



# CITY OF WILMINGTON, NORTH CAROLINA FISCAL YEAR 2019 RECOMMENDED BUDGET



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## INTRODUCTION

Welcome to the City of Wilmington’s Annual Budget. Through this document we, as proud citizens and employees, wish to convey what City government is doing to maintain the quality of life in Wilmington and the improvements we are making to preserve and enhance Wilmington’s safe, clean, and prosperous environment.

This budget serves four basic functions for City Council, staff, the citizens of Wilmington, and others. First, it is a policy document that articulates the City Council’s priorities and issues for the upcoming year. Secondly, it serves as an operations guide for staff in developing goals and objectives for the fiscal year and in monitoring and evaluating progress toward those goals. Thirdly, the budget is a financial device for the projection of revenues and expenditures; it authorizes expenditures and the means for financing them; and, is a control mechanism for spending limits. Finally, it is a way to communicate to citizens how public money is being spent and what is being accomplished with those expenditures. We hope all readers of this document come away with a better understanding of City services in general and specifically what will be done in Wilmington during the fiscal year 2019.

City staff embraces five Core Values as a guideline for personal conduct when fulfilling the City mission “to provide quality services which enhance the safety, livability, and prosperity of our community.” Those Core Values are Respect, Professionalism, Service, Integrity, and Safety.

The Strategic Plan focus areas of Create a Safe Place, Support Efficient Transportation Systems, Foster a Prosperous, Thriving Economy, Promote Culture, Arts and Public Spaces, Engage in Civic Partnership and Provide Sustainability and Adaptability were designed by City Council and staff to fulfill that same City mission. It is the hope of City staff that, by using this guide and working with City residents, City government can better meet the needs of every citizen.



Figure 1: The relationship between the City's core values, mission and strategic plan.

## READER'S GUIDE

The budget begins with the City Manager's budget message that contains key features of the budget as recommended by the City Manager. Highlights of the proposed work plan and information about the financial condition of the City are also included.

The first section in the document, the Budget Summary, summarizes the total City budgeted revenues and expenditures as well as the total General Fund budget. The Budget Summary section also includes a listing of appropriations by funds, an accounting term which simply means a balanced set of revenues and expenses. The City of Wilmington has established separate funds for the purpose of reporting and accounting for all financial transactions. Each fund represents a separate financial and accounting entity established for the purpose of carrying out a specific set of activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations that pertain to the operations or resources of the fund.

Each fund is categorized by **operating**, **program**, **debt service**, and **capital project** and reflects a gross amount as well as the net budget which is less appropriations to other funds and debt funding. A separate summary shows the capital debt service projects.

A summary of total revenues for all funds is reflected in the next section and shows the prior year adopted budget levels as compared to current budget. Details follow this summary and again, each fund is identified within the categories of operating, program, debt service, and capital projects.

The General Government section provides expenditure summaries for the General Fund governance and administrative and support services departments. Each department is shown separately and includes an authorized position total. This section also shows the General Fund Sundry appropriations, and all nonprofit agency appropriations.

The next section summarizes the budgets of the City's Community Development departments, which include Community Services, Planning, Development and Transportation, Public Services, the Community Development Block Grant Fund (CDBG), CDBG/HOME Grant and Loan Administration Fund, and HOME Investment Partnership Fund. The CDBG and HOME grant funds include the City's annual entitlement from the federal Department of Housing and Urban Development (HUD) for activities designed to improve low and moderate income neighborhoods. Expenditures include housing loan programs, capital improvements, and contributions to public service agencies. The CDBG/HOME Grant and Loan Fund was established to account for the community development and accounting activities associated with the federal entitlement for the Community Development Block Grant and HOME Investment Partnership funds.

The Public Safety section follows and includes the General Fund expenditure budgets for Police and Fire. These are also shown with authorized positions and expenditure summaries for departments.

The next section summarizes the budgets of the City's Enterprise Funds. An enterprise fund is a fund established to account for operations that are financed and operated in a manner similar to private business enterprises. Expenditures in these funds are financed primarily through user fees.

The Other Funds section of the budget contains smaller funds and includes two internal service funds that centralize the expenditures and replacement of vehicles and technology.

The Capital Improvement Program section contains the City's plan for major capital projects to be funded over the six years (FY18-23). These are new construction and/or renovation projects which improve the City's infrastructure. The projects are grouped according to general type: Streets and Sidewalks, Parks and Recreation, Public Facilities, Parking and Stormwater. Funds for these improvements come from transfers from the City's 80/20 Capital Debt Plan, the Parking Fund, Stormwater Management Fund, as well as from bonds and other sources.

