

**NEW HANOVER COUNTY, NORTH CAROLINA
FISCAL YEAR 2017-2018 BUDGET ORDINANCE**

BE IT ORDAINED by the Board of Commissioners of New Hanover County, North Carolina as follows:

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, 2017, and ending June 30, 2018, in accordance with the Chart of Accounts heretofore established for New Hanover County:

General Government	\$40,538,068
Human Services	60,847,780
Public Safety	62,484,679
Economic & Physical Development	2,212,682
Cultural & Recreational	12,496,949
Education (Cape Fear Community College)	10,862,177
Transfers To Other Funds	113,300,025
Total Appropriations - General Fund	<u>\$302,742,360</u>

Section 2: It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2017, and ending June 30, 2018:

Ad Valorem Taxes	\$168,428,077
Sales Taxes	68,534,078
Other Taxes	4,095,000
Charges for Services	10,592,026
Interest on Investments	340,000
Intergovernmental Revenue – State	3,055,636
Intergovernmental Revenue – Federal	30,635,353
Intergovernmental Revenue – Other	7,845,357
Other Revenue	643,076
Transfers from Other Funds	1,115,384
Appropriated Fund Balance	7,458,373
Total Estimated Revenues - General Fund	<u>\$302,742,360</u>

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, 2017, and ending June 30, 2018. 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 operating and capital as set forth in this Budget Ordinance.
- 2) The Budget Resolution adopted by the New Hanover County Board of Education may not be amended without the prior approval of the Board of Commissioners if the proposed

amendment increases or decreases expenditures from the capital outlay fund for the Board of Education; or the proposed amendment would result in a cumulative increase or decrease of appropriations in any category by 25% or more.

- 3) 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.

Current Operating Expense	\$75,141,652
Capital Outlay	<u>2,100,000</u>
Total Appropriation – New Hanover County Schools Fund	<u>\$77,241,652</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, 2017, and ending June 30, 2018:

Transfer In From General Fund	<u>\$77,241,652</u>
Total Estimated Revenues – New Hanover County Schools Fund	<u>\$77,241,652</u>

Section 5: The following amount is hereby appropriated in the Debt Service Fund for the fiscal year beginning July 1, 2017, and ending June 30, 2018:

Debt Service	<u>\$57,134,400</u>
Total Appropriation – Debt Service Fund	<u>\$57,134,400</u>

Section 6: It is estimated that the following revenues will be available in the Debt Service Fund for the fiscal year beginning July 1, 2017, and ending June 30, 2018:

Ad Valorem Taxes	\$21,374,063
Intergovernmental Revenue – Federal	822,915
Intergovernmental Revenue – Other	3,924,858
Transfers In From Other Funds	<u>31,012,564</u>
Total Estimated Revenues – Debt Service Fund	<u>\$57,134,400</u>

Section 7: 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, 2017, and ending June 30, 2018, in accordance with the Chart of Accounts heretofore established for New Hanover County:

Fire Services Operations	\$14,578,845
Debt Service	<u>897,031</u>
Total Appropriation – Special Fire District Fund	<u>\$15,475,876</u>

Section 8: It is estimated that the following revenues will be available in the Special Fire District Fund for the fiscal year beginning July 1, 2017, and ending June 30, 2018:

Ad Valorem Taxes	\$9,848,352
Sales Taxes	2,488,841
Charges for Services	62,474
Interest on Investments	15,000
Intergovernmental Revenue – Federal	80,000
Intergovernmental Revenue – Other	300
Long-Term Debt Issued	1,602,188
Transfers from Other Funds	1,378,721
Total Estimated Revenues – Special Fire District Fund	<u>\$15,475,876</u>

Section 9: The following amount is hereby appropriated in the Room Occupancy Tax Fund for the fiscal year beginning July 1, 2017, and ending June 30, 2018:

Economic and Physical Development	\$6,975,430
Transfer To Mason Inlet Relocation Fund	215,000
Total Appropriation – Room Occupancy Tax Fund	<u>\$7,190,430</u>

