and development programs for education, outreach and community relations. Depending on the year, the election cycle determines increased workload, seasonal employment and our reliability on the community. Municipal elections are compact, less contested and, historically, voter turnout is low. Presidential or general elections are countywide, show a greater interest and require more involvement and dependency on our agencies and citizens.

Traditionally, an election is considered to be one day; our practices to safeguard the processes involved are ongoing. We pursue innovative technology and administrative practices to provide a magnitude of improved services. These services are requiring greater technical knowledge and additional education for staff and our citizens who volunteer their time. Fortunately, we live and work in a community of leaders and volunteers that provide the opportunities for involvement. New Hanover County citizens will experience improved services and have opportunities to receive a greater understanding of our operations through education and outreach programs designed around their needs.

Our goals will require a balance of leadership and cooperative efforts within New Hanover County Government and relationships of trust and integrity within the community. The New Hanover County Board of Elections' mission is to provide the highest level of professional standards to ensure accurate, honest and fair elections through accountability and integrity; and to provide all citizens our services in the most efficient, effective and timely manner.

FY11-12 ACCOMPLISHMENTS

- Conducted the 2012 Primary Election for federal, state and county offices; additionally, the 2011 Municipal Elections for the City of Wilmington, Town of Wrightsville Beach, Town of Carolina Beach and the Town of Kure Beach. An election for the Incorporation of the Town of Castle Hayne was also conducted, with a majority voting against the Referendum.
- Hired an Elections Outreach Coordinator for education and developmental training, bringing staff employment to 6 full-time positions.
- Implemented Electronic Pollbooks and automation procedures to reduce operation costs by 85%, while substantially minimizing margins for error in data processing.
- Moved Elections Administration into new office space at the Government Center Complex, including a training center for outreach services and educational programs for all County agencies.
- Increased federal and state certification statuses for the Director and staff by meeting statutory and testing requirements.

BOARD OF ELECTIONS CONTINUED

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Effective County Management				
KEY STRATEGIC OBJECTIVE:	Hire, develop and retain talented people. Understand and act on citizen needs.				
STRATEGY:	Increase certification status as elections administrators obtained by Director and staff through national and state-offered education and training.				
Key Performance Indicator:	% certified	50%	25%	33%	50%
STRATEGY:	Increase citizens awareness in voting and its processes by providing outreach services and educational programs that will generate public participation.				
Key Performance Indicator:	Target Range for participation monthly	N/A	N/A	N/A	24
STRATEGY:	Provide training for improved participation rates during voluntary times for all Precinct Officials in further development of elections management skills.				
Key Performance Indicator:	% voluntary participation	N/A	N/A	N/A	10%
KEY STRATEGIC OBJECTIVE:	Leverage technology and information to maximize performance.				
STRATEGY:	Provide electronic data accessibility to complete voter records through legacy data conversion scanning.				
Key Performance Indicator:	% voter records complete	N/A	N/A	20.65%	50%
STRATEGY:	Reduce operating costs and outsourced contracted labor through precinct level electronic process automation.				
Key Performance Indicator:	% reduction in contracted labor and related costs ¹	N/A	34%	85%	100%
STRATEGY:	Reduce the dependency requirements for the office to physically produce routinely requested information by providing a self-serve approach to online data request services.				
Key Performance Indicator:	% dependency on physical production	100%	65%	11%	5%

SUMMARY OF EXPENDITURES

BOARD OF ELECTIONS					
	ACTUAL FY10-11	ADOPTED FY11-12	REQUESTED FY12-13	RECOMMENDED FY12-13	ADOPTED FY12-13
EXPENDITURES:					
SALARIES & BENEFITS	\$404,469	\$558,810	\$501,216	\$503,351	\$503,351
OPERATING EXPENSES	267,424	256,477	201,622	198,622	198,622
CAPITAL OUTLAY	0	40,550	0	0	0
TOTAL EXPENDITURES:	\$671,893	\$855,837	\$702,838	\$701,973	\$701,973

¹ Through more efficient use of temporary staff, Elections has been able to virtually eliminate contracted labor during elections, resulting in significant savings to the County.

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) reviewing the capital expenditures 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's strategic objectives.

FY11-12 ACCOMPLISHMENTS

- Awarded Distinguished Budget Presentation Award for the FY11-12 budget document from Government Finance Officers Association (GFOA) for the 21st consecutive year. The budget document achieved all criteria of proficiency as a financial plan, operations guide, communication device and policy document.
- Developed and maintained balanced budget in FY11-12 in accordance with North Carolina General Statute.

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Strong Financial Performance				
KEY STRATEGIC OBJECTIVE:	Control costs and manage the budget. Deliver value for taxpayer money. Understand and act on citizen needs.				
STRATEGY:	To accurately forecast County revenues as evidenced by 5% or less variance of "actual revenues as percentage of projected."				
Key Performance Indicator:	Revenue variance	-4.10%	-3%	0.3%	1%
STRATEGY:	To provide an annual budget document that effectively communicates the financial and operating plan of the County as demonstrated by receiving the GFOA Distinguished Budget Presentation Award.				
Key Performance Indicator:	Number of consecutive years received GFOA Budget Award	19	20	21	22

SUMMARY OF EXPENDITURES

BUDGET					
	ACTUAL FY10-11	ADOPTED FY11-12	REQUESTED FY12-13	RECOMMENDED FY12-13	ADOPTED FY12-13
EXPENDITURES:					
SALARIES & BENEFITS	\$443,673	\$459,217	\$466,606	\$468,295	\$468,295
OPERATING EXPENSES	13,300	14,396	15,669	13,269	13,269
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$456,973	\$473,613	\$482,275	\$481,564	\$481,564

DEVELOPMENT SERVICES CENTER

The Development Services Center (DSC) provides a citizen, customer-centric focused, one stop approach as the front door for development services in New Hanover County. In addition to overseeing the North Carolina Administrative Code and Policies and North Carolina State Licensing Laws, the DSC provides full administrative support services for the New Hanover County Planning and Inspections Department, including customer consultation during project submittals and throughout the construction process; plan review set up/tracking and coordination; permit issuance; inspections scheduling; utility releases and issuance of certificates of occupancies.

The Development Services Center also provides services through coordination and collaboration with all departments, agencies and jurisdictions within New Hanover County. These departments include: Planning, Zoning and Inspections, Engineering, Environmental Health, Fire Services and the Cape Fear Public Utility Authority. Through contract services, New Hanover County’s DSC provides enforcement of the “North Carolina State Administrative Code and Policies,” as well as code enforcement services for the building, electrical, mechanical and plumbing trades, for the City of Wilmington, including administrative support services for the Wilmington City Fire and City Zoning Departments. These contracted services are also provided for the towns of Carolina Beach, Kure Beach and Wrightsville Beach.

FY11-12 ACCOMPLISHMENTS

- Provided training for Environmental Health staff for the yearly permitting and inspections process pertaining to commercial pools. Development Services Center staff provided administrative assistance for scheduling the permitting and inspections of over 400 commercial pools.
- Collaborated and worked with our customers, resulting in a significant increase in the number of electronic project submittals, creating greater efficiency and reducing the amount of paper transactions in our effort to obtain an 80% goal of total electronic submittals.
- Re-evaluated and amended our permit applications and have significantly reduced the percentage of errors found at the time of submittal.

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Effective County Management				
KEY STRATEGIC OBJECTIVE:	Understand and act on citizen needs; deliver value for taxpayer money.				
STRATEGY:	To professionally deliver timely and accurate service, utilizing a customer-centric focused, one-stop approach, with 100% customer satisfaction.				
Key Performance Indicator:	Monthly performance review/audits of staff's customer service delivery technique	NA	NA	90%	93%
STRATEGY:	To increase the quality of key business processes and efficiency in project management, including project/plan review set up and coordination, accurately 100% of the time.				
Key Performance Indicator:	Tri-annual review of key business processes and staff's overall project management	NA	NA	85%	90%

DEVELOPMENT SERVICES CENTER CONTINUED

SUMMARY OF EXPENDITURES

DEVELOPMENT SERVICES	ACTUAL <u>FY10-11</u>	ADOPTED <u>FY11-12</u>	REQUESTED <u>FY12-13</u>	RECOMMENDED <u>FY12-13</u>	ADOPTED <u>FY12-13</u>
EXPENDITURES:					
SALARIES & BENEFITS	\$447,805	\$477,613	\$651,360	\$446,359	\$446,359
OPERATING EXPENSES	34,233	36,410	35,934	35,934	35,934
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$482,038	\$514,023	\$687,294	\$482,293	\$482,293

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 funds a portion of Cape Fear Community College's (CFCC) budget and 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.

SUMMARY OF EXPENDITURES

EDUCATION	<u>ACTUAL</u>	<u>ADOPTED</u>	<u>REQUESTED</u>	<u>RECOMMENDED</u>	<u>ADOPTED</u>
	<u>FY10-11</u>	<u>FY11-12</u>	<u>FY12-13</u>	<u>FY12-13</u>	<u>FY12-13</u>
EXPENDITURES:					
CFCC	\$5,841,767	\$6,191,767	\$8,706,153	\$7,191,767	\$7,191,767
CFCC DEBT SERVICE	5,600,698	10,412,761	11,873,103	11,873,103	11,873,103
1/2 CENT SALES TAX	8,840,818	9,266,597	9,022,165	9,109,336	9,109,336
TRANSFER					
TRANSFER TO	75,453,657	72,507,489	74,061,036	73,463,260	73,463,260
PUBLIC SCHOOLS					
TOTAL EXPENDITURES:	\$95,736,940	\$98,378,614	\$103,662,457	\$101,637,466	\$101,637,466

ENGINEERING

The New Hanover County Engineering Department provides a range of engineering and project management services, both to the community and to other County departments, capital engineering and construction contracts, assists the County Manager with economic development initiatives, and serves as the liaison to the Cape Fear Public Utility Authority. Engineering continues to implement programs, policies and processes that provide internal and external customer service to staff and the general public.

Under the direction of the County Engineer, engineering services include administration and implementation of the Storm Water and Drainage Ordinance and the Sedimentation and Erosion Control Ordinance. Engineering provides the proper management and administration of storm water and drainage within the County to promote health, safety and general welfare and to safeguard the natural and man-made resources of the County. As a local program office of the state, Engineering issues and enforces Sedimentation and Erosion Control permits for all non-governmental land disturbing activities within the County and City of Wilmington. The department works with developers to assure compliance with subdivision requirements, including storm design, easements and rights of way, street design and setback requirements. The department is also responsible for drainage maintenance projects on a limited basis. Engineering provides Computer Aided Design (CAD) services to various departments. Engineering also provides administrative support for commercial and residential building permits through the Development Services Center. The County Engineer serves as a member of the Technical Review Committee for the review of all subdivision plans, Low Impact Development (LID) requests and other plan submittals. Project management of all capital projects is handled through the Engineering Department.

The New Hanover County Engineering Department now operates as a standalone department. As such, the department is much smaller, but remains flexible and service oriented. The Engineering Department works with Development Services and other departments dedicated to serving the development community. The closer working relationship has increased customer support and provides for a more seamless progression of project permitting.

FY11-12 ACCOMPLISHMENTS

- Construction Project Coordinator oversaw the completion of the construction of Smith Creek, Monterey Heights and Arrowhead Parks.
- Completed stormwater improvement projects that benefited numerous neighborhoods, schools and businesses within the communities of Castle Hayne, Porters Neck, Mohican Trail, Crosswinds, Wedgefield, River Road, Cathay Road and others.
- Performed all stormwater inspections for the Parks Department, including engineering analysis of the tennis courts at Hugh MacRae Park and Hoggard High School.
- Completed floor plans, computer-aided design and other layout work for various departments, including Environmental Management, Property Management and Human Resources.
- Implemented the New Hanover County Beach Nourishment Contingency Plan by initiating the beach nourishment permit for Carolina Beach.

ENGINEERING CONTINUED

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIS)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Intelligent Growth and Economic Development				
KEY STRATEGIC OBJECTIVE:	Build and Maintain Infrastructure.				
STRATEGY:	To develop relationships with the Cape Fear Public Utility Authority and the North Carolina Department of Transportation in order to expand and maintain infrastructure in the unincorporated areas.				
Key Performance Indicator:	Projects coordinated through CFPUA and NCDOT	N/A	3	4	4
KEY STRATEGIC OBJECTIVE:	Protect the environment through innovative programs.				
STRATEGY:	To review and issue a storm water permit or a request for additional information in 30 days or less.				
Key Performance Indicator:	% on time in 30 days or less	95%	98%	97%	98%
STRATEGY:	To review and issue a sedimentation and erosion control permit or a request for additional information in 20 days or less.				
Key Performance Indicator:	% on time in 20 days or less	95%	95%	96%	97%
STRATEGY:	Develop new best management practices (BMPs) as part of stormwater management and sedimentation and erosion control.				
Key Performance Indicator:	New BMPs created and accepted	N/A	N/A	2	3

SUMMARY OF EXPENDITURES

ENGINEERING					
	ACTUAL FY10-11	ADOPTED FY11-12	REQUESTED FY12-13	RECOMMENDED FY12-13	ADOPTED FY12-13
EXPENDITURES:					
SALARIES & BENEFITS	\$575,130	\$573,203	\$685,093	\$652,742	\$652,742
OPERATING EXPENSES	189,699	219,225	228,076	233,414	233,414
CAPITAL OUTLAY	3,320	0	30,000	0	0
TOTAL EXPENDITURES:	\$768,149	\$792,428	\$943,169	\$886,156	\$886,156

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).

FY11-12 ACCOMPLISHMENTS

- Maintained New Hanover County's bond rating of Aaa with Moody's Investors Service and AA+ with Standard & Poor's.
- Awarded the GFOA Certificate of Achievement for Excellence in Financial Reporting for FY10-11, achieving the highest standards in governmental accounting and financial reporting.
- Collected \$1,260,831 in delinquent debt in FY11-12, representing an 88.33% collection rate.
- Received 27-Year Safety Award from North Carolina Department of Labor for "Outstanding Work in Accident Prevention," marking 27 years without a lost-time accident.

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Strong Financial Performance				
KEY STRATEGIC OBJECTIVE:	Enhance and maintain effective policies.				
STRATEGY:	Review 25% of financial policies annually, updating as needed to reflect current business practices.				
Key Performance Indicator:	Review 25% financial policies annually	40%	25%	39%	25%
KEY STRATEGIC OBJECTIVE:	Maintain strong financial reserves.				
STRATEGY:	Maintain a stable and strong financial position by preserving or upgrading the current bond ratings.				
Key Performance Indicator:	Maintain Aaa credit rating from Moody's Investor Services	Aaa	Aaa	Aaa	Aaa
Key Performance Indicator:	Maintain AA+ credit rating from Standard & Poor's	AA+	AA+	AA+	AA+
STRATEGY:	Preserve 2 months or 16.67% of available fund balance.				
Key Performance Indicator:	Available fund balance at fiscal year end	17.50%	20.52%	16.67%	16.67%

FINANCE CONTINUED

KEY PERFORMANCE INDICATORS CONTINUED

KEY PERFORMANCE INDICATORS (KPIs)		FY08-09 Actual	FY09-10 Actual	FY10-11 Actual	FY11-12 Projected
KEY STRATEGIC OBJECTIVE:	Develop contingency plans to manage risk.				
STRATEGY:	Maintain a general debt service as a percent of operational expenditures.				
Key Performance Indicator:	Debt service 20% or less of operational expenditures	17.82%	17.11%	17.67%	16.95%
KEY STRATEGIC OBJECTIVE:	Deliver value for taxpayer money.				
STRATEGY:	Provide financial report to the citizens, investors, private financial markets and management by preparing the annual financial report in compliance with generally accepted accounting principles.				
Key Performance Indicator:	Receive the GFOA Certificate of Excellence in Financial Reporting	30	31	32	33
STRATEGY:	Maintain a debt to total assessed value at or below 2%.				
Key Performance Indicator:	Debt to total assessed value	1.33%	1.25%	1.15%	1.24%

SUMMARY OF EXPENDITURES

FINANCE					
	<u>ACTUAL FY10-11</u>	<u>ADOPTED FY11-12</u>	<u>REQUESTED FY12-13</u>	<u>RECOMMENDED FY12-13</u>	<u>ADOPTED FY12-13</u>
EXPENDITURES:					
SALARIES & BENEFITS	\$1,236,583	\$1,280,710	\$1,308,142	\$1,314,765	\$1,314,765
OPERATING EXPENSES	607,945	562,445	567,495	567,495	567,495
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$1,844,529	\$1,843,155	\$1,875,637	\$1,882,260	\$1,882,260

GOVERNING BODY - COUNTY COMMISSIONERS / CLERK TO THE BOARD

The New Hanover County Board of Commissioners serves as the governing body of the County under the County Manager form of government. The five County Commissioners are elected at-large by a countywide election held in November for a staggered four-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 33 boards and advisory commissions. Regular public Board meetings are held on the first and third Monday of each month, unless otherwise approved.

FY11-12 ACCOMPLISHMENTS

- Adopted a revenue-neutral tax rate in the amount of 55.4 cents and a Fire Service District tax rate in the amount of 7.9 cents.
- Educated the public through "Chairman's Chat", State of the County Address, Town Hall meetings and monthly newsletters.
- Held joint meetings with Local Legislative Delegation and Wrightsville Beach Board of Aldermen to discuss items of mutual interest in order to continue improving the quality of life for all citizens.
- Provided an accurate record of all official meetings held by the Board, including the appropriate exhibits; continued to electronically scan and index the approved minutes and exhibits.
- Advertised and recruited applicants for appointment to the Board's 33 advisory boards and committees; minutes for boards and committees electronically scanned and indexed through link on County's website.

GOVERNING BODY - COUNTY COMMISSIONERS CONTINUED

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIS)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Superior Public Health, Safety and Education				
KEY STRATEGIC OBJECTIVE:	Keep the public informed on important information.				
STRATEGY:	Provide an accurate record of all decisions made at official meetings of the Board of Commissioners including the appropriate exhibits.				
Key Performance Indicator:	Number of sets of minutes	55	77	54	50
STRATEGY:	Continue to electronically scan and index the approved minutes and exhibits for public review via the internet.				
Key Performance Indicator:	Sets of minutes and exhibits scanned	100%	100%	100%	100%
STRATEGY:	Continue training for advisory boards and committees required procedures and record keeping, and keep current mandatory document electronic scanning and indexing of minutes for public review via the internet.				
Key Performance Indicator:	Training seminars held	n/a	1	1	1
FOCUS AREA:	Productive Strategic Partnerships				
KEY STRATEGIC OBJECTIVE:	Develop appropriate public / private partnerships.				
STRATEGY:	Advertise and recruit applicants for appointment to advisory boards and committees.				
Key Performance Indicator:	Number of advisory boards and committees receiving appointments	36	34	33	33

SUMMARY OF EXPENDITURES

GOVERNING BODY - COUNTY COMMISSIONERS					
	ACTUAL FY10-11	ADOPTED FY11-12	REQUESTED FY12-13	RECOMMENDED FY12-13	ADOPTED FY12-13
EXPENDITURES:					
SALARIES & BENEFITS	\$367,047	\$378,151	\$380,938	\$383,669	\$383,669
OPERATING EXPENSES	77,284	87,532	87,730	89,573	89,573
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$444,331	\$465,683	\$468,668	\$473,242	\$473,242

HUMAN RESOURCES

The Human Resources Department brings together the fundamental resources required to effectively meet New Hanover County Government's commitment to serve citizens as customers. Staff is focused on serving the public by developing the most knowledgeable, experienced and dedicated staff of professionals in local government. Effective communications, both internal and external, will ensure that government is as transparent, cost-effective and responsive as possible. Human Resources professionals strive to develop, maintain and continuously improve policies, processes and systems to support a dynamic workforce and the delivery of multiple services to employees, management, applicants for employment and the general public. The Department is the Talent Gateway to New Hanover County Government administration.

The Department serves as the focal point for the countywide commitment to serve our citizens as customers, supporting every employee's effort to practice an elevated customer focus, which is so noticeable, our fellow citizens will talk about the great service they consistently receive from every County Department.

The Human Resources staff endeavors to address the needs of the County's workforce with relevant and timely information, communication and skillful assistance. Talent management specialists provide services to management and employees in such functional areas as strategic planning and organizational development, recruitment and selection, classification and compensation, benefits, wellness, employee relations, employee development and training, performance management and employee recognition.

FY11-12 ACCOMPLISHMENTS

- Processed 11,610 applications for 112 advertised positions, and referred 1,244 applicants for interviews.
- Connected Citizens to their local County government through Community Outreach activities:
 - The New Hanover County Speakers Bureau gave 116 presentations at 17 elementary schools, teaching over 2,699 3rd, 4th and 5th grade students about New Hanover County's history, geography, government structure and services.
 - County Staff presented the second annual New Hanover County Government Citizens' Academy. Twenty-four participants successfully completed the 10-week program that provided detailed information about every County department and other agencies funded by NHC tax dollars.
 - Initiated real-time updates during County Commissioner Board Meetings using social media such as Facebook and Twitter.
- Continued focus on employee wellness has seen significant increases in employee participation, which we believe has helped improve employees' individual health and helped keep insurance budget and rate increases below North Carolina industry trend. The goal is to improve employee health, reduce use of sick leave, and reduce employee and County health insurance costs.

HUMAN RESOURCES CONTINUED

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Superior Public Health, Safety and Education				
KEY STRATEGIC OBJECTIVE:	Provide health and wellness education, programs and services.				
STRATEGY:	Promote and augment employee Wellness Programs to improve employee health, reduce healthcare costs to employees and employer, and enhance productivity.				
Key Performance Indicator:	% of County employee health plan participants who qualify for Wellness Incentive health insurance rates (Target is 85%) (To qualify, employees must participate in annual Health Risk Assessment and actively address any Health Risk Factors identified.)	N/A	N/A	97%	95%
Key Performance Indicator:	Employee Sick Leave Index (SLI) is ratio of annual average number of sick leave hours used per employee in current FY to previous FY	N/A	N/A	1.10%	<1%
FOCUS AREA:	Superior Public Health, Safety and Education				
KEY STRATEGIC OBJECTIVE:	Support programs to improve educational performance.				
STRATEGY:	Work with School System to increase student knowledge about County Government by providing County staff to present school-based programs supporting the Standard Curriculum civics learning objectives.				
Key Performance Indicator:	% of total number of students in Grades 3-5 who participate in the program	N/A	N/A	64.20%	65%
Key Performance Indicator:	% of teachers responding to the NHC Civics Programs post-program evaluation surveys who rate the program as valuable or highly valuable (4-5 on a 5-point scale) (The County Civics Programs support the Standard Curriculum civics learning objectives for Grades 3 thru 5.)	N/A	N/A	95%	95%

HUMAN RESOURCES CONTINUED

KEY PERFORMANCE INDICATORS CONTINUED

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Superior Public Health, Safety and Education				
KEY STRATEGIC OBJECTIVE:	Market and promote New Hanover County's resources.				
STRATEGY:	Continue to offer NHC Government Citizens' Academy to increase citizens' knowledge about their County government.				
Key Performance Indicator:	% of NHC Government Citizens' Academy participants responding to the weekly program evaluation surveys who agree or strongly agree (4-5 on a 5-point scale)	N/A	N/A	94.50%	95%
FOCUS AREA:	Strong Financial Performance				
KEY STRATEGIC OBJECTIVE:	Control costs and manage the budget.				
STRATEGY:	Keep New Hanover County's annual health insurance cost increases below local trend.				
Key Performance Indicator:	NHC Annual Health Insurance Cost Index (AHICI <1) (Ratio of actual annual % change in County Health Insurance Plan total cost per participant to provider's projected trend)	N/A	N/A	FY12 Industry Trend: 12% NHC Actual: 4.7% AHICI 0.42	FY13 Industry Trend: 15% NHC Actual: 5.0% AHICI: 0.34
FOCUS AREA:	Effective County Management				
KEY STRATEGIC OBJECTIVE:	Hire, develop and retain talented people.				
STRATEGY:	Develop and implement comprehensive on-boarding process to facilitate the professional development and integration of new employees into the New Hanover County culture.				
Key Performance Indicator:	% of new regular employees who successfully complete their introductory period within six months	N/A	N/A	96%	98%
Key Performance Indicator:	% of employees in their introductory period responding to the 90-day on-boarding progress survey who rate their employment satisfaction as satisfied or highly satisfied (4-5 on a 5-point scale)	N/A	N/A	N/A - to begin FY13	85%

HUMAN RESOURCES CONTINUED

KEY PERFORMANCE INDICATORS CONTINUED

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
Key Performance Indicator:	Annual voluntary attrition / turnover rate	N/A	N/A	7.80%	7%
Key Performance Indicator:	Annual involuntary attrition / turnover rate	N/A	N/A	0.55%	1%
STRATEGY:	Implement a Succession Development Program to identify and develop internal people with the potential to fill key leadership positions in the organization as these roles become available. - Conduct annual update of Succession Development Analysis (SDA) to forecast the supply and demand of talent for key positions by department. - Conduct annual update of the Assessment of Desired Competencies (ADC), the desired competency mix of knowledge and skill for key leadership positions. - Develop and implement training programs to address requirements of the Succession Development Analysis for three key organizational roles: supervisors, mid-career professionals and senior managers.				
Key Performance Indicator:	Maintain a Succession Development Ratio (SDR): ratio of number of employees who have completed required/recommended succession development training for the 3 key organizational roles (supervisors, mid-career professionals and senior managers) to number of key positions identified in the Succession Development Analysis (SDA) for these roles)	N/A	N/A	N/A to begin FY13	10:01
FOCUS AREA:	Effective County Management				
KEY STRATEGIC OBJECTIVE:	Leverage technology and information to maximize performance.				
STRATEGY:	Leverage on-line training for efficient transfer of information, facts or data.				
Key Performance Indicator:	Training Delivery Cost Index (TDCI) is the annual cost of on-line training package, divided by the number of classes taken and passed, divided by average cost of commercial classroom training venue, estimated at \$30/contact hour)	N/A	N/A	0.9	<1
Key Performance Indicator:	% of employees who have taken and passed at least one on-line course during the year	N/A	N/A	58%	75%

HUMAN RESOURCES CONTINUED

KEY PERFORMANCE INDICATORS CONTINUED

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
Key Performance Indicator:	% of employees responding to the post-program evaluation surveys who rate the program as valuable or highly valuable (4-5 on a 5-point scale)	N/A	N/A	75%	85%
Key Performance Indicator:	% of employees' supervisors responding to monthly aggregate post-program evaluation surveys who rate the effectiveness of on-line training as valuable or highly valuable (4-5 on a 5-point scale)	N/A	N/A	N/A will begin FY13	85%
FOCUS AREA:	Effective County Management				
KEY STRATEGIC OBJECTIVE:	Recognize and reward contribution.				
STRATEGY:	Develop/continue departmental employee recognition programs.				
Key Performance Indicator:	% of employees recognized for contributions at departmental level (i.e., Starfish, Cultivating Courtesy, Praise Coupons, etc.)	N/A	N/A	25%	25%
STRATEGY:	Promote countywide formal and informal employee recognition programs (Celebrating Achievements, Sunrise Award, Gallery of Excellence and Rise to Excellence).				
Key Performance Indicator:	Number of employees recognized annually	N/A	N/A	25	30
FOCUS AREA:	Effective County Management				
KEY STRATEGIC OBJECTIVE:	Understand and act on citizen needs.				
STRATEGY:	Maintain "Solution Box" for citizen and employee suggestions and requests for information.				
Key Performance Indicator:	Written or verbal responses provided within 48 hours	N/A	N/A	96%	98%
STRATEGY:	Develop sustained elevated focus on serving citizens and each other as customers.				
Key Performance Indicator:	% of employees who successfully attained certification in each of the 3 Customer Service levels	N/A	N/A	2%	25%

HUMAN RESOURCES CONTINUED

SUMMARY OF EXPENDITURES

HUMAN RESOURCES	ACTUAL	ADOPTED	REQUESTED	RECOMMENDED	ADOPTED
	<u>FY10-11</u>	<u>FY11-12</u>	<u>FY12-13</u>	<u>FY12-13</u>	<u>FY12-13</u>
EXPENDITURES:					
SALARIES & BENEFITS	\$942,749	\$932,164	\$882,539	\$670,390	\$670,390
OPERATING EXPENSES	68,197	65,499	146,613	50,838	50,838
CAPITAL OUTLAY	29,534	21,649	21,600	0	0
TOTAL EXPENDITURES:	\$1,040,480	\$1,019,312	\$1,050,752	\$721,228	\$721,228

INFORMATION TECHNOLOGY

The Information Technology Department provides countywide support and maintenance for over 200 computer applications, 1,700 desktop and laptop computers, a Geographic Information System (GIS) used by numerous County Departments and the public, an extensive data network, a comprehensive e-mail system, and a state-of-the-art telephone system. 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 ensuring 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.

FY11-12 ACCOMPLISHMENTS

- Implemented a new countywide, intranet solution built on SharePoint 2010 technology. The new intranet allows County Departments to share information within their Departments and between the agencies. The new platform will be the repository for business documents, as well as providing for better retention, disaster recovery capabilities and enhanced search capabilities.
- Assisted numerous Departments with technology-related projects to enhance service to their customers; such as, the Library's self-checkout project, Board of Elections' electronic poll book project, and the implementation of a document management software at Social Services.
- Began the process of updating mobile technology used by the Sheriff's Office to be compliant with new Criminal Justice Information Systems policy requirements. The technology enhancements are required to meet compliance audits beginning in 2012.
- Established a platform for business intelligence reporting that will be used countywide. Using the new platform, Information Technology delivered statistics to the Department of Social Services related to customer counts and lobby wait times.

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIS)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Effective County Management				
KEY STRATEGIC OBJECTIVE:	Hire, develop and retain talented people.				
STRATEGY:	Provide a work environment that enables staff to contribute and rewards those contributions.				
Key Performance Indicator:	Maintain staff retention rate of 90% or higher	97%	87%	86%	93%
STRATEGY:	Enable staff to learn new skills and continue to grow as professionals.				
Key Performance Indicator:	Offer at least 240 hours of on-site training opportunities for IT staff	100	280	200	240

INFORMATION TECHNOLOGY CONTINUED

KEY PERFORMANCE INDICATORS CONTINUED

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Effective County Management				
KEY STRATEGIC OBJECTIVE:	Leverage technology and information to maximize performance.				
STRATEGY:	Enhance on-line options for Citizens to engage with New Hanover County.				
Key Performance Indicator:	Number of unique-site visitors to the County's streaming service	1500	4130	2419	3000
Key Performance Indicator:	Number of lists available for public subscription via the NHC4Me service	50	61	47	50
STRATEGY:	Continue investing in technology for conducting County business more efficiently and effectively.				
Key Performance Indicator:	% of Park reservations made on line	30%	32%	10%	25%
Key Performance Indicator:	% of Library facilities reserved via the web	60%	60%	60%	60%
Key Performance Indicator:	% of Tax bills paid online	15%	25%	20%	25%
Key Performance Indicator:	% of County departments using electronic document management through LaserFiche	10%	50%	65%	75%

SUMMARY OF EXPENDITURES

INFORMATION TECHNOLOGY					
	ACTUAL <u>FY10-11</u>	ADOPTED <u>FY11-12</u>	REQUESTED <u>FY12-13</u>	RECOMMENDED <u>FY12-13</u>	ADOPTED <u>FY12-13</u>
EXPENDITURES:					
SALARIES & BENEFITS	\$2,200,516	\$2,255,426	\$2,562,102	\$2,255,851	\$2,255,851
OPERATING EXPENSES	2,701,457	3,122,265	3,832,931	3,289,773	3,289,773
CAPITAL OUTLAY	192,854	30,000	414,000	378,000	378,000
TOTAL EXPENDITURES:	\$5,094,827	\$5,407,691	\$6,809,033	\$5,923,624	\$5,923,624

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 Transportation Authority, dba WAVE Transit
- 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

FY11-12 ACCOMPLISHMENTS

- Initiated action to achieve compliance with health regulations, state smoking law, public nuisance ordinances, numerous zoning compliance actions and secured appropriate abatement orders.
- Administered legal aspects of housing rehabilitation/replacement grant programs, consolidating New Hanover County fire protection, and solicitation and contract for solid waste processing.
- Represented the County in Tax Appeals to the North Carolina Property Tax Commission.
- Continued scanning contract files into the Laserfiche program for intranet viewing.
- Developed procedures to efficiently and expeditiously prepare, route, execute, track and inventory contracts.

LEGAL - COUNTY ATTORNEY CONTINUED

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Effective County Management				
KEY STRATEGIC OBJECTIVE:	Increase efficiency and quality of key business processes.				
STRATEGY:	To continue defending the County in lawsuits filed against the County and to initiate lawsuits to insure compliance with all County ordinances and regulations as evidenced by a successful litigation rate.				
Key Performance Indicator:	Lawsuits: # civil actions	16	20	15	15
Key Performance Indicator:	Lawsuits: # Tax Appeals NC Property Tax Commission	40	25	20	20
Key Performance Indicator:	Successful Litigation rate: civil actions	90%	90%	90%	90%
Key Performance Indicator:	Successful Litigation rate: Tax Appeals	80%	80%	80%	80%
STRATEGY:	To respond within 5 days to requests for legal opinions.				
Key Performance Indicator:	Response Rate	99%	99%	99%	99%
STRATEGY:	To provide legal guidance and support to all County officials and departments as evidenced by annual workload indicators.				
Key Performance Indicator:	Workload indicators: Contracts reviewed and drafted	681	609	569	600
Key Performance Indicator:	Workload indicators: Ordinances/amendments	5	5	3	5
Key Performance Indicator:	Workload indicators: Real Property Acquisitions and Disposition	6	6	4	4

SUMMARY OF EXPENDITURES

LEGAL - COUNTY ATTORNEY					
	<u>ACTUAL FY10-11</u>	<u>ADOPTED FY11-12</u>	<u>REQUESTED FY12-13</u>	<u>RECOMMENDED FY12-13</u>	<u>ADOPTED FY12-13</u>
EXPENDITURES:					
SALARIES & BENEFITS	\$831,348	\$861,167	\$870,024	\$873,620	\$873,620
OPERATING EXPENSES	52,628	65,666	66,373	66,373	66,373
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$883,976	\$926,833	\$936,397	\$939,993	\$939,993

NON-DEPARTMENTAL

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

Expenditures:

Salary Adjustment: \$600,000 is included for a 1% market adjustment of the salary schedule offset by a negative \$700,000 for salary lag, resulting in a net balance of -\$100,000.

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:

\$17,000	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
17,500	Special Insurance
740	American Society of Composers, Authors and Publishers
10,000	Strategic Planning Process
\$70,240	TOTAL

Contracted Services – WAY Clinic: Funds are included for operation of an on-site clinic to address minor health issues and preventive wellness program for County employees. The operation of the program is expected to reduce the cost of medical claims in FY12-13.

\$157,248	Physician's Assistant
33,982	Medical Office Assistant
102,120	Program Administrative Fee
38,016	Reference Labs
44,400	Personal Health Evaluations
6,900	PSA's
8,900	Miscellaneous Supplies
8,500	Flu Shots
\$400,066	TOTAL

Service/Retirement Awards: In FY10-11, \$10,389 was spent. The FY11-12 adopted amount was increased slightly to \$10,950. The FY12-13 adopted amount is \$10,950.

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. For FY11-12, Human Resources received \$15,000 to continue the program. For FY12-13, \$15,000 is included in the adopted budget. 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. An amount of \$170,637 is included in the adopted budget.

Countywide Training: Funds in the amount of \$40,500 are included for in-house mandatory web-based training, optional core courses and supervisory training.

NON-DEPARTMENTAL CONTINUED

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

\$ 3,180	Commercial Package Policy estimate (includes Property, Crime, Excess Crime and Excess Property Liability Insurance)
738	General Liability
196	Automobile
32,401	Law and Public Officials
107,473	Excess Workers' Compensation estimate (Note: This is not for workers compensation payments, but is a stop gap policy.)
<u>\$143,988</u>	<u>TOTAL</u>

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

Unemployment – Employment Security Commission: An annual estimate for FY12-13 is \$350,000.

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

City of Wilmington: In accordance with the Commissioners' approval (December 2008), funding for FY09-10 included funding 50% of the cost of the "Safe Light" program up to \$200,000. No funds were included in FY10-11; however, funds not spent in FY09-10 were rolled over to FY10-11. For FY10-11 \$86,155 was spent on the "Safe Light" program and \$496,987 was spent on the Legion Stadium Synthetic Turf project. For FY11-12 \$200,000 was budgeted. Assumption is that we will have to contribute to the "Safe Light" program in FY12-13 and \$200,000 is budgeted.

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.

Economic Development:

As part of the Strategic Plan, the Commissioners decided to set aside a sum of funds each year for economic development. In FY11-12, \$271,086 was budgeted as a transfer to capital projects for economic development. In FY12-13, an account for economic development was established and an amount of \$400,000 is budgeted. This amount is used at the discretion of the Commissioners.

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 (\$535,000) in FY12-13 is less than 1% of the General Fund appropriation.

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.

NON-DEPARTMENTAL CONTINUED

FY10-11 Actual Expenditures

- Transfers total \$1,032,914. Transfers to Trust and Agency Funds totaled \$587,914. The transfer of \$387,914 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). Transfers to Enterprise Funds total \$445,000 and is to increase the Environmental Management Fund budget and Interfund Loan balance to immediately address structural safety hazards at the WASTEC facility.

FY11-12 Adopted Budget

- Transfers to Trust and Agency Funds total \$812,034. The transfer of \$512,034 represents the County's cost of a special retirement fund established for the Sheriff's Office. An amount of \$300,000 is budgeted as a transfer for Other Post-Employment Benefits (OPEB).

FY12-13 Adopted Budget

- Transfers to Trust and Agency Funds total \$918,335. The transfer of \$518,335 represents the County's cost of a special retirement fund established for the Sheriff's Office. An amount of \$400,000 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 \$14,758,972 are budgeted. Breakdown of bonded debt is found within the Debt Section of the budget book.

Installment Debt: General Fund payments of \$14,422,837 are budgeted. A breakdown of installment debt is found within the Debt Section of the budget book.

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

NON-DEPARTMENTAL CONTINUED

SUMMARY OF EXPENDITURES ^{2, 3}

NONDEPARTMENTAL	ACTUAL	ADOPTED	REQUESTED	RECOMMENDED	ADOPTED
	<u>FY10-11</u>	<u>FY11-12</u>	<u>FY12-13</u>	<u>FY12-13</u>	<u>FY12-13</u>
EXPENDITURES:					
SALARY ADJUSTMENT	\$0	\$200,000	\$600,000	-\$100,000	-\$100,000
MEDICAL INSURANCE EXPENSE	1,133,761	1,065,320	1,628,672	1,165,320	1,165,320
CONTR SERV S	165,621	85,240	85,240	70,240	70,240
CONTR SERV S-WAY CLINIC	375,216	449,903	400,066	400,066	400,066
SERVICE/RETIREMENT AWARDS	10,389	10,950	10,950	10,950	10,950
WELLNESS PROGRAM	7,000	15,000	15,000	15,000	15,000
MISCELLANEOUS-OTHER	44,597	300,000	400,000	185,637	170,637
COUNTY WIDE TRAINING	25,578	32,800	67,800	40,500	40,500
INSURANCE & BONDS	364,676	139,508	143,988	143,988	143,988
INSURANCE DEDUCTIBLE REIMB	86,387	150,000	150,000	150,000	150,000
UNEMPLOYMENT	488,379	500,000	600,000	350,000	350,000
WORKERS COMPENSATION	592,978	600,000	750,000	750,000	750,000
CITY OF WILMINGTON	583,142	200,000	200,000	200,000	200,000
CONTRIBUTION-WAVE TRANSIT	206,566	132,939	334,000	250,000	250,000
TOTAL NONDEPARTMENTAL	\$4,084,289	\$3,881,660	\$5,385,716	\$3,631,701	\$3,616,701
CONTINGENCIES:	\$0	\$735,000	\$735,000	\$535,000	\$535,000
ECONOMIC DEVELOPMENT:	\$0	\$271,086	\$0	\$400,000	\$400,000
TRANSFERS TO OTHER FUNDS:					
TRANSF TO ENTERPRISE FUND	\$445,000	\$0	\$0	\$0	\$0
TRANSF TO TRUST & AGEN	587,914	812,034	1,018,335	918,335	918,335
TOTAL TRANSFERS:	\$1,032,914	\$812,034	\$1,018,335	\$918,335	\$918,335
DEBT SERVICE:					
PRINCIPAL ON BONDED DEBT	\$5,049,182	\$8,846,391	\$7,627,965	\$7,627,965	\$7,627,965
INTEREST ON BONDED DEBT	4,275,281	5,608,584	7,131,007	7,131,007	7,131,007
BOND SERVICE CHARGES	19,382	32,850	16,770	16,770	16,770
INSTALLMENT LEASE	15,246,640	14,162,762	14,422,837	14,422,837	14,422,837
TOTAL DEBT SERVICE:	\$24,590,485	\$28,650,587	\$29,198,579	\$29,198,579	\$29,198,579
TOTAL EXPENDITURES:	\$29,707,688	\$34,350,367	\$36,337,630	\$34,683,615	\$34,668,615

² FY10-11 and FY11-12, Customer Service Training is combined with Countywide Training.