In reading any of the budget items under each department, the following data in the example below is available:

#### A. Mobile Device Management Implementation (MDM)

**Division:** IT Services  
**Total Cost:** \$68,000  
**Priority:** Strategic Plan: Provide Sustainability and Adaptability 7.2  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** The funding allows the IT Department to procure and implement a mobile device management solution, supporting, tracking and managing mobile devices.

- **Division:** Indicates which division in the department the funding was allocated unless it was allocated to multiple division then the word 'multiple' would be shown.
- **Total Cost:** Indicates change to the department's budget (+/-) with the specific package identified.
- **Priority:** Various options are available.
  - *Strategic plan:* funding related to the strategic plan; the focus area is named and the strategy number and action step follow
    - In the example above it indicates Provide Sustainability and Adaptability 7.2  
The number indicate Strategy 7, Action Step 2 of that focus area.
  - *Continuation of Services:* funding for the continuation of current service levels
  - *Budget adjustment:* funding shifted in the base budget, supporting a high priority item for the department
  - *Reduction:* funding reduced from the department's budget through savings, process changes or required reductions
  - *Outside directive:* funding authorized for items outside the original budget instructions but found to have merit
  - *One-time non-recurring expenditure reduction:* funding removed for one-time items authorized the previous year

## BUDGETARY FUND STRUCTURE

The City of Wilmington budget consists of two overarching fund types, governmental and proprietary funds.

**Governmental Funds** are used to account for those functions reported as governmental activities. Most of the City’s basic services are accounted for in governmental funds.

The City of Wilmington has two types of **Proprietary Funds**. *Enterprise Funds* are used to report the same functions presented as business-type activities and *Internal Service Funds* are an accounting device used to accumulate and allocate costs internally among the functions of the City of Wilmington. The City uses Internal Service Funds to account for two activities – fleet operations and technology replacement.