Section 10: It is estimated that the following revenues will be available in the Room Occupancy Tax Fund for the fiscal year beginning July 1, 2017, and ending June 30, 2018:

Room Occupancy Taxes	\$5,674,930
Special Assessments	148,000
Intergovernmental Revenue – Other	1,367,500
Total Estimated Revenues – Room Occupancy Tax Fund	<u>\$7,190,430</u>

Section 11: The following amount is hereby appropriated in the Cape Fear Community College Bond Expenditure Capital Project Fund for the fiscal year beginning July 1, 2017, and ending June 30, 2018:

Capital Project Expense	\$210,000
Transfer To Debt Service Fund	1,469,720
Total Appropriation – Cape Fear Community College Bond Expenditure Capital Project Fund	<u>\$1,679,720</u>

Section 12: It is estimated that the following revenues will be available in the Cape Fear Community College Bond Expenditure Capital Project Fund for the fiscal year beginning July 1, 2017, and ending June 30, 2018:

Premium on Long-term Debt Issued	\$1,679,720
Total Estimated Revenues – Cape Fear Community College Bond Expenditure Capital Project Fund	<u>\$1,679,720</u>

Section 13: The following amount is hereby appropriated in the Emergency Telephone System Fund for the fiscal year beginning July 1, 2017, and ending June 30, 2018, for the purpose of maintaining an Emergency 911 System in New Hanover County:

Public Safety	<u>\$788,780</u>
Total Appropriation – Emergency Telephone System Fund – Article 3	<u>\$788,780</u>

Section 14: It is estimated that the following revenue will be available in the Emergency Telephone System Fund for the fiscal year beginning July 1, 2017, and ending June 30, 2018:

Other Taxes	\$619,310
Appropriated Fund Balance	<u>169,470</u>
Total Estimated Revenues – Emergency Telephone System Fund – Article 3	<u>\$788,780</u>

Section 15: The following amount is hereby appropriated in the Revolving Loan Fund for the fiscal year beginning July 1, 2017, and ending June 30, 2018:

Revolving Fund Operating	<u>\$24,000</u>
Total Appropriation – Revolving Loan Fund	<u>\$24,000</u>

Section 16: It is estimated that the following revenue will be available in the Revolving Loan Fund for the fiscal year beginning July 1, 2017, and ending June 30, 2018:

Miscellaneous Revenue	\$10,000
Appropriated Fund Balance	<u>14,000</u>
Total Estimated Revenues – Revolving Loan Fund	<u>\$24,000</u>

Section 17: The following amount is hereby appropriated in the Environmental Management Fund for the fiscal year beginning July 1, 2017, and ending June 30, 2018:

Environmental Management Operations	\$10,319,620
Debt Service	100,112
Environmental Management Capital Reserve	250,000
Environmental Management Closure/Post Closure Reserve	658,869
Transfer To Environmental Management Fund Capital Reserve	250,000
Transfer To Environmental Management Fund Closure/Post Closure Reserve	1,158,869
Transfer To Environmental Management Capital Project Fund	4,982,700
Transfer To Environmental Management Fund	<u>500,000</u>
Total Appropriation – Environmental Management Fund	<u>\$18,220,170</u>

Section 18: It is estimated that the following revenues will be available in the Environmental Management Fund for the fiscal year beginning July 1, 2017, and ending June 30, 2018:

Charges for Services	\$14,082,301
Intergovernmental Revenue – State	443,000
Other Revenues	272,000
Appropriated Fund Balance	1,514,000
Transfer In From Environmental Management Fund Closure/Post Closure Reserve	500,000
Transfer In From Environmental Management Fund	1,408,869
Total Estimated Revenues – Environmental Management Fund	\$18,220,170

Section 19: There is hereby levied a tax at the rate of fifty and fifty-three one hundredths cents (\$0.5053) per one hundred dollars (\$100) valuation of property listed as of January 1, 2017 for General Fund and six and forty-seven one hundredths cents (\$0.0647) per one hundred dollars (\$100) valuation of property listed as of January 1, 2017 for Debt Service Fund; for a combined total tax rate of fifty-seven cents (\$0.57) per one hundred dollars (\$100) valuation of property listed as of January 1, 2017, for the purpose of raising revenue included in “Ad Valorem Taxes” in the General Fund in Section 2 and in the Debt Service Fund in Section 6 of this Ordinance.