³ In FY11-12, \$271,086 budgeted for economic development was reclassified from transfer to capital projects to economic development for ease of comparison.

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.

FY11-12 ACCOMPLISHMENTS

- Renovated 3,500 sq. ft and relocated Board of Elections office to new location in the Government Center. New space includes offices, cubicle area, training and conference rooms. HVAC and lighting were upgraded to energy efficient systems.
- Upgraded HVAC system at the Federal Point Fire Station to an energy efficient system during renovation that also included new ceilings, painting and carpet replacement. A dedicated outside air unit was installed for humidity control, which involved removing ceiling units and placing them outside the building for easier maintenance. Electrical usage will be monitored to record savings or cost avoidance.
- Replaced HVAC units in three Courtrooms in the older section of the Judicial Building with water source heat pump units designed to control humidity, improving indoor air quality and controlling harmful microbial growth. Also replaced the lighting system in the Courtroom lobby area on the 3rd floor with energy efficient electronic ballast lights.
- Upgraded HVAC units in the 9-1-1 Center, NHCTV studio and two areas in the Social Services Building.
- Replaced carpet at the Senior Resource Center and installed a reflective cool roof on the Social Services Building.

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIS)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Effective County Management				
KEY STRATEGIC OBJECTIVES:	Increase efficiency and quality of key business processes. Leverage technology and information to enable performance.				
STRATEGY:	Reduce number of vehicle work orders with utilization of FleetMax.				
Key Performance Indicator:	Number of vehicle work orders	3,074	3,565	2,680	3,000
Key Performance Indicator:	Preventive maintenance as a % of all work orders	N/A	N/A	55%	50%
STRATEGY:	Continue to provide basic automotive service in two (2) hours.				
Key Performance Indicator:	Average time to perform basic automotive service	1 Hr	45 Mins	45 Mins	45 Mins

PROPERTY MANAGEMENT CONTINUED

KEY PERFORMANCE INDICATORS CONTINUED

KEY PERFORMANCE INDICATORS (KPIS)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREAS:	Intelligent Growth and Economic Development Effective County Management				
KEY STRATEGIC OBJECTIVES:	Build and Maintain Infrastructure. Leverage technology and information to enable performance.				
STRATEGY:	Use MicroMain to reduce the time required to resolve building and grounds maintenance issues and allow technicians to address emerging issues before they become critical.				
Key Performance Indicator:	Number of routine work orders (all trades)	8,260	9,467	8,832	8,800
Key Performance Indicator:	Average number of days between "requested" and "completed" work orders	8	7	7.7	6
Key Performance Indicator:	% of all work orders completed on time	N/A	N/A	70%	80%
STRATEGY:	Implement projects that will improve the efficient use and conservation of energy.				
Key Performance Indicator:	Number of County maintained buildings	46	43	64	64
Key Performance Indicator:	Number of buildings with "Energy Star" qualifications	0	1	1	1
Key Performance Indicator:	Number of buildings upgraded to LED exit lights	3	0	0	6
Key Performance Indicator:	Energy efficient measures taken on retrofits and upgrades of all HVAC and electrical systems	N/A	4	12	12
Key Performance Indicator:	Permanent annual reduction in electricity KWH as result of upgrades	N/A	N/A	779,928	1,000,000

SUMMARY OF EXPENDITURES

PROPERTY MANAGEMENT					
	ACTUAL FY10-11	ADOPTED FY11-12	REQUESTED FY12-13	RECOMMENDED FY12-13	ADOPTED FY12-13
EXPENDITURES:					
SALARIES & BENEFITS	\$3,407,497	\$3,536,016	\$3,749,791	\$3,600,409	\$3,600,409
OPERATING EXPENSES	5,242,070	5,832,630	6,153,069	5,870,569	5,870,569
CAPITAL OUTLAY	402,274	550,228	728,902	1,582,848	1,582,848
TOTAL EXPENDITURES:	\$9,051,841	\$9,918,874	\$10,631,762	\$11,053,826	\$11,053,826

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.

FY11-12 ACCOMPLISHMENTS

- Exceeded revenue projections.
- Participated in several community events to improve communication with Citizens relating to North Carolina Register of Deeds Vital Records processes.
- Established a flex schedule that maximizes efficiency within the department and in customer service.
- Initiated the highly reliable process of Automated Clearing House (ACH) payments for e-recordings to improve submissions.
- Continued to provide excellent customer service to New Hanover County Citizens through installation of a wireless internet in public search area.

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Effective County Management				
KEY STRATEGIC OBJECTIVE:	Increase efficiency and quality of key business processes.				
STRATEGY:	To reduce the time frame between recording and permanent indexing.				
Key Performance Indicator:	Time from recording to indexing	15 minutes	15 minutes	12 minutes	10 minutes
STRATEGY:	Process certified copies for public and mail requests within 1 business day.				
Key Performance Indicator:	% of copies mailed within 1 business day	100%	100%	100%	100%
STRATEGY:	To process efficiently the total number of documents recorded in fiscal year.				
Key Performance Indicator:	# of documents recorded	38,000	37,780	40,385	42,000
FOCUS AREA:	Effective County Management				
KEY STRATEGIC OBJECTIVE:	Leverage technology and information to maximize performance.				
STRATEGY:	To increase e-recording submissions.				
Key Performance Indicator:	# of documents recorded by e-record	5,194	7,185	8,975	10,000
STRATEGY:	To search index images within 2 minutes utilizing computer system.				
Key Performance Indicator:	Time to search index image	30 seconds	26 seconds	19 seconds	15 seconds

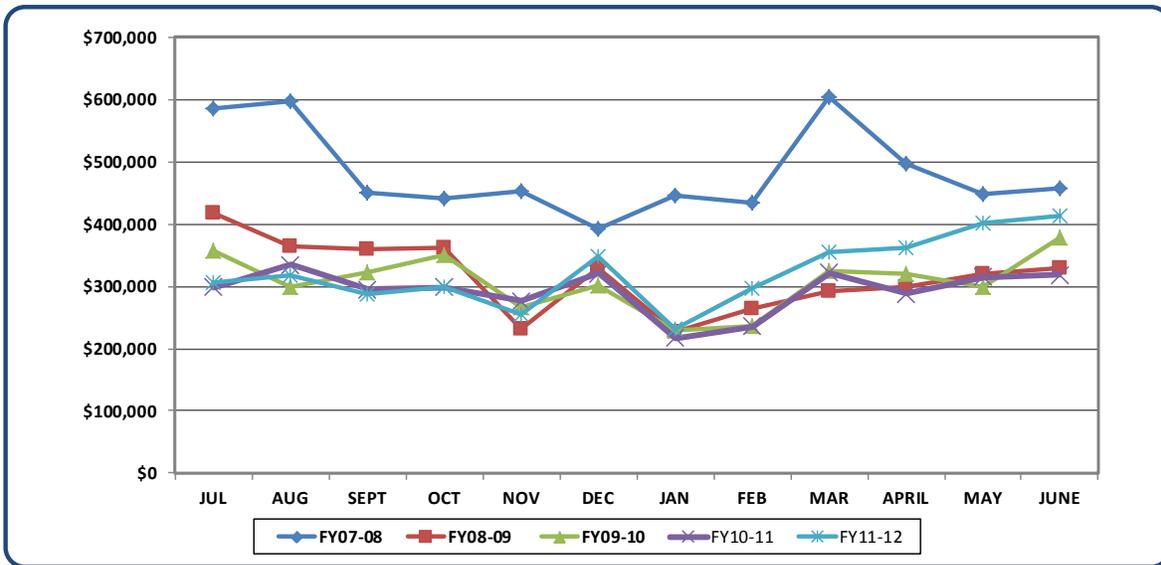
REGISTER OF DEEDS CONTINUED

SUMMARY OF EXPENDITURES AND REVENUES

REGISTER OF DEEDS					
	<u>ACTUAL</u> <u>FY10-11</u>	<u>ADOPTED</u> <u>FY11-12</u>	<u>REQUESTED</u> <u>FY12-13</u>	<u>RECOMMENDED</u> <u>FY12-13</u>	<u>ADOPTED</u> <u>FY12-13</u>
EXPENDITURES:					
SALARIES & BENEFITS	\$857,841	\$880,470	\$887,744	\$893,708	\$893,708
OPERATING EXPENSES	177,132	168,092	131,737	131,737	131,737
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$1,034,973	\$1,048,562	\$1,019,481	\$1,025,445	\$1,025,445
TOTAL REVENUES:	\$2,169,866	\$2,251,288	\$2,234,688	\$2,388,396	\$2,388,396
NET COUNTY COST:	-\$1,134,893	-\$1,202,726	-\$1,215,207	-\$1,362,951	-\$1,362,951

REGISTER OF DEEDS - Automation Enhancement Preservation Fund					
	<u>ACTUAL</u> <u>FY10-11</u>	<u>ADOPTED</u> <u>FY11-12</u>	<u>REQUESTED</u> <u>FY12-13</u>	<u>RECOMMENDED</u> <u>FY12-13</u>	<u>ADOPTED</u> <u>FY12-13</u>
EXPENDITURES:					
SALARIES	\$0	\$0	\$0	\$0	\$0
OPERATING EXPENSES	41,300	107,010	94,000	94,000	94,000
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$41,300	\$107,010	\$94,000	\$94,000	\$94,000
TOTAL REVENUES:	\$124,790	\$107,010	\$94,000	\$94,000	\$94,000
NET COUNTY COST:	-\$83,490	\$0	\$0	\$0	\$0

COMPARISON OF FY11-12 GROSS REVENUE COLLECTIONS TO FOUR PRIOR FISCAL YEARS ⁴



⁴ Decrease in revenue for FY08-09, FY09-10 and FY10-11 from FY07-08 reflects the drop in real estate transactions and the general economic downturn in the County. These are total receipts without reflecting any state 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 required to be 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.

FY11-12 ACCOMPLISHMENTS

- Maintained a collection rate in excess of 98% in all jurisdictions. Ranked 4th statewide in collections when comparing the 10 largest counties by population.
- Exceeded the 2011 County personal property projection by 6%. Billed 176,000 motor vehicle tax bills, generating approximately 2,500 new billable accounts.
- Completed the 2012 countywide re-evaluation as required by state law.
- Completed 60% of the remapping effort of the GIS database to reinforce the credibility and accuracy of the information provided to our Citizens, Register of Deeds and other departments.

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIS)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Strong Financial Performance				
KEY STRATEGIC OBJECTIVE:	Maintain strong financial reserves.				
STRATEGY:	Assign accurate values to all real property in New Hanover County. Use current market data, sales ratios and technologically advanced software to produce accurate and fair appraisals of real property. Effectively process construction permits for improvements to real estate and adjust property value accordingly. Manage and audit properties currently included in exempt or reduced tax programs. Correspond and communicate with property owners and the general public with inquiries related to appraisal matters.				
Key Performance Indicator:	Assessment/sales ratio ⁵	105%	115%	115%	97%

⁵ 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

KEY PERFORMANCE INDICATORS CONTINUED

KEY PERFORMANCE INDICATORS (KPIS)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
STRATEGY:	Collect all taxes due New Hanover County and the municipalities of Wilmington, Wrightsville Beach, Carolina Beach and Kure Beach. Continue fair and equitable application of all North Carolina Tax laws to effect collection of taxes owed. Maintain collection rate of 98% or higher. Bill and collect room occupancy, heavy equipment and rental vehicle taxes. Issue business license and mobile home moving permits. Actively pursue delinquent tax accounts using sound judgment to use forced collection measures as necessary. Effectively communicate with taxpayers to resolve questions and collection-related matters. Provide courteous service in a professional and respectful manner to educate the general public.				
Key Performance Indicator:	Collection Rate: New Hanover County	98.64%	98.69%	98.56%	98.80%
Key Performance Indicator:	New Hanover County Fire District	98.68%	98.55%	98.43%	98.80%
STRATEGY:	Create and maintain accurate records in the database for New Hanover County's Geographic Information System. Analyze recorded legal documentation, process property ownership changes, boundary lines, and legal description updates to real estate. Maintain and create real estate parcel identification numbers based on legal changes from the New Hanover County Register of Deeds. Provide up to date information to the general public, municipal districts and officials. Associate attribute information with map features to determine suitability for development. Timely provide accurate facts and figures from the GIS system as requested.				
Key Performance Indicator:	% of deeds/transfers processed within 10 working days	98%	99%	99%	99%
Key Performance Indicator:	% of plats completed within 30 days	98%	98%	98%	99%
STRATEGY:	List, assess and bill all personal property in the County. Use current information and technology to assign a fair market value to all personal property. Accurately apply depreciation schedules to business personal property. Discover, assess and bill unlisted personal property within New Hanover County. Periodically conduct audits for compliance with laws governing Property Tax Listing and Assessing. Provide positive assistance to the public and respond to inquiries related to personal property.				
Key Performance Indicator:	# of Discoveries of new unlisted property	1,600	2,554	5,819	2,800

TAX CONTINUED

SUMMARY OF EXPENDITURES

TAX	ACTUAL	ADOPTED	REQUESTED	RECOMMENDED	ADOPTED
	<u>FY10-11</u>	<u>FY11-12</u>	<u>FY12-13</u>	<u>FY12-13</u>	<u>FY12-13</u>
EXPENDITURES:					
SALARIES & BENEFITS	\$2,322,671	\$2,611,004	\$2,826,071	\$2,589,715	\$2,589,715
OPERATING EXPENSES	507,189	833,874	623,165	683,633	683,633
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$2,829,860	\$3,444,878	\$3,449,236	\$3,273,348	\$3,273,348



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 Health Department will go through its second reaccreditation during the fall of 2012.

The Strategic Plan (originally adopted in 2000 and revised in 2003, 2005, 2007, 2009 and 2011), along with the Organizational Analysis (completed in October 2002), comprised the baseline used as a guide in developing and reorganizing the Health Department during FY2004. Health Department programs include:

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.

Personal Health Services provides clinical services Monday through Friday with same day appointments available. The following personal health services are provided:

Clinical Services includes 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, well child check-ups and refugee health services.

Care Coordination for Children (CC4C) 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. In-home family counseling provides psychological services for families with children ages birth to 5 years.

Community Services includes the surveillance, investigation and control of reportable diseases, such as tuberculosis, hepatitis, and shigellosis. The Rabies Prevention program provides education on rabies disease, prevention and post-exposure prophylaxis to victims of various animal exposure situations. Clinical services are provided at the Good Shepherd Homeless Shelter medical clinic. The Childhood Lead Poisoning Prevention Program monitors children with elevated blood lead tests. The Mobile Dental Unit provides both preventive and restorative dental services to children 3 to 18 years old 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 Pregnancy Care Management, which provides case management for pregnant women, including home visits prenatal and postpartum, childbirth classes, nutrition and psychosocial counseling.

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

HEALTH DEPARTMENT CONTINUED

School Health provides nursing services in public schools, offering health screening, coordination of healthcare and health promotion.

School Mental Health provides mental health therapists in some public schools.

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

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.

Business Office – The Assistant Finance Director oversees billing and fiscal operations, contracts, grants and expenditure reporting. Fiscal responsibilities include budget management, travel requests, purchasing, accounts payable and inventory control.

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 and outreach services promoting safe and healthy lifestyles through injury prevention, tobacco prevention, general health education and HIV outreach testing program.

FY11-12 ACCOMPLISHMENTS

- Developed and implemented a new Mosquito Control Policy in Environmental Health and Vector Control, which addresses Citizens' requests that specific properties not be exposed to, or treated with, mosquito adulticide. The policy establishes a process whereby the interests of all affected parties are communicated and evaluated on an equitable basis. This is the first such policy established in the County as well as in the state. Expectations are that this policy will be used as a model for similar policies across the state.
- Relocated Animal Control Services to the Sheriff's Office effective March 1, 2012. Rabies prevention and post-exposure care remains a function of the Health Department through its Community Services division. Coordination efforts and communication between the two departments has resulted in a smooth transition and seamless service delivery to the Citizens of New Hanover County.
- Reorganized the Business and Administrative Support functions of the Department. Health Department Effective 2/1/2012, Business Office functions were transitioned to direct supervision by the County's Finance Department. Administrative Support Services (Customer Care, Program Support and Human Resources) remain a direct function of the Health Department and are grouped under the new position of Administrative Support Manager. Seamless delivery of service is the goal of both teams under the new organizational structure.

HEALTH DEPARTMENT CONTINUED

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIS)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Superior Public Health, Safety and Education				
KEY STRATEGIC OBJECTIVE:	Provide health and wellness education, programs and services.				
STRATEGY:	To have at least 75% of eligible WIC population receiving WIC services.				
Key Performance Indicator:	% of WIC eligible clients receiving services	73%	72%	73%	74%
STRATEGY:	To increase immunization rates from birth to 2 years old to 95%.				
Key Performance Indicator:	Clinic Assessment Software Application (CASA) rates	97%	98%	96%	95%
STRATEGY:	To have at least 60% of all clients admitted to School Mental Health program successfully complete their treatment goals.				
Key Performance Indicator:	% of services completed and goals met	N/A	64%	68%	65%
STRATEGY:	To serve at least 800 unduplicated clients in the Care Coordination for Children (CC4C) and Pregnancy Care Management (PCM) programs annually.				
Key Performance Indicator:	# of unduplicated clients per year	CC4C - 791 PCM - 779	CC4C - 683 PCM - 623	CC4C - 685 PCM - 1193	CC4C - 800 PCM - 1300
STRATEGY:	To reduce the number of children without an established dental home, the number of new patients receiving services in the Mobile Dental Unit will increase at least 2% per year.				
Key Performance Indicator:	# of new patients per year / % of new patients per year	506/17.95%	381/-24.7%	566/48.56%	578/2.12%
STRATEGY:	To obtain new diabetic care plans for at least 97% of students with diabetes in New Hanover County School System.				
Key Performance Indicator:	% of diabetic care plans given to diabetic students	97%	97%	100%	97%
STRATEGY:	To control vector-borne illnesses by spraying larvicide on mosquito habitats.				
Key Performance Indicator:	Spray hours	660	551	452	600
Key Performance Indicator:	Acres larvicided	752	578.5	154.5	300
Key Performance Indicator:	# sites larvicided	N/A	N/A	343	300

HEALTH DEPARTMENT CONTINUED

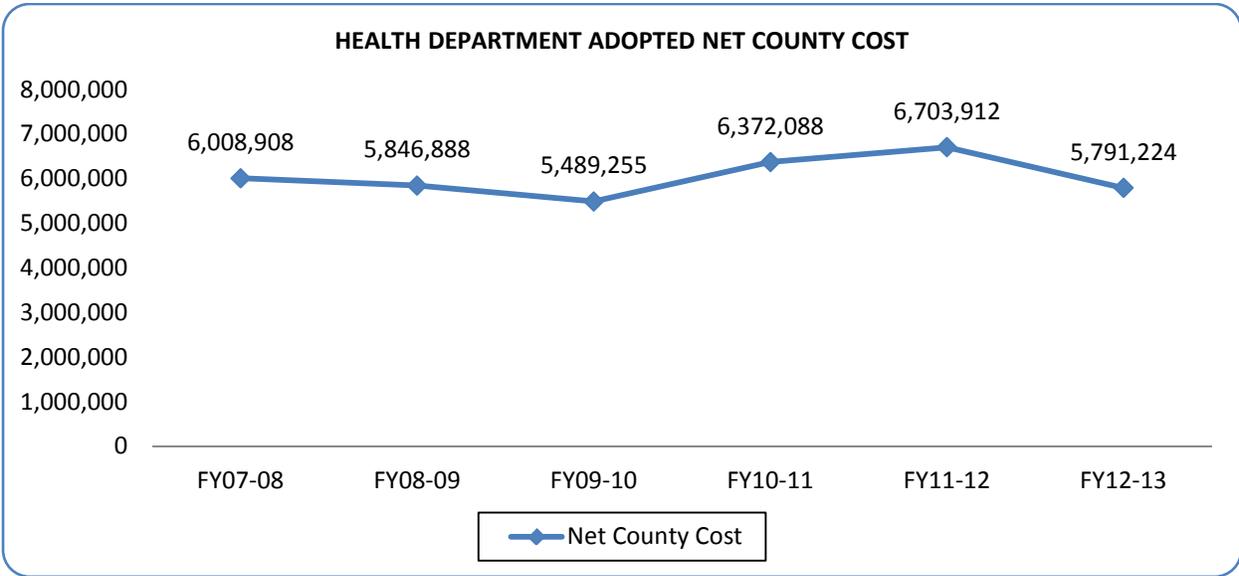
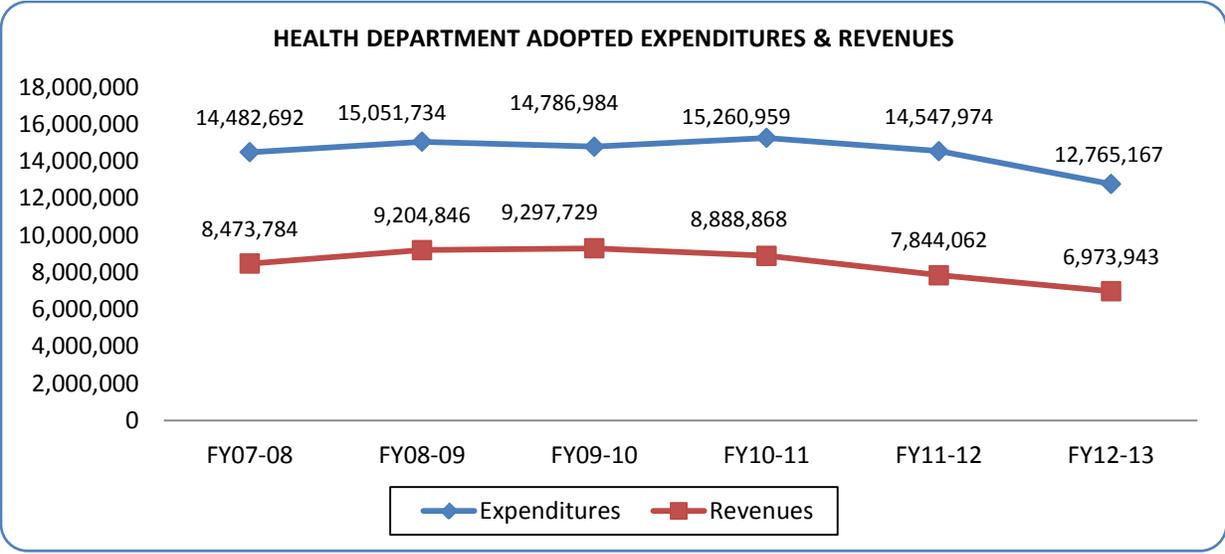
KEY PERFORMANCE INDICATORS CONTINUED

KEY PERFORMANCE INDICATORS (KPIS)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Superior Public Health, Safety and Education				
KEY STRATEGIC OBJECTIVE:	Keep the public informed on important information.				
STRATEGY:	To have 100% of category I, II, III, and IV food and lodging institutions inspected.				
Key Performance Indicator:	% of food service, lodging and institutional establishments inspected each month and reported on the website	100%	100%	100%	100%
FOCUS AREA:	Intelligent Growth and Economic Development				
KEY STRATEGIC OBJECTIVE:	Develop, maintain and implement comprehensive plans for land use, economic development, infrastructure and environmental programs.				
STRATEGY:	To have 95% of septic and well permit requests completed within two weeks.				
Key Performance Indicator:	% of services completed in time frame	N/A	N/A	99%	100%

SUMMARY OF EXPENDITURES AND REVENUES

HEALTH					
	<u>ACTUAL FY10-11</u>	<u>ADOPTED FY11-12</u>	<u>REQUESTED FY12-13</u>	<u>RECOMMENDED FY12-13</u>	<u>ADOPTED FY12-13</u>
EXPENDITURES:					
SALARIES & BENEFITS	\$12,360,874	\$12,389,709	\$11,332,213	\$10,966,554	\$10,966,554
OPERATING EXPENSES	2,026,514	2,142,265	1,670,572	1,680,572	1,793,613
CAPITAL OUTLAY	25,509	16,000	5,000	5,000	5,000
TOTAL EXPENDITURES:	\$14,412,896	\$14,547,974	\$13,007,785	\$12,652,126	\$12,765,167
TOTAL REVENUES:	\$9,086,912	\$7,844,062	\$6,840,902	\$6,860,902	\$6,973,943
NET COUNTY COST:	\$5,325,984	\$6,703,912	\$6,166,883	\$5,791,224	\$5,791,224

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



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 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 supervise 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.

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.

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.

DEPARTMENT OF SOCIAL SERVICES CONTINUED

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 provides 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 non-emergency medical transportation for Medicaid recipients who need transportation to or from medical providers.

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.

FY11-12 ACCOMPLISHMENTS

- Controlled health care costs by successfully linking 95% of mandated Medicaid cases to a permanent medical home.
- Provided Food and Nutrition Services assistance to 47,117 households in FY11-12, which reflects a 58% growth over the previous year. In FY11-12, \$45,818,366 in Food and Nutrition Services benefits were issued in New Hanover County and spent in our local grocery and food markets.
- Provided special assistance, in-home services to 69 individuals, which prevented their placement into an Adult Care Home, allowing them to remain at home safely. This resulted in an annual cost savings to the County of \$39,534.
- Partnered with the North Carolina Department of Commerce Division of Workforce Solutions to provide increased services to County residents. Social Services (DSS) and the Employment Security Commission (ESC) joined forces to form a "Rapid Response Team." At the request of local employers, this team went to the employer's site to inform employees about benefits that are available to them when they are laid off. ESC has co-located staff at the DSS office to provide employment and training services to 421 Food and Nutrition Services Employment and Training volunteers, resulting in secured employment for 99 participants.
- Provided permanent homes for 62 children through the adoption process, resulting in DSS receiving \$115,200 in Adoption Promotion Program Funds to aid in increasing adoptions.

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Superior Public Health, Safety and Education				
KEY STRATEGIC OBJECTIVE:	Increase public safety and crime prevention.				
STRATEGY:	To have 0% of aged/disabled adults living in licensed facilities that have been abused, neglected, or exploited.				
Key Performance Indicator:	Annual % of aged and disabled adults living in a licensed facility who have been abused, neglected or exploited	1.01%	0.11%	0.05%	0.00%

DEPARTMENT OF SOCIAL SERVICES CONTINUED

KEY PERFORMANCE INDICATORS CONTINUED

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
STRATEGY:	To have 0% of abused/neglected children who are not "repeat" victims.				
Key Performance Indicator:	Annual % of families with abused/neglected children who are repeat victims of maltreatment known to DSS	17.76%	11.47%	12.79%	<7.10%
KEY STRATEGIC OBJECTIVE:	Keep the public informed on important information.				
STRATEGY:	To increase the number of persons at or below the poverty level receiving Food and Nutrition services.				
Key Performance Indicator:	Annual % of persons potentially eligible for Food and Nutrition services and receive them	79.15%	76.45%	103.30%	62.00%
STRATEGY:	To increase the number of persons at or below the poverty level enrolled in Medicaid.				
Key Performance Indicator:	Annual % of persons potentially eligible for Medicaid and Health Choice and receive it	89.08%	95.80%	102.31%	85.00%
FOCUS AREA:	Intelligent Growth and Economic Development				
KEY STRATEGIC OBJECTIVE:	Understand and act on citizen needs .				
STRATEGY:	To increase the % of Work First persons moving from Work First to employment and to increase the % of clients retaining jobs after 6 months of employment.				
Key Performance Indicator:	Annual % of able-bodied Work First clients moving from Work First to employment	29.61%	39.59%	42.21%	50.00%
Key Performance Indicator:	Annual % of able-bodied Work First participants who do not return to Work First after 6 months	100.00%	99.00%	99.22%	55.00%
STRATEGY:	To eliminate barriers to employment for families with small children by setting goal of 70% receiving child-care subsidy.				
Key Performance Indicator:	Annual % of persons receiving child care subsidy in order to stay employed	67.72%	56.74%	63.17%	70.00%

DEPARTMENT OF SOCIAL SERVICES CONTINUED

KEY PERFORMANCE INDICATORS CONTINUED

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Productive Strategic Partnerships				
KEY STRATEGIC OBJECTIVE:	Deliver value for taxpayer money.				
STRATEGY:	To increase the amount of child support dollars collected, divided by the amount of child support obligated.				
Key Performance Indicator:	Annual % of child support enforcement collection compared to support obligated (*Federal or State target)	100.40%	102.00%	101.65%	80% *
FOCUS AREA:	Productive Strategic Partnerships				
KEY STRATEGIC OBJECTIVE:	Develop appropriate public/private partnerships.				
STRATEGY:	Increase the number of partnerships with faith based/volunteer organizations to serve clients who do not qualify for Federal/State programs.				
Key Performance Indicator:	Annual % of clients served with non-government funds.	N/A	N/A	N/A	100.00%
FOCUS AREA:	Strong Financial Performance				
KEY STRATEGIC OBJECTIVE:	Control costs and manage the budget.				
STRATEGY:	The amount of total federal and state dollars received/reimbursed to the County, divided by projected budget revenues.				
Key Performance Indicator:	Annual % of state and federal available dollars drawn down by the DSS	103.20%	100.00%	98.36%	100.00%
STRATEGY:	The total amount of cash collected from AFDC, TANF, Food and Nutrition Services and Medicaid compared to the total amount owed (cumulative).				
Key Performance Indicator:	Annual amount recovered through Program Integrity efforts	7.04%	6.32%	23.03%	100.00%
STRATEGY:	Number of completed Program Integrity investigations divided by the number of referrals received.				
Key Performance Indicator:	Annual number of Program Integrity investigations completed	48.00%	74.00%	90.68%	80.00%
FOCUS AREA:	Effective County Management				
KEY STRATEGIC OBJECTIVE:	Hire, develop and retain talented people.				
STRATEGY:	To reduce employee turnover to 10% or less.				
Key Performance Indicator:	Annual % of employee turnover	11.00%	10.00%	10.45%	<10.00%

DEPARTMENT OF SOCIAL SERVICES CONTINUED

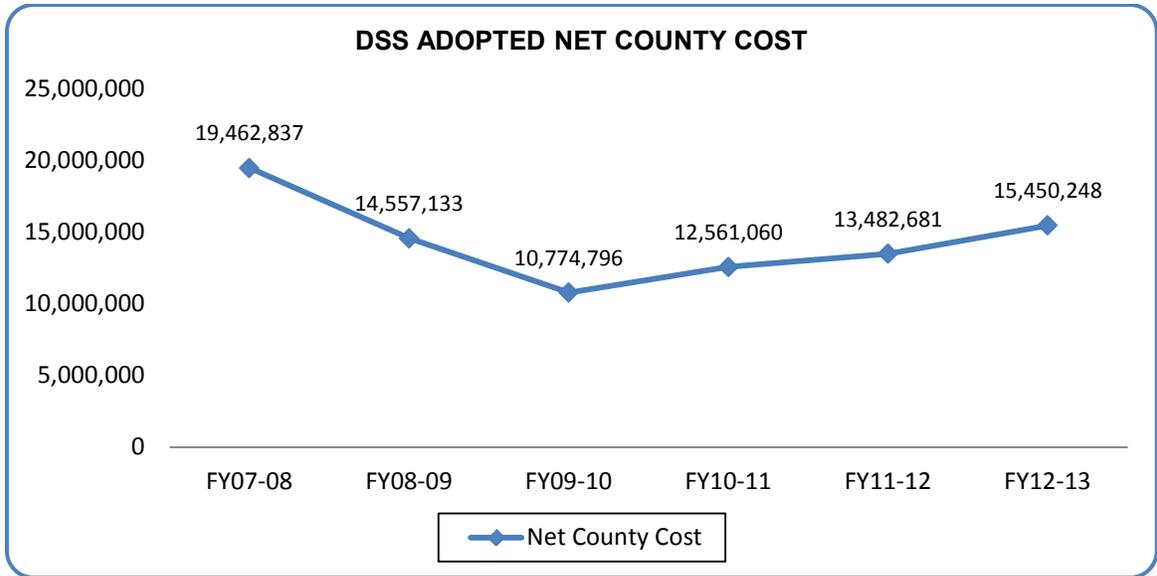
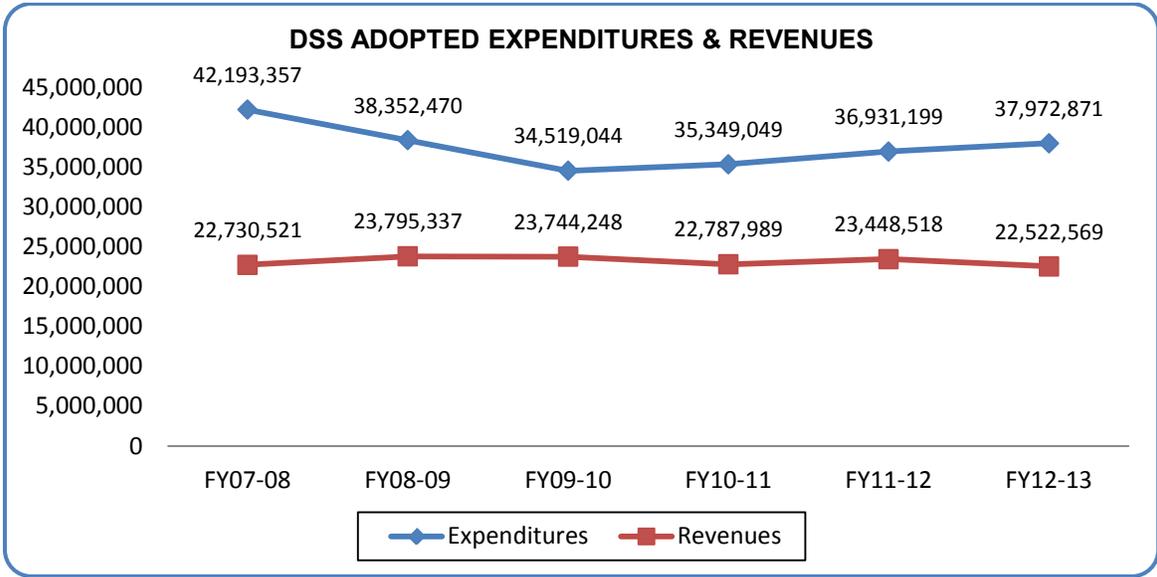
KEY PERFORMANCE INDICATORS CONTINUED

KEY PERFORMANCE INDICATORS (KPIS)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Effective County Management				
KEY STRATEGIC OBJECTIVE:	Increase efficiency and quality of key business processes.				
STRATEGY:	The total number of programs that are fully automated divided by total number of programs.				
Key Performance Indicator:	Annual % of programs that are fully automated (paperless files, off-site accessible, kiosk, document)	5.30%	5.30%	15.79%	100.00%

SUMMARY OF EXPENDITURES AND REVENUES

SOCIAL SERVICES					
	ACTUAL <u>FY10-11</u>	ADOPTED <u>FY11-12</u>	REQUESTED <u>FY12-13</u>	RECOMMENDED <u>FY12-13</u>	ADOPTED <u>FY12-13</u>
EXPENDITURES:					
SALARIES & BENEFITS	\$15,672,475	\$16,723,682	\$17,246,663	\$17,344,204	\$17,344,204
OPERATING EXPENSES	18,212,024	19,585,724	20,180,317	20,418,613	20,418,613
CAPITAL OUTLAY	231,488	621,793	54,000	210,000	210,000
TOTAL EXPENDITURES:	\$34,115,987	\$36,931,199	\$37,480,980	\$37,972,817	\$37,972,817
TOTAL REVENUES:	\$23,889,638	\$23,448,518	\$22,484,630	\$22,522,569	\$22,522,569
NET COUNTY COST:	\$10,226,349	\$13,482,681	\$14,996,350	\$15,450,248	\$15,450,248

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



DEPARTMENT OF SOCIAL SERVICES CONTINUED

VETERAN SERVICES

The Veteran Service Officer (VSO) and Veteran Services Specialist (VSS) serve as advocates, assisting eligible veterans, their dependents and/or survivors to gain access to entitlements and benefits under federal and state laws. They interview, counsel and advise the appropriate parties on federal laws, regulations, administrative procedures and policies prior to processing applications to the Department of Veterans Affairs or other agencies. The VSO and VSS also research and analyze denied claims, assisting clients to appeal these denials to the Veterans Affairs Regional Office and the Board of Veterans Appeals. The Veteran Service Officer is also available to conduct informative presentations to local veterans and service/civic organizations regarding available benefits.

FY11-12 ACCOMPLISHMENTS

- Counseled, assisted or advised over 6,675 veterans, or their eligible family members, regarding Veterans Administration benefits. These benefits include, but are not limited to, disability compensation, pension, medical treatment, home loans, burial, education and insurance.
- Conducted presentations to local community organizations, veterans organizations, and incarcerated veterans at the New Hanover County Detention Center.
- Collaborated with several local, state and federal agencies to organize the 2012 Wilmington Homeless Veteran Stand Down and 2011 Veterans' Resource Expo/Job Fair.

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Effective County Management				
KEY STRATEGIC OBJECTIVE:	Understand and act on citizen needs.				
STRATEGY:	To provide comprehensive benefit counseling and claim services to veterans, their dependents and survivors.				
Key Performance Indicator:	Requests for services	4,040	6,219	6,675	7,008
STRATEGY:	To engage in outreach/collaborative activities aimed at addressing the needs of veterans and their eligible family members				
Key Performance Indicator:	Number of activities conducted	N/A	35	60	63

SUMMARY OF EXPENDITURES AND REVENUES

VETERAN SERVICES					
	<u>ACTUAL</u> FY10-11	<u>ADOPTED</u> FY11-12	<u>REQUESTED</u> FY12-13	<u>RECOMMENDED</u> FY12-13	<u>ADOPTED</u> FY12-13
EXPENDITURES:					
SALARIES & BENEFITS	\$109,284	\$119,794	\$121,380	\$122,057	\$122,057
OPERATING EXPENSES	7,637	7,230	7,167	7,167	7,167
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$116,921	\$127,024	\$128,547	\$129,224	\$129,224
TOTAL REVENUES:	\$2,000	\$2,000	\$1,452	\$1,452	\$1,452
NET COUNTY COST:	\$114,921	\$125,024	\$127,095	\$127,772	\$127,772

**COASTALCARE (FORMERLY SOUTHEASTERN CENTER FOR MENTAL HEALTH,
DEVELOPMENTAL DISABILITIES & SUBSTANCE ABUSE SERVICES)**

On July 1, 2012, CoastalCare was formed by merging Southeastern Center for Mental Health, Developmental Disabilities and Substance Abuse Services and Onslow Carteret Behavioral Healthcare Services. This is an autonomous local public agency that provides management and oversight of mental health, developmental disabilities and substance abuse services, through a network of contract providers, for the residents of Brunswick, Carteret, New Hanover, Onslow and Pender Counties. CoastalCare manages a comprehensive array of services for children, adults and families.