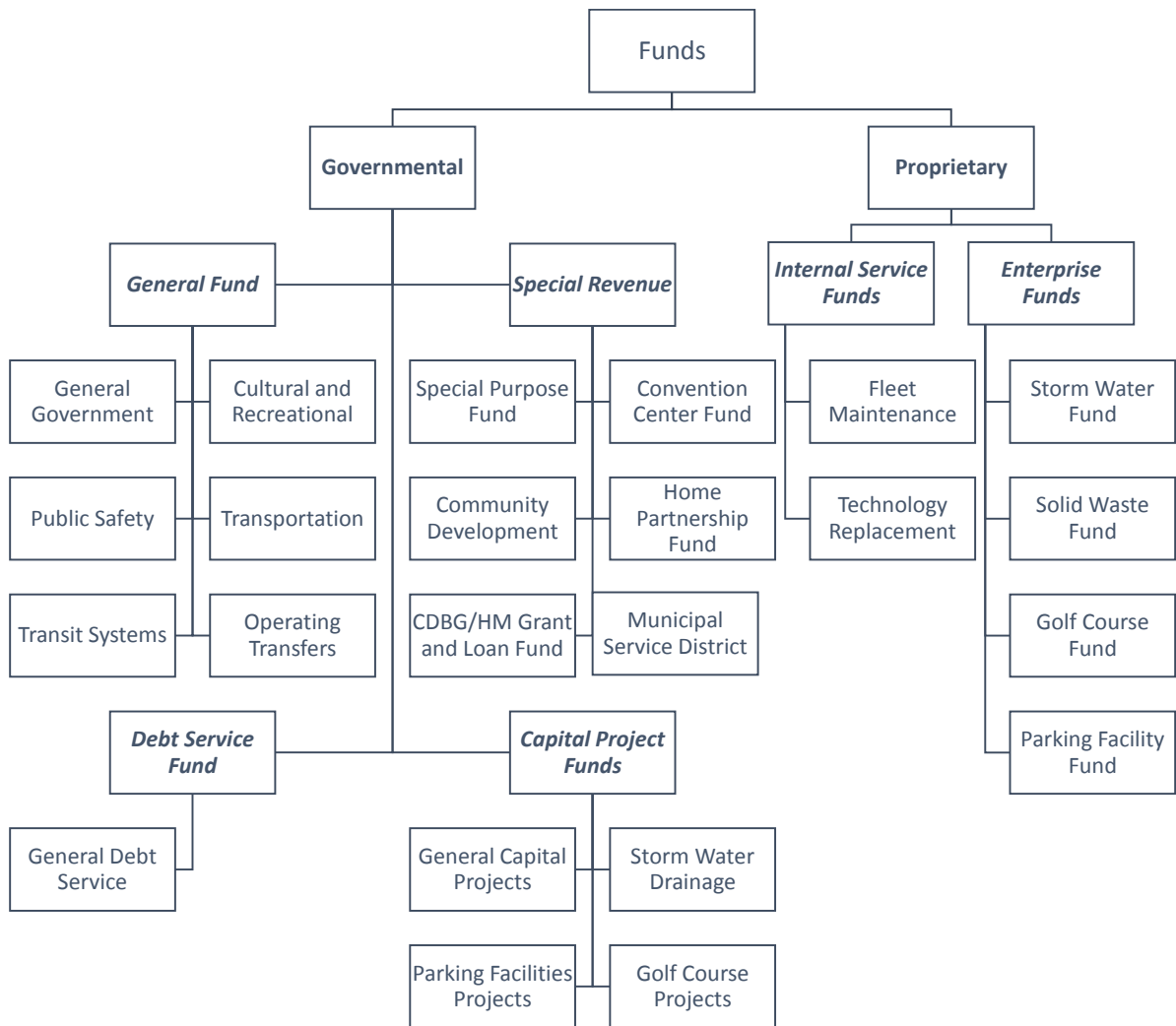


Figure 2: These funds provide for all the basic operations of the City.

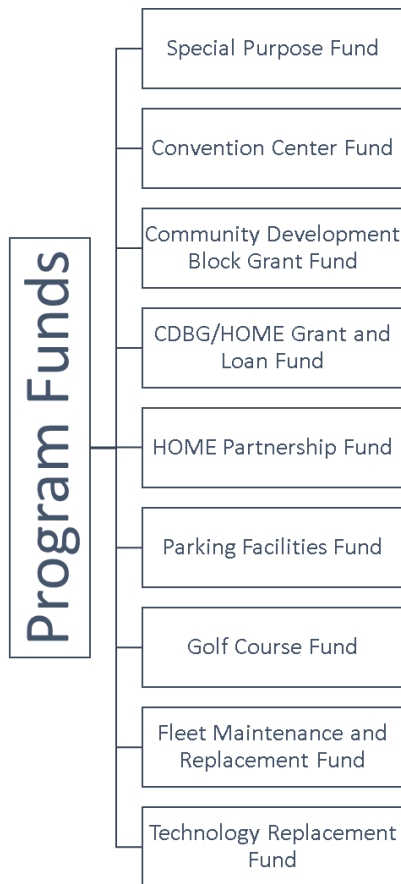


## FUNDS SUBJECT TO APPROPRIATION BY CATEGORY

The *General Fund (010)* is the general purpose fund of the City of Wilmington. It was established to account for all financial resources, except those required by State law, local ordinance, and generally accepted accounting principles, to be accounted for in another fund. General Fund revenues primarily include property taxes, sales taxes, and revenues from state and federal governments, licenses, fees, and permits. The major operating activities include general government, public safety, community development, transportation, and other governmental service functions.



The *Stormwater Management Fund (050)* includes revenues and expenditures associated with the City's stormwater planning, maintenance, public information efforts, and the City's drainage capital improvements. The stormwater utility fee, which is based on the amount of impervious surface present on each parcel of property, is the primary revenue source for these expenditures.



The *Solid Waste Management Fund (056)* includes revenues and expenditures for the collection and disposal of garbage, yard waste, recyclable materials, and other refuse. Solid waste customer fees are the primary revenue source for this fund.

The *Special Purpose Fund (021)* is supported primarily by grant funds and donations to the City for special purposes.

The *Convention Center Operating Fund (022)*, established by City Council in April 2008, captures the costs of managing the project, as well as marketing and pre-opening expenditures. It is supported primarily by Room Occupancy Tax funds allocated to the City for the development of the Convention Center.

The *Community Development Block Grant Fund (023)* is supported primarily by federal grant funds allocated to the City for community development programs designed to improve low and moderate income neighborhoods.

The *CDBG/HOME Grant and Loan Fund (024)* is supported by CDBG and HOME Partnership administrative funds allocated under the entitlement to the City as well as General Fund revenues to support low and moderate income housing and community development activities.

The *HOME Partnership Fund (025)* is supported primarily by federal grant funds allocated to the City for housing-related activities in low and moderate income neighborhoods.

The *Parking Facilities Fund (055)* provides for the general operational and maintenance costs for the Second and Market Street parking decks, the Second Street and Hannah Block parking lots, and on-street parking. The fund is supported by parking deck and meter user fees as well as interest earnings.