This rate is based on an estimated total valuation of property for the purpose of taxation of \$33,369,340,000 and an estimated collection rate of 99%.

The statutory calculated revenue neutral rate for the General and Debt Service funds respectively are, fifty-one and ninety-one hundredths (\$0.5191) and six and forty-seven one hundredths cents (\$0.0647) per one hundred dollars (\$100) valuation of property listed as of January 1, 2017.

Section 20: There is hereby levied a tax at the rate of seven and seventy-five hundredths cents (\$.0775) per one hundred dollars (\$100) valuation of property listed for taxes as of January 1, 2017, located within the Special Fire District for the raising of revenue for said Special Fire District.

This rate of tax is based on an estimated total valuation of property for the purposes of taxation of \$12,835,910,623 and an estimated collection rate of 99%.

The statutory calculated revenue neutral rate for the Special Fire District fund is six and forty-eight hundredths (\$0.0648) per one hundred dollars (\$100) valuation of property listed as of January 1, 2017.

Section 21: 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 22: This declaration of official intent is made pursuant to Section 1.150-2 of the Treasury Regulations to expressly declare the official intent of the County to reimburse itself from the proceeds of debt to be hereinafter incurred by the County for certain expenditures paid by the County on or after the date which is sixty (60) days prior to the date hereof.

Section 23: That appropriations herein authorized and made shall have the amount of (1) outstanding purchase orders as of June 30, 2017, and (2) grants unexpended by New Hanover County as of June 30, 2017, added to each appropriation as it appears in order to account for the payment against the fiscal year in which it is paid.

Section 24: All grants that are included in the adopted budget are deemed to be approved by the Board of County Commissioners and will not come back to the Board for approval to apply for or to accept the awarded grant unless it is specifically required by the Grantor. In the event an award is greater than or less than the adopted budget, to the extent it is needed, a budget amendment will be brought to the Board through the Consent Agenda for approval to adjust revenues and expenditures accordingly.

Section 25: The County Manager, and or the Chief Strategy and Budget Officer 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 transfer medical insurance appropriations between functions, departments and divisions within the same fund based upon usage.
- d. He/she may not transfer any amounts between funds without approval by the Board of Commissioners.

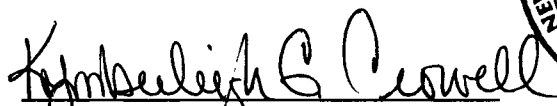
Section 26: This ordinance and the budget document shall be the basis for the financial plan for New Hanover County for the 2017-2018 fiscal year. The Chief Strategy and Budget Officer shall administer the budget. The Chief Financial Officer shall establish and maintain all records which are in concurrence with this budget and the budget ordinance and the appropriate statutes of the State of North Carolina.

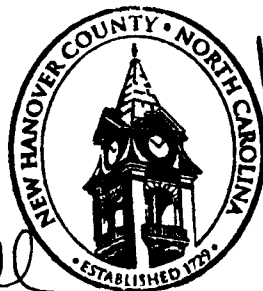
Section 27: This ordinance incorporates acceptance of the various changes to the County fee schedule as set forth and published beginning July 1, 2017.

Section 28: Upon adoption of the FY 17-18 budget, county staff is authorized to execute an Interlocal Agreement (ILA), and other related documents, with the Cape Fear Public Utility Authority (CFPUA), and other entities as needed, for development of a Preliminary Engineering Report (PER) for the Castle Hayne Waterline project.

Section 29: Copies of this Budget Ordinance shall be furnished to the Clerk to the Board of Commissioners and to the Chief Strategy and Budget Officer and Chief Financial Officer of New Hanover County, North Carolina, to be kept on file by them for their direction in the disbursement of funds.

ADOPTED, this 19th day of June 2017.


Kimberleigh G. Crowell, Clerk to the Board




Woody White, Chairman
Board of County Commissioners