SUMMARY OF EXPENDITURES AND REVENUES

COASTALCARE					
	<u>ACTUAL</u>	<u>ADOPTED</u>	<u>REQUESTED</u>	<u>RECOMMENDED</u>	<u>ADOPTED</u>
	<u>FY10-11</u>	<u>FY11-12</u>	<u>FY12-13</u>	<u>FY12-13</u>	<u>FY12-13</u>
EXPENDITURES:					
COASTALCARE	\$1,843,584	\$1,833,584	\$2,043,584	\$2,043,584	\$2,043,584
CC - ABC 5 CENTS	94,544	92,000	92,000	92,000	92,000
TOTAL EXPENDITURES:	\$1,938,128	\$1,925,584	\$2,135,584	\$2,135,584	\$2,135,584
TOTAL REVENUES:	\$94,544	\$92,000	\$92,000	\$92,000	\$92,000
NET COUNTY COST:	\$1,843,584	\$1,833,584	\$2,043,584	\$2,043,584	\$2,043,584

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

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

COMMUNITY JUSTICE SERVICES

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

- Pretrial Release Services serves the needs of the Courts by providing valuable information to judicial officials and by holding defendants accountable while released back into the community; the needs of the Sherriff by helping to reduce jail overcrowding and related costs, as well as by delaying the need to build new jails; and ultimately the needs of our community by ensuring defendants adhere to court-ordered release conditions and by supporting fiscal responsibility of taxpayer dollars.
- Treatment Court Services serves to significantly break the cycle of addiction that gives rise to engaging in repeated criminal behaviors. By enhancing the likelihood that the drug-driven offender will remain drug and crime free, as well as socially responsible, the Treatment Court Services seeks to reduce the judicial, health system and other societal costs associated with continued drug use and ongoing criminal involvement.
- Youth Empowerment Services (YES) serves at risk, delinquent and adjudicated youth and young adults, who are currently not achieving their full potential. YES is comprised of an array of programs and services that focus on the participation of the individual, their family and the community to assist participants in becoming productive members of society. Community Service and Restitution Services fundamentally focuses on the reduction of criminal behavior with an emphasis on civic learning, connecting with the community and social responsibility. Juvenile Psychological Services provides comprehensive clinical assessments/psychological evaluations to provide appropriate behavioral/mental health treatment and placement recommendations to court-involved youth. Counseling services are provided to ameliorate symptoms, strengthen skill development, as well as increase the overall level of adaptive functioning for the youth and family. Prosocial Development Services provides prevention services for elementary and middle school aged at-risk youth as well as a psycho-educational literature program targeting older adolescents and young adults.

FY11-12 ACCOMPLISHMENTS

- Pretrial Release Services has embarked on programmatic changes by researching evidenced-based screening protocols to identify and level defendants for services.
- Treatment Court Services became a funded program under the County's auspices this fiscal year.
- Youth Empowerment Services secured a new North Carolina Department of Public Safety, Juvenile Crime Prevention Council, Level II Dispositional Alternatives Grant to serve higher risk youth and their families.
- Youth Empowerment Services youth/families served are overwhelmingly satisfied with YES program and services per customer service surveys.

COMMUNITY JUSTICE SERVICES CONTINUED

KEY PERFORMANCE INDICATORS (Pretrial Release Services)

KEY PERFORMANCE INDICATORS (KPIS)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Superior Public Health, Safety and Education				
KEY STRATEGIC OBJECTIVE:	Increase public safety and crime prevention.				
STRATEGY:	Effectively monitor all Pretrial Release Services participants to ensure attendance at all scheduled Court appearances.				
Key Performance Indicator:	80% of participants as evidenced by Court record documentation	N/A	N/A	N/A	80%
STRATEGY:	Effectively monitor all Pretrial Release Services participants to prevent any new criminal charges.				
Key Performance Indicator:	80% of participants as evidenced by recidivism rates	N/A	N/A	N/A	80%
STRATEGY:	Effectively monitor all Pretrial Release Services participants to ensure compliance with Court-ordered release conditions.				
Key Performance Indicator:	80% of participants as evidenced by Court documentation of revocations for technical violations	N/A	N/A	N/A	80%
STRATEGY:	Effectively facilitate Pretrial Release Services participants engaging in community resources to increase their abilities to be productive citizens (i.e., education and job skills).				
Key Performance Indicator:	80% of participants served as evidenced by community agency data	N/A	N/A	N/A	80%
STRATEGY:	Participants served are satisfied with Pretrial Release Services.				
Key Performance Indicator:	80% of participants served as evidenced by customer service surveys	N/A	N/A	97%	95%

COMMUNITY JUSTICE SERVICES CONTINUED

KEY PERFORMANCE INDICATORS (Treatment Court Services)

KEY PERFORMANCE INDICATORS (KPIS)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Superior Public Health, Safety and Education				
KEY STRATEGIC OBJECTIVE:	Increase public safety and crime prevention.				
STRATEGY:	During the course of Treatment Court Services, participants will have no new criminal charges.				
Key Performance Indicator:	80% of participants as evidenced by recidivism rates	N/A	N/A	82%	80%
STRATEGY:	Participants post one year after successful completion of Treatment Court Services will have no new criminal charges.				
Key Performance Indicator:	80% of participants as evidenced by recidivism rates	N/A	N/A	N/A	80%
STRATEGY:	Effectively monitor all Treatment Court Services participants in substance abuse treatment programs.				
Key Performance Indicator:	80% of participants will complete treatment as evidenced by provider agency data	N/A	N/A	70%	75%
STRATEGY:	Conduct ongoing drug screens to demonstrate Treatment Court Services participants who are enrolled in substance abuse treatment services are successful in remaining drug free.				
Key Performance Indicator:	80% of all participants' drug screens will be negative for illicit drug use	N/A	N/A	N/A	80%
STRATEGY:	Effectively facilitate Treatment Court Services participants engaging in community resources to increase their abilities to be productive citizens (i.e., education and job skills).				
Key Performance Indicator:	80% of participants will be employed or enrolled in educational services as evidenced by community agency data	N/A	N/A	N/A	80%
STRATEGY:	Participants served are satisfied with Treatment Court Services.				
Key Performance Indicator:	80% of participants served as evidenced by customer service surveys	N/A	N/A	N/A	80%

COMMUNITY JUSTICE SERVICES CONTINUED

KEY PERFORMANCE INDICATORS (Youth Empowerment Services)

KEY PERFORMANCE INDICATORS (KPIS)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Superior Public Health, Safety and Education				
KEY STRATEGIC OBJECTIVE:	Increase public safety and crime prevention.				
STRATEGY:	During the course of the YES intervention, youth will have no or any new adjudications/convictions.				
Key Performance Indicator:	80% of youth served as evidenced by recidivism rates	N/A	N/A	91%	85%
STRATEGY:	Youth post one year after successful/satisfactory completion of the YES intervention will have no adjudications/convictions.				
Key Performance Indicator:	80% of youth served as evidenced by recidivism rates	N/A	N/A	79%	80%
FOCUS AREA:	Superior Public Health, Safety and Education				
KEY STRATEGIC OBJECTIVE:	Provide health and wellness education, programs and services.				
STRATEGY:	Youth receiving YES in-house psychological assessment services will follow up with treatment recommendations.				
Key Performance Indicator:	80% of youth will enter treatment as evidenced by NCJOIN data	78%	85%	89%	85%
STRATEGY:	Youth receiving YES in-house psychological counseling services who successfully/satisfactorily complete the service will demonstrate improvement in targeted behaviors.				
Key Performance Indicator:	80% of youth served as evidenced by NC ALLIES data	83%	82%	82%	80%
STRATEGY:	Youth/families served are satisfied with Youth Empowerment Services.				
Key Performance Indicator:	80% of youth/families served as evidenced by customer service surveys	N/A	N/A	97%	95%

SUMMARY OF EXPENDITURES AND REVENUES

COMMUNITY JUSTICE SERVICES					
	ACTUAL FY10-11	ADOPTED FY11-12	REQUESTED FY12-13	RECOMMENDED FY12-13	ADOPTED FY12-13
EXPENDITURES:					
SALARIES & BENEFITS	\$928,748	\$1,064,313	\$1,377,343	\$1,248,718	\$1,248,718
OPERATING EXPENSES	450,314	445,052	471,263	476,263	476,263
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$1,379,062	\$1,509,365	\$1,848,606	\$1,724,981	\$1,724,981
TOTAL REVENUES:	\$380,735	\$347,009	\$381,969	\$381,969	\$381,969
NET COUNTY COST:	\$998,328	\$1,162,356	\$1,466,637	\$1,343,012	\$1,343,012

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, District Attorney, Public Defender's Office, Juvenile Court 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 are not reflected in the amounts below.

SUMMARY OF EXPENDITURES AND REVENUES ¹

COURTS	ACTUAL FY10-11	ADOPTED FY11-12	REQUESTED FY12-13	RECOMMENDED FY12-13	ADOPTED FY12-13
EXPENDITURES:					
CLERK OF SUPERIOR COURT	\$337,927	\$358,727	\$359,558	\$359,558	\$359,558
CRIMINAL JUSTICE PARTNERSHIP	162,859	161,216	0	0	0
DISTRICT ATTORNEY	15,099	5,000	8,000	8,000	8,000
PUBLIC DEFENDER'S OFFICE	2,232	4,000	6,000	6,000	6,000
JUDICIAL OFFICES	11,843	7,840	7,840	7,840	7,840
TOTAL EXPENDITURES:	\$529,959	\$536,783	\$381,398	\$381,398	\$381,398
REVENUES:					
COURT FACILITY FEES	\$335,088	\$331,065	\$309,622	\$309,622	\$309,622
JAIL FEE-CSC	19,617	19,224	30,000	30,000	30,000
OFFICER FEES - CSC	173,082	169,287	167,310	167,310	167,310
CRIMINAL JUST. PARTNER. GRANT	162,859	161,216	0	0	0
TOTAL REVENUES:	\$690,647	\$680,792	\$506,932	\$506,932	\$506,932

¹ As per changes via the Justice Reinvestment Act, Criminal Justice Partnership funding will go directly to the funded agency rather than through counties.

EMERGENCY MANAGEMENT AND 9-1-1 COMMUNICATIONS

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.

FY11-12 ACCOMPLISHMENTS

- Added Automation Call Distribution (ACD) in the 9-1-1 Center.
- Updated New Hanover County's Emergency Operations Plan (EOP).
- Recertified 9-1-1 employees in Emergency Medical Dispatch (EMD) and Emergency Fire Dispatch (EFD), which resulted in 100% compliance.
- Increased Department's participation in Community Outreach.
- Increased employees participation in Customer Service Certification program.

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIS)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Superior Public Health, Safety and Education				
KEY STRATEGIC OBJECTIVE:	Increase public safety and crime prevention. Support programs to improve educational performance. Market and promote New Hanover County's resources.				
STRATEGY:	To maintain at least a 90% call processing time of less than 3 minutes for 9-1-1 calls.				
Key Performance Indicator:	% call processing time is less than 3 minutes	95%	95%	95%	95%

EMERGENCY MANAGEMENT AND 9-1-1 COMMUNICATIONS CONTINUED

KEY PERFORMANCE INDICATORS CONTINUED

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
STRATEGY:	To maintain an average answer time of 10 seconds, or less, for 9-1-1 phone line response at least 90% of the time.				
Key Performance Indicator:	Average ring time	9-11 seconds	6-7 seconds	5-6 seconds	3-4seconds
STRATEGY:	To maintain an abandoned call level of less than 3% of calls.				
Key Performance Indicator:	Abandoned call volume	2%	4%	4%	2%
STRATEGY:	Provide timely responses to emergency incidents and disasters.				
Key Performance Indicator:	Response time: On-scene coordination (multi-hazard)	1 hour or less			
Key Performance Indicator:	Response time: Activate EOC (fully staffed)	2 hours or less			
STRATEGY:	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.				
Key Performance Indicator:	Time to submit damage assessments	24 hours	24 hours	24 hours	24 hours
STRATEGY:	Plan and execute emergency preparedness, response, mitigation and recovery exercises annually for fixed nuclear facility incidents, severe weather, mass casualty, hazardous materials incidents and terrorism responses.				
Key Performance Indicator:	Satisfactory completion of all exercise objectives	99%	99%	99%	99%
STRATEGY:	Oversee implementation of a countywide program to ensure compliance with the National Incident Management System (NIMS).				
Key Performance Indicator:	% local agencies in compliance with current NIMS guidelines	96%	96%	96%	97%
STRATEGY:	Conduct 9-1-1 for Kids program in second grade classes in all New Hanover County Schools.				
Key Performance Indicator:	% of schools program delivered	N/A	60%	68%	70%
STRATEGY:	Participate in the following community outreach and public safety programs: Kohl's for Kids, Take Back the Night, Boys and Girls Club, UNCW and NHC Job Fair; Sexual Assault Response Team (SART), Telecommunicator Emergency Response Team (TERT), Wilmington Azalea Festival Parade and Street Fair, Wilmington Riverfest Parade and Street Fair and Wilmington Christmas Parade.				
Key Performance Indicator:	% of Annual participation	N/A	100%	100%	100%
STRATEGY:	Plan, organize and conduct leadership classes for internal and external customers, including National Academy of Emergency Dispatch, New Hanover County Citizens Academy, City of Wilmington Citizens Academy and UNCW Scholars Program.				
Key Performance Indicator:	% of participation based on need	N/A	100%	100%	100%

EMERGENCY MANAGEMENT AND 9-1-1 COMMUNICATIONS CONTINUED

KEY PERFORMANCE INDICATORS CONTINUED

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
STRATEGY:	Utilize all available print, broadcast and social media outlets to promote various Emergency Management and 9-1-1 Communications programs and events.				
Key Performance Indicator:	% of public outreach publicized	N/A	90%	100%	100%
FOCUS AREA:	Intelligent Growth and Economic Development. Productive Strategic Partnerships.				
KEY STRATEGIC OBJECTIVE:	Build and maintain infrastructure. Collaborate on regional planning. Collaborate on service delivery and implement opportunities to reduce duplication of services.				
STRATEGY:	Ensure New Hanover County's Continuity of Operations Plan (COOP) is reviewed and updated at least annually by each Department with assistance from Emergency Management.				
Key Performance Indicator:	Submission of updates to NHC Continuity of Operations Plan (COOP)	N/A	Annually	Annually	Annually
STRATEGY:	Review and Update Emergency Operations Plan				
Key Performance Indicator:	% of review completed annually	N/A	90%	100%	100%
STRATEGY:	Manage daily operation of New Hanover County's Public Safety Answering Point (9-1-1 Center) to ensure uninterrupted 9-1-1 emergency service delivery to citizens and visitors of New Hanover County.				
Key Performance Indicator:	% of up time	N/A	100%	100%	100%
STRATEGY:	Manage daily operations of 800 MHz Public Safety Radio system, including four (4) tower sites and associated microwave antenna network to ensure uninterrupted public safety and public service radio communications.				
Key Performance Indicator:	% of up time for radio system	N/A	100%	100%	100%
FOCUS AREA:	Productive Strategic Partnerships				
KEY STRATEGIC OBJECTIVE:	Collaborate on regional planning.				
STRATEGY:	Engage in regional planning, response and recovery activities through the North Carolina Emergency Management Domestic Preparedness and Readiness Region (DPPR) Program.				
Key Performance Indicator:	% of quarterly DPPR meetings attended	N/A	100%	100%	100%
STRATEGY:	Actively represent New Hanover County on the following policy and advocacy boards which further the interests of Emergency Management and 9-1-1 Communications: NC 9-1-1 Board, NC 9-1-1 Standards Board, 9-1-1 Goes to Washington, 9-1-1 Goes to Raleigh, North Carolina Emergency Management Association, and State Medical Response System Executive Steering Committee.				
Key Performance Indicator:	% of continued active participation	N/A	100%	90%	100%

EMERGENCY MANAGEMENT AND 9-1-1 COMMUNICATIONS CONTINUED

KEY PERFORMANCE INDICATORS CONTINUED

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
STRATEGY:	Effectively coordinate with local municipalities for the safe and expeditious return of residents after natural or other disaster.				
Key Performance Indicator:	% of coordination with all affected municipalities in re-entry decisions	100%	100%	100%	100%
STRATEGY:	Design, conduct and/or participate in programs and exercises that foster better working relationships through public/private partners such as Local Emergency Planning Committee, Special Needs Task Force, National Academy of Emergency Dispatch, National Emergency Number Association, Association of Public Safety Communications Officials, North Carolina Emergency Management Association, Clean Land & Harbor, North Carolina Emergency Management Eastern Branch Office, Brunswick Nuclear Power Plant, UNCW, Local Municipalities, New Hanover Regional Medical Center, National Weather Service, Long-Term Care Facilities, Cape Fear Community College and NC Justice Academy.				
Key Performance Indicator:	% of continued active participation	N/A	100%	100%	100%
FOCUS AREA:	Effective County Management				
KEY STRATEGIC OBJECTIVE:	Hire, develop and retain talented people. Leverage technology and information to maximize performance. Recognize and reward contribution.				
STRATEGY:	To have 9-1-1 Center employees trained on all required functions within 12 months of hire.				
Key Performance Indicator:	% of employees trained within 12 months	84%	90%	92%	95%
STRATEGY:	To maintain employee longevity level of 90% with more than 1 year of service.				
Key Performance Indicator:	% of employees with more than 1 year of service	90%	95%	95%	95%
STRATEGY:	To ensure facilities and systems are adequate to have 9-1-1 Center employees trained on all required functions within 12 months of hire date.				
Key Performance Indicator:	% of consoles operational and available for training	N/A	100%	100%	100%
STRATEGY:	Continue to sponsor and promote the Telecommunicator of the Month and Telecommunicator of the Year Awards.				
Key Performance Indicator:	Continued issuance of these awards	N/A	Monthly & Yearly	Monthly & Yearly	Monthly & Yearly

EMERGENCY MANAGEMENT AND 9-1-1 COMMUNICATIONS CONTINUED

SUMMARY OF EXPENDITURES AND REVENUES

EMERGENCY MANAGEMENT AND 9-1-1 COMMUNICATIONS					
	ACTUAL	ADOPTED	REQUESTED	RECOMMENDED	ADOPTED
	<u>FY10-11</u>	<u>FY11-12</u>	<u>FY12-13</u>	<u>FY12-13</u>	<u>FY12-13</u>
EXPENDITURES:					
SALARIES & BENEFITS	\$3,598,570	\$3,742,468	\$4,159,878	\$3,988,492	\$3,988,492
OPERATING EXPENSES	1,060,309	1,153,954	1,410,205	1,359,255	1,359,255
CAPITAL OUTLAY	1,054,105	90,000	322,000	322,000	322,000
TOTAL EXPENDITURES:	\$5,712,984	\$4,986,422	\$5,892,083	\$5,669,747	\$5,669,747
TOTAL REVENUES:	\$2,265,825	\$821,155	\$748,504	\$990,584	\$990,584
NET COUNTY COST:	\$3,447,159	\$4,165,267	\$5,143,579	\$4,679,163	\$4,679,163

JUVENILE SERVICES

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.

SUMMARY OF EXPENDITURES AND REVENUES²

JUVENILE SERVICES					
	ACTUAL <u>FY10-11</u>	ADOPTED <u>FY11-12</u>	REQUESTED <u>FY12-13</u>	RECOMMENDED <u>FY12-13</u>	ADOPTED <u>FY12-13</u>
EXPENDITURES:					
SALARIES & BENEFITS	0	0	0	0	0
OPERATING EXPENSES	\$241,939	\$180,750	\$132,000	\$132,000	\$183,375
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$241,939	\$180,750	\$132,000	\$132,000	\$183,375
TOTAL REVENUES:	\$122,775	\$43,000	\$0	\$0	\$51,375
NET COUNTY COST:	\$119,164	\$137,750	\$132,000	\$132,000	\$132,000

² Consists of Detention Center payments and 2 juvenile related programs.

PLANNING & INSPECTIONS

The Planning and Inspections Department provides guidance and direction in the adoption and enforcement of policies and regulations, which ensure orderly building and construction, environmental stewardship, growth and economic development, and long-range community development in New Hanover County. These public policy choices include: residential, commercial, and industrial construction and land use standards; transportation, service delivery and capital improvements. This work involves the collection and evaluation of data, research and a nalysis of options and alternatives, enforcement of adopted codes and the selection and implementation of projects and programs.

In October 2009, the Inspections Department and the Planning Department were combined to form a unified Planning and Inspections Department. Responsibilities for the Department include enforcement of the North Carolina State Building, Electrical, Plumbing, Mechanical and Mobile Home Codes within New Hanover County, the city of Wilmington, and four surrounding beach communities. 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 (CAMA) regulations within the unincorporated areas of the County.

The overarching goal in combining Planning and Inspections is to foster the seamless review of development projects from their inception on the Planning table to their approval and issuance of occupancy permits. The same is true with the creation of new plans and ordinances. The arrangement will allow complete understanding of development processes and compliance with existing plans, ordinances and codes.

The Department serves as professional staff to the County Planning Board, the Board of Adjustment and the Inspection Advisory Board. Additionally, staff 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.

Planning and Inspections 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.

FY11-12 ACCOMPLISHMENTS

- Inspections Division partnered with Cape Fear Community College to provide Plumbing, Electrical and Mechanical Standard Level 1 c courses on site during the fiscal year, saving a considerable amount of travel/training expenses. Workshops for contractors were also offered as part of our monthly Code Talk series.
- Integrated planning and inspections staff to enhance our Community Development program. Staff is working to integrate the inspection/construction administration aspects of our housing rehabilitation and replacement program.
- Planning has partnered with Cape Fear Community College (CFCC) for all phases of new construction projects. CFCC Architectural Technology and Interior Design students drafted a range of house plans from which a new homeowner can choose. Students in the Construction Management Program will build the homes and Landscape Gardening students will add the finishing touches around the exterior of the homes.

PLANNING & INSPECTIONS CONTINUED

FY11-12 ACCOMPLISHMENTS CONTINUED

- Completed major zoning ordinance amendments as a continuation of an ordinance improvement effort, with the most significant being an amendment requiring a special use permit for new intensive industry.

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIS)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Superior Public Health, Safety and Education				
KEY STRATEGIC OBJECTIVE:	Keep the public informed on important information.				
STRATEGY:	Utilize available media to publicize initiatives, hearings and events.				
Key Performance Indicator:	% of households in target area with confirmable outreach	N/A	N/A	N/A	70%
STRATEGY:	Design forums to maximize audience and attract input from a diverse representation of the population.				
Key Performance Indicator:	% identified diversity outreach accomplished	N/A	N/A	80%	85%
KEY STRATEGIC OBJECTIVE:	Increase public safety and crime prevention.				
STRATEGY:	Educate homeowners and contractors on code issues.				
Key Performance Indicator:	Average attendance at first Monday Code Seminar	N/A	N/A	35	38
Key Performance Indicator:	Reduction in % of disapprovals	N/A	N/A	N/A	10%
FOCUS AREA:	Intelligent Growth and Economic Development				
KEY STRATEGIC OBJECTIVE:	Develop, maintain and implement comprehensive plans for land use, economic development, infrastructure and environmental programs.				
STRATEGY:	Update and maintain comprehensive plan and track implementation of identified actions.				
Key Performance Indicator:	% of planning process completed	N/A	N/A	5%	30%
STRATEGY:	Work with Consortium to create a regional sustainable communities plan.				
Key Performance Indicator:	% of planning process completed	N/A	N/A	N/A	40%

PLANNING & INSPECTIONS CONTINUED

KEY PERFORMANCE INDICATORS CONTINUED

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Intelligent Growth and Economic Development				
KEY STRATEGIC OBJECTIVE:	Protect the environment through innovative programs.				
STRATEGY:	Utilize sustainability committee and sustainable communities coalition to promote clean technology and efficient use of resources.				
Key Performance Indicator:	% increase in recycling in Bruce Shell Government Center	N/A	N/A	N/A	20%
Key Performance Indicator:	% reduction in overall energy consumption in County facilities	N/A	N/A	N/A	5%
STRATEGY:	Work with LID ordinance and efforts similar to EDZD to incentivize development that promotes stewardship and alternative energy.				
Key Performance Indicator:	% of new projects utilizing alternatives	N/A	N/A	N/A	15%
KEY STRATEGIC OBJECTIVE:	Attract and retain new and expanding businesses.				
STRATEGY:	Build flexibility into ordinance for existing business growth.				
Key Performance Indicator:	# of updates to ordinance	N/A	N/A	7	7
FOCUS AREA:	Productive Strategic Partnerships				
KEY STRATEGIC OBJECTIVE:	Collaborate on regional planning.				
STRATEGY:	Continue to collaborate with regional partners in existing planning efforts.				
Key Performance Indicator:	# of ongoing efforts involving regional collaboration	N/A	N/A	5	6

SUMMARY OF EXPENDITURES AND REVENUES

PLANNING AND INSPECTIONS					
	ACTUAL FY10-11	ADOPTED FY11-12	REQUESTED FY12-13	RECOMMENDED FY12-13	ADOPTED FY12-13
EXPENDITURES:					
SALARIES & BENEFITS	\$3,042,469	\$3,127,842	\$4,104,134	\$3,063,269	\$3,063,269
OPERATING EXPENSES	336,016	489,747	598,148	431,648	431,648
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$3,378,485	\$3,617,589	\$4,702,282	\$3,494,917	\$3,494,917
TOTAL REVENUES:	\$2,004,934	\$1,947,860	\$1,953,460	\$2,097,810	\$2,097,810
NET COUNTY COST:	\$1,373,551	\$1,669,729	\$2,748,822	\$1,397,107	\$1,397,107

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.

Judicial 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.

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.

The **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. The Patrol division has many specialized sections and units as follows:

- **Sheriff's Alcohol Field Enforcement (S.A.F.E.) unit**, which assists in reducing the number of wrecks through aggressive speed and alcohol violation enforcement.
- **Emergency Response Team (ERT)** receives diversified training for situations that require specialized weapons and tactics.
- **School Resource Officers (SRO)** section has 22 full-time SRO's that act as peace officers by maintaining security and order on area campuses with the legal authority to arrest if required. They provide classroom presentations on a variety of subjects and counsel by mediating, listening and assisting students with various problems.

SHERIFF'S OFFICE CONTINUED

- The **K-9 Unit** assists and supports officers patrolling the County by responding to alarms, armed robberies, fleeing suspects, and response to illegal drugs, weapons, or high incident calls for service.
- The **Explosives Ordinance (E.O.D.) Unit** provides emergency explosives support to New Hanover County, as well as to surrounding areas and their local agencies.
- The **Marine Unit** is responsible for marine law enforcement by patrolling local waters, as well as search and rescue missions.
- The **Underwater Investigations Unit** is comprised of a Dive Team and a Side Scan Sonar Team, both of which provide capabilities beyond the scope of normal deputies.

The **Support Services Division** includes the following units:

- **Animal Services** protects the public from the threat of rabies virus exposure through prevention, public awareness and education. It enforces state laws and County Health Regulations pertaining to domestic animals and the County's Animal Control Ordinance, cooperates with agencies needing assistance in handling animal life and offers pet adoption opportunities.
- **Community Services** endeavors to reduce and prevent crime through its outreach and educational programs. The Unit oversees the Sheriff's Citizen's Academy designed to expose community participants to different aspects of law enforcement to include the day-to-day operation of the Sheriff's Office.
- **Grants** provides research and grant writing for submission to grantors offering grant awards to enhance law enforcement activities.
- **Internal Affairs** investigates internal and external complaints filed against Sheriff's Office staff. Findings are forwarded to the Sheriff for his review and action. The Unit's function and disciplinary system serves as a critical link and conduit for community trust.
- The **Alvin J. Page Firing Range** is a 44-acre area that serves as a weapons training and qualifying area for all sworn personnel and houses the five-acre training area of the K-9 Team.
- **Recruitment/Professional Standards** is responsible for the recruitment of highly-trained men and women. The Unit screens applicants for disqualifiers and conducts background investigations to include criminal, school and credit records.
- **School Crossing Guards** assist with safe school arrival and departure at all New Hanover County Schools.
- **S.A.B.L.E. (Southeastern North Carolina Airborne Law Enforcement)** has two helicopters that support and increase the effectiveness of law enforcement in the field through aerial observation and communication. The SABLE program is a regional, multi-agency effort shared between the New Hanover and Pender County Sheriff's Offices and the City of Wilmington and Leland Police Departments. Each partner agency provides their own deputies or officers to perform as Tactical Flight Officers for dedicated mission support.
- **Training** oversees, coordinates and schedules classes/instructors for deputy and detention officer annual mandated training. The Unit coordinates and schedules needed specialized training for the Sheriff's Office.

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.

FY11-12 ACCOMPLISHMENTS

- Implemented an identification badge system for entry into the New Hanover County Courthouse for Judicial employees and a Court alert emergency notification system.
- Certified two Jail Managers, one Jail Trainer and 22 Jail Officers in the Detention Center through the American Jail Association.
- Created a Downtown Task Force with the City of Wilmington for additional law enforcement visibility and enforcement in the downtown area for Citizens' safety.

SHERIFF'S OFFICE CONTINUED

FY11-12 ACCOMPLISHMENTS CONTINUED

- Created the Cape Fear Maritime Task Force to patrol local waters, which includes New Hanover County Sheriff's Office, Wilmington Police Department and Brunswick County Sheriff's Office.
- Initiated over 800 drug-related investigations and originated over 500 searches.
- Seized approximately \$3.8 million in drugs, currency, guns, vehicles and real property.
- Complied with the new North Carolina laws governing Crime Labs by starting the accreditation process under the American Society of Crime Laboratory Directors – Laboratory Accreditation Board.
- Increased the number of animal adoptions by opening on Saturday beginning in March 2012; relocated one of the four free vaccination clinics in the Southern part of the County to better serve Citizens.

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)		CY2009 Actual	CY2010 Actual	CY2011 Actual	CY2012 Projected
FOCUS AREA:	Superior Public Health, Safety and Education				
KEY STRATEGIC OBJECTIVE:	Increase public safety and crime prevention.				
STRATEGY:	To achieve high clearance rate in all areas of violent crime, resulting in overall violent crime clearance rate of 75 %. ³				
Key Performance Indicator:	Clearance rate: Murder	66%	100%	133%	100%
Key Performance Indicator:	Clearance rate: Aggravated Assault	98%	82%	104%	89%
Key Performance Indicator:	Clearance rate: Robbery	86%	51%	98%	110%
Key Performance Indicator:	Clearance rate: Rape	62%	64%	82%	96%
Key Performance Indicator:	Clearance rate: Overall	78%	74%	97%	96%
STRATEGY:	To achieve overall clearance rate of 75% for property crime.				
Key Performance Indicator:	Clearance rate: Burglary	92%	38%	94%	101%
Key Performance Indicator:	Clearance rate: Larceny	85%	49%	87%	92%
Key Performance Indicator:	Clearance rate: Motor Vehicle	95%	53%	60%	75%
Key Performance Indicator:	Clearance rate: Overall	91%	47%	93%	96%
STRATEGY:	To achieve clearance rate of 75% for assigned detective cases.				
Key Performance Indicator:	Clearance rate	85%	60%	90%	97%

³ Clearance rate possibly includes offenses in prior years cleared this year.

SHERIFF'S OFFICE CONTINUED

KEY PERFORMANCE INDICATORS CONTINUED

KEY PERFORMANCE INDICATORS (KPIs)		CY2009 Actual	CY2010 Actual	CY2011 Actual	CY2012 Projected
STRATEGY:	To decrease availability of drugs by increasing the number of arrests while maintaining conviction rate of at least 99%.				
Key Performance Indicator:	Drug Arrests: # of drug arrests	2,357	2,366	2,761	2,554
Key Performance Indicator:	Drug Arrests: \$ value of seized drugs	\$2.7 million	\$3.4 million	\$3.8 million	\$3.6 million
Key Performance Indicator:	Drug arrest: drug conviction rate	99%	99%	99%	99%
STRATEGY:	To strive for recovery rate of 35%, or better, for stolen property.				
Key Performance Indicator:	Property losses: \$ value of property recovered	\$1.4 million	\$269,856	\$306,020	\$300,000
Key Performance Indicator:	Property losses: % recovered	38%	10%	10%	10%
STRATEGY:	To achieve an overall service rate of 80% for civil papers served.				
Key Performance Indicator:	Civil Process: # received	25,608	25,559	24,167	25,111
Key Performance Indicator:	Civil Process: % served	80%	82%	82%	82%
KEY STRATEGIC OBJECTIVE:	Increase public safety and crime prevention.				
STRATEGY:	To reduce reported inmate/staff incidents, decrease inmate grievances upheld, and strive to reduce rate of employees receiving disciplinary sanctions.				
Key Performance Indicator:	Inmate/staff incidents: # inmate/staff reported incidents	1,381	1,206	1,341	1,300
Key Performance Indicator:	% of grievances upheld	17%	6%	10%	10%
Key Performance Indicator:	% of employees receiving disciplinary sanctions	4%	7%	5%	5%
KEY STRATEGIC OBJECTIVE:	Increase public safety and crime prevention.				
STRATEGY:	To increase number of child support papers served and number of arrests.				
Key Performance Indicator:	Orders for arrests: # orders received	595	552	610	585
Key Performance Indicator:	Orders for arrests: % served	86%	69%	69%	75%
STRATEGY:	To aggressively pursue child support collections.				
Key Performance Indicator:	Cash bonds imposed	\$1.7 million	\$768,428	\$1 million	\$1 million

SHERIFF'S OFFICE CONTINUED

SUMMARY OF EXPENDITURES AND REVENUES

SHERIFF'S OFFICE	ACTUAL FY10-11	ADOPTED FY11-12	REQUESTED FY12-13	RECOMMENDED FY12-13	ADOPTED FY12-13
EXPENDITURES:					
SALARIES & BENEFITS	\$27,324,995	\$28,626,235	\$30,409,514	\$30,398,083	\$30,398,083
OPERATING EXPENSES	6,078,697	6,127,318	6,623,370	6,663,292	6,663,292
CAPITAL OUTLAY	508,419	120,000	423,008	103,908	103,908
ADMIN RESERVE	4,945	158,299	0	0	0
TOTAL EXPENDITURES:	\$33,917,056	\$35,031,852	\$37,455,892	\$37,165,283	\$37,165,283
TOTAL REVENUES:	\$3,745,886	\$3,293,801	\$4,371,753	\$4,333,824	\$4,333,824
NET COUNTY COST:	\$30,171,170	\$31,738,051	\$33,084,139	\$32,831,459	\$32,831,459



COOPERATIVE EXTENSION SERVICE

The North Carolina Cooperative Extension Service represents a collaborative effort of county, state and federal governments, extending the educational resources of the state's two land-grant universities – North Carolina State and North Carolina Agricultural and Technical (A&T) State. Cooperative Extension helps people solve problems and improve the quality of their lives by providing unbiased, research-based information in the areas of consumer and commercial horticulture, nutrition and wellness, 4-H youth development, and environmental issues including water quality, pesticide application and storm water management. Unique to the New Hanover County program is the Arboretum – a seven-acre display garden and outdoor laboratory/classroom.

While most Cooperative Extension staff members are considered employees of the universities, New Hanover County provides funding for some portion of their salary and benefits. The County also owns and maintains the buildings and facilities and contributes to the maintenance of the gardens.

Cooperative Extension's mission supports initiatives included in the 2011 New Hanover County Strategic Plan. The Arboretum's Ten-Year Plan, adopted in 2010, outlines aggressive improvements to the seven-acre Display Garden. During FY2011-2012, completed projects include the Herb Garden, Welcome Garden, Butterfly Border and Children's Activity Area, which represents an investment of almost \$50,000 in private funding for materials.

Programs offered through 4-H, Family and Consumer Sciences, and the Expanded Foods and Nutrition Education Program (EFNEP) provide opportunities for youth and adults to increase their knowledge of basic life skills including citizenship, public speaking, food preservation, budgeting and healthy eating.

The collaborative nature of Cooperative Extension represents an important strategic partnership that provides excellent return-on-investment for the Citizens of New Hanover County.

FY11-12 ACCOMPLISHMENTS

- Provided school enrichment activities in support of the standard course of study for over 2,600 New Hanover County students through 4-H embryology, Acres of Adventure and Junior Master Gardener programs.
- Logged over 8,500 Master Gardener volunteer hours, responding to over 8,000 requests for information and assistance through plant problem clinics at the Arboretum and off-site on Saturdays at the Riverfront Farmer's Market in downtown Wilmington. This represents a value of over \$400,000 to the Citizens of New Hanover County.
- Recruited and trained 28 new 4-H Club leaders to support seven special-interest clubs with subject matter related to horses, teens teaching youth and robotics. Volunteers donated over 700 hours to this effort, which is valued at over \$14,000.
- Reached over 125,000 households each week with timely horticultural information through "*The Coastal Gardener*" mass media efforts, including a monthly show on New Hanover County television, and appearances on WECT TV-6's "*Carolina in the Morning*" show.
- Improved marketing efforts by the New Hanover County Friends of the Arboretum and aggressive Display Garden improvements pushed visitor numbers over 50,000 in FY2011-2012, further solidifying the Garden and Cooperative Extension as important community assets. This represents a 30% increase in attendance over the previous year.

COOPERATIVE EXTENSION SERVICE CONTINUED

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIS)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Superior Public Health, Safety and Education				
KEY STRATEGIC OBJECTIVE:	Provide health and wellness education, programs and services.				
STRATEGY:	To increase the intellectual growth and development of life skills among all youth by participation in 4-H.				
Key Performance Indicator:	Number of 4-H youth participating in educational programs and opportunities	2,375	870	2,680	2,900
STRATEGY:	Provide nutrition and wellness programs that will empower youth and adults to lead healthier lives through Family and Consumer Science and EFNEP.				
Key Performance Indicator:	Number indicating improved dietary and exercise habits	300	550	2,550	3,000
FOCUS AREA:	Intelligent Growth and Economic Development				
KEY STRATEGIC OBJECTIVE:	Enhance and add recreational, cultural and enrichment amenities.				
STRATEGY:	Establish a permanent picnic/small group gathering area for visitors in the Ross Woods.				
Key Performance Indicator:	% of projects completed by deadline and within budget	N/A	85%	95%	100%
STRATEGY:	Install fountain, new walks and drainage improvements in the Rose Garden.				
Key Performance Indicator:	% of projects completed	N/A	N/A	N/A	100%
STRATEGY:	Upgrade plantings in the Herbaceous Perennial Border using Monet's garden as inspiration.				
Key Performance Indicator:	Number of volunteers participating	N/A	N/A	220	250
STRATEGY:	Evaluate alternative properties to house Cooperative Extension and the Arboretum/Display Garden for the long-term.				
Key Performance Indicator:	Number of properties evaluated	N/A	2	2	2
FOCUS AREA:	Intelligent Growth and Economic Development				
KEY STRATEGIC OBJECTIVE:	Protect the environment through innovative programs.				
STRATEGY:	Provide at least six certification/recertification opportunities annually.				
Key Performance Indicator:	Number of licensees attending certification/recertification opportunities	1,100	900	1,230	1,500

COOPERATIVE EXTENSION SERVICE CONTINUED

SUMMARY OF EXPENDITURES AND REVENUES

COOPERATIVE EXTENSION SERVICE					
	ACTUAL	ADOPTED	REQUESTED	RECOMMENDED	ADOPTED
	<u>FY10-11</u>	<u>FY11-12</u>	<u>FY12-13</u>	<u>FY12-13</u>	<u>FY12-13</u>
EXPENDITURES:					
SALARIES & BENEFITS	\$16,628	\$17,655	\$52,727	\$17,655	\$17,655
OPERATING EXPENSES	339,092	427,503	432,426	432,426	463,150
CAPITAL OUTLAY	30,704	0	0	0	0
TOTAL EXPENDITURES:	\$386,424	\$445,158	\$485,153	\$450,081	\$480,805
TOTAL REVENUES:	\$46,043	\$46,281	\$47,250	\$47,250	\$77,974
NET COUNTY COST:	\$340,380	\$398,877	\$437,903	\$402,831	\$402,831

LIBRARY

The New Hanover County Public Library system provides services through the Main Library, Northeast Regional Branch, Myrtle Grove Branch, Carolina Beach Branch, Law Library and a Virtual Library branch. 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 at most facilities. Meeting rooms, wireless connectivity and computers are available for public use. Via the Virtual Library Branch at www.nhclibrary.org, registered Library users can access most services available at any facility; in addition to various downloadable resources and electronic databases accessible through the Library's website. Library accomplishments for FY11-12 relate directly to several New Hanover County strategic objectives as listed below.