The *Golf Course Fund (057)* is supported by the income received at the City's municipal golf course and the associated costs with running that operation.

The *Fleet Maintenance and Replacement Fund (061)* is an internal service fund that centralizes the expenditures for the maintenance and replacement of vehicles for all participating departments. Each City department makes annual payments according to the types of vehicles leased.

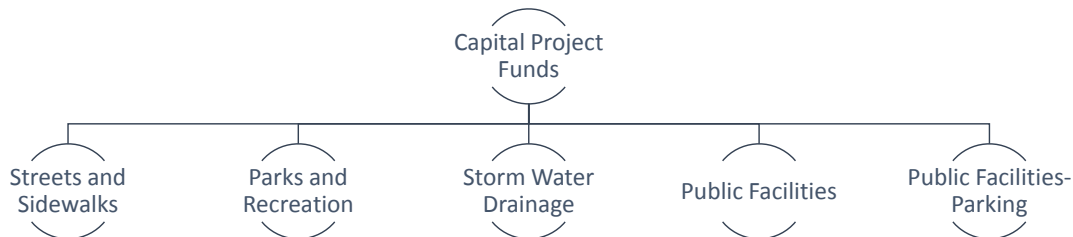
The *Technology Replacement Fund (065)* is an internal service fund that provides for the replacement of technology to reduce the technology gap and off-site hosting of certain applications. Revenues for this fund consist of internal charges to City departments according to the type of device and a subsidy from the General Fund.

The *Debt Service Fund (015)* was established to set aside resources to meet current and future debt service requirements on general long-term debt. The fund receives a dedicated \$0.0947 of property tax which funds the City's maintenance and new infrastructure capital needs. Eighty percent (80%) of the rate pays for debt and 20% pays for pay-as-you-go projects – 80/20 Capital Debt Plan. The Debt Service Fund is currently supporting the completion of projects related to the 1<sup>st</sup> 80/20 CIP and the voter approved Transportation Bond. It will begin to support projects related to the voter approved Parks Bond, the Water Street Deck Collaboration and the 2<sup>nd</sup> 80/20 CIP plan.



The *Special Tax District (029)* is the municipal service district in the Wilmington's central business district established for services beyond the scope provided already by City services.

The purpose of the Capital Project Funds is to account for the financial resources segregated for the acquisition or construction of major capital facilities. The budgets within these funds are adopted for the life of the project, with revenues and expenditures accumulating until the year in which the project is completed.



The Capital Project Funds provide for street and sidewalk improvement projects, park improvement projects, and various other physical improvement projects which typically cost over \$50,000, have a useful life greater than five years, and are approved by the City Council.

Funding for capital projects comes from several sources, including property and sales tax collections as well as fees.

## **BUDGET PREPARATION AND ADOPTION**

The City of Wilmington begins the budget process in September with the preparation for proposed new and revised capital improvements projects. The official budget kick-off is done in December with a transmittal to all staff involved in the budget process that includes budget instructions and key issues and changes. In January and/or February, work sessions are held with the City Council to review the City's financial condition and the forecasts for the future. This is also an opportunity for the Council to develop goals and objectives for the upcoming year.

In accordance with State Statutes, departments must submit a budget request to the Budget Officer before April 30 of each fiscal year. For the City of Wilmington, typically, that deadline for Departmental submissions is the end of January. After all departmental budgets are submitted, the Budget Office reviews the requests and meets with each department individually to review the needs and priorities in detail. The Budget Office and the departments then meet with the City Manager to discuss programmatic issues and the objectives to be accomplished in the new budget year. Revisions are made as necessary in the operating budgets, the capital budgets, and the revenue estimates, until a final recommended budget document is produced in April.

A budget message and a balanced budget must be submitted to the Council no later than June 1, according to State Statutes. In the City of Wilmington, these are typically submitted to City Council in May. After a formal budget submission to Council, work sessions are conducted with the Council, and a public hearing is held to provide an opportunity for all citizens to have input in the budget. In accordance with State Statutes, final adoption of the budget takes place before July 1 of each year.

In accordance with the North Carolina General Statutes, the City prepares and adopts the budget on the modified accrual basis of accounting, in which revenues are recorded when the amount becomes measurable and available, and expenditures are recorded when the liability is actually incurred. Only revenues and expenditures anticipated during the fiscal year are included in the budget. Unexpended operating budget funds revert to fund balance at the close of the fiscal year. Unexpended capital project reserve funds are carried forward life-to-date until the project is officially closed.