FY11-12 ACCOMPLISHMENTS

- Leveraged technology and information to enable performance: With funds from a Library Services and Technology Act (LSTA) grant, the Library system redesigned its checkout processes to better serve customers. Along with the redesign of circulation space and procedures, 13 "eXpress Check" self-service kiosks were installed system-wide, giving Citizens greater control over the Library experience.
- Supported programs to improve educational performance: The Library completely revised summer story time programming to provide story time every day, everywhere throughout New Hanover County, exposing children to reading materials throughout the summer. According to an article in *School Library Journal*, "Students who take part in their local library's summer reading program significantly improve their reading skills."
- Increased efficiency and quality of key business processes: Capitalizing on the efficiencies inherent in the new SharePoint design, the Library developed a suggestion-for-purchase form. The process enables frontline staff and Citizens to suggest materials for purchase and immediately submit those titles to an Acquisitions Librarian for review.
- Enhanced and added recreational, cultural and enrichment amenities: The Library improved internal processes by utilizing a component of our acquisitions software to ease the ordering of new material and make information on new titles available. Bestsellers and new releases are displayed immediately in the catalog so customers have knowledge of new resources to meet their reading and research needs.
- Developed appropriate public/private partnerships, marketed and promoted New Hanover County assets: In partnership with New Hanover County Friends of the Library, the Library conducted a community-wide illustration contest and published *George the Library Duck Finds a Friend*. The project earned New Hanover County Commissioners the 2012 NCACC Program Award and resulted in the largest crowd ever at a Friends of the Library annual meeting.

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Superior Public Health, Safety and Education				
KEY STRATEGIC OBJECTIVE:	Support programs to improve educational performance; provide health and wellness education, programs and services.				
STRATEGY:	Expect access to our wealth of resources to increase by 2% per year.				
Key Performance Indicator:	Circulation: number	1.34 million	1.35 million	1.38 million	1.4 million
Key Performance Indicator:	Use of online databases	172,497	163,665	224,218	228,702
STRATEGY:	Foster literacy by maintaining story hour attendance above 12.				
Key Performance Indicator:	Children's programming: average attendance	18.6	18.4	12.8	12.9

LIBRARY CONTINUED

KEY PERFORMANCE INDICATORS CONTINUED

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
STRATEGY:	Train and engage a workforce that answers over 300,000 reference and directional transactions with a fill rate of 85%.				
Key Performance Indicator:	Reference transactions: number	338,593	299,826	314,440	317,584
Key Performance Indicator:	Material and information fill rate	92.30%	93.82%	95.90%	95.00%
FOCUS AREA:	Intelligent Growth and Economic Development				
KEY STRATEGIC OBJECTIVE:	Enhance and add recreational, cultural and enrichment amenities.				
STRATEGY:	Provide a welcoming and dynamic destination as reflected by a door count over 750,000 and a per capita visit rate greater than 4.0.				
Key Performance Indicator:	Library visits	895,425	843,007	801,385	817,412
Key Performance Indicator:	Visits: per capita	4.55	4.15	3.90	4.00
STRATEGY:	Provide quality resources and collections resulting in a per capita reference transaction rate over 1.5, a per capita circulation rate greater than 6.5, and a material turnover rate greater than 3.				
Key Performance Indicator:	Reference transactions: per capita	1.72	1.47	1.50	1.50
Key Performance Indicator:	Circulation: per capita	6.82	6.68	6.70	6.80
Key Performance Indicator:	Material turnover rate	3.05	3.06	2.97	3.00
STRATEGY:	Provide exceptional services and experiences with 250 programs for adults and 800 programs for children.				
Key Performance Indicator:	Adult programs: number	211	395	233	250
Key Performance Indicator:	Children's programs: number	1,432	1,469	1,924	1,500
STRATEGY:	Deliver exceptional customer service with a customer satisfaction rate greater than 90%.				
Key Performance Indicator:	Customer satisfaction rate	96%	93.4%	96.2%	95%
FOCUS AREA:	Strong Financial Performance				
KEY STRATEGIC OBJECTIVE:	Control costs and manage the budget.				
STRATEGY:	Maximize operations by holding reference transaction costs to no more than \$2.30, circulation costs to no more than \$2.85, and materials per capita cost less than \$3.00.				
Key Performance Indicator:	Reference transactions: cost	\$2.22	\$2.54	\$2.35	\$2.50
Key Performance Indicator:	Circulation: cost	\$2.53	\$2.51	\$2.46	\$2.65
Key Performance Indicator:	Materials per capita: cost	\$2.90	\$2.75	\$2.66	\$2.75

LIBRARY CONTINUED

KEY PERFORMANCE INDICATORS CONTINUED

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10	FY10-11	FY11-12	FY12-13
		Actual	Actual	Actual	Projected
STRATEGY:	Support sustainable funding by providing 10% or more of the Library's operating budget from non-county funds such as grants, donations and fees. Reach state average (over \$20) in total per capita funding.				
Key Performance Indicator:	Percent funded locally	82.40%	83.10%	87.56%	88.00%
Key Performance Indicator:	Per capita expenditure	\$17.32	\$16.23	\$17.14	\$18.00
FOCUS AREA:	Effective County Management				
KEY STRATEGIC OBJECTIVE:	Leverage technology and information to maximize performance.				
STRATEGY:	Using cutting edge technology, create a virtual library experience that enables remote users to replicate traditional library services as reflected by a 5% increase in usage of online resources.				
Key Performance Indicator:	Number of Internet sessions	153,399	153,873	145,844	153,136
Key Performance Indicator:	Visits to Library's web pages	394,718	476,356	552,834	580,475
STRATEGY:	Foster technology competency by increasing self-service circulation transactions 5% per year.				
Key Performance Indicator:	Percent of circulation transactions performed by the customer	6.50%	18.26%	21.22%	22.40%

SUMMARY OF EXPENDITURES AND REVENUES

LIBRARY					
	ACTUAL	ADOPTED	REQUESTED	RECOMMENDED	ADOPTED
	FY10-11	FY11-12	FY12-13	FY12-13	FY12-13
EXPENDITURES:					
SALARIES & BENEFITS	\$2,672,446	\$2,783,795	\$2,937,418	\$2,882,536	\$2,882,536
OPERATING EXPENSES	925,993	897,669	999,528	917,376	917,376
CAPITAL OUTLAY	0	0	86,652	86,652	86,652
TOTAL EXPENDITURES:	\$3,598,438	\$3,681,464	\$4,023,598	\$3,886,564	\$3,886,564
TOTAL REVENUE:	\$654,084	\$587,125	\$607,203	\$599,852	\$599,852
NET COUNTY COST:	\$2,944,354	\$3,094,339	\$3,416,395	\$3,286,712	\$3,286,712

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 re-accreditation in August 2010 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 engage 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 be critically reviewed by boards and staff in FY12-13.

FY11-12 ACCOMPLISHMENTS

- Increased general admission visitation by 13%. 28% increase in visitation on the NHC “First Sunday Free” admission days. Earned revenue from admission contributions and program fees increased 14%.
- Served new and diverse audiences with *Down Home: Jewish Life in North Carolina*; *Grass Roots: African Origins of an American Art Form*; *Shopping and Shoes*. Began the year with *Pirates* and ended with *Toys and Games*. The appeal of the exhibits is reflected in increased general admission visitors.
- Completed conservation of three of the Museum’s most significant Civil War-era artifacts, thanks to a federal Institute for Museum and Library Services Conservation Project grant and generous community donations that matched the grant. This two-year, \$50,000 project allows the artifacts to be exhibited during the 150th commemorative year of the Civil War. *Fragments of War*, featuring the artifacts, opens October 5, 2012.
- Offered curriculum-based field trips or outreach programs during the year in which over 16,000 school students participated. Science and history programs continue to be rated “very good” to “excellent” by over 95% of teachers completing the surveys.
- Conceptualized, developed, researched, designed, curated, fabricated and installed by Museum staff, the exhibit *Toys and Games* opened in April, on time and under budget, to rave reviews. This was accomplished despite a 40% turnover of full-time staff during the planning process that led to delays and redirections. The Exhibit features 250 artifacts from the Museum’s collection, illustrates synergy between history and science, and provides engaging hands-on experiences for which the Museum is noted.

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIS)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Superior Public Health, Safety and Education				
KEY STRATEGIC OBJECTIVE:	Support programs to improve educational performance. Deliver value for taxpayer money.				
STRATEGY:	Quality programs will provide engaging learning experiences, provoke critical thought, and further the Museum's mission.				
Key Performance Indicator:	Annually increase individuals served by 3%	14.00%	5.00%	3.00%	3.00%
STRATEGY:	Collaborate with New Hanover County and regional County educational institutions to increase youth participation in museum programs.				
Key Performance Indicator:	Students participating in school programs will increase annually by 2%	8%	5%	-7%	2%

MUSEUM CONTINUED

KEY PERFORMANCE INDICATORS CONTINUED

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
STRATEGY:	Seek evaluative feedback from program participants.				
Key Performance Indicator:	Program evaluations will rate programs as "Good" to "Excellent" 97% of the time	98%	98%	97%	98%
FOCUS AREA:	Strong Financial Performance and Productive Strategic Partnerships				
KEY STRATEGIC OBJECTIVE:	Provide sufficient investment to add/maintain government resources. Develop appropriate public/private partnerships.				
STRATEGY:	Manage the heritage collection within the guidelines of a collections policy that furthers the mission and vision of the Museum. Increase financial support from non-County sources.				
Key Performance Indicator:	Demonstrate increasing non-County financial support that more than matches the annual \$3,000 County commitment for artifact conservation	\$6,046	\$23,250	\$22,590	\$5,000

SUMMARY OF EXPENDITURES AND REVENUES

MUSEUM					
	<u>ACTUAL FY10-11</u>	<u>ADOPTED FY11-12</u>	<u>REQUESTED FY12-13</u>	<u>RECOMMENDED FY12-13</u>	<u>ADOPTED FY12-13</u>
EXPENDITURES:					
SALARIES & BENEFITS	\$853,932	\$883,136	\$987,376	\$850,338	\$850,338
OPERATING EXPENSES	150,888	155,031	200,482	163,282	163,282
CAPITAL OUTLAY	0	0	0	0	0
TOTAL EXPENDITURES:	\$1,004,820	\$1,038,167	\$1,187,858	\$1,013,620	\$1,013,620
TOTAL REVENUES:	\$275,354	\$276,000	\$246,208	\$259,071	\$259,071
NET COUNTY COSTS:	\$729,466	\$762,167	\$941,650	\$754,549	\$754,549

PARKS, GARDENS AND SENIOR RESOURCE CENTER

The Parks, Gardens and Senior Resource Department provides quality programs in both indoor and outdoor spaces for County citizens and visitors through the operation of areas specifically designed for utilization by all age groups and user types. These departments work with other agencies and organizations to maximize the County's resources throughout the New Hanover County area.

The Parks and Gardens Department manages 1,300 acres of parks, sporting areas and public spaces; including Airlie Gardens, an historic landmark that encompasses 67 acres of quintessential Southern landscape featuring azaleas, camellias, statuary and the historic 468 year old Airlie Oak and world-renowned Minnie Evans' tribute garden.

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: Retired and Senior Volunteer Program (RSVP), Family Caregiver Program, In-Home Aide Services, Foster Grandparent Program (FGP), Adult Day Care, Information and Referral, Home-Delivered Meals, Congregate Nutrition, transportation services, and many other educational, recreational and wellness programs for seniors.

The New Hanover County Executive Development Center (EDC), conveniently located in central Wilmington, provides the area with a newly remodeled meeting center. The EDC offers a variety of flexible table and seating options for meetings, conferences, social gatherings or special events.

FY11-12 ACCOMPLISHMENTS

- Attracted 91,000 tourists to Airlie Gardens from 42 states and 38 countries. The Gardens had over 155,000 additional visits from local families, members, guests or business groups located here. Last year Airlie's Environmental Education program led more than 7,200 students on a visit to Airlie for hands-on learning without charge. The Airlie Butterfly House, the only one of its kind in the Coastal Carolinas, has helped visitations increase by 30% since the opening.
- Managed parks, sporting areas and public spaces by the Parks Division. We are committed to providing quality recreational areas, meeting facilities and activities for our Citizens. This division is charged with the responsibility of efficiently maintaining 31 various parks and non-public properties, totaling over 1,300 acres, with an estimated 300,000 visits per year.
- Prepared income tax returns for 4,800 persons at no charge through the Tax Assistance program, VITA, resulting in federal refunds in the amount of \$3,500,000. NHC Retired and Senior Volunteer Program (RSVP) had 1,100 active volunteers, more than any other RSVP program in the state; and provided 25% of all volunteer service hours generated by RSVP programs offered in North Carolina.
- Provided 100,000 nutritionally-balanced meals to ambulatory or homebound clients. Information and Referral services offered information about appropriate resources for older adults, provided in-home assessments and a support-linkage system to our area seniors. The Senior Resources Center and its 25 different programs and activities saw over 300 persons per day and estimated 80,000 seniors annually.
- Hosted meetings for 11,000 attendees at the Executive Development Center (EDC), which provides a total 5,550 sq. ft. of meeting space, offering a total capacity of 400 persons. The EDC is equipped with state of the art technology in each room, including: webinar capabilities, mounted projector and screen, podium, microphone, laptop and wireless internet. A kitchen is also available and outside catering is permitted.

PARKS, GARDENS AND SENIOR RESOURCE CENTER CONTINUED

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIS)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Intelligent Growth and Economic Development and Effective County Management				
KEY STRATEGIC OBJECTIVE:	Protect the environment through innovative programs. Create and support an engaged workforce.				
STRATEGY:	To increase the number of volunteers and improve volunteer retention in Parks and Gardens.				
Key Performance Indicator:	Volunteer hours annually	3,000	3,100	3,000	3,400
STRATEGY:	To effectively maintain Environmental Education Programs to serve New Hanover County Schools.				
Key Performance Indicator:	School programs to all grade levels, and public/private attended/attendance	200/4,800	100/2,850	90/2,800	100/3,000
STRATEGY:	To establish a premier historic garden with cultural and environmental educational programs that serve the residents and visitors of New Hanover County.				
Key Performance Indicator:	To increase the number of visitors and tourists annually	100,000	115,000	155,000	160,000
STRATEGY:	To effectively and efficiently manage maintenance and operations of Parks and Gardens' numerous recreational facilities.				
Key Performance Indicator:	Park and gardens: number of acres owned/acres maintained per grounds employee	1,207/30.5	1,250/32.5	1,500/37.5	2,800/72.5
FOCUS AREA:	Superior Public Health, Safety and Education				
KEY STRATEGIC OBJECTIVE:	Provide health and wellness education, programs and services. Understand and act on citizen needs.				
STRATEGY:	To provide safe, nutritionally-balanced meals to the elderly and frail population of our County.				
Key Performance Indicator:	Unit cost: per home-delivered meal/per congregate meal	\$6.28/\$7.92	\$7.71/\$8.98	\$7.41/\$8.98	\$5.59/\$9.76
STRATEGY:	To provide transportation services for social, recreational and wellness needs.				
Key Performance Indicator:	Unit cost per transportation trip	\$12.65	\$12.85	\$10.37	\$13.64
STRATEGY:	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.				
Key Performance Indicator:	Targeted residents attending or registered in programs	18,456	23,066	24,010	25,000
STRATEGY:	To provide tax assistance to seniors through the work of RSVP volunteers in the VITA Income Tax program.				
Key Performance Indicator:	Number of tax forms prepared	7,391	7,400	7,534	7,650

PARKS, GARDENS AND SENIOR RESOURCE CENTER CONTINUED

SUMMARY OF EXPENDITURES AND REVENUES

PARKS, GARDENS AND SENIOR RESOURCE CENTER					
	ACTUAL	ADOPTED	REQUESTED	RECOMMENDED	ADOPTED
	<u>FY10-11</u>	<u>FY11-12</u>	<u>FY12-13</u>	<u>FY12-13</u>	<u>FY12-13</u>
EXPENDITURES:					
SALARIES & BENEFITS	\$3,351,916	\$3,648,189	\$4,876,029	\$4,188,268	\$4,188,268
OPERATING EXPENSES	2,502,232	2,786,112	3,716,311	3,104,767	3,104,767
CAPITAL OUTLAY	73,375	0	264,000	189,000	189,000
TOTAL EXPENDITURES:	\$5,927,523	\$6,434,301	\$8,856,340	\$7,482,035	\$7,482,035
TOTAL REVENUES:	\$1,930,102	\$1,767,521	\$1,915,406	\$1,973,714	\$1,973,714
NET COUNTY COST:	\$3,997,421	\$4,666,780	\$6,940,934	\$5,508,321	\$5,508,321



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. 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.

Through Article 3, 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. All funds received by the County from the 911 Board are processed through the Emergency Telephone System – Article 3 Fund.

SUMMARY OF EXPENDITURES AND REVENUES

EMERGENCY TELEPHONE SYSTEM - ARTICLE 3					
	<u>ACTUAL</u> <u>FY10-11</u>	<u>ADOPTED</u> <u>FY11-12</u>	<u>REQUESTED</u> <u>FY12-13</u>	<u>RECOMMENDED</u> <u>FY12-13</u>	<u>ADOPTED</u> <u>FY12-13</u>
EXPENDITURES:					
OPERATING EXPENSES	\$116,834	\$0	\$0	\$0	\$0
CAPITAL OUTLAY	262,840	0	0	0	0
TRANSFERS	1,844,891	535,090	423,215	665,295	665,295
TOTAL EXPENDITURES:	\$2,224,565	\$535,090	\$423,215	\$665,295	\$665,295
TOTAL REVENUES:	\$973,466	\$535,090	\$423,215	\$665,295	\$665,295

ENVIRONMENTAL MANAGEMENT FUND

The Environmental Management Department provides comprehensive municipal solid waste services to residents and businesses within New Hanover County. The Department currently operates a lined sanitary landfill and seven drop-off recycling sites located throughout the County.

New Hanover County completed a Request for Qualifications (RFQ) and Request for Proposals (RFP) process for the operation of the former WASTEC facility, which is currently being named the Sustainable Energy Facility (SEF). The County entered into negotiations with Covanta, a leader in waste-to-energy operations.

FY11-12 ACCOMPLISHMENTS

- Increased annual revenues from the sale of recycling commodities by over 16.5%, despite a 2% decrease in recycling volume over the previous fiscal year. This was accomplished through aggressive marketing of collected recycling material.
- Implemented a permanent electronic waste recycling program in July 2011 that has diverted 84 tons of electronic waste from the Landfill.
- Completed a comprehensive Waste Characterization study that identifies and quantifies waste generation, origin, and type to assist in focusing diversion and recycling efforts of the County.
- Completed engineering design and permitting process for Cell 6E for the New Hanover County Secure Landfill.

SUMMARY OF EXPENDITURES AND REVENUES

ENVIRONMENTAL MANAGEMENT					
	<u>ACTUAL</u>	<u>ADOPTED</u>	<u>REQUESTED</u>	<u>RECOMMENDED</u>	<u>ADOPTED</u>
	<u>FY10-11</u>	<u>FY11-12</u>	<u>FY12-13</u>	<u>FY12-13</u>	<u>FY12-13</u>
EXPENDITURES:					
SALARIES & BENEFITS	\$4,150,691	\$2,002,469	\$2,033,637	\$2,011,212	\$2,011,212
OPERATING EXPENSES	6,501,235	3,757,009	4,342,933	4,525,729	4,525,729
DEBT SERVICE	518,629	721,132	617,545	617,545	617,545
CAPITAL OUTLAY	0	553,894	48,000	198,000	198,000
TRANSFERS	678,051	2,848,551	2,532,457	2,032,457	2,032,457
ADMIN RESERVE	0	2,436,945	3,825,428	3,621,118	3,621,118
TOTAL EXPENDITURES:	\$11,848,607	\$12,320,000	\$13,400,000	\$13,006,061	\$13,006,061

**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 and 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, the distribution of proceeds from the Article 42 sales tax transitioned from per capita to point of origin (point of sale).

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.

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

NEW HANOVER COUNTY SCHOOLS					
	ACTUAL FY10-11	ADOPTED FY11-12	REQUESTED FY12-13	RECOMMENDED FY12-13	ADOPTED FY12-13
EXPENDITURES:					
Current Operating	\$61,808,440	\$61,808,440	\$62,536,740	\$61,661,740	\$61,661,740
Capital Outlay	-	750,000	750,000	750,000	750,000
NHC Schools Debt Service	22,577,247	22,315,646	21,541,425	21,541,425	21,541,425
TOTAL EXPENDITURES:	\$84,385,687	\$84,874,086	\$84,828,165	\$83,953,165	\$83,953,165
REVENUES:					
Transfer from General Fund	\$75,453,657	\$72,507,489	\$74,061,036	\$73,463,260	\$73,463,260
Transfer 1/2 Sales Tax	8,840,818	9,266,597	9,022,165	9,109,336	9,109,336
Other	153,613	1,600,000	244,964	244,965	244,965
Appropriated Fund Balance	-	1,500,000	1,500,000	1,135,604	1,135,604
TOTAL REVENUES:	\$84,448,088	\$84,874,086	\$84,828,165	\$83,953,165	\$83,953,165

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

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

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

ROOM OCCUPANCY TAX					
	ACTUAL FY10-11	ADOPTED FY11-12	REQUESTED FY12-13	RECOMMENDED FY12-13	ADOPTED FY12-13
EXPENDITURES:					
OPERATING EXPENSES	\$1,540,809	\$3,694,628	\$3,782,032	\$3,705,728	\$3,705,728
TRANSFERS	0	0	0	76,304	76,304
TOTAL EXPENDITURES:	\$1,540,809	\$3,694,628	\$3,782,032	\$3,782,032	\$3,782,032
TOTAL REVENUES:	\$4,151,057	\$3,694,628	\$3,782,032	\$3,782,032	\$3,782,032

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 eight fire stations located throughout the unincorporated areas of New Hanover County. Stations are staffed 24 hours per day, 365 days per year with both career and volunteer staff. In addition, the Department provides code enforcement, fire investigations, public education and logistical support for the fire service community.

Fire Services provides service through three major divisions. The Operations Division is responsible for service delivery. The Administration Division is accountable for budgeting, hiring, procurement and planning. The Logistics Division is responsible for countywide equipment purchase and maintenance, facility evaluations and capital projects.

The Department Chief is dedicated to a proactive approach to insure quality fire and life safety protection for the general population of New Hanover County.

FY11-12 ACCOMPLISHMENTS

- Improved District-wide insurance ratings to Class 4 for most unincorporated areas of the County.
- Replaced Water Tender capabilities.
- Updated Wildland Fire Suppression Resources.
- Completed Strategic Plan for the Fire Services District.

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
FOCUS AREA:	Superior Public Health, Safety and Education				
KEY STRATEGIC OBJECTIVE:	Increase public safety and crime prevention. Provide health and wellness education, programs and services.				
STRATEGY:	To decrease the number of incidents per capita by providing fire code enforcement, public education and risk reduction projects.				
Key Performance Indicator:	Incident Response per 1000 capita	65	67	56	60
STRATEGY:	To respond to at least 70% of all emergency incidents in less than seven minutes from the time of incident notification, with a consistent turnout time of 80 seconds or less. (*FY11-12 time changed to seven minutes to align with turnout times.)				
Key Performance Indicator:	% of Calls with arrival time less than seven minutes from time of notification 90% of the time	72%*	81%	76%	80%
Key Performance Indicator:	% of Calls with turnout time less than 80 seconds	N/A	56%	56%	65%
STRATEGY:	To decrease the rate of preventable fires through education, enforcement and risk reduction. (*Does not include incidents still under investigation.)				
Key Performance Indicator:	% of fires in residential properties	N/A	N/A	N/A	55%
Key Performance Indicator:	% of structure fires in properties we inspect	N/A	N/A	Less than 1%	1%

SPECIAL FIRE SERVICE DISTRICT FUND CONTINUED

KEY PERFORMANCE INDICATORS CONTINUED

KEY PERFORMANCE INDICATORS (KPIs)		FY09-10 Actual	FY10-11 Actual	FY11-12 Actual	FY12-13 Projected
STRATEGY:	To increase the level of Emergency care throughout the Fire District.				
Key Performance Indicator:	% of cardiac saves	N/A	N/A	N/A	30%
FOCUS AREA:	Effective County Management				
KEY STRATEGIC OBJECTIVE:	Hire, develop and maintain talented people.				
STRATEGY:	To increase the percentage of fire fighters with up to date certifications for Fire and Rescue Response.				
Key Performance Indicator:	% of Fire Fighters who are certified; this includes all career and volunteer members	N/A	75% (209)	82%	85%

SUMMARY OF EXPENDITURES AND REVENUES

SPECIAL FIRE SERVICE DISTRICT					
	ACTUAL FY10-11	ADOPTED FY11-12	REQUESTED FY12-13	RECOMMENDED FY12-13	ADOPTED FY12-13
EXPENDITURES:					
SALARIES & BENEFITS	\$6,154,785	\$6,637,143	\$7,342,419	\$6,890,794	\$6,890,794
OPERATING EXPENSES	2,023,352	2,100,349	2,182,279	2,067,520	2,067,520
DEBT SERVICE	913,414	1,087,080	1,185,508	1,113,933	1,113,933
CAPITAL OUTLAY	375,339	114,060	464,945	139,600	139,600
TRANSFERS	645,541	690,508	843,688	843,688	843,688
ADMIN RESERVE	0	1,664	0	0	0
TOTAL EXPENDITURES:	\$10,112,431	\$10,630,804	\$12,018,839	\$11,055,535	\$11,055,535



FY 2012 – 2013 CAPITAL EXPENDITURES

Introduction

In order to ensure that quality services continue to be delivered to the citizens of New Hanover County in a timely and efficient manner, the County routinely invests in new and existing capital facilities, equipment and other fixed assets. These investments fall into two broad categories: *capital outlay* and *capital improvement projects*.

Capital Outlay

Capital outlay items are capital expenditures that are greater than \$5,000 that will be completed in less than one fiscal year. Capital outlay expenditures tend to be equipment purchases, facility upgrades, or lease-hold improvements. The Computer Replacement Program and Fleet Vehicle Replacement Program also fall into this category. These expenditures are budgeted in the various funds' operating budgets.

DEPARTMENT	TYPE	DESCRIPTION	ADOPTED AMOUNT
County Manager	Equipment	Production Camera	\$5,000
	Equipment	Lighting Systems 4 Lamp	6,300
	Equipment	Tapeless Video Recording Device	5,000
Information Technology	Computer & Other	Content Manager	\$70,000
	Computer & Other	Vendor Self Service	30,000
	Computer & Other	Citizen Self Service	40,000
	Computer & Other	Cashiering Point of Sale	150,000
	Equipment	Advanced Authentication for Sheriff's Office	63,000
	Equipment	Full Disk Encryption for Sheriff's Office	25,000
	Property Management	Other Improvements	Carpet Installation
Other Improvements		Energy Upgrades/Lighting	170,000
Other Improvements		HVAC Replacements	52,500
Other Improvements		Moisture Intrusion	10,000
Other Improvements		Painting & Waterproofing	90,000
Other Improvements		Power Unit Replacement for Elevators	18,000
Other Improvements		Solar Panels at Detention Facility	15,000
Other Improvements		Parking Lot Improvements	15,000
Other Improvements		Parking Deck Improvements	30,000
Motor Vehicle		2 - Vehicles	\$50,000
Motor Vehicle		2 - Vehicles for Trade Personnel	65,000
Motor Vehicle		11 - fleet replacement Vehicles	195,000
Motor Vehicle		25 - Sheriff's Vehicles equipped	739,800
Motor Vehicle		2 - Vans with cages	80,912
Motor Vehicle	1 - Animal Services Truck	21,636	
Emergency Management	Equipment	Replacement of Audio Visual Equipment in EOC.	\$148,000
	Equipment	400KW Generator-Codington Emergency Shelter	150,000
	Equipment	Replace 4 A/C Units/Flemington Communications Tower	24,000
Sheriff's Office	Equipment	Dishware System	\$50,708
	Equipment	Stand-Alone Commercial Grade Freezer	15,000
	Equipment	60 Gallon Commercial Grade Gas Kettle	15,900
	Equipment	2 - 24" Floor Scrubbers	15,200
	Equipment	1 - Floor Buffer	7,100
Health	Equipment	Flatbed scanner	\$5,000
Social Services	Motor Vehicle	12 - 2012 Ford Fusions	\$210,000
Library	Equipment	Service Desk	\$15,000
	Equipment	Additional Track Lighting	10,000
	Equipment	Carpet	18,352
	Equipment	Chairs for Public	2,800
	Equipment	Magazine and Audio Visual Shelving	12,000
	Other Improvements	Architectural Fees	25,000
	Other Improvements	Interior Design	3,500

FY 2012 – 2013 CAPITAL EXPENDITURES CONTINUED

Parks, Gardens and Senior Resource Center	Equipment	Blowers	\$13,000
	Equipment	1 - 60" Mower	10,500
	Equipment	2 - 60" Mowers	21,000
	Equipment	3 - Gators for Mobile Crew	21,000
	Equipment	1 - Field Top Dresser	12,000
	Equipment	Schools: 2 - Trailers	7,000
	Equipment	Schools: Mower	15,000
	Other Improvements	Park Entrance Sign replacements	7,500
	Other Improvements	Smith Creek Irrigation	12,000
	Other Improvements	Smith Creek Bank Stabilization	10,000
	Other Improvements	Park Grill Replacements	10,000
	Other Improvements	Electrical Upgrades	10,000
	Other Improvements	Blue Clay Bike Park and Riverside Picnic Shelters	40,000
Total General Fund			\$2,893,708
Fire Services	Computer & Other	Firehouse RMS Software Analytics Dashboard Module	\$15,000
	Computer & Other	Staffing Software	40,000
	Equipment	Generator for Federal Point Station	50,000
	Equipment	E-draulic Combo-Tool	24,800
	Equipment	Thermal Imaging Camera	9,800
Total Fire Services			\$139,600
Environmental Management	Equipment	Landfill GPS Rover and Receiver Expansion	\$25,000
	Equipment	Lighting System	5,000
	Equipment	1 - Gator	13,500
	Equipment	1 - 20 yard roll-off container	4,500
	Motor Vehicle	1 - roll-off truck	150,000
Total Environmental Management			\$198,000
Total All Funds			\$3,231,308

CAPITAL IMPROVEMENT PROJECTS

Capital Improvement Projects

Capital Improvement Projects (CIP) are major, non-recurring expenditures, which are expected to cost in excess of \$100,000 and take longer than one (1) fiscal year to complete.

Typically, capital improvement projects relate to infrastructure or facilities. The acquisition of land is also considered a capital expenditure, even if the land is only to preserve an open space and not immediately designated as part of a capital improvement project.

Capital improvement projects are budgeted in separate capital project funds using a “multi-year” basis. This is a technique to account for funds that carry over from one fiscal year to another for a defined purpose.

Budgets/funding appropriations for capital improvement projects may be approved by the Board of County Commissioners (BOCC) for the total project, or for a specific phase (land acquisition, design, engineering, construction, etc.). Once the Board of County Commissioners commits funds to a capital project, those funds remain with the project until the project or phase is completed or the BOCC approves a budget amendment reducing the total approved project budget.

Capital Improvement Project Policies

- Capital Improvement Projects (CIP) submitted for consideration shall be consistent with the County’s strategic plan, mission and goals.
- The project scope, timing, estimated costs and funding source(s) for capital improvement projects will be presented at the time of request for funding.

Additionally, each submission must also include cost estimates for:

- a. One-time capital outlay (furniture, fixtures, equipment or technology);
 - b. Incremental staffing required; and
 - c. Annual impact of the project on operating and maintenance costs, including debt service, if applicable.
- Capital improvement projects that may receive priority consideration include (but are not limited to):
 - a. Projects mandated by state and federal agencies and law.
 - b. Projects that preserve and protect the health and safety of the community.
 - c. Projects that have been previously initiated and/or are a completion of subsequent phases.
 - d. Projects that provide for renovation of existing facilities, the preservation of the community’s prior investment or the reduction of maintenance and operating costs.
 - e. Projects funded by voter-approved bonded debt.
 - New Hanover County will utilize a variety of financing strategies for funding capital improvement 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.

CAPITAL IMPROVEMENT PROGRAM

Where grants or contributions from state, federal, municipalities or other private sources of funding are available to finance projects, efforts should be made to secure these non-county funds.

- All capital improvement projects will be constructed, and expenditures incurred, for the purpose as approved by the Board of County Commissioners. Additional funding or changes to scope must be approved by the Board of County Commissioners.
- All approved projects will follow County, Legal, and statutory-required bidding processes, including Minority/Women Business Enterprise Program.

Capital Improvement Program Budget Process

The Capital Improvement Program budget process involves four (4) key steps: comprehensive needs assessments, the development of in-depth cost estimates, a review of existing projects in process and any pending unfunded needs, and final project prioritization and recommendation.

1. Comprehensive Needs Assessments

- Master Plans - Various task forces have been established to identify long-term capital needs and financing mechanisms for specific needs of the County, including fire services, parks and recreation, library and museum. Once master plans are developed, they are presented to the Board of County Commissioners for evaluation and approval in concept. These groups report to the Board of County Commissioners on an on-going basis, and their recommendations are considered throughout the current fiscal year and as part of the yearly development of the recommended capital budget.
- County Departments also assess the needs for capital investments as part of the annual budget process. In early fall, Department Heads review previously submitted projects that were not approved to determine if the need, cost, timeframe or project scope have changed. At that time, the Department Heads also submit new capital project requests for consideration. The requests must contain a detailed business justification/rationale in addition to preliminary cost estimate. Requests are then compiled into the Requested Capital improvement projects list.

2. Development of In-Depth Cost Estimates

Throughout the fall, before preparation begins on the operating budget, the Budget Department works individually with each department requesting project(s) to develop cost estimates, and formulate and refine operating expense estimates for all new and existing requested capital improvement projects. This evaluation will include any associated capital outlay or staffing requests.

Anticipated efficiencies, new or additional revenue sources, and anticipated savings expected from the project are reviewed, and the rate of return and/or net County cost is calculated for each project.

3. Ongoing Review of Existing Projects

Progress on authorized and funded capital projects is monitored on a project-by-project basis monthly. Project financial records are reviewed and milestone and timing updates provided by the Department Director and/or project manager. Budget estimates are updated and, if additional funding is requested, business justification and formal Board of County Commissioners approval for additional funding is required.

4. Final Requested Project Prioritization and Recommendation

Due to limited funding available, the County must prioritize potential capital projects annually. While some projects flow directly from an approved master plan, these projects must still be evaluated relative to other County priorities, goals and needs.

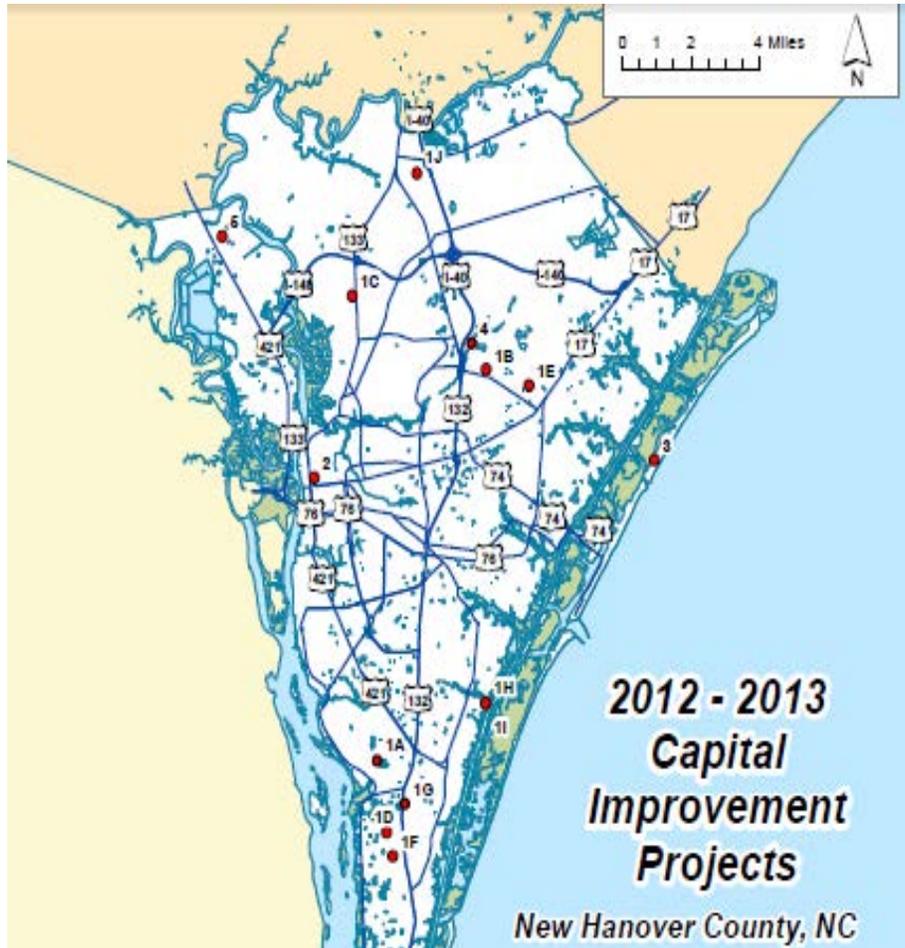
Based on staff input, overall County Goals, urgency of the request, potential impact on safety or environment, and potential funding opportunities, the County Manager reviews and prioritizes the Requested Capital Improvement Projects List. The most critical projects are recommended to the Board of County Commissioners as part of the County Manager's recommended budget.

Alternate mechanisms for financing the projects are also discussed at this time.

CAPITAL IMPROVEMENT PROGRAM

Capital Improvement Projects (CIP) In Process

Due to fiscal constraints, no new projects were approved by the Board of County Commissioners as part of the adoption of the FY12-13 Budget. The projects that follow were approved and funded in prior years and are now in various stages of development. The financial information provided is as of June 30, 2012.



Project	Name
1A	Arrowhead Park
1B	Parkwood Recreation Area
1C	Wrightsboro Park
1D	Monterey Heights
1E	Ogden Park
1F	Veterans Park
1G	Battle Park
1H	Water Access Development
1I	Trails End Park
1J	Northern Park
2	Community Development Block Grants
3	Mason Inlet Relocation
4	Smith Creek Park
5	Construction of Cell 6E & Partial Closure of Cell 5

CAPITAL IMPROVEMENT PROGRAM PROJECTS

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, \$0.6 million of Beach Town projects, and \$7.5 million of joint City and County projects. County projects include renovations, additions and improvements to four existing parks, development of six new parks (including the contribution to the Kure Beach project), and yet to be determined plans for the Cape Fear Museum Expansion and Library.

Relates to Strategic Focus Area: Intelligent Growth and Economic Development
 Strategic Objective: Enhance and add recreational, cultural and enrichment amenities.

Impact on Operating Expenses:
 FY12-13: Costs absorbed within operating budget.

Future Years: \$111,375 for 4 new FTE for Wrightsboro/Northern Park
 \$275,000 for operating expenses Wrightsboro/Northern Park
 \$170,000 capital outlay in FY12-13
 \$100,000 (\$35,000 vehicle, \$65,000 for 2 mowers and hand tools for Wrightsboro/Northern Park)

Debt Service Impact: \$2,885,869 in FY11-12; See New Hanover County Debt Service on pages in the Debt Management section of the book for 5 year impact.

Responsible Department: Parks, Gardens & Senior Resource Center

Estimated Completion Date: Ongoing

Funding Source	Bond Proceeds	Budget Amend.	Amended Budget
COW Projects	\$13,600,000	(\$2,603,304)	10,996,696
Beach Projects	600,000	500,000	1,100,000
Joint Projects	7,500,000	2,605,000	10,105,000
County Projects	13,800,000	(500,000)	13,300,000
Transfer from GF	0	3,016,150	3,016,150
Transfer in Cap. Proj.	0	15,000	15,000
Interest (Investments)	0	69,531	69,531
Sales Tax Refund	0	28,773	28,773
PARTF Grant		287,817	287,817
Total	\$35,500,000	\$3,418,967	\$38,918,967

CAPITAL IMPROVEMENT PROGRAM PROJECTS CONTINUED

Use of Funds	Original Budget	Budget Amend.	Amended Budget	Expen. As of 6/30/12	FY12-13	Future Years
County Projects						
Planning/ Design	\$550,000	(\$81,696)	\$468,304	\$431,639	\$36,665	\$0
Arrowhead	1,000,000	64,487	1,064,487	1,015,147	49,340	0
Parkwood	500,000	(300,000)	200,000	181,021	0	18,979
Wrightsboro Park	500,000	(71,527)	428,473	3,773	0	424,700
Monterey Heights	250,000	(12,000)	238,000	228,726	0	9,274
Ogden	500,000	(71,984)	428,016	425,960	0	2,056
Battle Park	1,000,000	(500,000)	500,000	0	0	500,000
Water Access Dev.	1,000,000	3,045,190	4,045,190	4,045,189	0	1
Vet. Park Complet.	2,500,000	(2,139,203)	360,797	360,722	0	75
Vet. Park Lighting	0	466,125	466,125	466,125	0	0
Vet. Park-Paragon	0	1,699,085	1,699,085	1,699,085	0	0
Library	500,000	0	500,000	0	0	500,000
Cape Fear Museum	500,000	0	500,000	0	0	500,000
Northern Parks	5,000,000	479,697	5,479,697	5,191,880	287,817	0
River Road	0	87,292	87,292	87,292	0	0
Transfer to Cap. Proj.	0	245,000	245,000	245,000	0	0
Transfer to GF	0	6,805	6,805	6,805	0	0
County Sub-Total	\$13,800,000	\$2,917,271	\$16,717,271	\$14,388,364	\$373,822	\$1,955,085
COW Projects	\$13,600,000	(\$2,603,939)	\$10,996,061	\$6,991,347	\$865,704	\$3,139,010
Beach Town Proj.	600,000	500,000	1,100,000	891,998	8,002	200,000
Joint Projects	7,500,000	2,605,635	10,105,635	10,074,357	31,278	0
Total	\$35,500,000	\$3,418,967	\$38,918,967	\$32,346,066	\$1,278,806	\$5,294,095

2) Community Development Block Grant (CDBG) Housing Program

During FY10-11, the North Carolina Department of Commerce, Community Investment and Assistance Office, awarded New Hanover County a \$400,000 Scattered Site Housing Program (SSHP) grant for housing rehabilitation assistance.

Grant funds were designated to demolish and reconstruct two houses and rehabilitate an additional three houses occupied by very low income homeowners. This is the fourth SSHP grant received by New Hanover County since 2001. The three previous scattered site housing rehabilitation grant projects were completed during FY05-06, FY07-08 and FY09-10.

Additionally during FY10-11, New Hanover County was one of 26 counties in North Carolina selected to receive a Small Cities Economic Recovery Community Development Block Grant (CDBG-ER). This \$500,000 grant awarded by the North Carolina Department of Commerce, Community Investment and Assistance Office, will be used to demolish and reconstruct three houses and rehabilitate an additional two houses occupied by very low income homeowners.

While these grants were awarded in FY10-11, environmental and other preparatory requirements were accomplished during FY11-12 and initial grant funds released. Construction is scheduled for FY12-13.

New Hanover County has partnered with Cape Fear Community College (CFCC) for all phases of new construction projects. CFCC Architectural Technology and Interior Design students drafted a range of house plans from which a new homeowner can choose. Students in the Construction Management Program will build the homes and Landscape Gardening students will add the finishing touches around the exterior of the homes.

CAPITAL IMPROVEMENT PROGRAM PROJECTS CONTINUED

Relates to Strategic Focus Area: Intelligent Growth and Economic Development
 Strategic Objectives: Develop, maintain and implement comprehensive plans for land use, economic development, infrastructure and environmental programs; Understand and act on citizen needs.

Impact on Operating Expenses:
 FY12-13: \$0 (Grants include administrative and direct costs)
 Future Years: \$0 (Grants include administrative and direct costs)

Responsible Department: Planning & Inspections

Estimated Completion Date: 2013

Funding Source	Original Budget	Budget Amend.	Amended Budget
Federal Grant	\$400,000	\$0	\$400,000
HUD Grant - G0082	400,000	0	400,000
HUD Grant - G0175	400,000	0	400,000
HUD ER Grant-G0325	0	500,000	500,000
HUD Grant - G0329	0	400,000	400,000
Interest	0	0	0
Total	\$1,200,000	\$900,000	\$2,100,000

Use of Funds	Original Budget	Budget Amend.	Amended Budget	Expen. As of 6/30/12	FY12-13	Future Years
SS Housing #1	\$383,346	\$0	\$383,346	\$381,946	\$0	\$1,400
SS Housing #2	400,000	0	400,000	373,219	0	26,781
SS Housing #3	400,000	(6,689)	393,311	390,296	0	3,015
CDBG - ER #1	0	500,000	500,000	7,508	272,492	220,000
SS Housing #4	0	400,000	400,000	6,747	277,253	116,000
Transfer to GF	16,654	6,689	23,343	23,343	0	0
Total	\$1,200,000	\$900,000	2,100,000	\$1,183,059	\$549,745	\$367,196

CAPITAL IMPROVEMENT PROGRAM PROJECTS CONTINUED

3) 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. Property owners are periodically assessed to recover actual costs incurred.

Relates to Strategic Focus Areas: Intelligent Growth and Economic Development; Productive Strategic Partnerships

Strategic Objectives: Protect the environment through innovative programs;
Develop appropriate public/private partnerships.

Impact on Operating Expenses:
FY11-12: \$0 (Property owners are assessed for all costs)

Future Years: \$0 (Property owners are assessed for all costs)

Responsible Departments: Planning & Inspections and Engineering

Estimated Completion Date: Ongoing

Funding Source	Original Budget	Budget Amend.	Amended Budget
Transfer from ROTS	\$605,000	\$10,012,450	\$10,617,450
Transfer In From GF	0	19,342	19,342
Sales Tax Refund		162	162
Interest		100,000	100,000
Total	\$605,000	\$10,131,954	\$10,736,954

Use of Funds	Original Budget	Budget Amend.	Amended Budget	Expen. As of 6/30/12	FY12-13	Future Years
Assessment #1	\$605,000	\$7,426,410	\$8,031,410	\$8,031,406	\$0	\$4
Assessment #2	0	1,805,874	1,805,874	1,805,871	0	3
Assessment #3	0	899,670	899,670	674,947	224,723	0
Total	\$605,000	10,131,954	\$10,736,954	\$10,512,224	\$224,723	\$7

CAPITAL IMPROVEMENT PROGRAM PROJECTS CONTINUED

4) Smith Creek Park

On December 17, 2007, the Board of County Commissioners approved a capital project for the design of Smith Creek Park. The design work for Phase 1, completed in 2009, was funded by revenues generated from the sale of sand from the site.

During FY08-09, the Parks Department was awarded a \$500,000 grant from the North Carolina Parks and Recreation Trust Fund (PARTF) for park construction. The required \$500,000 grant match has been funded by funds generated by sand sales.

The 92-acre park will include a 35-acre freshwater lake and a 10-foot wide, paved bicycle and walking trail. Construction began in early 2011.

Phase 2, including purchase of land and design, will be paid from the \$35.5 million bond funds.

Relates to Strategic Focus Area: Intelligent Growth and Economic Development
 Strategic Objectives: Enhance and add recreational, cultural and enrichment amenities.

Impact on Operating Expenses:
 FY12-13: \$12,965 for 2 additional FTE (3 mos.)
 \$15,000 operating expenses (3 mos.)

Future Years: \$51,859 for the full year impact of 2 FTE
 \$175,000 operating expenses (includes Parkwood)
 \$70,000 capital outlay (1 vehicle and 1 mower)

Responsible Departments: Parks, Gardens & Senior Resource Center and Engineering

Funding Source	Original Budget	Budget Amend.	Amended Budget
Sale of Sand	\$115,100	\$529,106	\$644,206
Interest	0	78,592	78,592
Fees	0	35,000	35,000
Grant - NC PARTF	0	500,000	500,000
Transfer fr. Cap. Proj.	0	205,000	205,000
Total	\$115,100	\$1,347,698	\$1,462,798

Use of Funds	Original Budget	Budget Amend.	Amended Budget	Expen. As of 6/30/11	FY11-12	Future Years
Design	\$115,100	\$8,210	\$123,310	\$120,549	\$2,761	\$0
Construction	0	1,324,488	1,324,488	1,323,149	1,339	0
Transfer to Cap. Proj.	0	15,000	15,000	15,000	0	0
Total	\$115,100	\$1,347,698	\$1,462,798	\$1,458,698	\$4,100	\$0

CAPITAL IMPROVEMENT PROGRAM PROJECTS CONTINUED

5) Construction of Cell 6E and Partial Closure of Cell 5

Complete construction of Cell 6E and partial closure of Cell 5, includes Phase 2 of the Southern property permitting process and initial design/engineering work for the West side of Cell 6 partial closure.

Relates to Strategic Focus Area: Intelligent Growth and Economic Development
 Strategic Objective: Build and Maintain Infrastructure.

Impact on Operating Expenses:
 FY12-13: \$0
 Future Years: \$TBD

Responsible Department: Environmental Management

Funding Source	Original Budget	Budget Amend.	Amended Budget
Transfer in	\$2,300,000	\$0	\$2,300,000
Interest	0	0	0
Total	\$2,300,000	\$0	\$2,300,000

Use of Funds	Original Budget	Budget Amend.	Amended Budget	Expen. As of 6/30/12	FY12-13	Future Years
Cell 5 Design/Permit	\$150,000	\$0	\$150,000	\$130,000	\$20,000	\$0
Cell 6E Design/Permit	150,000	0	150,000	140,450	9,550	0
Cell 5 Engineering	200,000	0	200,000	0	200,000	0
Cell 5 Construction	900,000	0	900,000	0	900,000	0
Cell 6E Engineering	250,000	0	250,000	0	250,000	0
Cell 6E Construction	650,000	0	650,000	0	650,000	0
Total	\$2,300,000	\$0	\$2,300,000	\$270,450	\$2,029,550	\$0

Note: FY12-13 budget includes authorization for transfers from Fund 700 Environmental Management Fund to Fund 735 Capital Project Fund for the construction of Cell 6E and the partial closure of Cell 5 in the amount of \$1.55 million. When the transfers are processed, the total budget for this capital project will be \$3.85 million.

**NON-COUNTY MANAGED
CAPITAL IMPROVEMENT PROGRAM PROJECTS IN PROCESS**

PROJECT:	APPROVED	COUNTY	OTHER	EXPENDED	NHC DEBT	PROJECTED
	FUNDS 06/30/12	FUNDS COMMITTED	FUNDS COMMITTED	AS OF 06/30/12	SERV. IMPACT FY12-13 ¹	COMPLET. DATE
PUBLIC SCHOOL CAPITAL PROJECTS:						
\$123 MILLION SCHOOL BONDS PROJECTS ²	\$134,312,677	\$124,600,000	\$9,712,677	\$129,573,719	\$9,632,438	Ongoing
PUBLIC SCHOOL BUILDING CAPITAL FUND	8,386,804	0	8,386,804	5,045,710	0	Ongoing
QUALIFIED SCHOOL CONSTRUCTION BONDS ³	4,925,744	4,925,744	0	4,006,505	573,348	Ongoing
CAPE FEAR COMMUNITY COLLEGE CAPITAL PROJECTS:						
\$168 MILLION CFCC BOND PROJECTS	\$164,000,000	\$164,000,000	\$0	\$56,459,304	\$6,265,894	Ongoing

¹ Estimated annual impact.

² Includes bond proceeds plus premium on long-term debt.

³ Qualified School Construction Bonds (QSCB) were created by the American Recovery and Reinvestment Act of 2009. QSCBs allow counties to borrow at 0% interest for the rehabilitation, repair and equipping of schools, or the purchase of land on which a public school will be built. The QSCB lender receives a federal tax credit in lieu of receiving an interest payment. The tax credit rate is set by the IRS each day (U.S. Treasury Qualified Tax Credit Bond Rates).

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 Aaa with Moody's and AA+ with Standard and Poor's rating services.

The County had bonded debt outstanding of \$292,639,997 as of June 30, 2012 and estimates \$271,564,997 will be outstanding as of June 30, 2013. Of the total bonded debt amounts on the following page, \$117,751,109 is the General Fund general obligation debt as of June 30, 2012 and \$110,123,145 is general obligation debt estimated as of June 30, 2013. 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.

In addition to bonded debt, the County also has installment debt outstanding of \$100,678,663 as of June 30, 2012 and estimates \$89,120,007 will be outstanding as of June 30, 2013. Detailed information on installment debt is found in the schedule of installment debt outstanding.

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.

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 within this section. A graph highlighting net bonded debt per capita is shown. 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, 2012 (Actual)

Total Assessed Valuation:	\$ 34,190,526,948
Legal Debt Limit (8% of Assessed Valuation):	\$ 2,735,242,156
Gross Debt:	
Total Bonded Debt:	\$ 292,639,997
Total Installment Debt:	100,678,663
Authorized and Unissued Bonds (1):	
CFCC General Obligation	94,000,000
Total Gross Debt:	\$ 487,318,660
Deductions from Gross Debt in computing net debt (as per G.S. 159-55(a)(2):	
Installment (non-COPS)	24,864,807
Total Deductions from Gross Debt:	\$ 24,864,807
Total Amount of Debt Applicable to Debt Limit (Net Debt):	\$ 462,453,853
Legal Debt Margin for New Hanover County as of June 30, 2012 (Actual):	\$ 2,272,788,303

Computation of Legal Debt Margin June 30, 2013 (Estimated)

Total Assessed Valuation:	\$ 29,200,500,000
Legal Debt Limit (8% of Assessed Valuation):	\$ 2,336,040,000
Gross Debt:	
Total Bonded Debt:	\$ 271,564,997
Total Installment Debt:	89,120,007
Authorized and Unissued Bonds (1):	
CFCC General Obligation	94,000,000
Total Gross Debt:	\$ 454,685,004
Deductions from Gross Debt in computing net debt (as per G.S. 159-55(a)(2):	
Installment (non-COPS)	\$ 22,092,951
Total Deductions from Gross Debt:	\$ 22,092,951
Total Amount of Debt Applicable to Debt Limit (Net Debt):	\$ 432,592,053
Legal Debt Margin for New Hanover County as of June 30, 2013 (Estimated):	\$ 1,903,447,947

NEW HANOVER COUNTY BONDED DEBT OUTSTANDING

BONDED DEBT OUTSTANDING	ACTUAL JUNE 30, 2012	ESTIMATED JUNE 30, 2013
GENERAL FUND:		
CFCC 2004 General Obligation Bonds (Refunding)	8,318,800	7,458,900
CFCC 2005 General Obligation Bonds (Refunding)	6,494,550	5,553,186
CFCC 2009A General Obligation Bonds (Refunding)	8,312,759	7,386,059
CFCC 2010 General Obligation Bonds (\$36.715 million issued)	33,375,000	30,040,000
CFCC 2010 General Obligation Bonds RZEDB (\$30 million issued)	30,000,000	30,000,000
2008 Parks and Recreation Bonds (\$18 million issued)	15,750,000	15,000,000
2010 Parks and Recreation Bonds (\$16.315 million issued)	15,500,000	14,685,000
TOTAL BONDED DEBT -- GENERAL FUND	\$ 117,751,109	\$ 110,123,145
PUBLIC SCHOOLS FUND:		
2004 General Obligation Bonds (Refunding)	30,636,200	27,671,100
2005 General Obligation Bonds (Refunding)	4,785,450	4,091,814
2006 General Obligation Bonds (\$30 million issued)	21,000,000	19,500,000
2007 General Obligation Bonds (\$50 million issued)	40,000,000	37,500,000
2009 General Obligation Bonds (\$43 million issued)	40,000,000	38,500,000
2009A General Obligation Bonds (Refunding)	38,467,238	34,178,938
TOTAL BONDED DEBT -- PUBLIC SCHOOLS FUND	\$ 174,888,888	\$ 161,441,852
TOTAL BONDED DEBT	\$ 292,639,997	\$ 271,564,997

NEW HANOVER COUNTY INSTALLMENT DEBT OUTSTANDING

INSTALLMENT DEBT OUTSTANDING	ACTUAL JUNE 30, 2012	ESTIMATED JUNE 30, 2013
GENERAL FUND:		
2003 COPS (Administration Annex Bldg)	\$ 3,575,000	\$ 3,250,000
2003 COPS (Airport Improvements)	385,000	0
COPS Refunding 2005A-1997 COPS	2,063,600	1,750,100
COPS Refunding 2005A-1997 COPS	2,251,200	1,909,200
COPS Refunding 2005B-2001 COPS	19,425,000	19,425,000
138 N. 4th Street ²	425,088	356,283
2010 Limited Obligation Bonds Refunding-2000 COPS	9,080,015	8,027,281
2010 Limited Obligation Bonds Refunding-2001 COPS	15,882,750	12,617,239
2010 Limited Obligation Bonds Refunding-Airport Customs Building	1,793,304	1,586,214
2010 Limited Obligation Bonds Refunding-PSTC	1,231,064	1,114,736
2010 Limited Obligation Bonds Refunding-Jail Land	3,761,444	3,462,973
2010 Limited Obligation Bonds Refunding-Government Center	2,851,697	2,316,411
2010 Limited Obligation Bonds Refunding-800 mhz	3,326,235	2,488,669
800 MHZ Radio Equipment ²	386,498	187,832
COPS Refunding 2005A-1997 COPS ^{1,2}	4,877,600	4,136,600
2003 COPS (Brookfield/Brierwood, Middle Sound, Kings Grant) ^{1,2}	17,790,000	16,675,000
TOTAL INSTALLMENT DEBT -- GENERAL FUND	\$ 89,105,495	\$ 79,303,538
PUBLIC SCHOOLS FUND:		
2010 Qualified School Construction Bonds	4,433,170	4,104,787
TOTAL INSTALLMENT DEBT -- PUBLIC SCHOOLS FUND	\$ 4,433,170	\$ 4,104,787
SPECIAL FIRE DISTRICT:		
2003 COPS (Federal Point Fire Station)	\$ 715,000	\$ 650,000
Ladder Truck ²	178,485	0
2010 Limited Obligation Bonds Refunding-Murrayville Fire Station	2,478,239	2,281,590
2010 Limited Obligation Bonds Refunding-PSTC	1,231,064	1,114,736
Fire Engine/Fire Tankers (2)	633,287	318,868
TOTAL INSTALLMENT DEBT -- SPECIAL FIRE DISTRICT	\$ 5,236,075	\$ 4,365,194
ENVIRONMENTAL MANAGEMENT FUND:		
Bulldozer and Loader ²	\$ 167,654	\$ 0
COPS Refunding 2005A-1997 COPS	187,600	159,100
2010 Limited Obligation Bonds Refunding-2000 COPS	509,187	450,152
Bulldozer and Loader ²	1,039,482	737,236
TOTAL INSTALLMENT DEBT -- ENVIRONMENT. MGT. FUND	\$ 1,903,923	\$ 1,346,488
TOTAL INSTALLMENT DEBT	\$ 100,678,663	\$ 89,120,007

¹ Includes the Water and Sewer debt service that was transferred to the General Fund as part of the change to the Cape Fear Public Utility Authority.

² Installment Debt 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

	Adopted						
	FY 11-12	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
GENERAL FUND							
BONDED:							
CFCC 2002 General Obligation Bonds (\$14.3 million issued)	686,450	686,450	0	0	0	0	0
CFCC 2004 General Obligation Bonds (Refunding)	1,276,594	1,276,594	1,228,833	1,181,305	1,133,034	1,085,045	1,352,020
CFCC 2005 General Obligation Bonds (Refunding)	1,283,049	1,283,049	1,235,801	1,192,389	1,146,329	1,100,613	1,530,224
Parks and Recreation Bonds 2008 (\$18 million issued)	1,418,325	1,418,325	1,384,575	1,354,575	1,317,075	1,290,825	1,262,700
CFCC 2009A General Obligation Bonds (Refunding)	738,317	738,317	1,296,425	1,252,778	1,208,309	1,163,062	774,901
CFCC 2010 General Obligation Bonds (\$70 million issued)	6,428,348	6,428,348	6,265,894	6,149,491	6,047,353	5,924,286	5,799,022
Parks and Recreation Bonds 2010 (\$17.5 million issued)	1,465,139	1,465,139	1,501,294	1,472,847	1,446,685	1,417,853	1,387,241
CFCC General Obligation Bonds (\$54 million authorized) Sept 2012	P 0	0	1,846,150	3,692,300	3,692,750	3,692,500	3,692,325
CFCC General Obligation Bonds (\$40 million authorized) March 2015	P 0	0	0	0	0	2,769,000	2,768,200
Sewer Construction-Water/Sewer 2003 Refunding ¹	1,158,750	1,158,750	0	0	0	0	0
Total Bonded Debt Service - General Fund	<u>\$14,454,972</u>	<u>\$14,454,972</u>	<u>\$14,758,972</u>	<u>\$16,295,685</u>	<u>\$15,991,535</u>	<u>\$18,443,183</u>	<u>\$18,566,653</u>
Principal portion of General Fund Bonded Debt	8,846,390	8,846,390	7,627,965	9,326,669	9,350,605	10,653,653	11,152,608
Interest portion of General Fund Bonded Debt	5,608,582	5,608,582	7,131,007	6,969,017	6,640,930	7,789,529	7,414,045
	<u>\$14,454,972</u>	<u>\$14,454,972</u>	<u>\$14,758,972</u>	<u>\$16,295,685</u>	<u>\$15,991,535</u>	<u>\$18,443,183</u>	<u>\$18,566,653</u>
INSTALLMENT:							
2001 Certificates of Participation - Jail, Parking Deck, Library	3,340,500	3,340,500	0	0	0	0	0
2003 Certificates of Participation - Administration Annex Building	506,188	506,188	495,219	483,844	467,594	451,344	435,094
2003 Certificates of Participation - Airport Improvements	411,469	411,469	398,475	0	0	0	0
2005A Certificates of Participation - Refunding-Library/Admin Bldg, LE Facility, School/Park Land Purchase	805,840	805,840	808,640	807,433	807,990	806,702	808,264
2005B Certificates of Participation - Refunding-Airline Gardens, Judicial Building, Wilmington-Hanby Beach	971,250	971,250	971,250	4,159,500	3,991,125	3,818,125	3,645,625
138 North Fourth Street	89,700	89,700	89,700	89,700	89,700	89,700	89,700
911 Equipment-Radios	210,543	210,543	210,543	210,543	140,362	0	0
Phone System	101,594	101,594	0	0	0	0	0
2010 Refunding LOBS-2000 COPS-Airline Gardens, Judicial Building, Wilmington-Hanby Beach	1,523,289	1,523,289	1,466,418	1,399,070	1,343,925	1,288,624	1,221,711
2010 Refunding LOBS-2001 COPS-Jail, Parking Deck, Library	717,932	717,932	3,929,921	609,572	615,297	620,037	626,016
2010 Refunding LOBS-Airport Customs Building	284,943	284,943	275,074	264,511	255,776	246,815	235,328
2010 Refunding LOBS-Public Safety Training Center	168,053	168,053	162,788	157,177	152,396	147,474	141,152
2010 Refunding LOBS-Jail Expansion Land	463,498	463,498	450,942	437,666	425,720	413,360	397,476
2010 Refunding LOBS-Government Center	668,244	668,244	640,721	611,050	587,789	564,062	533,658
2010 Refunding LOBS-800 mhz System	996,663	996,663	953,234	906,263	870,526	834,158	50,194
320 Chestnut Street Renovation	P 701,321	701,321	701,321	701,321	701,321	701,321	701,321
2003 Certificates of Participation - Briewood, Kings Grant, Middle Sound ¹	1,992,106	1,992,106	1,954,475	1,915,450	1,859,700	1,803,950	1,748,200
2005A Certificates of Participation - Refunding-Sewer Projects ¹	910,949	910,949	914,115	912,750	913,380	911,924	913,689
Total Installment Debt Service - General Fund	<u>\$14,162,760</u>	<u>\$14,162,760</u>	<u>\$14,422,837</u>	<u>\$13,665,849</u>	<u>\$13,222,600</u>	<u>\$12,697,598</u>	<u>\$11,547,427</u>
Principal portion of General Fund Installment Debt	9,911,837	9,911,837	10,153,353	9,767,650	9,750,464	9,654,925	8,928,304
Interest portion of General Fund Installment Debt	4,250,923	4,250,923	4,269,484	3,898,199	3,472,135	3,042,674	2,619,123
	<u>\$14,162,760</u>	<u>\$14,162,760</u>	<u>\$14,422,837</u>	<u>\$13,665,849</u>	<u>\$13,222,600</u>	<u>\$12,697,598</u>	<u>\$11,547,427</u>
Total Debt Service - General Fund	<u>\$28,617,732</u>	<u>\$28,617,732</u>	<u>\$29,181,809</u>	<u>\$29,961,534</u>	<u>\$29,214,135</u>	<u>\$31,140,781</u>	<u>\$30,114,080</u>
PUBLIC SCHOOLS FUND							
BONDED:							
2002 General Obligation Bonds (\$14 million issued)	672,050	672,050	0	0	0	0	0
2003 General Obligation Bonds (Refunding)	2,252,250	2,252,250	0	0	0	0	0
2004 General Obligation Bonds (Refunding)	4,484,731	4,484,731	4,320,743	4,157,521	3,991,168	3,825,782	4,935,932
2005 General Obligation Bonds (Refunding)	945,402	945,402	910,589	878,602	844,662	810,976	1,127,547
2005 General Obligation Bonds (\$15 million fixed issued)	1,206,188	1,206,188	1,176,188	1,148,064	1,118,064	1,088,064	1,058,064
2005 General Obligation Bonds (\$15 million variable issued)	1,190,000	1,190,000	1,160,000	1,130,000	1,100,000	1,070,000	1,040,000
2007 General Obligation Bonds (\$50 million fixed issue)	4,305,000	4,305,000	4,198,750	4,092,500	3,992,500	3,892,500	3,792,500
2009 General Obligation Bonds (Refunding)	3,416,558	3,416,558	5,999,197	5,797,222	5,591,441	5,382,063	3,585,849
2009 General Obligation Bonds (\$43 million issued)	3,142,500	3,142,500	3,097,500	3,045,000	3,000,000	2,955,000	2,910,000
Total Bonded Debt Service - Public Schools Fund	<u>\$21,614,679</u>	<u>\$21,614,679</u>	<u>\$20,862,967</u>	<u>\$20,248,909</u>	<u>\$19,637,835</u>	<u>\$19,024,385</u>	<u>\$18,449,892</u>
Principal portion of Public Schools Fund Bonded Debt	13,553,610	13,553,610	13,447,035	13,423,331	13,389,395	13,351,347	13,342,392
Interest portion of Public Schools Fund Bonded Debt	8,061,069	8,061,069	7,415,932	6,825,577	6,248,440	5,673,039	5,107,500
	<u>\$21,614,679</u>	<u>\$21,614,679</u>	<u>\$20,862,967</u>	<u>\$20,248,909</u>	<u>\$19,637,835</u>	<u>\$19,024,385</u>	<u>\$18,449,892</u>
INSTALLMENT:							
2010 QSCB's	\$591,836	\$591,836	\$573,348	\$554,860	\$536,372	\$517,885	\$499,397
Total Installment Debt Service - Public Schools Fund	<u>\$591,836</u>	<u>\$591,836</u>	<u>\$573,348</u>	<u>\$554,860</u>	<u>\$536,372</u>	<u>\$517,885</u>	<u>\$499,397</u>
Principal portion of Public Schools Fund Installment Debt	328,383	328,383	328,383	328,383	328,383	328,383	328,383
Interest portion of Public Schools Fund Installment Debt	263,453	263,453	244,965	226,477	207,990	189,502	171,014
	<u>\$591,836</u>	<u>\$591,836</u>	<u>\$573,348</u>	<u>\$554,860</u>	<u>\$536,372</u>	<u>\$517,885</u>	<u>\$499,397</u>
Total Debt Service - Public Schools Fund	<u>\$22,206,515</u>	<u>\$22,206,515</u>	<u>\$21,436,315</u>	<u>\$20,803,770</u>	<u>\$20,174,208</u>	<u>\$19,542,269</u>	<u>\$18,949,289</u>

NEW HANOVER COUNTY DEBT SERVICE FOR NEXT FIVE YEARS

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

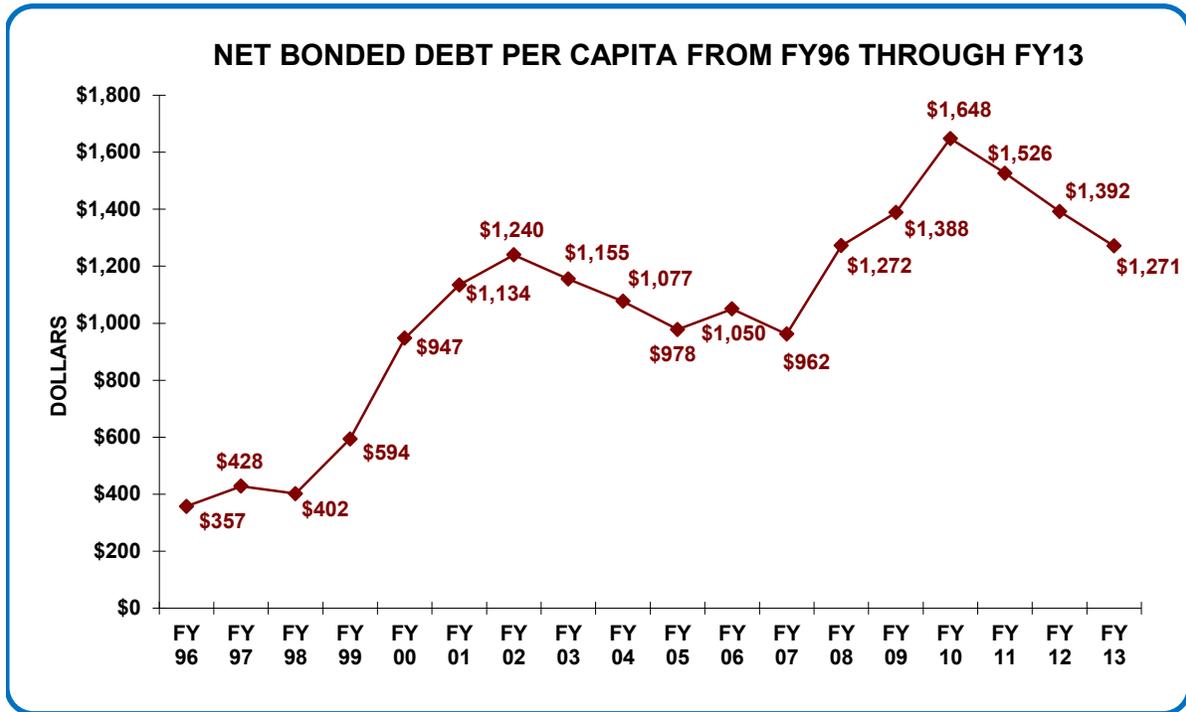
P = Pending further action

1. On July 1, 2008, Water and Sewer Debt Service was transferred to General Fund as part of the change to the Cape Fear Public Utility Authority.
 FY11/12 \$4.1 million of CFPUA debt will be offset by a \$2.2 million transfer from CFPUA.
 FY12/13 \$2.868 million of CFPUA debt will be offset by a \$968,000 transfer from CFPUA.

**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	189,922	19,499,335,347	185,895,000	3,255,000	182,640,000	0.94%	962
2008	192,279	32,862,470,391	245,440,000	780,000	244,660,000	0.74%	1,272
2009	195,085	33,424,361,562	271,170,000	355,000	270,815,000	0.81%	1,388
2010	202,667	33,674,505,469	334,244,997	175,000	334,069,997	0.99%	1,648
2011	206,455	33,807,896,708	315,039,997	-	315,039,997	0.93%	1,526
2012	210,229	33,969,990,000	292,639,997	-	292,639,997	0.86%	1,392
2013	213,683	29,200,500,000	271,564,997	-	271,564,997	0.93%	1,271

**NEW HANOVER COUNTY
NET BONDED DEBT PER CAPITA**



The decrease in bonded debt per capita is due to the 5 different General Obligation Bonds being retired in FY10 and the increase in population for FY11, FY12 and FY13. For detail, please see facing page.

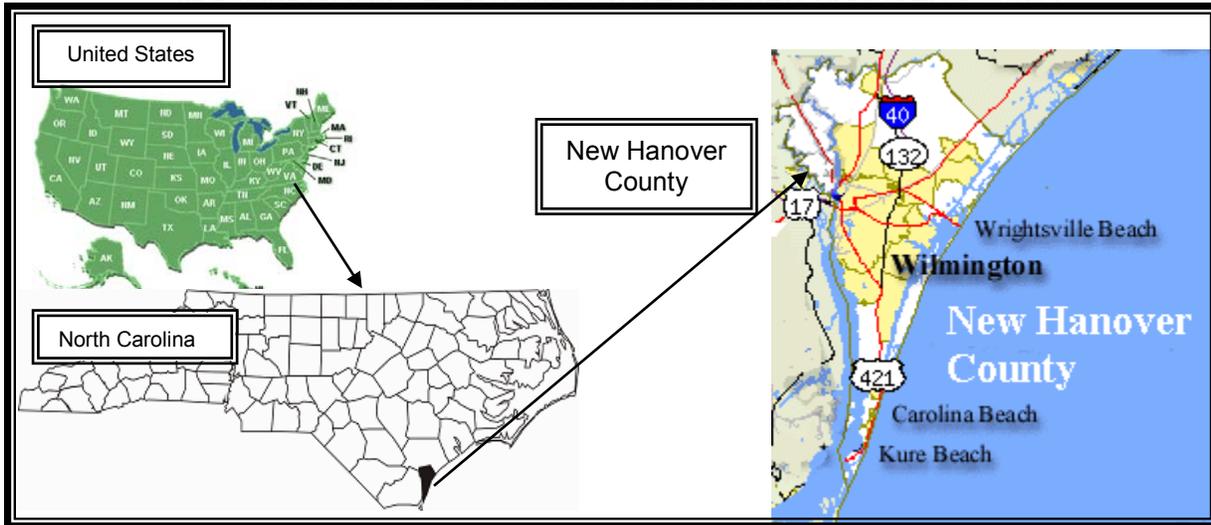


NEW HANOVER COUNTY PROFILE

GENERAL DESCRIPTION

New Hanover, a coastal county in southeastern North Carolina, is home to four 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 192 square miles. Of this total, over 21 square miles consist of water and wetlands. The projected population of New Hanover County for July 2012 is approximately 210,229, a 4% increase over the 2010 U. S. Census of 202,667.¹

MAPS INDICATING LOCATIONS STATE AND NEW HANOVER COUNTY²



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.

GOVERNMENT STRUCTURE



**New Hanover County
Historic Courthouse**

New Hanover County is governed by five commissioners who are elected by a countywide vote and serve four-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

¹ North Carolina Office of State Budget and Management

² North Carolina Department of Commerce

NEW HANOVER COUNTY PROFILE CONTINUED

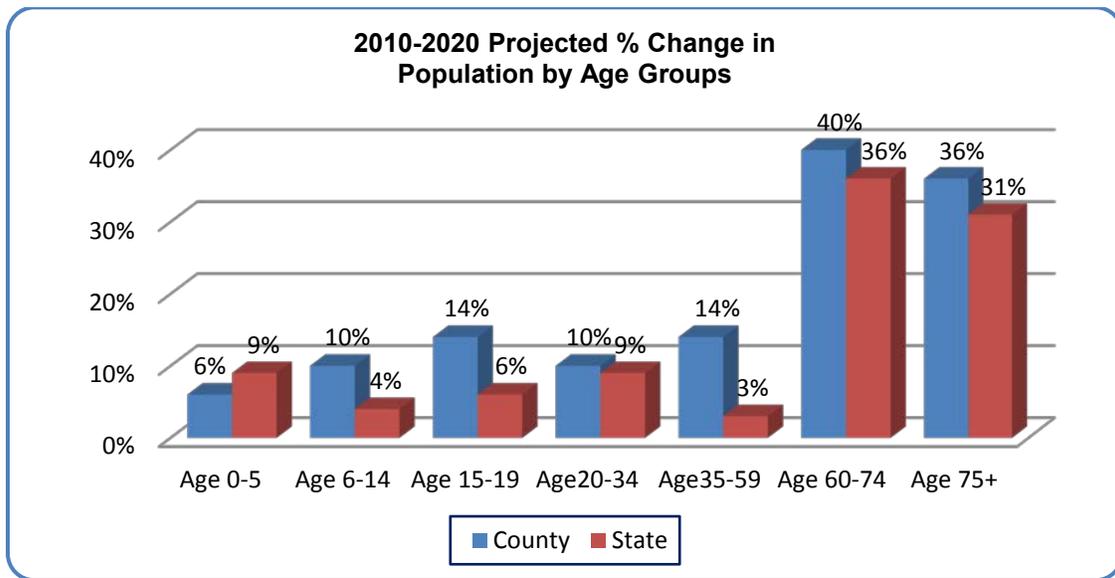
and adopting policies concerning the operations of the County. The Board also has the authority to call bond referendums, enter into contracts and establish new programs.

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 26 departments with over 1,500 regular positions.

POPULATION CHARACTERISTICS AND PROJECTIONS³

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. From 2010 to 2020, the state's population is expected to grow by 11.3%; whereas, the County's population is expected to grow by 17.4%. Neighboring counties of Brunswick and Pender are expected to grow by 19.9.4% and 16.5%, respectively.



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 2010 to 2020 to the state's percentage of change for each respective group. There are significant variations in the percentage of change in several groups. Specifically, the age group of 35-59 shows the County being 11% more than the state projected increase in this group. In addition, the County age group of 60-74 is anticipated to exceed the state's increase by 4% and the age group of 75+ is anticipated to increase 5% more than the state's. This projection indicates that a realignment of resources to meet the changing needs of the population group the County serves may need to occur in the near future.