Throughout the fiscal year the City's financial accounting system maintains a modified accrual method as the adopted budget. At year-end, the City's Comprehensive Annual Financial Report (CAFR) is prepared on a basis consistent with "generally accepted accounting principles" or GAAP. This basis of accounting conforms to the way the City prepares its budget with some exceptions. The most notable exception is that the City's Enterprise funds are converted from the modified accrual basis of accounting to the full accrual basis for financial statement presentation purposes. In the accrual basis, revenues are recognized

when they are earned and expenses are recognized when they are incurred. This change between the budget and the financial report for the Enterprise funds provides for some significant differences. One is that depreciation is recorded as an expense in the CAFR and is not recognized at all in the budget. Another is that capital outlay and principal debt service payments are identified as expenditures in the budget but reported as adjustments to the balance sheet in the CAFR.

The following chart summarizes when accrual and modified accrual are used for the basis of reporting and the basis of budgeting:

<b>Fund</b>	<b>Basis of Budgeting</b>	<b>Basis of Reporting</b>
General	Modified Accrual	Modified Accrual
Special Revenue	Modified Accrual	Modified Accrual
Enterprise	Modified Accrual	Accrual

## **BUDGET AMENDMENT PROCESS**

Proposed amendments to the budget may be submitted at any time by a member of the City Council or the City Manager. The City Manager is authorized to transfer budget amounts within adopted functional categories, however, changes between categories or that change total expenditures in any fund must be approved by City Council.

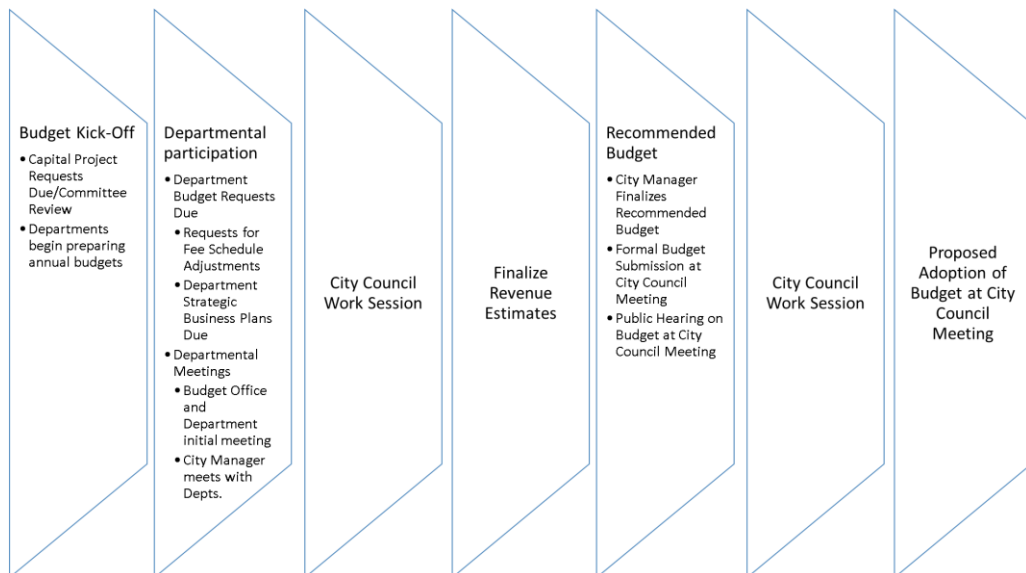
Proposed ordinance amendments are prepared by the administration and include a statement by the Finance Officer as to the availability of funds. A cover letter provides background information and the City Manager’s recommendation on the proposed amendment. Ordinances require two readings for adoption.

Minor budget changes that do not affect the ordinances are submitted to the Budget Office at any time with an explanation of and justification for the change. All changes must be approved by the Budget Office. Changes in salaries or benefits are not permitted, except in rare instances, with prior approval by the Budget Office and by the City Manager.