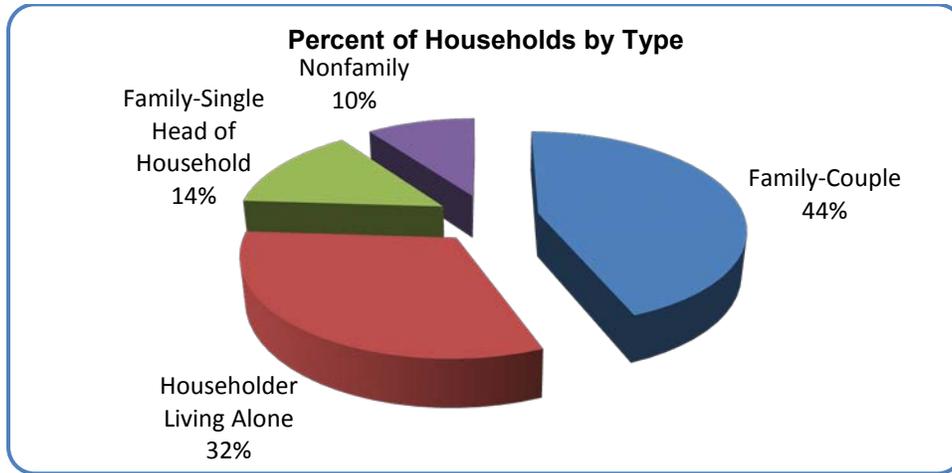
³ North Carolina Office of State Budget and Management

SELECTED SOCIAL CHARACTERISTICS⁴

Households and Families

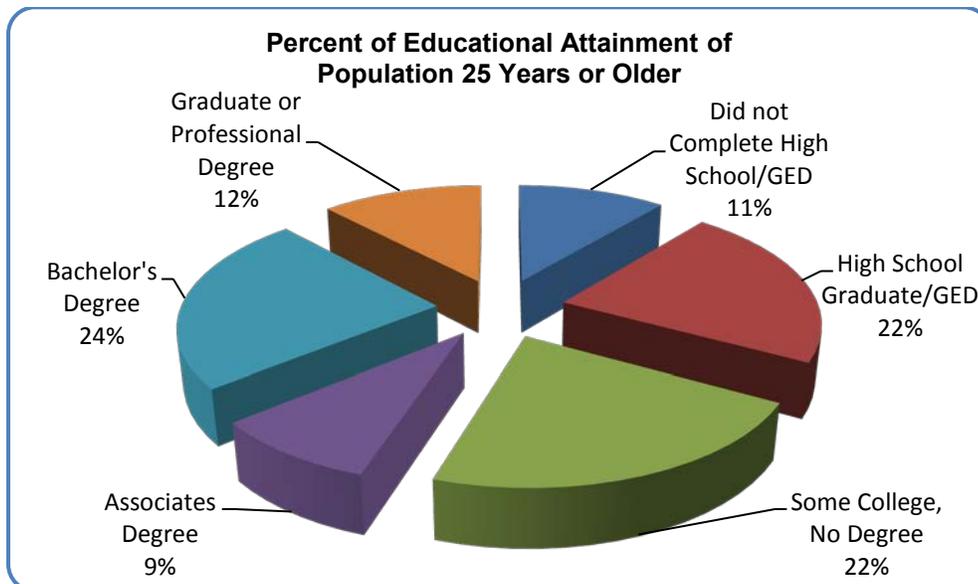
In 2010, there were 83,679 households in New Hanover County. The average household size was 2.3 people.

Families make up 58% of the households in New Hanover County. This figure includes married/couple families (44%) and single head of household (14%). Householder living alone was 32% and non-family households were 10%.



Educational Attainment

In 2010, 89% of people 25 years and over had graduated from high school and 36% had a bachelor's degree or higher. 11% percent were not enrolled in school and had not graduated from high school or completed the GED.



⁴ American Community Survey, 2010 at American Fact Finder

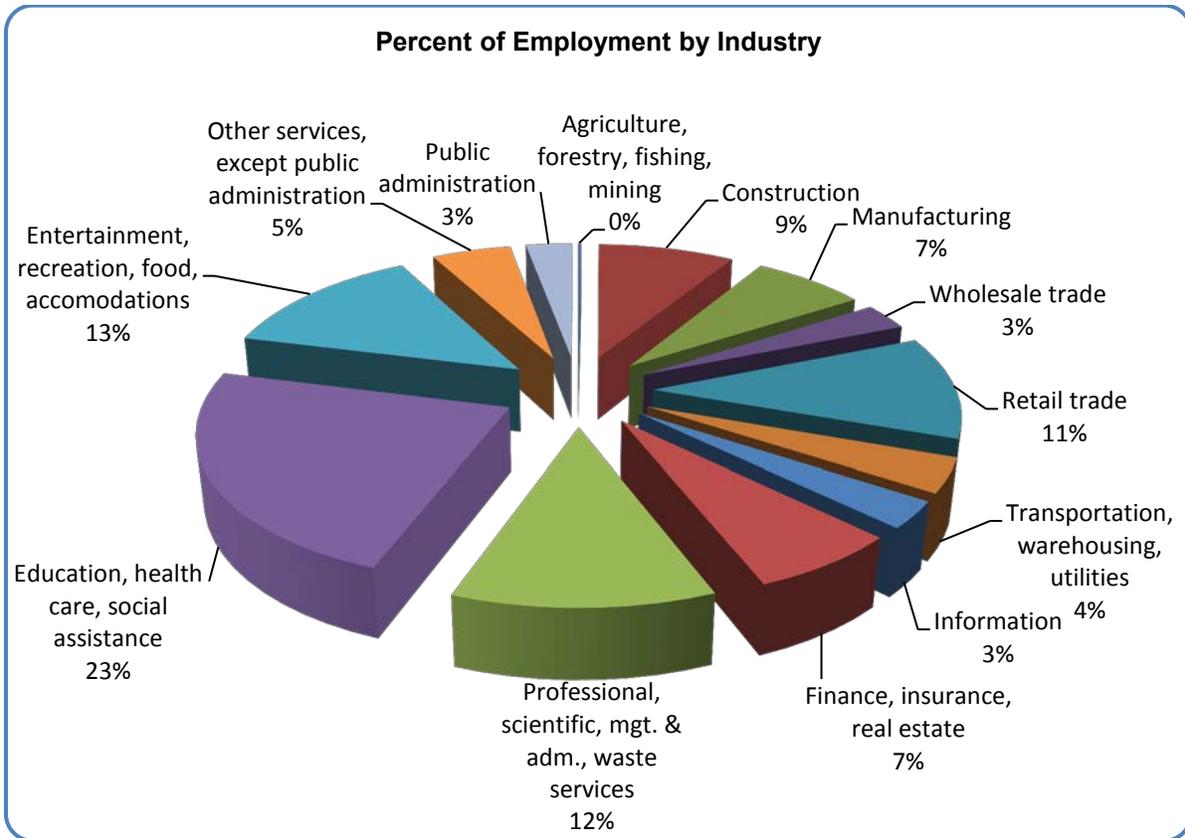
Travel to Work

The mean commute time in 2010 was 19.8 minutes to get to work. The percentages of the method of transportation for 2010 were:

- 82.2% of workers drove to work alone in 2009
- 9.4% of workers carpooled
- 0.6% took public transportation
- 3.7% used other means
- 4.1% worked at home

Employment by Industry in New Hanover County, North Carolina

The chart illustrates the major sectors of the County's 2010 economy. Largest is the Education, Healthcare and Social Assistance sector. Entertainment, recreation, food and accommodations is the second largest at 13%.



Cost of Living⁵

The cost of living for New Hanover County, as measured to a national composite index average of 100.0 for 3rd quarter calendar year 2011, measures 99.1. 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
Groceries	101.7
Housing	88.5
Utilities	111.9
Transportation	102.5
Health Care	105.7
Miscellaneous	101.6

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 Wilmington⁶



Aerial View of the Port of Wilmington

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.



Tug Navigating International Vessel up the Cape Fear River

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.

⁵ Wilmington Chamber of Commerce

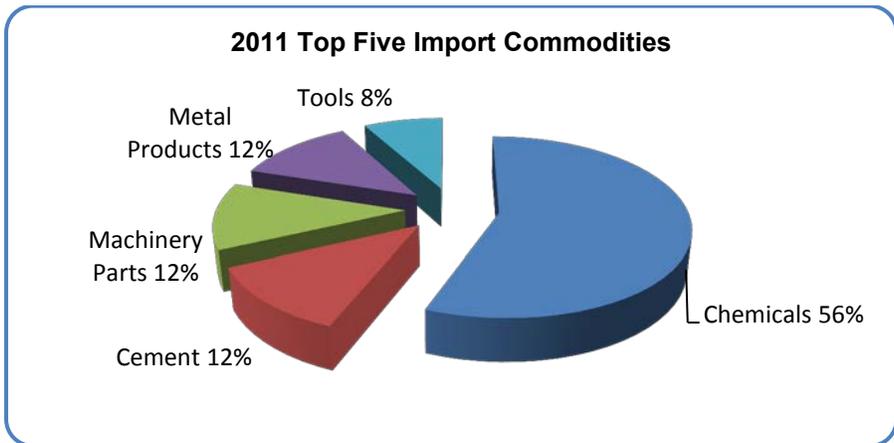
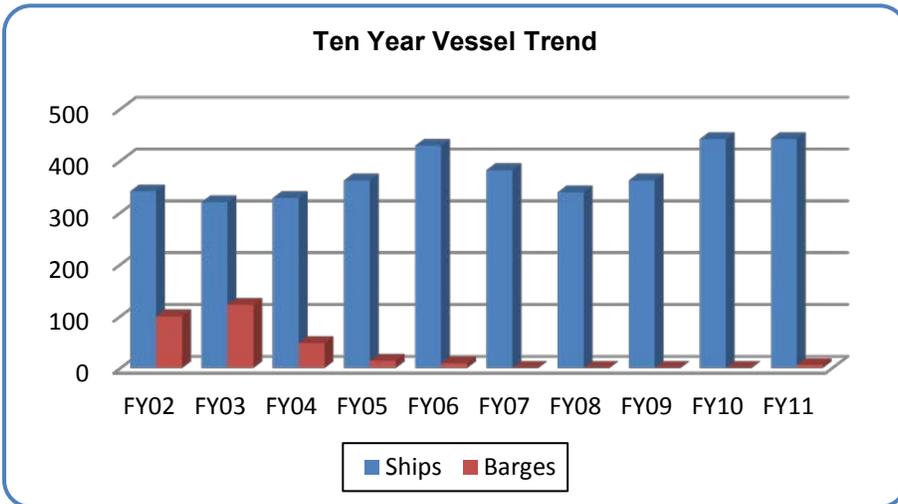
⁶ Port of Wilmington

NEW HANOVER COUNTY PROFILE CONTINUED

The Wilmington Terminal is designated as a Foreign Trade Zone. The Port’s 42-foot navigational channel, along with other infrastructure improvements, provides capacity to process the world’s largest “post-Panamax” vessels.⁷ The “post-Panamax” vessels, sized at 5,000 TEU’s (20-foot equivalent units, the industry standard measurement of container traffic), are the largest class of ship able to navigate the Panama Canal.

The Port has direct access to Interstates 40 and 95, and daily train service from CSX and Norfolk Southern railways. 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.”⁸

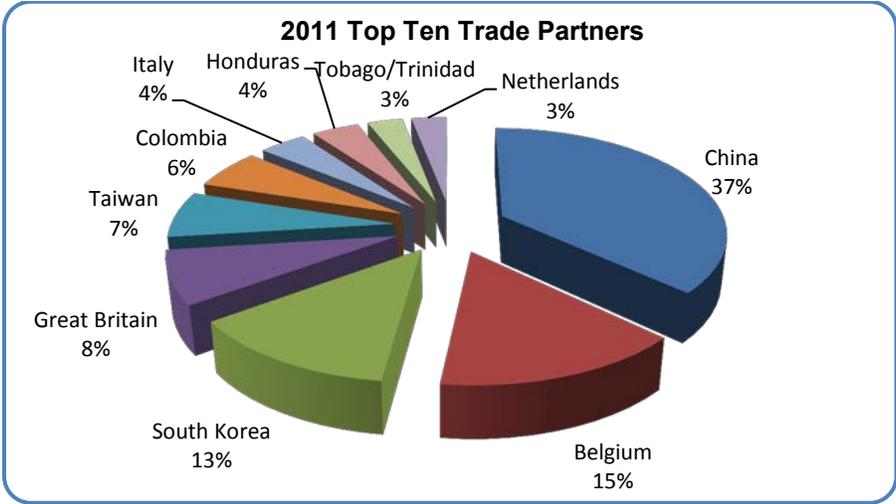
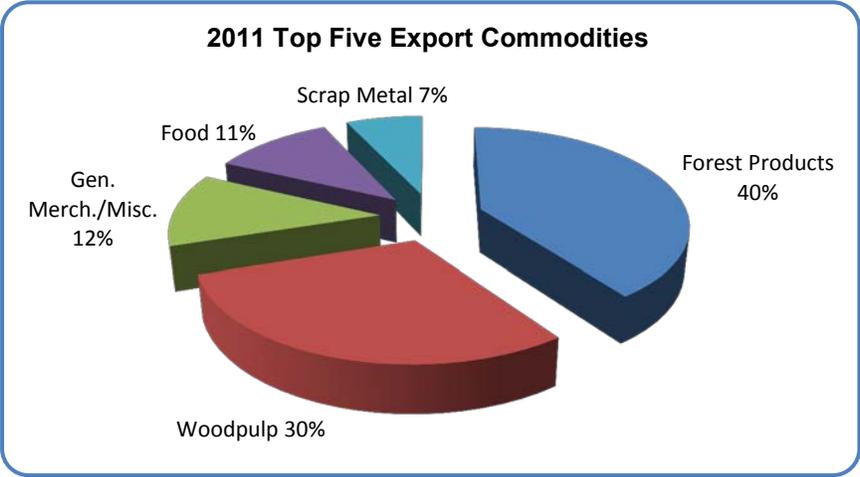
The Port of Wilmington is also designated one of the 15 “strategic ports” by the Department of Defense. Strategic ports are commercial ports that have been selected based on their usefulness in terms of location, type of facilities, capacity, equipment and available services; and must meet high standards of efficiency and flexibility.⁹ 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.



⁷ North Carolina’s Southeast

⁸ *Business North Carolina*, June 2005, Jim Smith, UNC Economist

⁹ *Sea Power*, 2008 Almanac



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.¹⁰

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. The industry trend toward using rail, and the increase in port activity, puts New Hanover County in priority status for improved rail service.

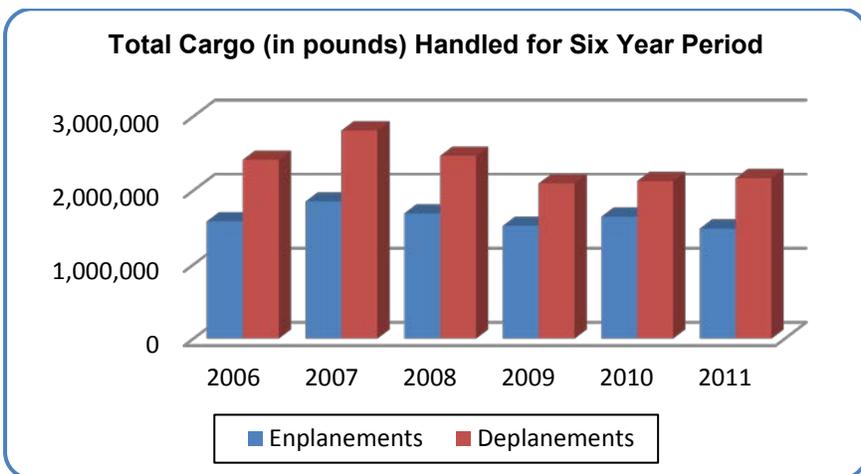
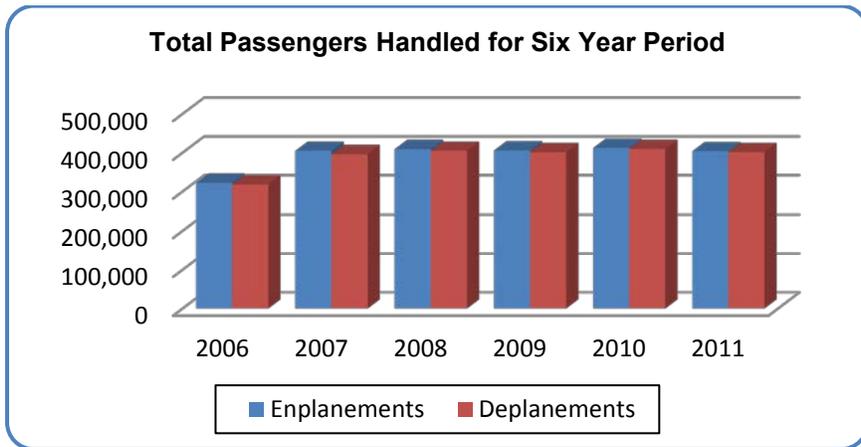
¹⁰ The Virginia Pilot, Sunday, April 6, 2008

Wilmington International Airport (ILM)^{11, 12}

New Hanover County's Airport, located on 1,500 acres, accommodates private and commercial flights and is the state's fourth busiest airport. Commercial jet service is provided directly to and from Wilmington International Airport (ILM). ILM offers full, regional air service including connections. Wilmington has direct, non-stop flights to New York, Atlanta, Charlotte, Orlando, Philadelphia and Washington, D.C. During the recent economic recession, passenger numbers have not dropped significantly. This is due primarily to a relatively stable business-traveler market.

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.). 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 2006 through 2011 are provided for Passenger Enplanements and Deplanements and for Cargo Enplanements and Deplanements from the Wilmington International Airport.



¹¹ Provided by Wilmington International Airport

¹² Star News, "Wilmington International faring better than many small- to medium-sized airports", Gareth McGrath

New Hanover County Roads and Interstate Access

In New Hanover County, 94% of the population lives within 10 miles of a four-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, UNCW campus and New Hanover County. It also offers a 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

The population of the County has tripled over the last 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. The unemployment rate for calendar year 2011 period was 10.4%. In the last three years the County’s unemployment rate has been the highest in 20 years.¹³

Building Permits¹⁴

The number of permits and project costs just for *newly constructed buildings* for residential and commercial for the last five fiscal years are as follows:

	New Residential Construction Permits	Construction Dollars Spent (Project Value)	New Commercial Construction Permits	Construction Dollars Spent (Project Value)
FY07-08	724	\$180.9 M	381	\$224.5 M
FY08-09	430	\$107.4 M	200	\$159.3 M
FY09-10	436	\$ 96.8 M	129	\$ 98.0 M
FY10-11	300	\$ 74.1 M	71	\$ 73.8 M
FY11-12	528	\$141.3M	134	\$202.5M

Figures presented do not include the construction dollars spent on renovations to existing buildings, other miscellaneous permits, or for City, County and Community College projects. For detailed Construction Activity Reports, please visit the New Hanover County Development Services Center website.

¹³ Employment Security Commission

¹⁴ Statistics provided by New Hanover County Development Services Department

NEW HANOVER COUNTY PROFILE CONTINUED

For new residential and new commercial construction during FY11-12, the number of new single-family construction permits jumped 76% and commercial new construction permits jumped 89% over FY10-11. For residential new construction there was a 174% increase in construction dollars spent. For commercial new construction there was a 91% increase in construction dollars spent over FY10-11.

Health Care¹⁵

A trauma center is defined as a specialized hospital facility distinguished by the immediate availability of specialized surgeons, physician specialists, anesthesiologists, 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 one of 12 trauma medical centers located in the state and is the only trauma medical center located in the southeast portion of the state.

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 Concerns¹⁶

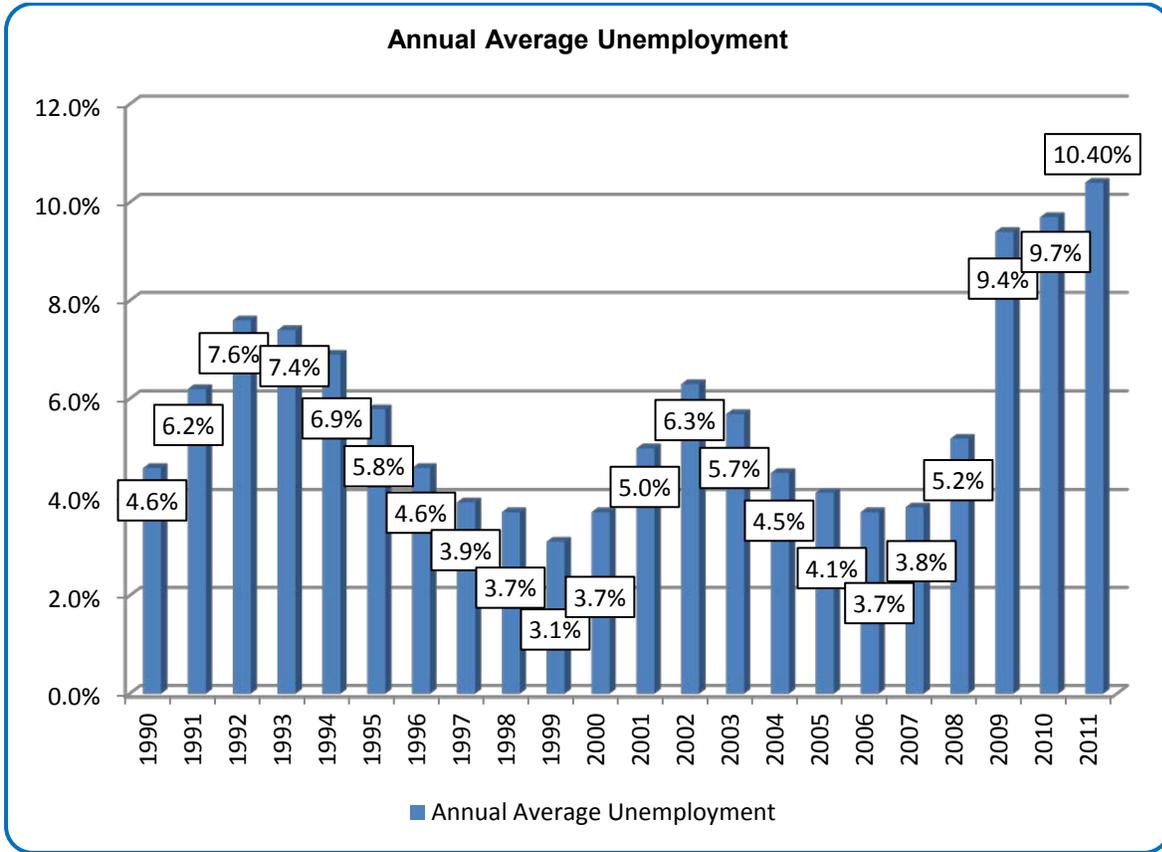
Although the school age population continues to grow, it is at a slower rate than in the past. As discussed previously, the decrease in the rate of growth in this population group requires long-range planning to realign educational resources as needed. In addition, the ratio of this age group to total 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. 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	2
Elementary Schools	25
Middle Schools	8
High Schools	
Traditional	4
Non-Traditional	3
Community Colleges	1
Universities	1
Total Public Education Units	44

¹⁵ NC Division of Health Service Regulation, Office of Emergency Medical Services

¹⁶ Public Education Units provided by New Hanover County School District

Unemployment¹⁷



Top 10 Largest Employers in New Hanover County¹⁸

Rank	Company Name	Industry	Employment Range
1	New Hanover Regional Medical Center	Hospital/Health Services	4,738
2	New Hanover County School System	Education	3,666
3	Wal-Mart	Retail	2,592
4	General Electric Company	Manufacturer	2,100
5	University of NC Wilmington	Education	1,898
6	New Hanover County	County Government	1,574
7	PPD, Inc.	Pharmaceutical & Biotech	1,500
8	Verizon Wireless	Communications	1,346
9	Progress Energy	Utility	1,070
10	Corning Incorporated	Optical Fiber Manufacturing	1,000

¹⁷ Division of Employment Security

¹⁸ Wilmington Chamber of Commerce

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 23 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 1,300 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, 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
1993	130,746	19,153	34.9	19,679	7.9%
1994	134,912	19,887	35.4	20,253	6.8%
1995	139,500	21,705	35.7	20,649	6.4%
1996	143,234	22,819	36.1	20,929	4.5%
1997	147,761	25,068	36.5	21,351	4.3%
1998	148,370	26,166	36.9	21,520	3.7%
1999	148,822	26,479	37.3	21,468	3.1%
2000	160,327	28,000	36.3	21,425	3.8%
2001	163,828	28,969	38.1	21,430	4.6%
2002	166,017	29,408	36.7	21,854	6.6%
2003	169,050	29,607	37.0	22,882	6.4%
2004	174,302	30,466	36.3	22,296	4.9%
2005	179,553	32,607	37.0	23,208	4.6%
2006	185,222	33,705	36.0	23,848	3.9%
2007	189,922	35,461	38.0	23,781	3.8%
2008	192,279	36,629	37.1	23,757	5.0%
2009	195,085	36,662	36.9	24,095	9.7%
2010	202,667	29,363 ¹	37.4	23,934	9.8%
2011	206,774	N/A	37.5	24,060	10.4%

ANNUAL POPULATION GROWTH ⁵						
YEAR	CITY OF WILMINGTON	CAROLINA BEACH	KURE BEACH	WRIGHTSVILLE BEACH	UNINCORPORATED COUNTY	TOTAL COUNTY
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
2009 ¹	101,350	5,881	2,515	2,652	82,687	195,085
2010 ¹	106,476	5,706	2,012	2,477	85,996	202,667

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 32,725,385,227	67.83%	139,222,476	136,794,280	98.26%	0.420
2009	33,424,361,562	2.13%	151,208,013	149,085,287	98.60%	0.4525
2010	33,674,505,469	0.75%	152,793,146	150,719,243	98.64%	0.4525
2011	33,807,896,708	0.40%	158,470,085	155,703,691	98.25%	0.4655
2012	34,190,526,948	1.13%	159,752,984	157,409,935	98.54%	0.4655
2013	^{4,5} 29,200,500,000	-14.59%	161,770,770	158,858,896	98.20%	0.554

TEN LARGEST TAX PAYERS IN NEW HANOVER COUNTY⁶

Rank	Company	Assessed Valuation	Tax Levy	Type of Industry
1	General Electric Co.	\$295.3 M	\$1.4 M	Manufacturer
2	Progress Energy	\$277.6 M	\$1.3 M	Utility
3	Corning, Inc.	\$221.7 M	\$1.0 M	Optical Fiber Manufacturer
4	Celanese Corporation	\$80.7 M	\$0.4 M	Chemical Manufacturer
5	Bellsouth Telephone Co.	\$66.0 M	\$0.3 M	Utility
6	Arteva Specialties DBA Kosa	\$59.5 M	\$0.3 M	Chemical Manufacturer
7	River Ventures	\$55.8 M	\$0.3 M	Real Estate
8	Walmart	\$50.9 M	\$0.2 M	Retail
9	Centro Independence LLC	\$50.4 M	\$0.2 M	Real Estate
10	Global Nuclear Fuel Americas LLC	\$47.0 M	\$0.2 M	Chemical Manufacturer

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

² Original tax levy per scroll with discoveries added less abatements. FY10-11 amount is actual year end, whereas projected estimates are used in the budget book.

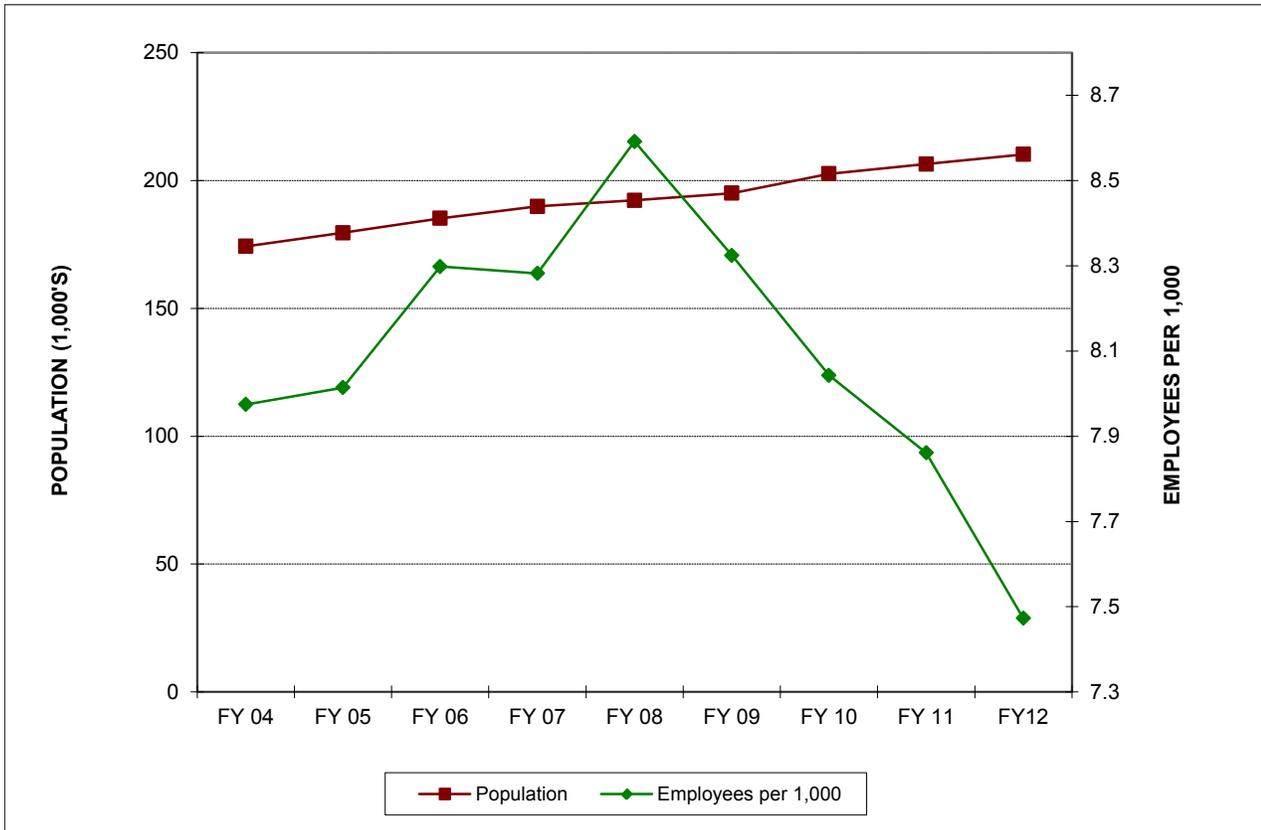
³ Includes taxes, fee, penalties, and liens

⁴ Revaluation Year

⁵ Amounts provided are projections for FY13

⁶ 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. 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. The decrease between FY10-11 and FY11-12 is due to the decision to lay up WASTEC while the Board of County Commissioners evaluates long term solutions for solid waste.

**NEW HANOVER COUNTY
POSITION SUMMARY BY DEPARTMENT**

	FY10-11 ADOPTED		FY11-12 ADOPTED		FY12-13 ADOPTED		DIFFERENCE FY11-12 & FY12-13	
	POSITIONS	FTE	POSITIONS	FTE	POSITIONS	FTE	POSITIONS	FTE
GENERAL FUND:								
Administration - County Manager ¹	7	7.00	7	7.00	12	12.00	5	5.00
Board of Elections	5	5.00	6	6.00	6	6.00	0	0.00
Budget ¹	4	4.00	4	4.00	5	5.00	1	1.00
Courts ²	0	0.00	2	2.00	0	0.00	(2)	(2.00)
Community Justice Services ²	0	0.00	0	0.00	25	24.75	25	24.75
Development Services ¹	14	14.00	13	13.00	12	12.00	(1)	(1.00)
Emergency Management & 911 Comm ³	64	63.80	67	66.60	71	70.60	4	4.00
Engineering	10	10.00	10	10.00	11	11.00	1	1.00
Finance	19	19.00	19	19.00	19	19.00	0	0.00
Governing Body - County Commissioners	8	8.00	8	8.00	8	8.00	0	0.00
Health ⁴	226	218.65	212	205.35	184	178.35	(28)	(27.00)
Human Resources & Community Relations ¹	12	11.50	13	12.50	9	8.50	(4)	(4.00)
Information Technology	36	36.00	35	35.00	35	35.00	0	0.00
Legal	11	10.75	11	10.75	11	11.00	0	0.25
Library	42	41.80	45	43.98	45	43.55	0	(0.43)
Museum	14	14.00	14	14.00	14	14.00	0	0.00
Parks, Gardens, Senior Resource Center	74	73.75	74	73.75	77	77.00	3	3.25
Planning & Inspections ⁵	70	70.00	67	67.00	60	60.00	(7)	(7.00)
Pretrial Release ²	4	4.00	4	4.00	0	0.00	(4)	(4.00)
Property Management	72	72.00	72	72.00	72	72.00	0	0.00
Register of Deeds	20	20.00	20	20.00	17	17.00	(3)	(3.00)
Sheriff's Office ⁶	384	384.00	395	395.00	425	425.00	30	30.00
Social Services	274	274.00	274	274.00	278	278.00	4	4.00
Tax ¹	50	50.00	50	50.00	49	49.00	(1)	(1.00)
Youth Empowerment Services ²	18	17.50	18	17.50	0	0.00	(18)	(17.50)
Veteran Services	2	2.00	2	2.00	0	0.00	(2)	(2.00)
GENERAL FUND	1,440	1,430.75	1,442	1,432.43	1445	1,436.75	3	4.32
ENVIRONMENTAL MANAGEMENT FUND:	88	87.50	31	31.00	31	31.00	0	0.00
FIRE SERVICES FUND:	95	95.00	98	98.00	98	98.00	0	0.00
TOTALS:	1,623	1,613.25	1571	1,561.43	1574	1,565.75	3	4.32

¹ Five existing positions transferred from various Departments (Tax, Development Services and Human Resources) to County Manager's Office to enhance communication objectives and efforts towards implementation of strategic plan. One position transferred to Budget Department.

² Youth Empowerment Services, Drug Court and Pretrial Release combined into one Department.

³ Emergency Management / 911 Communications replaced four temporary Telecommunicators (911) with regular positions.

⁴ Health reduced by 28 positions (20 positions moved from Health due to Sheriff's Office assuming responsibility of Animal Control. 5 positions eliminated during year due to grant funding ending and 3 positions moved to other Departments).

⁵ Planning & Inspections reduced by 7 positions (6 positions moved to Sheriff and 1 position eliminated).

⁶ Sheriff's Office increased by 30 positions (20 from Health, see footnote #4. Added 4 grant funded positions and 6 moved from other Departments to Downtown Task Force and Civil. Civil positions are used to enhance the processing of civil papers and is revenue generating).

NEW HANOVER COUNTY

AUTHORIZED POSITIONS WITH FTE EQUIVALENCY

	FY10-11 ADOPTED POSITIONS FTE's		FY11-12 ADOPTED POSITIONS FTE's		FY12-13 ADOPTED POSITIONS FTE's	
GENERAL FUND						
ADMINISTRATION:						
Administrative Support Specialist	2	2.00	2	2.00	2	2.00
Assistant County Manager	3	3.00	3	3.00	2	2.00
Community Relations Coordinator	n/a	n/a	n/a	n/a	1	1.00
County Manager	1	1.00	1	1.00	1	1.00
County Manager, Executive Assistant	1	1.00	1	1.00	1	1.00
Media Production Specialist, Sr	n/a	n/a	n/a	n/a	1	1.00
Media Production Specialist	n/a	n/a	n/a	n/a	2	2.00
Public Affairs Manager	n/a	n/a	n/a	n/a	1	1.00
Strategy/Policy Development Coordinator	n/a	n/a	n/a	n/a	1	1.00
	<u>7</u>	<u>7.00</u>	<u>7</u>	<u>7.00</u>	<u>12</u>	<u>12.00</u>
BOARD OF ELECTIONS:						
Elections Director	1	1.00	1	1.00	1	1.00
Elections Program Coordinator	1	1.00	n/a	n/a	1	1.00
Elections System Specialist	n/a	n/a	1	1.00	1	1.00
Elections Specialist	<u>3</u>	<u>3.00</u>	<u>4</u>	<u>4.00</u>	<u>3</u>	<u>3.00</u>
	5	5.00	6	6.00	6	6.00
BUDGET:						
Administrative Support Specialist	1	1.00	1	1.00	n/a	n/a
Budget Analyst, Senior	1	1.00	1	1.00	1	1.00
Budget Analyst	1	1.00	1	1.00	1	1.00
Budget Director	1	1.00	1	1.00	1	1.00
Budget Specialist	n/a	n/a	n/a	n/a	1	1.00
Special Projects Officer	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>1</u>	<u>1.00</u>
	4	4.00	4	4.00	5	5.00
COMMUNITY JUSTICE SERVICES:						
Administrative Support Specialist	n/a	n/a	n/a	n/a	1	1.00
Administrative Support Technician	n/a	n/a	n/a	n/a	1	1.00
Director	n/a	n/a	n/a	n/a	1	1.00
Family Therapist	n/a	n/a	n/a	n/a	1	1.00
Intervention Specialist	n/a	n/a	n/a	n/a	2	2.00
Support Services Coordinator	n/a	n/a	n/a	n/a	1	1.00
Drug Treatment Court Specialist	n/a	n/a	n/a	n/a	1	1.00
DWI Treatment Court Coordinator	n/a	n/a	n/a	n/a	1	1.00
Fiscal Support Technician	n/a	n/a	n/a	n/a	1	0.75
License Clinical Therapist - Zone 1	n/a	n/a	n/a	n/a	1	1.00
License Clinical Therapist - Zone 2	n/a	n/a	n/a	n/a	2	2.00
Pretrial Release Coordinator	n/a	n/a	n/a	n/a	2	2.00
Pretrial Release Specialist	n/a	n/a	n/a	n/a	1	1.00
Program Assistant	n/a	n/a	n/a	n/a	3	3.00
Program Coordinator	n/a	n/a	n/a	n/a	2	2.00
Program Manager	n/a	n/a	n/a	n/a	3	3.00
Youth Empowerment Services Program Manager	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>1</u>	<u>1.00</u>
	n/a	n/a	n/a	n/a	25	24.75
COURTS (Drug Court Program):						
Drug Court Coordinator	n/a	n/a	1	1.00	n/a	n/a
Drug Court Case Coordinator	<u>n/a</u>	<u>n/a</u>	<u>1</u>	<u>1.00</u>	<u>n/a</u>	<u>n/a</u>
	n/a	n/a	2	2.00	n/a	n/a
DEVELOPMENT SERVICES:						
Development Services Director	1	1.00	1	1.00	1	1.00
Administrative Support Supervisor	n/a	n/a	1	1.00	1	1.00
Administrative Support Coordinator	1	1.00	n/a	n/a	n/a	n/a
Administrative Support Technician	<u>12</u>	<u>12.00</u>	<u>11</u>	<u>11.00</u>	<u>10</u>	<u>10.00</u>
	14	14.00	13	13.00	12	12.00
EMERGENCY MANAGEMENT & 911 COMMUNICATIONS:						
Emergency Management:						
Emergency Management/911 Director	1	1.00	1	1.00	1	1.00
Emergency Management Specialist, Sr.	1	1.00	1	1.00	1	1.00
Emergency Management Specialist	1	1.00	1	1.00	1	1.00
Information Systems Analyst (CAD)	n/a	n/a	n/a	n/a	1	1.00
Administrative Support Specialist	1	1.00	1	1.00	1	1.00
Public Safety Communications:						
911 Manager	1	1.00	1	1.00	1	1.00
911 Supervisor	4	4.00	4	4.00	5	5.00
911 Trainer	1	1.00	1	1.00	1	1.00
Telecommunicator, Senior	1	1.00	1	1.00	n/a	n/a
Telecommunicator	52	51.80	55	54.60	58	58.00
Administrative Support Specialist	<u>1</u>	<u>1.00</u>	<u>1</u>	<u>1.00</u>	<u>1</u>	<u>1.00</u>
	64	63.80	67	66.60	71	71.00
ENGINEERING & PUBLIC SERVICES:						
Engineering:						
Project Engineer	1	1.00	1	1.00	2	2.00
Project Manager, Senior	1	1.00	1	1.00	1	1.00
County Engineer	1	1.00	1	1.00	1	1.00
Construction Project Coordinator	1	1.00	1	1.00	1	1.00
Engineering CAD Specialist	1	1.00	1	1.00	1	1.00
Engineering Specialist	2	2.00	2	2.00	2	2.00
Engineering Construction Inspector	1	1.00	1	1.00	1	1.00
Administrative Support Assistant	1	1.00	1	1.00	1	1.00
Administrative Support Specialist	<u>1</u>	<u>1.00</u>	<u>1</u>	<u>1.00</u>	<u>1</u>	<u>1.00</u>
	10	10.00	10	10.00	11	11.00

NEW HANOVER COUNTY

AUTHORIZED POSITIONS WITH FTE EQUIVALENCY

	FY10-11 ADOPTED POSITIONS FTE's		FY11-12 ADOPTED POSITIONS FTE's		FY12-13 ADOPTED POSITIONS FTE's	
FINANCE:						
Finance Director	1	1.00	1	1.00	1	1.00
Finance Director, Assistant	1	1.00	1	1.00	1	1.00
Financial Analyst	2	2.00	2	2.00	2	2.00
Purchasing Supervisor	1	1.00	1	1.00	1	1.00
Purchasing Agent	n/a	n/a	n/a	n/a	1	1.00
Property Auditor	1	1.00	1	1.00	1	1.00
Grants & Project Analyst	1	1.00	1	1.00	1	1.00
Investment Officer	1	1.00	1	1.00	1	1.00
Fiscal Support Supervisor	2	2.00	2	2.00	2	2.00
Fiscal Support Specialist	3	3.00	3	3.00	1	1.00
Fiscal Support Technician	5	5.00	5	5.00	6	6.00
Payroll Administration Specialist	1	1.00	1	1.00	1	1.00
	19	19.00	19	19.00	19	19.00
GOVERNING BODY:						
Commission Chairperson	1	1.00	1	1.00	1	1.00
Commissioners	4	4.00	4	4.00	4	4.00
Clerk to the Board	1	1.00	1	1.00	1	1.00
Clerk, Deputy	2	2.00	2	2.00	2	2.00
	8	8.00	8	8.00	8	8.00
HEALTH:						
Accountant	2	2.00	2	2.00	2	2.00
Administrative Support Coordinator	1	1.00	1	1.00	1	1.00
Administrative Support Specialist	2	2.00	2	2.00	2	2.00
Administrative Support Supervisor	3	3.00	3	3.00	2	2.00
Administrative Support Technician	30	29.00	29	28.50	22	22.00
Animal Control Officer	7	7.00	7	7.00	n/a	n/a
Animal Control Service Manager	1	1.00	1	1.00	n/a	n/a
Animal Control Supervisor	1	1.00	1	1.00	n/a	n/a
Community Health Assistant	3	3.00	3	3.00	3	3.00
Dental Assistant	3	2.40	3	2.40	3	2.40
Dietitian	1	1.00	1	1.00	1	1.00
Environmental Health Specialist, Sr	1	1.00	1	1.00	1	1.00
Environmental Health Program Specialist	3	3.00	3	3.00	3	3.00
Environmental Health Specialist	12	12.00	11	11.00	11	11.00
Environmental Health Service Manager	1	1.00	1	1.00	1	1.00
Environmental Health Services Specialist, Sr	3	3.00	3	3.00	3	3.00
Emergency Management Specialist	1	1.00	n/a	n/a	n/a	n/a
Fiscal Support Technician	10	9.80	10	9.55	8	7.55
Fiscal Support Specialist	1	1.00	1	1.00	1	1.00
Fiscal Support Supervisor	1	1.00	1	1.00	1	1.00
Health Dept Support Services Manager	1	1.00	1	1.00	n/a	n/a
Health Director	1	1.00	1	1.00	1	1.00
Health Director, Assistant	1	1.00	1	1.00	1	1.00
Health Education, Supervisor	1	1.00	1	1.00	1	1.00
Health Educator	4	3.50	4	3.50	3	3.00
Health Planner	1	1.00	1	1.00	1	1.00
Human Resources Representative	1	1.00	1	1.00	1	1.00
Licensed Clinical Therapist	15	15.00	15	15.00	14	14.00
Licensed Clinical Therapist Supervisor	1	1.00	1	1.00	1	1.00
Licensed Practical Nurse	3	2.50	3	2.50	3	2.50
Medical Lab Assistant	3	3.00	3	3.00	3	3.00
Medical Lab Supervisor	1	1.00	1	1.00	1	1.00
Medical Lab Technologist	2	2.00	2	2.00	2	2.00
Nutritionist	5	4.50	5	4.50	5	4.50
Nutritionist Services Supervisor	1	1.00	1	1.00	1	1.00
Personal Health Services Manager	1	1.00	1	1.00	1	1.00
Physician	1	1.00	1	1.00	1	1.00
Physician Epidemiologist	1	1.00	n/a	n/a	n/a	n/a
Physician Extender	2	2.00	2	2.00	2	2.00
Program Assistant	5	5.00	5	5.00	4	4.00
Program Coordinator	2	1.25	2	1.50	2	1.50
Public Health Nurse	62	58.90	57	54.10	56	53.10
Public Health Nurse Epidemiologist	1	1.00	n/a	n/a	n/a	n/a
Public Health Nurse Supervisor	6	6.00	6	6.00	5	5.00
Shelter Attendant	3	3.00	3	3.00	0	0.00
Shelter Supervisor	1	1.00	1	1.00	0	0.00
Social Work Supervisor	n/a	n/a	n/a	n/a	1	1.00
Social Worker	10	9.80	6	5.80	6	5.80
Vector Control Operator	2	2.00	2	2.00	2	2.00
Vector Control Operator, Senior	1	1.00	1	1.00	1	1.00
	226	218.65	212	205.35	184	178.35
HUMAN RESOURCES:						
Human Resources Director	1	1.00	1	1.00	1	1.00
Human Resources/Community Relations Manager	1	1.00	1	1.00	1	1.00
Human Resources Analyst, Senior	2	2.00	2	2.00	2	2.00
Human Resources Analyst	1	1.00	1	1.00	1	1.00
Community Relations Coordinator	n/a	n/a	n/a	n/a	1	1.00
Human Resources Technician	2	2.00	2	2.00	2	2.00
Public Information Officer	1	1.00	1	1.00	n/a	n/a
TV Production Specialist	1	1.00	2	1.00	n/a	n/a
Information Systems Support Specialist	n/a	n/a	1	1.00	n/a	n/a
Community Affairs Specialist	2	2.00	1	2.00	n/a	n/a
Administrative Support Technician	1	0.50	1	0.50	1	0.50
	12	11.50	13	12.50	9	8.50

NEW HANOVER COUNTY

AUTHORIZED POSITIONS WITH FTE EQUIVALENCY

	FY10-11 ADOPTED POSITIONS FTE's		FY11-12 ADOPTED POSITIONS FTE's		FY12-13 ADOPTED POSITIONS FTE's	
INFORMATION TECHNOLOGY:						
Information Technology Director	1	1.00	1	1.00	1	1.00
Information Technology Manager	1	1.00	n/a	n/a	n/a	n/a
Information Systems Service Coordinator	n/a	n/a	1	1.00	1	1.00
Information Technology Supervisor	4	4.00	4	4.00	4	4.00
GIS Analyst	1	1.00	n/a	n/a	n/a	n/a
Network Administrator	3	3.00	4	4.00	4	4.00
Programmer/Analyst	7	7.00	n/a	n/a	1	1.00
Systems Analyst, Sr.	1	1.00	1	1.00	1	1.00
Information Systems Support Specialist, Sr	2	2.00	1	1.00	1	1.00
Information Systems Support Specialist	12	12.00	7	7.00	7	7.00
Information Systems Support Analyst	n/a	n/a	12	12.00	11	11.00
Computer Operations Coordinator	1	1.00	1	1.00	1	1.00
Information Systems Technician	2	2.00	2	2.00	2	2.00
Information Tech Procurement & Admin Specialist	1	1.00	1	1.00	1	1.00
	36	36.00	35	35.00	35	35.00
LEGAL:						
County Attorney	1	1.00	1	1.00	1	1.00
County Attorney, Deputy	1	1.00	1	1.00	1	1.00
County Attorney, Assistant	1	1.00	1	1.00	1	1.00
Risk Management Specialist	1	1.00	1	1.00	1	1.00
Risk Management Coordinator	1	1.00	1	1.00	1	1.00
Paralegal	2	2.00	2	2.00	2	2.00
Safety Officer	1	1.00	1	1.00	1	1.00
Administrative Support Specialist	1	1.00	1	1.00	1	1.00
Administrative Support Technician	1	0.75	1	0.75	1	1.00
Administrative Support Assistant	1	1.00	1	1.00	1	1.00
	11	10.75	11	10.75	11	11.00
LIBRARY:						
Library Director	1	1.00	1	1.00	1	1.00
Library Director, Assistant	1	1.00	1	1.00	1	1.00
Librarian, Supervisor	2	2.00	2	2.00	2	2.00
Librarian, Senior	5	5.00	5	5.00	5	5.00
Librarian	7	7.00	7	7.00	7	7.00
Library Associate	11	11.00	14	13.18	14	13.75
Library Assistant	12	12.00	12	12.00	12	12.00
Program Manager	1	0.80	1	0.80	1	0.80
Administrative Support Specialist	1	1.00	1	1.00	1	1.00
Administrative Support Technician	1	1.00	1	1.00	1	1.00
	42	41.80	45	43.98	45	44.55
MUSEUM:						
Museum Director	1	1.00	1	1.00	1	1.00
Museum Education Coordinator	1	1.00	1	1.00	1	1.00
Museum Educator	2	2.00	2	2.00	2	2.00
Museum Historian	1	1.00	1	1.00	1	1.00
Museum Curator	1	1.00	1	1.00	1	1.00
Museum Exhibit Coordinator	1	1.00	1	1.00	1	1.00
Museum Exhibit Designer	1	1.00	1	1.00	1	1.00
Public Relations Specialist	1	1.00	1	1.00	1	1.00
Development Coordinator	1	1.00	1	1.00	1	1.00
Museum Registrar	1	1.00	1	1.00	1	1.00
Graphics Specialist	1	1.00	1	1.00	1	1.00
Program Assistant	1	1.00	1	1.00	1	1.00
Administrative Support Specialist	1	1.00	1	1.00	1	1.00
	14	14.00	14	14.00	14	14.00
PARKS, GARDENS, SENIOR RESOURCE CENTER:						
<i>(new dept created 2009)</i>						
Administrative Support Assistant	1	1.00	1	1.00	1	1.00
Administrative Support Specialist	2	2.00	2	2.00	2	2.00
Administrative Support Supervisor	1	1.00	1	1.00	1	1.00
Administrative Support Technician	n/a	n/a	n/a	n/a	1	1.00
Development Coordinator	1	1.00	1	1.00	1	1.00
Economic Services Caseworker	n/a	n/a	n/a	n/a	1	1.00
Equipment Operator	1	1.00	1	1.00	1	1.00
Gardens Curator	1	1.00	1	1.00	1	1.00
Ground Maintenance Supervisor	4	4.00	5	5.00	5	5.00
Grounds Maintenance Worker	28	28.00	25	25.00	25	25.00
Landscape Technician	6	6.00	8	8.00	8	8.00
Mechanic	1	1.00	1	1.00	1	1.00
Parks Superintendent	1	1.00	1	1.00	1	1.00
Parks/Gardens Director	1	1.00	1	1.00	1	1.00
Parks/Gardens Manager	1	1.00	1	1.00	2	2.00
Parks/Gardens Operations Manager	1	1.00	1	1.00	1	1.00
Program Assistant	1	1.00	1	1.00	2	2.00
Program Coordinator	7	6.75	7	6.75	6	6.00
Program Manager	4	4.00	4	4.00	4	4.00
Senior Resource Center Manager	1	1.00	1	1.00	1	1.00
Social Worker	3	3.00	3	3.00	3	3.00
Ticket Agent	1	1.00	1	1.00	1	1.00
Trades Specialist	1	1.00	1	1.00	1	1.00
Trades Supervisor	1	1.00	1	1.00	1	1.00
Trades Technician	4	4.00	4	4.00	4	4.00
Transportation Coordinator	1	1.00	1	1.00	1	1.00
	74	73.75	74	73.75	77	77.00

NEW HANOVER COUNTY

AUTHORIZED POSITIONS WITH FTE EQUIVALENCY

	FY10-11 ADOPTED POSITIONS FTE's		FY11-12 ADOPTED POSITIONS FTE's		FY12-13 ADOPTED POSITIONS FTE's	
PLANNING & INSPECTIONS:						
Planning / Inspections Director	1	1.00	1	1.00	1	1.00
Planning / Zoning Manager	1	1.00	2	2.00	2	2.00
Administrative Support Specialist	2	2.00	2	2.00	2	2.00
Administrative Support Technician	2	2.00	2	2.00	2	2.00
Code Enforcement Official, Senior	9	9.00	9	9.00	9	9.00
Code Enforcement Official, Chief	5	5.00	5	5.00	5	5.00
Code Enforcement Official	35	35.00	31	31.00	26	26.00
GIS Technician	1	1.00	1	1.00	1	1.00
Inspections Manager	1	1.00	1	1.00	1	1.00
Planner	2	2.00	2	2.00	2	2.00
Planner Community Development	1	1.00	1	1.00	1	1.00
Planner, Senior	1	1.00	1	1.00	n/a	n/a
Planner Subdivision Review	1	1.00	1	1.00	1	1.00
Planning Specialist	1	1.00	1	1.00	1	1.00
Planning / Inspections Training Coordinator	1	1.00	1	1.00	n/a	n/a
Zoning Compliance, Senior	1	1.00	1	1.00	1	1.00
Zoning Compliance, Chief	1	1.00	1	1.00	1	1.00
Zoning Compliance Official	4	4.00	4	4.00	4	4.00
	70	70.00	67	67.00	60	60.00
PRETRIAL RELEASE:						
Pretrial Release Coordinator, Sr.	1	1.00	1	1.00	n/a	n/a
Pretrial Release Coordinator	2	2.00	2	2.00	n/a	n/a
Pretrial Release Specialist	1	1.00	1	1.00	n/a	n/a
	4	4.00	4	4.00	n/a	n/a
PROPERTY MANAGEMENT:						
Property Management Director	1	1.00	1	1.00	1	1.00
Property Management Manager	1	1.00	1	1.00	1	1.00
Trades Supervisor	2	2.00	2	2.00	2	2.00
Trades Specialist	13	13.00	13	13.00	13	13.00
Trades Technician	8	8.00	8	8.00	8	8.00
Equipment Shop Superintendent	1	1.00	1	1.00	1	1.00
Equipment Shop Supervisor	1	1.00	1	1.00	1	1.00
Materials Control Specialist	1	1.00	1	1.00	1	1.00
Materials Control Technician	1	1.00	1	1.00	1	1.00
Mechanic	4	4.00	4	4.00	4	4.00
Custodial Superintendent	1	1.00	1	1.00	1	1.00
Custodial Supervisor	2	2.00	2	2.00	2	2.00
Custodial Crew Leader	5	5.00	5	5.00	5	5.00
Custodian	25	25.00	25	25.00	25	25.00
Maintenance Supervisor	1	1.00	1	1.00	1	1.00
Maintenance Assistant	2	2.00	2	2.00	2	2.00
Administrative Support Specialist	1	1.00	1	1.00	1	1.00
Administrative Support Assistant	1	1.00	1	1.00	1	1.00
Fiscal Support Technician	1	1.00	1	1.00	1	1.00
	72	72.00	72	72.00	72	72.00
REGISTER OF DEEDS:						
Registrar of Deeds	1	1.00	1	1.00	1	1.00
Registrar of Deeds, Deputy	16	16.00	16	16.00	13	13.00
Registrar of Deeds, Assistant	2	2.00	2	2.00	2	2.00
Administrative Support Specialist	1	1.00	1	1.00	1	1.00
	20	20.00	20	20.00	17	17.00
SHERIFF:						
Administrative Support Assistant	2	2.00	2	2.00	1	1.00
Administrative Support Coordinator	2	2.00	1	1.00	1	1.00
Administrative Support Specialist	2	2.00	2	2.00	2	2.00
Administrative Support Supervisor	n/a	n/a	n/a	n/a	1	1.00
Administrative Support Technician	16	16.00	17	17.00	23	23.00
Animal Control Officer	n/a	n/a	n/a	n/a	7	7.00
Animal Control Services Supervisor	n/a	n/a	n/a	n/a	1	1.00
Business Officer	1	1.00	1	1.00	1	1.00
Custodial Crew Leader	1	1.00	1	1.00	1	1.00
Crimes Analyst	n/a	n/a	n/a	n/a	1	1.00
Deputy Sheriff	157	157.00	165	165.00	166	166.00
Deputy Sheriff, Captain	6	6.00	6	6.00	7	7.00
Deputy Sheriff, Chief	1	1.00	1	1.00	1	1.00
Deputy Sheriff, Colonel	1	1.00	1	1.00	1	1.00
Deputy Sheriff, Corporal	23	23.00	23	23.00	24	24.00
Deputy Sheriff, Detective	39	39.00	45	45.00	45	45.00
Deputy Sheriff, Lieutenant	27	27.00	24	24.00	26	26.00
Deputy Sheriff, Major	2	2.00	2	2.00	2	2.00
Deputy Sheriff, Sergeant	36	36.00	36	36.00	40	40.00
Detention Officer	58	58.00	58	58.00	58	58.00
Detention Officer, Corporal	2	2.00	2	2.00	2	2.00
Detention Officer, Sergeant	2	2.00	2	2.00	2	2.00
Fiscal Support Specialist	1	1.00	1	1.00	1	1.00
Fiscal Support Technician	n/a	n/a	n/a	n/a	2	2.00
Gang Prevention & Intervention Case Manager	2	2.00	2	2.00	2	2.00
Human Resources Representative	1	1.00	1	1.00	1	1.00
Licensed Clinical Therapist	1	1.00	1	1.00	1	1.00
Shelter Attendant	n/a	n/a	n/a	n/a	3	3.00
Shelter Supervisor	n/a	n/a	n/a	n/a	1	1.00
Sheriff	1	1.00	1	1.00	1	1.00
	384	384.00	395	395.00	425	425.00

NEW HANOVER COUNTY

AUTHORIZED POSITIONS WITH FTE EQUIVALENCY

	FY10-11 ADOPTED POSITIONS FTE's		FY11-12 ADOPTED POSITIONS FTE's		FY12-13 ADOPTED POSITIONS FTE's	
SOCIAL SERVICES:						
Administrative Support Assistant	4	4.00	4	4.00	4	4.00
Administrative Support Coordinator	1	1.00	1	1.00	1	1.00
Administrative Support Specialist	2	2.00	2	2.00	2	2.00
Administrative Support Supervisor	3	3.00	2	2.00	2	2.00
Administrative Support Technician	11	11.00	9	9.00	9	9.00
Attorney	2	2.00	2	2.00	2	2.00
Attorney, Senior	1	1.00	1	1.00	1	1.00
Business Officer	2	2.00	2	2.00	2	2.00
Business Specialist	1	1.00	1	1.00	1	1.00
Community Service Coordinator	1	1.00	1	1.00	1	1.00
Community Services Assistant	7	7.00	7	7.00	7	7.00
Economic Services Caseworker	87	87.00	92	92.00	94	94.00
Economic Services Manager	2	2.00	2	2.00	2	2.00
Economic Services Supervisor	10	10.00	10	10.00	10	10.00
Fiscal Support Assistant	1	1.00	1	1.00	n/a	n/a
Fiscal Support Specialist	3	3.00	3	3.00	3	3.00
Fiscal Support Technician	3	3.00	3	3.00	2	2.00
Information Systems Technician	1	1.00	1	1.00	1	1.00
Paralegal	3	3.00	3	3.00	3	3.00
Planning/Business Manager	n/a	n/a	n/a	n/a	1	1.00
Program Assistant	1	1.00	1	1.00	1	1.00
Social Services Business Analyst	n/a	n/a	1	1.00	1	1.00
Social Services Director	1	1.00	1	1.00	1	1.00
Social Services Director, Assistant	2	2.00	2	2.00	2	2.00
Social Services Manager	3	3.00	3	3.00	3	3.00
Social Services Planning/Business Manager	1	1.00	n/a	n/a	n/a	n/a
Social Services Supervisor	16	16.00	16	16.00	16	16.00
Social Worker	101	101.00	100	100.00	100	100.00
Transportation Coordinator	4	4.00	3	3.00	4	4.00
Veteran Services Officer	n/a	n/a	n/a	n/a	1	1.00
Veteran Services Specialist	n/a	n/a	n/a	n/a	1	1.00
	274	274.00	274	274.00	278	278.00
TAX:						
Administrative Support Coordinator	1	1.00	1	1.00	1	1.00
Administrative Support Technician	9	9.00	9	9.00	9	9.00
Appraisal Supervisor	1	1.00	1	1.00	1	1.00
Appraiser	10	10.00	10	10.00	10	10.00
Collector of Revenue	1	1.00	1	1.00	1	1.00
Collector, Deputy	2	2.00	4	2.00	4	4.00
Fiscal Support Specialist	2	2.00	1	2.00	1	1.00
Fiscal Support Supervisor	2	2.00	2	2.00	2	2.00
Fiscal Support Technician	12	12.00	11	12.00	11	11.00
Revaluation Coordinator	1	1.00	1	1.00	n/a	n/a
Tax Administrator	1	1.00	1	1.00	1	1.00
Tax Administrator, Assistant	1	1.00	1	1.00	1	1.00
Tax Business Analyst	1	1.00	1	1.00	1	1.00
Tax Listing Supervisor	1	1.00	1	1.00	1	1.00
Tax Mapper	3	3.00	3	3.00	3	3.00
Tax Mapper, Senior	1	1.00	1	1.00	1	1.00
Tax Mapping Supervisor	1	1.00	1	1.00	1	1.00
	50	50.00	50	50.00	49	49.00
YOUTH EMPOWERMENT SERVICES: (see Comm Justice Services)						
YES Director	1	1.00	1	1.00	n/a	n/a
YES Clinical Manager	n/a	n/a	n/a	n/a	n/a	n/a
Licensed Clinical Therapist	3	3.00	3	3.00	n/a	n/a
Licensed Clinical Therapist Supervisor	1	1.00	1	1.00	n/a	n/a
YES Education Coordinator	1	1.00	1	1.00	n/a	n/a
YES Treatment Supervisor	1	1.00	1	1.00	n/a	n/a
YES Family Therapist	1	1.00	1	1.00	n/a	n/a
YES Intervention Specialist	4	4.00	4	4.00	n/a	n/a
Program Coordinator	1	1.00	1	1.00	n/a	n/a
Program Assistant	1	1.00	1	1.00	n/a	n/a
Support Services Coordinator	1	1.00	1	1.00	n/a	n/a
Fiscal Support Technician	1	1.00	1	0.75	n/a	n/a
Administrative Support Technician	2	1.50	2	1.75	n/a	n/a
	18	17.50	18	17.50	n/a	n/a
VETERAN SERVICES: (moved to DSS FY12-13)						
Veteran Services Officer	1	1.00	1	1.00	n/a	n/a
Veteran Services Specialist	1	1.00	1	1.00	n/a	n/a
	2	2.00	2	2.00	n/a	n/a
GENERAL FUND TOTAL	1440	1,430.75	1442	1,432.43	1445	1438.15

NEW HANOVER COUNTY

AUTHORIZED POSITIONS WITH FTE EQUIVALENCY

	FY10-11 ADOPTED POSITIONS FTE's		FY11-12 ADOPTED POSITIONS FTE's		FY12-13 ADOPTED POSITIONS FTE's	
ENVIRONMENTAL MANAGEMENT FUND						
ADMINISTRATION:						
Administrative Support Specialist	2	2.00	1	1.00	1	1.00
Business Officer	n/a	n/a	n/a	n/a	1	1.00
Environmental Management Director	1	1.00	1	1.00	1	1.00
Environmental Program Assistant	1	1.00	n/a	n/a	n/a	n/a
Environmental Program Manager	1	1.00	1	1.00	n/a	n/a
Environmental Specialist	1	1.00	n/a	n/a	n/a	n/a
Environmental Technician	1	1.00	n/a	n/a	n/a	n/a
Keep America Beautiful Program Coordinator	1	0.50	n/a	n/a	n/a	n/a
Plant Shift Supervisor	n/a	n/a	1	1.00	1	1.00
Safety Officer	1	1.00	n/a	n/a	n/a	n/a
	9	8.50	4	4.00	4	4.00
RECYCLING:						
Solid Waste Planner	1	1.00	1	1.00	1	1.00
Recycling Operations Supervisor	1	1.00	n/a	n/a	n/a	n/a
Equipment Operator	4	4.00	6	6.00	6	6.00
Maintenance Assistant	5	5.00	n/a	n/a	n/a	n/a
	11	11.00	7	7.00	7	7.00
LANDFILL:						
Landfill Manager	1	1.00	1	1.00	1	1.00
Landfill Supervisor	n/a	n/a	1	1.00	1	1.00
Environmental Specialist	n/a	n/a	1	1.00	1	1.00
Environmental Technician	n/a	n/a	1	1.00	1	1.00
Equipment Operator	8	8.00	7	7.00	7	7.00
Maintenance Assistant	6	6.00	6	6.00	6	6.00
Fiscal Support Assistant	3	3.00	3	3.00	3	3.00
	18	18.00	20	20.00	20	20.00
WASTEC FACILITY:						
Plant Manager	1	1.00	n/a	n/a	n/a	n/a
Plant Maintenance Manager	1	1.00	n/a	n/a	n/a	n/a
Plant Maintenance Mechanic Supervisor	1	1.00	n/a	n/a	n/a	n/a
Plant Maintenance Mechanic	9	9.00	n/a	n/a	n/a	n/a
Plant Operations Manager	1	1.00	n/a	n/a	n/a	n/a
Plant Shift Supervisor	5	5.00	n/a	n/a	n/a	n/a
Control Room Operator	5	5.00	n/a	n/a	n/a	n/a
Instrumentation Control Specialist	3	3.00	n/a	n/a	n/a	n/a
Mechanic	1	1.00	n/a	n/a	n/a	n/a
Materials Control Specialist	1	1.00	n/a	n/a	n/a	n/a
Materials Control Technician	1	1.00	n/a	n/a	n/a	n/a
Pollution Control Specialist	5	5.00	n/a	n/a	n/a	n/a
Equipment Operator	8	8.00	n/a	n/a	n/a	n/a
Boiler Technician	5	5.00	n/a	n/a	n/a	n/a
Tipping Floor Attendant	1	1.00	n/a	n/a	n/a	n/a
Maintenance Assistant	2	2.00	n/a	n/a	n/a	n/a
	50	50.00	n/a	n/a	n/a	n/a
ENVIRONMENTAL MANAGEMENT FUND TOTAL	88	87.50	31	31.00	31	31.00
SPECIAL FIRE SERVICE DISTRICT FUND						
ADMINISTRATION:						
Administrative Support Specialist	1	1.00	1	1.00	1	1.00
Administrative Support Technician	1	1.00	1	1.00	1	1.00
Fire Battalion Chief	n/a	n/a	n/a	n/a	1	1.00
Fire Captain	n/a	n/a	n/a	n/a	1	1.00
Fire Chief	1	1.00	1	1.00	1	1.00
Fire Chief, Deputy	3	3.00	3	3.00	3	3.00
Fire Marshal, Deputy	3	3.00	3	3.00	3	3.00
Fire Training Coordinator	2	2.00	2	2.00	n/a	n/a
Program Coordinator	1	1.00	1	1.00	1	1.00
	12	12.00	12	12.00	12	12.00
OPERATIONS:						
Fire Battalion Chief	3	3.00	3	3.00	3	3.00
Fire Captain	2	2.00	2	2.00	2	2.00
Fire Fighter	54	54.00	54	54.00	54	54.00
Fire Lieutenant	24	24.00	27	27.00	27	27.00
	83	83.00	86	86.00	86	86.00
SPECIAL FIRE SERVICE DISTRICT FUND TOTAL	95	95.00	98	98.00	98	98
TOTAL ALL FUNDS	1623	1613.25	1571	1561.43	1574	1567.15

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

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

¹ Keep America Beautiful program absorbed in Parks, Gardens & Senior Resource Center.

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

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:	Enterprise:	Trust and Agency Funds:
General Fund	Environmental Management	Other Escrows Agency Funds
Special Revenue:		LEO Pension Trust Fund
Emergency Telephone System Fund		Post Employment Benefits Agency Fund
Fire Service District Fund		Room Occupancy Tax Agency Fund
New Hanover County Schools Fund		Tax Clearing Agency Fund
Revolving Loan Fund		
Room Occupancy Tax Fund (1st 3%)		
Capital Projects		

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.

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:

BUDGET STRUCTURE CONTINUED

- **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.
- **Revolving Loan Fund** exists to provide water/sewer service to low income individuals. The loan program is handled through the Planning and Inspections Department.
- **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.
- **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. The only County enterprise fund is the Environmental Management Fund.
 - **Environmental Management** budgets for the Landfill operating costs 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.

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**.

BUDGET STRUCTURE CONTINUED

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	<i>No/Yes</i>	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 FY11 to FY12 based on actual	<i>NO</i>	YES
Change in Fund Balance based on FY13 Adopted Budget/FY12 Estimated/FY11 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:		
FY12 Actual (only)	<i>NO</i>	YES
FY12 Original Budget/FY12 Final Revised Budget/FY12 Actual/FY12 Variance	<i>NO</i>	YES
FY11 Actual/FY12 Adopted/FY13 Requested/FY13 Recommended/FY13 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		▪						
Board of Elections		▪						
Budget		▪						
CoastalCare			▪					
Community Justice Services				▪				
Cooperative Extension						▪		
Courts				▪				
Development Services		▪						
Education					▪			▪
Emergency Management & 9-1-1 Communications				▪				
Engineering		▪						
Finance		▪						▪
Governing Body – County Commissioners		▪						
Health			▪					
Human Resources		▪						
Information Technology		▪						
Juvenile Services				▪				
Legal – County Attorney		▪						
Library						▪		
Museum						▪		
Outside Agencies			▪	▪		▪	▪	
Parks, Gardens and Senior Resource Center			▪			▪		
Planning & Inspections				▪				
Property Management		▪						
Register of Deeds		▪						
Sheriff's Office				▪				
Social Services			▪					
Tax		▪						
Public Schools Fund	SR				▪			
Room Occupancy Tax Fund	SR						▪	
Environmental Management Fund	E			▪				
Non-Major Funds								
Emergency Telephone System Fund	SR			▪				
Revolving Loan Program	SR	▪						
Fire Service District Fund	SR			▪				

¹ G-General, 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 (Aaa) and Standard & Poor's (AA+).
- To provide cash for operations prior to receipt of property tax revenues.

Property taxes are the single largest revenue source for the County and, although due September 1 of each tax year, are considered timely paid if payment is received on or before January 5th. 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." 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%. New Hanover County continues to maintain a strong financial condition. The estimated available fund balance on June 30, 2012 is expected to exceed both goals.

Significant Changes in Fund Balance

General Fund

During FY09-10 and FY10-11, New Hanover County took proactive steps to reduce expenditures and intentionally worked to rebuild fund balance to 16.67% of expenditures. Using a combination of targeted budget cuts, service reductions, mandatory furloughs, deferred purchases and holding positions vacant, New Hanover County was able to add \$4.2 million to fund balance in FY09-10. These same strategies, coupled with higher than anticipated sales tax revenue receipts (due to additional months to levy Article 46 and a larger benefit from the switch of Article 42 to point of sale), enabled the County to add an additional \$10.4 million (or a 14.87% increase) to the General Fund balance in FY10-11. In FY11-12 Fund Balance grew an additional 10.6% due to a slight increase in economic activity. Fund Balance in the amount of \$7 million is budgeted to keep the FY12-13 tax rate at revenue neutral with the increases in bonded debt in the FY12-13 budget.

New Hanover County Public Schools Fund (NHCPs)

During the FY09-10 budget process, the New Hanover County Schools were asked to participate in budget reductions and use fund balance to meet any remaining needs. Although the Schools did cut expenses, New Hanover County Public Schools ultimately required \$1.1 million (or a 25.1% reduction) of fund balance.

During FY10-11, no fund balance was used and fund balance grew by \$62,401 (or 1.9%). However in FY11-12 \$0.9 million (a 27.26% decrease) of fund balance was used. As part of the FY12-13 budget process \$1.1 million was budgeted.

FUND BALANCE CONTINUED

Given the economic climate and continuing cuts in Federal and State funding of schools, it is anticipated that the County will continue to budget available fund balance for the foreseeable future.

Fire Service District Fund

During FY10-11, the proposed recommendation to consolidate all of the Volunteer Fire Service Departments under the New Hanover County Fire Service District was approved post-budget adoption. Savings realized from the consolidation and higher than projected sales tax receipts resulted in \$0.8 million increase (or 23.33% increase) to the Fire Service District fund balance. During FY11-12 fund balance grew by \$0.3 million (or 5.55%). Fund balance in the amount of \$0.4 million is budgeted to keep the FY12-13 tax rate at revenue neutral for FY12-13.

Due to staffing and equipment replacement needs, increases in fund balance are not anticipated in the near-term. The Fire Service District continues to evaluate long-term facility needs in the wake of the recent consolidation. If and when specific needs are identified, fund balance may be tapped to fund new construction.

Emergency Telephone System Fund: Article 3

During FY09-10, the actual revenues received from the State were \$0.6 million higher than had been budgeted, which increased fund balance by the same. Given the modest size of the ETF - Article 3 Fund, this effectively increased the fund balance by 33.7%.

In FY10-11, the General Assembly allowed New Hanover County a one-time opportunity to use half of the Article-3 fund balance for any safety-related purpose it desired. Normally, these funds are restricted to a very narrow set of expenditures. New Hanover County elected to utilize the full allowable amount, thus reducing fund balance by \$1.3 million (or 54.43% decrease). The remainder of these expenditures was completed in FY11-12 further reducing Fund Balance by \$0.3 million (a 30.07% decrease).

Large future increases or decreases in fund balance are not anticipated at this time.

Environmental Management Fund

As development and construction activity fell during FY09-10, so too did trash tonnage. Long deferred maintenance of the County's waste-to-energy facility and poor operating performance resulted in significant operating outages and lower electric sales. Operating losses due to the waste-to-energy facility were further exacerbated by the need to construct a new Landfill cell (6D) during FY09-10. In all, fund balance dropped that year by \$1.9 million.

Although there were signs that construction and development was stabilizing, trash volumes fell further during FY10-11. Faced with a poorly operating facility in need of extensive rehabilitation, the Board of County Commissioners made the difficult decision to close the waste-to-energy facility and layoff its employees in an effort to stem further losses. Despite these actions, Environmental Management fund used an additional \$1.3 million of fund balance in FY10-11.

The FY12-13 budget provides for the final \$0.6 million repayment of the General Fund loan. The Board now intends to structure future budgets so that fund balance can be replenished.