**SCHEDULE OF EVENTS FOR THE PREPARATION OF THE FY19 BUDGET**

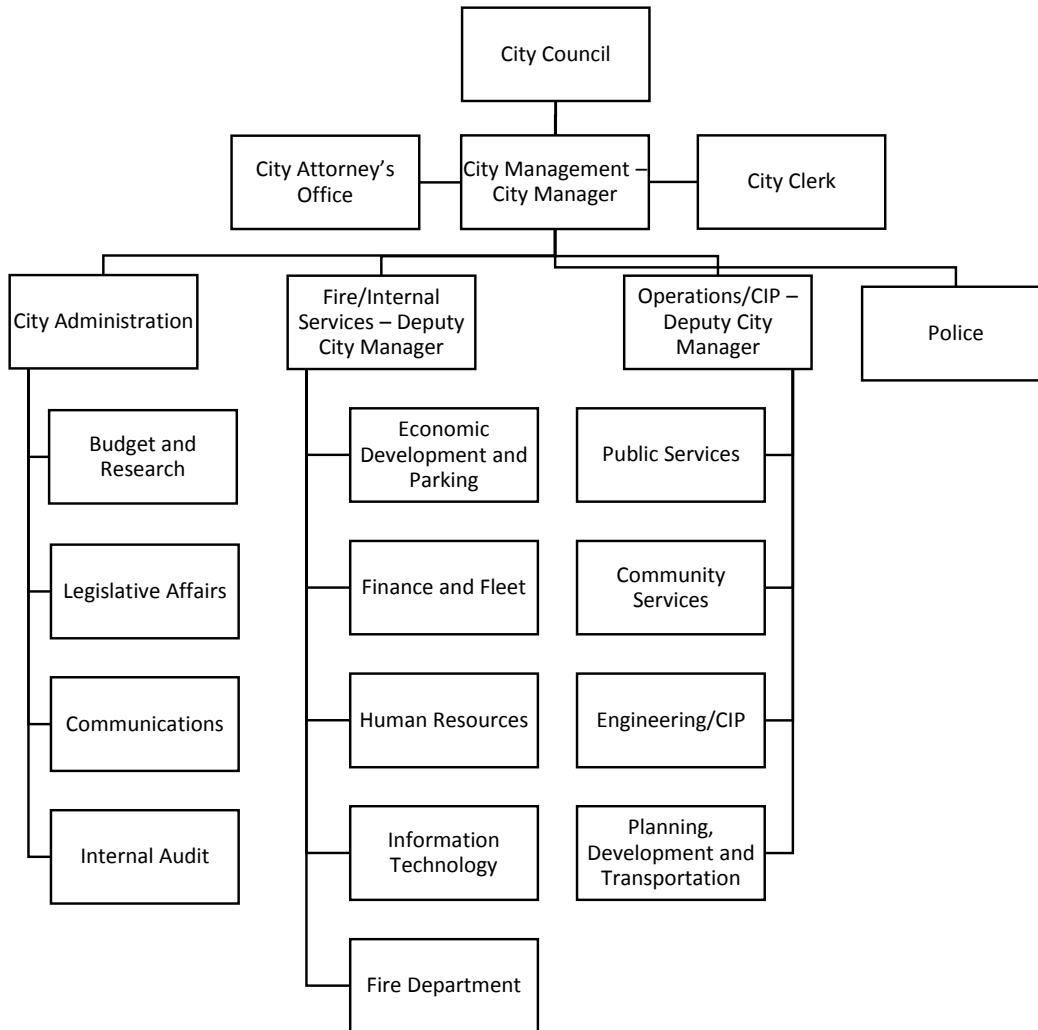
Event	Date
<b>Council Work Session</b>	Dec. 4, 2017
<b>Budget Kick-Off and Instructions</b>	Dec. 6, 2017
<b>Department Budget Requests Due</b>	Jan. 31, 2018
<b>Requests for Fee Schedule Adjustments Due</b>	Jan. 31, 2018
<b>Budget Office/Department Budget Meetings</b>	Feb. 12-23, 2018
<b>City Manager/Budget Office/Department Budget Meetings</b>	Mar. 1-9, 2018
<b>City Council Budget Work Sessions</b>	Feb. 5, April 6, 2018
<b>Finalize Revenue Estimates</b>	April 10, 2018
<b>City Manager Finalizes Recommended Budget</b>	April 20, 2018
<b>Formal Budget Submission at City Council Meeting</b>	May 1, 2018
<b>Public Hearing on Budget at City Council Meeting</b>	May 15, 2018
<b>City Council Budget Work Session</b>	May 31, 2018
<b>Budget Adoption at City Council Meeting</b>	June 5, June 19, 2018

**BUDGET PREPARATION PROCESS**





## ORGANIZATIONAL STRUCTURE



## FINANCIAL MANAGEMENT POLICIES

These Financial Management Policies serve as guidelines for the preparation and operation of the annual budget. They are designed to complement the North Carolina Local Government Budget and Fiscal Control Act, recommendations of the Local Government Commission (LGC), the Government Finance Officers Association and the National Advisory Council on State and Local Budgeting. These policies were developed by Budget staff and were formally adopted by the City Council effective July 1, 2002 and amended effective June 4, 2013. These policies are used to frame major policy initiatives and are reviewed during each budget process to ensure continued relevance and to identify any gaps that should be addressed with new policies. These policies assist in maintaining the City's stable financial position and ensures that Council's intentions are implemented and followed.

## REVENUE POLICIES

### Revenue Diversity

The City shall continue to provide adequate funds for stable operation of desired service levels through diversification of revenue sources to avoid over-reliance on any one revenue source and to maintain stable rates and fees.

### Fees and Charges

The City shall maximize user fees where possible in order to distribute the costs of municipal services to those who use the services; include users who may have tax exempt property; to avoid subsidizing where the service is not used by the general public, except where appropriate; and maintain charges that are equitable and efficient by capturing the costs to provide the service.

All revenue sources will be reviewed on an annual basis, the levels of cost recovery will be reviewed, and the reasons for the subsidy will be reviewed.

### Use of One-time revenues

Use of one-time revenues is limited to covering expenditures that temporarily exceed revenues, early debt retirement, or capital purchases that do not significantly increase ongoing operating expenses.

### Property Tax Estimates

The percentage collection of property taxes relative to the tax rate estimated in the budget must not be greater than the percentage of the levy realized in cash as of June 30 of the preceding fiscal year, in accordance with State law. This ensures a conservative estimate of property tax revenues.

A dedication of \$0.0500 of the property tax rate will be restricted in the Debt Service Fund by Ordinance and evaluated in every revaluation year. This revenue is committed to pay for 80% debt and 20% pay-as-you-go funding for capital maintenance and new infrastructure needs.

### Unpredictable Revenue

Estimated revenues shall include only those reasonably expected to be realized during the fiscal year.

Grant funding will be pursued and used for a variety of purposes. Application to apply will be reviewed and evaluated in advance for consistency with Council goals and compatibility with City programs and objectives. All new grants must be presented to Council for consideration before application is made. Any awarded funds will be accepted only after Council review and approval. Any changes in the original intended use of grant funds must be approved by the granting agency and City Council.

## EXPENDITURE POLICIES

### Balanced Budget

The City shall prepare an annual balanced budget in accordance with the Local Government Budget and Fiscal Control Act, Generally Accepted Accounting Principles, and shall maintain excellence in finance and budgeting by meeting the standards necessary to achieve the Government Finance Officers Association's Distinguished Budget Award.

Actual funds expended and received against budget will be reported to the City Manager and department directors on a monthly basis and City Council on a quarterly basis.

### Evaluation and Prioritization

Expenditures shall be reviewed by staff, the City Manager, and City Council prior to adoption, and continually monitored throughout the budget year. Priority will be given to expenditures consistent with the City's Strategic Plan, and those necessary to carry out the mandated and core services of the City.

### Nonprofit Agencies – Competitive Process

Funding for nonprofit agencies shall be considered on a competitive basis consistent with Council's priorities or with a departmental or City-wide mission, and with the City's Consolidated Plan. Any agency receiving over \$5,000 in any one fiscal year is required to complete a financial review. Any agency receiving over \$10,000 in any one fiscal year is required to complete a financial single-audit. Community Development Block Grant Funds will be allocated to public service agencies at the maximum percentage allowable by HUD regulations. General Funds will be allocated to public service agencies that complete the competitive process a total amount not to exceed ½ percent of the General Fund operating budget. No agencies will be considered for funding without an operational budget.

### Nonprofit Agency – Non-Competitive Process

Funding considerations for any nonprofit agency not considered through the competitive process in the recommended budget will require a formal budget request made to the City of Wilmington via the City Manager on or before March 31 annually.

## RESERVES

### Debt Service Fund

The City shall maintain a Debt Service Fund and all accumulated revenues will be used towards debt service, debt administration and debt issuance.

The City Council has adopted a levy of \$0.0500 cents of the General Fund property tax rate to be restricted in the Debt Service Fund for an 80% debt and 20% pay-as-you-go funding mechanism that will cover all projects within the five year Capital Improvement Plan. This rate will be adjusted as needed in future revaluation years.

### Fund Balance

The City shall maintain a minimum unassigned fund balance equal to 15-20% of the operating budget for each of the City's funds. Any portion of the unassigned fund balance in excess of 20% of budgeted expenditures may be appropriated for one-time "pay-as-you-go" expenditures. (Examples are, but not limited to: incentive agreements, capital improvements, computer systems and software). Unassigned fund balance is not a recurring revenue source of funds and should only be appropriated for non-recurring expenditures

### Contingency

Reserves may be appropriated in operating budgets to a contingency account in an amount not to exceed 5% of the fund in order to meet unexpected increases in service delivery costs.