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

	GENERAL FUND			PUBLIC SCHOOLS FUND		
	FY10-11 ACTUAL	FY11-12 ESTIMATED	FY12-13 ADOPTED	FY10-11 ACTUAL	FY11-12 ESTIMATED	FY12-13 ADOPTED
Revenues:						
Ad Valorem Taxes	\$ 157,919,322	\$ 160,778,932	\$ 160,084,721			
Sales Taxes	44,369,646	49,256,000	47,573,764			
Other Taxes	2,989,794	3,163,054	2,922,204			
Intergovernmental	39,804,792	40,989,427	36,431,646	\$ 138,660	\$ 263,453	\$ 244,965
Special Assessments	145,898	133,569	0			
Charges for Services	8,634,673	9,734,833	9,175,479			
Interest on Investments	247,138	169,619	131,000	14,953	\$ 7,634	
Miscellaneous	6,060,905	5,393,781	3,584,898			
Total Estimated Financial Sources	\$ 260,172,168	\$ 269,619,215	\$ 259,903,712	\$ 153,613	\$ 271,087	\$ 244,965
Expenditures:						
General Government	\$ 29,924,030	\$ 30,534,999	\$ 32,764,598			
Human Services	52,148,036	53,660,257	54,818,253			
Public Safety	45,278,887	49,260,712	48,736,701			
Economic & Physical Dev'l	898,183	1,549,730	790,237			
Cultural & Recreational	9,725,764	10,067,425	11,445,390			
Contingencies			535,000			
Education - Community College	5,841,767	6,191,767	7,191,767			
Education - Schools Operating				\$ 61,808,440	\$ 62,558,440	\$ 62,411,740
Stormwater Drainage						
Debt Service	24,590,485	28,793,466	29,198,579	22,577,247	21,885,761	21,541,425
Total Expenditures	\$ 168,407,152	\$ 180,058,356	\$ 185,480,525	\$ 84,385,687	\$ 84,444,201	\$ 83,953,165
Adjustments:¹						
Other Adjustments						
Adjustment for Rounding						
Total Adjustments	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Financing Source (uses):						
Long-Term Debt Issued						
Transfers From Other Funds	\$ 3,551,995	1,824,828	\$ 2,067,744	\$ 84,294,475	\$ 83,241,723	\$ 82,572,596
Transfers to Other Funds	(84,882,389)	(82,842,210)	(83,490,931)			
Appropriated Fund Balance			7,000,000			1,135,604
Proceeds of Refunding Bonds						
Proceeds to Refunded Bond Escrow						
Total Other Financing Source(uses)	\$ (81,330,394)	\$ (81,017,382)	\$ (74,423,187)	\$ 84,294,475	\$ 83,241,723	\$ 83,708,200
Net Increase (Decrease) in Fund Balance	\$ 10,434,622	\$ 8,543,477	\$ 0	\$ 62,401	\$ (931,391)	\$ 0
Fund Balance - July 1	\$ 70,178,113	\$ 80,612,735	\$ 89,156,212	\$ 3,292,133	\$ 3,354,534	\$ 2,423,143
Fund Balance - June 30	\$ 80,612,735	\$ 89,156,212	\$ 89,156,212	\$ 3,354,534	\$ 2,423,143	\$ 2,423,143
Percent Change in Fund Balance	14.87%	10.60%	0.00%	1.90%	-27.77%	0.00%

¹ 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		
FY10-11 ACTUAL	FY11-12 ESTIMATED	FY12-13 ADOPTED	FY10-11 ACTUAL	FY11-12 ESTIMATED	FY12-13 ADOPTED
			\$ 157,919,322	\$ 160,778,932	\$ 160,084,721
			44,369,646	49,256,000	47,573,764
\$ 3,630,297	\$ 4,163,935	\$ 3,464,500	6,620,091	7,326,989	6,386,704
			39,943,452	41,252,880	36,676,611
403,610	349,649	317,532	549,508	483,218	317,532
			8,634,673	9,734,833	9,175,479
117,150	78,266		379,241	255,519	131,000
			6,060,905	5,393,781	3,584,898
<u>\$ 4,151,057</u>	<u>\$ 4,591,850</u>	<u>\$ 3,782,032</u>	<u>\$ 264,476,838</u>	<u>\$ 274,482,152</u>	<u>\$ 263,930,709</u>
			\$ 29,924,030	\$ 30,534,999	\$ 32,764,598
			52,148,036	53,660,257	54,818,253
			45,278,887	49,260,712	48,736,701
\$ 1,540,809	\$ 1,615,108	\$ 3,705,728	2,438,992	3,164,838	4,495,965
			9,725,764	10,067,425	11,445,390
					535,000
			5,841,767	6,191,767	7,191,767
			61,808,440	62,558,440	62,411,740
			47,167,732	50,679,227	50,740,004
<u>\$ 1,540,809</u>	<u>\$ 1,615,108</u>	<u>\$ 3,705,728</u>	<u>\$ 254,333,648</u>	<u>\$ 266,117,665</u>	<u>\$ 273,139,418</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
				\$	
		\$	\$ 87,846,470	\$ 85,066,551	\$ 84,640,340
		\$ (76,304)	(84,882,389)	(82,842,210)	(83,567,235)
					8,135,604
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (76,304)</u>	<u>\$ 2,964,081</u>	<u>\$ 2,224,341</u>	<u>\$ 9,208,709</u>
\$ 2,610,248	\$ 2,976,742	\$ 0	\$ 13,107,271	\$ 10,588,828	\$ 0
\$ 34,911,002	\$ 37,521,250	\$ 40,497,992	\$ 108,381,248	\$ 121,488,519	\$ 132,077,347
<u>\$ 37,521,250</u>	<u>\$ 40,497,992</u>	<u>\$ 40,497,992</u>	<u>\$ 121,488,519</u>	<u>\$ 132,077,347</u>	<u>\$ 132,077,347</u>
7.48%	7.93%	0.00%	12.09%	8.72%	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 3		
	FY10-11 ACTUAL	FY11-12 ESTIMATED	FY12-13 ADOPTED	FY10-11 ACTUAL	FY11-12 ESTIMATED	FY12-13 ADOPTED
Revenues:						
Ad Valorem Taxes	\$ 7,594,915	\$ 8,768,488	\$ 8,632,104			
Sales Taxes	1,926,151	1,634,875	1,946,519			
Other Taxes				\$ 967,276	\$ 640,978	\$ 560,550
Intergovernmental	351,730	138,764				
Special Assessments						
Charges for Services	80,214	75,612	40,000			
Interest on Investments	12,485	11,181	5,800	6,190	2,250	
Miscellaneous	24,148	168,785				
Total Estimated Financial Sources	<u>\$ 9,989,643</u>	<u>\$ 10,797,705</u>	<u>\$ 10,624,423</u>	<u>\$ 973,466</u>	<u>\$ 643,228</u>	<u>\$ 560,550</u>
Expenditures:						
General Government						
Human Services						
Public Safety	\$ 9,466,890	\$ 10,472,215	\$ 10,211,847	\$ 379,674	\$ 958,234	
Economic & Physical Dev'l						
Cultural & Recreational						
Education						
Stormwater Drainage						
Debt Service						
Total Expenditures	<u>\$ 9,466,890</u>	<u>\$ 10,472,215</u>	<u>\$ 10,211,847</u>	<u>\$ 379,674</u>	<u>\$ 958,234</u>	<u>\$</u>
Adjustments: ¹						
Other Adjustments						
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	\$ 943,319					
Transfers From Other Funds	\$ 20,258					
Transfers to Other Funds	\$ (645,541)		\$ (843,688)	\$ (1,844,891)		\$ (665,295)
Appropriated Fund Balance			431,112			104,745
Proceeds of Refunding Bonds						
Proceeds to Refunded Bond Escrow						
Total Other Financing Source(uses)	<u>\$ 318,036</u>	<u>\$ 0</u>	<u>\$ (412,576)</u>	<u>\$ (1,844,891)</u>	<u>\$ 0</u>	<u>\$ (560,550)</u>
Net Increase (Decrease) in Fund Balance	\$ 840,789	\$ 325,490	\$ 0	\$ (1,251,099)	\$ (315,006)	\$ 0
Fund Balance - July 1	\$ 3,603,441	\$ 4,444,230	\$ 4,769,720	\$ 2,298,507	\$ 1,047,408	\$ 732,402
Fund Balance - June 30	<u>\$ 4,444,230</u>	<u>\$ 4,769,720</u>	<u>\$ 4,769,720</u>	<u>\$ 1,047,408</u>	<u>\$ 732,402</u>	<u>\$ 732,402</u>
Percent Change in Fund Balance	23.33%	7.32%	0.00%	-54.43%	-30.07%	0.00%

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

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

TOTAL NON-MAJOR GOVERNMENTAL FUNDS		
FY10-11 ACTUAL	FY11-12 ESTIMATED	FY12-13 ADOPTED
\$ 7,594,915	\$ 8,768,488	\$ 8,632,104
1,926,151	1,634,875	1,946,519
967,276	640,978	560,550
351,730	138,764	
80,214	75,612	40,000
18,675	13,431	5,800
24,148	168,785	
<u>\$ 10,963,109</u>	<u>\$ 11,440,933</u>	<u>\$ 11,184,973</u>
\$ 9,846,564	\$ 11,430,449	\$ 10,211,847
<u>\$ 9,846,564</u>	<u>\$ 11,430,449</u>	<u>\$ 10,211,847</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
943,319		
20,258		
\$ (2,490,432)	\$	\$ (1,508,983)
		535,857
<u>\$ (2,470,174)</u>	<u>\$</u>	<u>\$ (973,126)</u>
\$ (1,353,629)	\$ 10,484	\$ 0
\$ 5,901,948	\$ 4,548,319	\$ 4,558,803
<u>\$ 4,548,319</u>	<u>\$ 4,558,803</u>	<u>\$ 4,558,803</u>
-22.94%	0.23%	0.00%

NEW HANOVER COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ENTERPRISE & TOTAL FOR ALL BUDGETED FUNDS

	ENTERPRISE FUND ENVIRONMENTAL MANAGEMENT			TOTAL FOR ALL BUDGETED FUNDS		
	FY10-11 ACTUAL	FY11-12 ESTIMATED	FY12-13 ADOPTED	FY10-11 ACTUAL	FY11-12 ESTIMATED	FY12-13 ADOPTED
Revenues:						
Ad Valorem Taxes				\$ 165,514,237	\$ 169,547,420	\$ 168,716,825
Sales Taxes				46,295,797	50,890,875	49,520,283
Other Taxes				7,587,367	7,967,967	6,947,254
Intergovernmental ¹	426,673	661,657	330,000	40,721,855	42,053,301	37,006,611
Special Assessments				549,508	483,218	317,532
Charges for Services	11,475,857	11,703,957	11,800,000	20,190,744	21,514,402	21,015,479
Interest on Investments		296		397,916	269,246	136,800
Miscellaneous ¹	810,081	574,335	876,061	6,895,134	6,136,901	4,460,959
Total Estimated Financial Sources	<u>\$ 12,712,611</u>	<u>\$ 12,940,245</u>	<u>\$ 13,006,061</u>	<u>\$ 288,152,558</u>	<u>\$ 298,863,330</u>	<u>\$ 288,121,743</u>
Expenditures:						
General Government				\$ 29,924,030	\$ 30,534,999	\$ 32,764,598
Human Services				52,148,036	53,660,257	54,818,253
Public Safety	10,651,926	7,346,615	10,356,059	65,777,377	68,037,776	69,304,607
Economic & Physical Dev'l				2,438,992	3,164,838	4,495,965
Cultural & Recreational				9,725,764	10,067,425	11,445,390
Contingencies				0	0	535,000
Education				67,650,207	68,750,207	69,603,507
Stormwater Drainage				0	0	0
Debt Service	518,629		617,545	47,686,361	50,679,227	51,357,549
Total Expenditures	<u>\$ 11,170,555</u>	<u>\$ 7,346,615</u>	<u>\$ 10,973,604</u>	<u>\$ 275,350,767</u>	<u>\$ 284,894,729</u>	<u>\$ 294,324,869</u>
Adjustments: ²						
Other Adjustments				\$ 0	\$ 0	\$ 0
Adjustment for Rounding				0	0	0
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		\$ 1,039,482		943,319	\$ 1,039,482	
Transfers From Other Funds	461,061			88,327,789	85,066,551	\$ 84,640,340
Transfers to Other Funds	(678,051)	(2,648,551)	(2,032,457)	(88,050,872)	(85,490,761)	(87,108,675)
Appropriated Fund Balance				0	0	8,671,461
Proceeds of Refunding Bonds				0	0	0
Proceeds to Refunded Bond Escrow				0	0	0
Total Other Financing Source(uses)	<u>\$ (216,990)</u>	<u>\$ (1,609,069)</u>	<u>\$ (2,032,457)</u>	<u>\$ 1,220,236</u>	<u>\$ 615,272</u>	<u>\$ 6,203,126</u>
Net Increase (Decrease) in Fund Balance	\$ 1,325,066	\$ 3,984,561	\$ 0	\$ 14,022,027	\$ 14,583,873	\$ 0
Fund Balance - July 1	\$ (1,341,744)	\$ (16,678)	\$ 3,967,883	\$ 112,941,452	\$ 126,963,479	\$ 141,547,352
Fund Balance - June 30	<u>\$ (16,678)</u>	<u>\$ 3,967,883</u>	<u>\$ 3,967,883</u>	<u>\$ 126,963,479</u>	<u>\$ 141,547,352</u>	<u>\$ 141,547,352</u>
Percent Change in Fund Balance	-98.76%	-23891.12%	0.00%	12.42%	11.49%	0.00%

¹ The Environmental Management Enterprise Fund is budgeted on a modified accrual basis, but reported in the financial statements using the full accrual bases for Generally Accepted Accounting Principles (GAAP) purposes. For comparability, Environmental Management is shown in this schedule using the modified accrual basis. The values for the Environmental Management fund will differ from those reported in the change of net assets due to accounting adjustments that are required to bring it from a modified accrual basis to the full accrual basis required by GAAP.

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

NEW HANOVER COUNTY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
ENTERPRISE FUNDS ¹

	ENVIRONMENTAL MANAGEMENT	
	FY 10-11 ACTUAL	FY 11-12 ESTIMATE
Operating Revenues:		
Charges for Service	\$ 11,475,857	\$ 11,703,957
Other	806,735	574,335
Total Operating Revenues	<u>\$ 12,282,592</u>	<u>\$ 12,278,292</u>
Operating Expenses:		
Personnel	\$ 4,062,479	\$ 1,968,688
System Maintenance	7,123,946	5,377,927
Landfill Closure & Postclosure Costs		629,000
Depreciation	2,176,258	2,175,000
Total Operating Expenses	<u>\$ 13,362,683</u>	<u>\$ 10,150,615</u>
Operating Income	\$ (1,080,091)	\$ 2,127,677
Non-Operating Revenues (expenses):		
Interest Earned on Investments	\$ 28	\$ 296
Intergovernmental Revenue	426,674	661,657
Interest Expense on Debt	(53,303)	(53,000)
Amortization of Bond Issuance Costs	(2,217)	(2,200)
Sale of Capital Assets		
Net Non-Operating (expenses)	<u>\$ 371,182</u>	<u>\$ 606,753</u>
Income (loss) Before Operating Transfers and Capital Contributions	\$ (708,909)	\$ 2,734,430
Special Item - Transfer to CPFUA Contributed Capital		
Long Term Debt Issued		\$ 1,039,482
Transfer From Other Funds	445,000	
Transfers To Other Funds		(2,648,551)
Change in Net Assets	<u>\$ (263,909)</u>	<u>\$ 1,125,361</u>
Total Net Assets (deficit) Beginning of Year	\$ 6,348,535	\$ 6,084,626
Total Net Assets End of Year	<u>\$ 6,084,626</u>	<u>\$ 7,209,987</u>
Percent Change in Fund Balance	-4.16%	18.50%

¹ Reasonable estimates for FY11-12 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
INTERFUND TRANSFERS DETAILED ANALYSIS**

<i>FUND</i>	FY09-10 ACTUAL	FY10-11 ACTUAL	FY11-12 ADOPTED	FY12-13 ADOPTED
GENERAL FUND				
Budget Before Transfers	\$ 247,071,305	\$ 260,113,446	\$ 260,701,480	\$ 266,903,712
Transfers In:				
From Environmental Management Fund	678,051	678,051	348,551	482,457
From Fire Services	645,541	645,541	690,508	843,688
From Emergency Telephone System Fund- Art. 3	399,362	1,844,891	535,090	665,295
From Room Occupancy Tax	0	0	0	76,304
From Other Funds (Non-Budgeted Funds)	280,000	383,511	0	0
TOTAL BUDGET	\$ 249,074,259	\$ 263,665,441	\$ 262,275,629	\$ 268,971,456
Transfers Out:				
To Storm Water Drainage Fund	0	0	0	0
To New Hanover County Schools Fund	(80,888,692)	(84,294,475)	(81,774,086)	(82,572,596)
To Environmental Management Fund	0	(445,000)	0	0
To Other Funds (Non-Budgeted Funds)	(558,511)	(587,914)	(1,083,120)	(918,335)
Total Transfers Out	(81,447,203)	(85,327,389)	(82,857,206)	(83,490,931)
NET GENERAL FUND	\$ 167,627,056	\$ 178,338,052	\$ 179,418,423	\$ 185,480,525
NEW HANOVER COUNTY SCHOOLS FUND				
Budget Before Transfers	\$ 1,132,191	\$ 524,124	\$ 1,763,453	\$ 1,380,569
Transfers In:				
From General Fund - One-Half Cent Sales Tax	8,134,118	8,840,818	9,266,597	9,109,336
From General Fund Portion	72,754,574	75,453,657	72,507,489	73,463,260
From General Fund - Medicaid Hold Harmless (ADM)	0	0	0	0
From Other Funds (Non-Budgeted Funds)	1,065,000	0	1,336,547	0
TOTAL BUDGET	\$ 83,085,883	\$ 84,818,599	\$ 84,874,086	\$ 83,953,165
Transfers Out:				
To General Fund	0	0	0	0
Total Transfers Out	0	0	0	0
NET NEW HANOVER COUNTY SCHOOLS FUND	\$ 83,085,883	\$ 84,818,599	\$ 84,874,086	\$ 83,953,165
EMERGENCY TELEPHONE SYSTEM FUND- ART. 3				
Budget Before Transfers	\$ 399,362	\$ 2,787,230	\$ 535,090	\$ 665,295
Transfers In:				
From Other Funds (Non-Budgeted Funds)	0	0	0	0
TOTAL BUDGET	\$ 399,362	\$ 2,787,230	\$ 535,090	\$ 665,295
Transfers Out:				
To General Fund	(399,362)	(1,844,891)	(535,090)	(665,295)
Total Transfers Out	(399,362)	(1,844,891)	(535,090)	(665,295)
NET EMERG. TELEPHONE SYSTEM FUND-ART. 3	\$ 0	\$ 942,339	\$ 0	\$ 0
REVOLVING LOAN PROGRAM				
Budget Before Transfers	\$ 48,242	\$ 62,289	\$ 0	\$ 0
Transfers In:				
From Other Funds (Non-Budgeted Funds)	0	0	0	0
TOTAL BUDGET	\$ 48,242	\$ 62,289	\$ 0	\$ 0
Transfers Out:				
To Other Funds (Non-Budgeted Funds)	0	0	0	0
Total Transfers Out	0	0	0	0
NET REVOLVING LOAN PROGRAM FUND	\$ 48,242	\$ 62,289	\$ 0	\$ 0
ROOM OCCUPANCY TAX FUND				
Budget Before Transfers	\$ 4,820,763	\$ 3,719,801	\$ 3,694,628	\$ 3,782,032
Transfers In:				
From Other Funds (Non-Budgeted Funds)	0	0	0	0
TOTAL BUDGET	\$ 4,820,763	\$ 3,719,801	\$ 3,694,628	\$ 3,782,032
Transfers Out:				
To General Fund	0	0	0	(76,304)
To Other Funds (Non-Budgeted Funds)	(356,671)	0	0	0
Total Transfers Out	(356,671)	0	0	(76,304)
NET ROOM OCCUPANCY TAX FUND	\$ 4,464,092	\$ 3,719,801	\$ 3,694,628	\$ 3,705,728

**NEW HANOVER COUNTY
INTERFUND TRANSFERS DETAILED ANALYSIS**

<i>FUND</i>	FY09-10 ACTUAL	FY10-11 ACTUAL	FY11-12 ADOPTED	FY12-13 ADOPTED
SPECIAL FIRE SERVICE DISTRICT FUND				
Budget Before Transfers	\$ 9,617,512	\$ 11,146,609	\$ 10,630,804	\$ 11,055,535
Transfers In:				
From Other Funds (Non-Budgeted Funds)	0	20,258	0	0
TOTAL BUDGET	\$ 9,617,512	\$ 11,166,867	\$ 10,630,804	\$ 11,055,535
Transfers Out:				
To General Fund	(645,541)	(645,541)	(690,508)	(843,688)
To Other Funds (Non-Budgeted Funds)	0	0	0	0
Total Transfers Out	(645,541)	(645,541)	(690,508)	(843,688)
NET SPECIAL FIRE SERVICE DISTRICT FUND	\$ 8,971,971	\$ 10,521,326	\$ 9,940,296	\$ 10,211,847
ENVIRONMENTAL MANAGEMENT FUND				
Budget Before Transfers	\$ 14,850,597	\$ 13,040,120	\$ 12,320,000	\$ 13,006,061
Transfers In:				
From General Fund	0	445,000	0	0
From Other Funds (Non-Budgeted Funds)	0	16,061	0	0
TOTAL BUDGET	\$ 14,850,597	\$ 13,501,181	\$ 12,320,000	\$ 13,006,061
Transfers Out:				
To General Fund	(678,051)	(678,051)	(348,551)	(482,457)
To Other Funds (Non-Budgeted Funds)	(1,505,828)	0	(2,500,000)	(1,550,000)
Total Transfers Out	(2,183,879)	(678,051)	(2,848,551)	(2,032,457)
NET ENVIRONMENTAL MANAGEMENT FUND	\$ 12,666,718	\$ 12,823,130	\$ 9,471,449	\$ 10,973,604
STORM FUND DRAINAGE FUND				
Budget Before Transfers	\$ 0	\$ 0	\$ 0	\$ 0
Transfers In:				
From General Fund	0	0	0	0
From Water & Sewer Fund	0	0	0	0
TOTAL BUDGET	\$ 0	\$ 0	\$ 0	\$ 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	\$ 0	\$ 0	\$ 0	\$ 0
NON-BUDGETED FUNDS				
Budget Before Transfers	\$ (2,421,010)	\$ (587,914)	\$ (3,583,120)	\$ (2,468,335)
Transfers In: (Non-Budgeted Funds)	2,421,010	587,914	3,583,120	2,468,335
TOTAL BUDGET	\$ 0	\$ 0	\$ 0	\$ 0
Transfers Out: (Non-Budgeted Funds)	(1,345,000)	(419,830)	(1,336,547)	0
NET NON-BUDGETED FUNDS	\$ (1,345,000)	\$ (419,830)	\$ (1,336,547)	\$ 0
SUMMARY - ALL FUNDS				
Budget Before Transfers	\$ 275,518,962	290,805,705	286,062,335	294,324,869
Transfers In:	86,377,656	88,915,703	88,267,902	87,108,675
Adjustment for Rounding				
TOTAL BUDGET	\$ 361,896,618	\$ 379,721,408	\$ 374,330,237	\$ 381,433,544
Transfers Out:	(86,377,656)	(88,915,703)	(88,267,902)	(87,108,675)
NET BUDGET OPERATING TRANSFERS	\$ 275,518,962	\$ 290,805,705	\$ 286,062,335	\$ 294,324,869

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.

Community Justice Services

Community Justice Services (CJS) is a new Department that was created to combine Youth Empowerment Services, Pretrial Release Services and Treatment Court Services in order to centralize the related services to provide the most efficient operations regarding Community Justice in New Hanover County. Organizationally, the department is in the process of evaluating our current continuum of programs and services in order to ascertain the most appropriate utilization of our funds and staff resources to meet the needs of the Citizens we serve, as well as the needs of our community.

Strategically, CJS is moving forward with its Youth Empowerment Services programs, continuing to enhance their efficiency to sufficiently serve the increasing number of youth and families referred. Over the past three fiscal years, there has been a marked increase of youth and families served from 373 to 485, with this past year ending at 665.

Treatment Court Services programs are working diligently, facilitating an all-encompassing case management service for their clients, from treatment and education, to health and housing, in order to provide these adults with a viable means of attaining their crime and drug free prosocial, productive lifestyle.

Pretrial Release Services is in the process of conducting a full comprehensive analysis of the current pretrial release programs throughout North Carolina to establish and implement best practices and guidelines to include updating its policies and procedures to be fully aligned with the National Association of Pretrial Services Agencies.

Additionally, the Department is staying abreast on the proposed legislative bills and laws recently enacted that significantly impact the manner in which the County will and does conduct its business with regards to the juvenile and adult populations we serve, from raising the juvenile age to 18, the Justice Reinvestment Act, to the current regulations surrounding pretrial release programs.

The Department's overriding focus continues to be providing efficient, cost effective quality programming to assist youth and adults in becoming productive citizens. As always, staff professional growth and development is fundamentally an integral part of the department's strategic plan to yield a higher level of service to the community as a New Hanover County Department.

Development Services

The Development Services Center (DSC) welcomes our citizens and the construction community as the front door for services in the development/construction arena since 2009. The DSC provides coordination and collaboration with all departments, agencies and jurisdictions involved in construction and development within New Hanover County. For FY12-13, we will be working jointly with other County Departments in the implementation of three major initiatives. The first is a significant change in our development fee schedule, which involves transitioning to the ICC (International Code Council) methodology for calculating permit fees. The second initiative will be the final transition to SunGard's software product called "One Solution" in the spring of 2013. In July 2012, we took the first step towards transitioning to the latest version SunGard has to offer in permitting software. This newest version, One Solution, will allow our customers more in depth access to detailed information about plan review status, permits and inspection results, allowing them to track their projects from beginning to end using the web. Lastly, the third initiative involves bringing all fee schedules together and creating one document, one place, which incorporates all the "fees" applicable to construction and development in New Hanover County. This will be called the "Comprehensive Guide for New Hanover County Development Fees."

Health

The Health Department continues to focus on both improvements within the organization and services provided to the community. A strategic planning session was held in May 2011 with Board of Health members, department employees, managers and County management. The strategic focus areas identified were: 1) offering primary care; 2) increasing marketing and community education; 3) fostering community collaboration; 4) growing revenues and funding; 5) enhancing laws; 6) enhancing programs and improving facilities; 7) implementing technology and 8) improving employee morale. Participants reviewed and discussed shared values and agreed upon the following highest priority values: accountability, teamwork, learning, integrity and service orientation. The New Hanover County Health Department was one of the first local health departments in North Carolina to become accredited. Initial accreditation was received in 2004 and re-accreditation was received in 2008. Preparations are currently underway for the November 2012 re-accreditation review by the North Carolina Local Health Department Accreditation Board.

Library

New Hanover County Library's Strategic Plan, "Creating Library Experience that Matter," identifies five major Strategic Priorities: 1) Be a Welcoming and Dynamic Destination, 2) Provide a Wealth of Resources, 3) Foster Literacy and Technology Competency, 4) Deliver Exceptional Services and Experiences, and 5) Exceed Community Expectations. The Library continues to strengthen its position as a central entity in the community by aligning its strategic plan with the Strategic Priorities of New Hanover County.

The following major initiatives demonstrate that the Library's priorities are in synch with the priorities of the community:

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

Early childhood literacy and lifelong educational success: New Hanover County Public Library (NHCPL) is a community institution focused on helping every child develop the skills necessary for reading success and school readiness. The Library also plays a critical role in educational success at every level along the lifelong learning continuum. Programs and services will continue to be developed to meet these initiatives.

Future of library research: NHCPL recognizes the essential role libraries play in our democracy by providing all citizens the information they need to learn, grow and prosper. It is our goal to maintain and enhance collections of material that meet this need.

- **Intelligent Growth and Economic Development**

Workforce development: NHCPL has become the place people go to access new technologies, find employment, retrain for new job skill requirements and complete online job applications. Materials will be purchased and adult programs offered that will support this important service.

- **Effective County Management**

The Library as a Community Space and Anchor Institution: Central to NHCPL's role as a community space and anchor institution is the development of a long-range capital improvement plan. Projects include: the replacement of Myrtle Grove with a larger facility, the construction of a branch in the Northern part of the County (such as North Chase), and the eventual enlargement of the Carolina Beach Library.

Exceptional Service: NHCPL is committed to service excellence by ensuring that staff is given the skills and knowledge necessary to do their job. Regular staff training and workshops are offered giving the staff the opportunity to refresh skills and expand their knowledge.

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 visitor's 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.

Register of Deeds

The Register of Deeds office is in the process of implementing new recording software that will enhance all areas of recording, searching and certification of all County public records to include vital records and military discharge documents. The updated Register of Deeds Online Public Records webpage will allow local users to login and manage print fees without a staff member's assistance and provide greater efficiency for end users both internal and external. The newly updated NC Secretary of State Minimum Indexing standards are set to take effect January 1, 2013 and are intended to simplify the indexing requirements to create a consistent set of records statewide regardless of county specific recording rules.

Sheriff's Office

The Sheriff's Office continues to improve on organizational change since the recent election of Sheriff McMahon. He has embarked on a strategic planning process intended to provide a decentralized approach to community affairs by creating a new Community Services Unit. Part of this approach is organizational changes that impact both internal operations of the agency, and externally with the services that are given to the citizens on a daily basis. While other law enforcement agencies are cutting back or eliminating programs, the Sheriff's Office is maintaining and adding programs that the community expects and deserves.

Social Services

The Department of Social Services has integrated its strategic planning process, "Leading by Results" (LBR), into a primary management tool to evaluate agency programs and processes, which aligns with the County's Strategic Plan. 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. 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 the agency programs provided to County residents; and 4) provide the agency with a framework for good governance.

Environmental Management

The Department of Environmental Management is developing an update to the 10-Year Solid Waste Planning Area Management Plan. This Plan and its updates are required by North Carolina General Statute. The Plan is developed in cooperation with municipalities in New Hanover County with the goal of a 40% reduction in disposed waste from the baseline year (1993).

In the Plan, the County identifies strategies to:

- a) reduce waste generation at the source
- b) improve solid waste collection
- c) improve recycling and reuse
- d) implement composting and mulching initiatives
- e) develop incineration with energy recovery
- f) provide safe, environmentally sound disposal

Department Managers meet weekly to review compliance to the Plan, as well as how various initiatives comply with the County's Strategic Plan, Vision and Values.

The Plan will incorporate a combination of solid waste management initiatives, including an Operations and Maintenance contract for the long-term viability of the Sustainable Energy Facility (SEF); a modernization of the existing recycling collection program, as well as piloting recycling processing; and continued improvement to the diversion and recycling processes at the Landfill to extend the site's life.

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, ad valorem 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 function for 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.

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.

GLOSSARY CONTINUED

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 non-reverting 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 rating agency 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 terms.

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 Manual: Instructions for each annual budget process to ensure the budget is prepared in a manner consistent with current County policies or restrictions that may be new to each budget year.

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.

GLOSSARY CONTINUED

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

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 Improvement 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.

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 Improvement Program; see *Capital Improvement 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 predetermined 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.

GLOSSARY CONTINUED

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.

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.

E

Fiduciary Fund: One of three 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.

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.

GLOSSARY CONTINUED

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 three 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 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.

GLOSSARY CONTINUED

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

Key Performance Indicators: Defines data that documents how effectively or efficiently a Department is achieving its key strategic objectives.

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.

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.

GLOSSARY CONTINUED

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.

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.

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 and personal property. This tax is also known as ad valorem tax.

Proprietary Fund: One of three 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: Funds received as income to support 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 5.75% sales tax and allows counties to levy up to a 2.25% sales tax. As of October 1, 2010, New Hanover County will levy the full 2.25% sales tax and distribute the proceeds as required by existing legislation.

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.

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.

GLOSSARY CONTINUED

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
ACD:	Automation Call Distribution
ACH:	Automated Clearing House
ACS:	Animal Control Services
ADC:	Assessment of Desired Competencies
ADM:	Average Daily Membership (Schools)
AFDC:	Aid to Families with Dependent Children
AHICI:	Annual Health Insurance Cost Index
ALE:	Alcohol Law Enforcement
A&T:	Agricultural and Technical

B

BMPs:	Best Management Practices
BOCC:	Board of County Commissioners

C

CAD:	Computer Aided Design
CAFR:	Comprehensive Annual Financial Report
CAMA:	Coastal Area Management Act
CASA:	Clinic Assessment Software Application
CC4C:	Care Coordination for Children
CDBG:	Community Development Block Grant
CDBG-ER:	Community Development Block Grant – Economic Recovery
CFCC:	Cape Fear Community College
CFPUA:	Cape Fear Public Utility Authority
CIP:	Capital Improvement Program
CJS:	Community Justice Services
CLIA:	Clinical Laboratory Improvement Amendments
COLA:	Commission of Laboratory Accreditation
COOP:	Continuity of Operations Plan
COPS:	Certificates of Participation
COW:	City of Wilmington
CSC:	Clerk of Superior Court
CSI:	Crime Scene Investigation
CY:	Calendar Year

D

DOD:	Department of Defense
DOT:	Department of Transportation
DPPR:	Domestic Preparedness and Readiness Region
DSC:	Development Services Center
DSS:	Department of Social Services
DWI:	Driving While Intoxicated

ACRONYMS CONTINUED

E

EAP:	Employee Assistance Program
EDC:	Executive Development Center
EDZD:	Exceptional Design Zoning District
EFNEP:	Expanded Foods and Nutrition Education Program
EFD:	Emergency Fire Dispatch
EFT:	Electronic Funds Transfer
EMD:	Emergency Medical Dispatch
EOC:	Emergency Operations Center
EOD:	Explosives Ordinance Unit
EOP:	Emergency Operations Plan
ERT:	Emergency Response Team
ESC:	Employment Security Commission
ETF:	Emergency Telephone System Fund

F

FAA:	Federal Aviation Administration
FEMA:	Federal Emergency Management Agency
FGP:	Foster Grandparent Program
FSD:	Fire Service District
FTE:	Full-Time Equivalent Position
FY:	Fiscal Year

G

GAAP:	Generally Accepted Accounting Principles
GED:	General Equivalency Diploma
GF:	General Fund
GFOA:	Government Finance Officers Association
GIS:	Geographic Information System
GMTS:	Governmental Moneys Transfer System
G.S.:	General Statute

H

HIPAA:	Health Insurance Portability and Accountability Act
HIV:	Human Immunodeficiency Virus
HPA:	Health Programs Administrator
HR:	Human Resources
HUD:	Housing and Urban Development
HVAC:	Heating, Ventilation and Air Conditioning

I

ILM:	Wilmington International Airport
INS:	Immigration & Naturalization Service
IRS:	Internal Revenue Service
IT:	Information Technology

J

(reserved for future use)

K

K-9 Unit:	Specially-Trained Dog who assists Sheriff Deputy
KPIs:	Key Performance Indicators
KWH:	Kilowatt Hour

ACRONYMS CONTINUED

L

LED:	Light-Emitting Diode
LEO:	Law Enforcement Officer's Retirement System
LGERS:	Local Governmental Employees' Retirement System
LID:	Low Impact Development
LME:	Local Mental Health Entity
LSTA:	Library Services and Technology Act

M

M:	Million
MHz:	Megahertz

N

N/A:	Not Applicable
NC:	North Carolina
NCACC:	North Carolina Association of County Commissioners
NCDOT:	North Carolina Department of Transportation
NC ALLIES:	A Local Link to Improve Effective Community Justice Services
NCJOIN:	North Carolina Juvenile Online Information Network
NHC:	New Hanover County
NHC4Me:	New Hanover County Free Subscription-based Email Service
NHCPL:	New Hanover County Public Library
NHCPS:	New Hanover County Public Schools
NHCTV:	New Hanover County Television
NHRMC:	New Hanover Regional Medical Center
NIMS:	National Incident Management System

O

OPEB:	Other Post-Employment Benefits
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P

PARTF:	Parks and Recreation Trust Fund
PCM:	Pregnancy Care Management
PEG:	Public, Education or Government Channel
PSA's:	Prostate-Specific Antigen
PSC:	Private Sector Cost
PSTC:	Public Safety Training Center

Q

QSCB:	Qualified School Construction Bonds
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R

RFP:	Request for Proposal
RFQ:	Request for Qualifications
ROTS:	Room Occupancy Tax Special Revenue Fund
RSVP:	Retired Senior Volunteer Program

ACRONYMS CONTINUED

S

SABLE:	Southeastern North Carolina Airborne Law Enforcement
SAFE:	Sheriff's Alcohol Field Enforcement
SARA:	Superfund Amendments and Reauthorization Act
SART:	Sexual Assault Response Team
SDA:	Succession Development Analysis
SDR:	Succession Development Ratio
SEF:	Sustainable Energy Facility
SEMH:	Southeastern Center for Mental Health
SLI:	Sick Leave Index
SRC:	Senior Resource Center
SRO:	School Resource Officer
SSHP:	Scattered Site Housing Program

T

TANF:	Temporary Assistance to Needy Families
TB:	Tuberculosis
TDA:	Tourism Development Authority
TDCI:	Training Delivery Cost Index
TERT:	Telecommunicator Emergency Response Team
TEU:	20-Foot Equivalent Units

U

UNC:	University of North Carolina
UNCW:	University of North Carolina at Wilmington

V

VA:	Veterans Administration
VITA:	Volunteer Income Tax Assistance
VoIP:	Voice-Over Internet Protocol
VSO:	Veteran Services Officer
VSS:	Veteran Services Specialist

W

WASTEC:	Waste-to-Energy Conversion Facility
WAY:	Wellness and You
WCCD:	Wilmington Convention Center District
WF:	Work First
WIC:	Women, Infants and Children

X

(reserved for future use)

Y

YES:	Youth Empowerment Services
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Z

(reserved for future use)

**NEW HANOVER COUNTY, NORTH CAROLINA
FISCAL YEAR 2012-2013 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, 2012, and ending June 30, 2013, in accordance with the Chart of Accounts heretofore established for New Hanover County:

GENERAL FUND

<u>Function</u>	<u>Appropriation</u>
General Government	\$32,764,598
Human Services	54,818,253
Public Safety	48,736,701
Economic & Physical Development	790,237
Cultural & Recreational	11,445,390
Education (Cape Fear Community College)	7,191,767
Debt Service	29,198,579
Transfers to Other Funds	83,490,931
Contingency	<u>535,000</u>
Total Appropriation - General Fund	<u>\$268,971,456</u>

Section 2: It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2012, and ending June 30, 2013:

<u>Revenue Source</u>	<u>Amount</u>
Ad Valorem Taxes	\$160,084,721
Sales Taxes	47,573,764
Room Occupancy Taxes	36,000
Other Taxes	2,886,204
Charges for Services	9,175,479
Interest on Investments	131,000
Intergovernmental Revenue - State	3,049,607
Intergovernmental Revenue - Federal	27,931,444
Intergovernmental Revenue - Other	5,450,595
Miscellaneous Revenue	3,584,898
Transfer In From Other Funds	2,067,744
Appropriated Fund Balance	<u>7,000,000</u>
Total Estimated Revenues - General Fund	<u>\$268,971,456</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. 115C-429(b) for the fiscal year beginning July 1, 2012, and ending June 30, 2013. Allocations made to the New Hanover County School Board through G.S. 115C-429(b) bind 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 purpose and function 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 the Current Operating Expenditures appropriations allocated to a purpose or function by 25% or more.

<u>Category</u>	<u>Appropriation</u>
Instructional Services:	
Regular Instruction	\$11,684,040
Special Populations	3,611,358
Alternative Programs	1,447,144
School Leadership	6,919,997
Co-Curricular	1,820,419
School Based Support	<u>4,157,611</u>
	\$29,640,569
System-Wide Support Services:	
Support and Development	\$1,284,627
Special Population Support and Development	528,150
Alternative Program Support and Development	280,331
Technology Support	2,770,898
Operational Support	19,059,807
Financial and Human Resources	4,346,513
Accountability	204,090
System-Wide Pupil Support	448,532
Policy, Leadership and Public Relations	<u>1,634,525</u>
	\$30,557,473
Ancillary:	
Nutrition Services	<u>\$55,698</u>
	\$55,698
Non-Programmed Charges:	
Payments to Other Governments	\$1,400,000
Scholarships	<u>8,000</u>
	\$1,408,000
Total Current Operating Expense	<u>\$61,661,740</u>
Capital Outlay:	
System-Wide Support Services	<u>\$750,000</u>
Total Capital Outlay	<u>\$750,000</u>
School Debt Service	<u>21,541,425</u>
Total Appropriation – New Hanover County Schools Fund	<u>\$83,953,165</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, 2012, and ending June 30, 2013:

<u>Revenue Source</u>	<u>Amount</u>
Transfer In From General Fund	\$82,572,596
Intergovernmental Revenue - Federal	244,965
Appropriated Fund Balance	<u>1,135,604</u>
Total Revenues – New Hanover County Schools Fund	<u>\$83,953,165</u>

In accordance with G.S. 115C-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, 2012, and ending June 30, 2013, for the purpose of maintaining an Emergency 911 System in New Hanover County:

Total Appropriation – Emergency Telephone System Fund – Article 3 \$665,295

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, 2012, and ending June 30, 2013:

<u>Revenue Source</u>	<u>Amount</u>
Other Taxes	\$560,550
Appropriated Fund Balance	<u>104,745</u>
Total Revenue – Emergency Telephone System Fund – Article 3	<u>\$665,295</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, 2012, and ending June 30, 2013:

Total Appropriation – Room Occupancy Tax Fund \$3,782,032

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, 2012, and ending June 30, 2013:

<u>Revenue Source</u>	<u>Amount</u>
Room Occupancy Taxes	\$3,464,500
Special Assessments	<u>317,532</u>
Total Revenues – Room Occupancy Tax Fund	<u>\$3,782,032</u>

ENVIRONMENTAL MANAGEMENT FUND

Section 9: The following amount is hereby appropriated in the Environmental Management Fund for the fiscal year beginning July 1, 2012, and ending June 30, 2013:

Total Appropriation – Environmental Management Fund \$13,006,061

Section 10: It is estimated that the following revenues will be available in the Environmental Management Fund for the fiscal year beginning July 1, 2012, and ending June 30, 2013:

<u>Revenue Source</u>	<u>Amount</u>
Intergovernmental Revenue - State	\$330,000
Charges for Services	11,800,000
Miscellaneous Revenues	<u>876,061</u>
Total Revenues – Environmental Management Fund	<u>\$13,006,061</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, 2012, and ending June 30, 2013, in accordance with the Chart of Accounts heretofore established for New Hanover County:

Total Appropriation – Special Fire District Fund \$11,055,535

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, 2012, and ending June 30, 2013:

<u>Revenue Source</u>	<u>Amount</u>
Ad Valorem Taxes	\$8,632,104
Sales Taxes	1,946,519
Charges for Services	40,000
Interest on Investments	5,800
Appropriated Fund Balance	<u>431,112</u>
Total Revenues – Special Fire District Fund	<u>\$11,055,535</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, 2012, and ending June 30, 2013, 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	\$261,971,456	\$7,000,000	\$268,971,456
New Hanover County Schools Fund	82,817,561	1,135,604	83,953,165
Emergency Telephone System-Article 3	560,550	104,745	665,295
Room Occupancy Tax Fund	3,782,032	0	3,782,032
Environmental Management Fund	13,006,061	0	13,006,061
Special Fire District Fund	<u>10,624,423</u>	<u>431,112</u>	<u>11,055,535</u>
Total Budget	<u>\$372,762,083</u>	<u>\$8,671,461</u>	<u>\$381,433,544</u>

Section 14: There is hereby levied a tax at the rate of fifty-five and four-tenths cents (\$.554) per one hundred dollars (\$100) valuation of property listed as of January 1, 2012, for the purpose of raising revenue included in "Ad Valorem Taxes" in the General Fund in Section 2 of this Ordinance. Pursuant to N.C. General Statutes §159-11(e), the revenue-neutral rate for FY2012-2013 is \$0.554 per \$100 of taxable value.

This rate is based on an estimated total valuation of property for the purpose of taxation of \$29,002,500,000 and an estimated collection rate of 98.2%. The estimated rate of collection is based on the fiscal 2011–2012 collection rate of 98.3%.

Section 15: There is hereby levied a tax at the rate of seven and nine-tenths cents (\$.079) per one hundred dollars (\$100) valuation of property listed for taxes as of January 1, 2012, located within the Special Fire District for the raising of revenue for said Special Fire District. Pursuant to N.C. General Statutes §159-11(e), the revenue-neutral rate for FY2012-2013 is \$0.079 per \$100 of taxable value.

This rate of tax is based on an estimated total valuation of property for the purposes of taxation of \$11,127,000,000 and an estimated collection rate of 98.2%. The estimated rate of collection is based on the fiscal year 2011-2012 collection rate of 98.3%.

Section 16: All expenditures relating to obtaining the bond referendum and or installment purchase will be reimbursed from 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, 2012, and (2) grants unexpended by New Hanover County as of June 30, 2012, 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, 2012, the estimated outstanding Interfund Loan balance owed to the General Fund by the Environmental Management Fund is \$620,351. 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 2012-2013 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 18th day of June 2012.


Sheila L. Schult, Clerk to the Board




Ted Davis, Jr., Chairman
Board of County Commissioners