## **DEBT MANAGEMENT**

### Debt Model

Debt Service models will be maintained for all debt and will identify the impact of future debt and the adequacy of designated resources.

### Debt Service

The total annual debt service paid on tax-supported debt shall not exceed 15% of the operating expenditures in the General Fund including inter-fund transfers.

### Direct Net Debt

The outstanding direct net debt will not exceed the NC statutory limit of 8% of the appraised property subject to taxation with an optimal level of less than 4%. Net General Fund debt per capita shall not exceed \$1,000.

### Bonded Debt

Capital projects financed through the issuance of bonds will be financed for a period not to exceed the expected useful life of the project.

### Bond Rating

The City will maintain its financial condition so as to maintain a minimum AA bond ratings

## **CAPITAL INVESTMENT POLICIES**

The City shall annually update and adopt a 5-year Capital Improvements Program (CIP) in conjunction with the Annual Operating Budget.

A dedicated \$0.0500 of the property tax rate will be restricted to the Debt Service Fund for an 80% debt and 20% pay-as-you-go funding mechanism that will cover all projects within the five year plan. This rate will be adjusted as needed in future revaluation years

The City shall appropriate all funds for capital projects with an Ordinance in accordance with State statutes.

Capital expenditures included in the CIP as a project will generally cost at least \$50,000 and have a useful life of at least 5 years.

Capital projects financed through the issuance of bonds will be financed for a period not to exceed the expected useful life of the project.

The capitalization threshold minimum for fixed assets is set at \$5,000. The threshold will be applied to individual fixed assets and will only be capitalized if they have a useful life of at least two years from the date of acquisition.

## **ACCOUNTING, AUDITING, AND FINANCIAL REPORTING POLICIES**

The accounting systems for the City will be compliant with the North Carolina Local Government Budget and Fiscal Control act and will be maintained to enable the preparation of financial statements that conform to generally accepted accounting principles (GAAP).

Reasonable access to the financial system will be made available to department directors and other staff for the continuous monitoring of revenues and expenditures. Emphasis will be placed on internal budgetary and financial controls with regard to the financial system for the purposes of maintaining proper checks and balances.

The City will have an annual independent audit performed by a certified accounting firm that will issue an opinion of the annual financial statements that are required by the Local Government Budget and Fiscal Control Act.

The City will prepare a Comprehensive Annual Financial Report (CAFR) that will be provided to City Council and is in compliance with established criteria to obtain the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting and will be submitted to that award program each year.

Full disclosure will be provided in all regulatory reports, financial statements and debt offering statement.





April 25, 2018

The Honorable City Council  
And the Citizens of the City of Wilmington:

As required by the City Charter and on behalf of the City’s management team, I am pleased to present to the Mayor and members of City Council along with the residents of the City of Wilmington the *Recommended Budget* for the fiscal year beginning July 1, 2018 and ending June 30, 2019 and the accompanying second year of the FY18-23 Capital Improvement Program. This budget is in accordance with §159-11 of the North Carolina General Statutes and meets the statutory and administrative obligations to prepare and present a balanced budget for your consideration.

The total projected net budget for FY19 is \$168,440,606 and represents a 22% decrease from the current adopted budget of \$217,484,481. This is mainly due to two reasons; first, the *FY19 Recommended Budget* does not include the voter approved Parks Bond projects budgeted in FY18 totaling \$30,645,000, and second, rather than budgeting \$7,960,200 of general fund unassigned balance for capital projects, the *FY19 Recommended Budget* uses \$499,040 for one-time operating items. The current FY19 appropriations for capital projects represents the second year of the second 80/20 6 Year Capital Debt Plan. The recommended net funding for the capital projects total \$10,467,850.

The General Fund is the largest component of this total with expenditures of \$104,999,032, a decrease of 5.15% or \$5.7 million under the current adopted amount of \$110,704,372. The approval of this budget requires a ½ cent tax increase to support General Fund operating expenditures. The increase to the ad valorem rate changes the current tax rate of 48.34 cents to 48.84 cents per \$100 assessed value. Of the 48.84 cents, 39.37 cents per \$100 assessed valuation is recommended for the continuation of core services in the General Fund and 9.47 cents per \$100 valuation would be earmarked for the 80/20 Capital Debt Plan for continued support of the Transportation Bond projects, Parks Bond projects, River Place Coordination project and other Capital Improvement projects, including the 1<sup>st</sup> CIP and 2<sup>nd</sup> CIP.

It is recommended that a portion of the “rainy day fund”, General Fund undesignated fund balance, be appropriated for certain one-time expenses that total \$499,040 to balance this budget. This amount is \$7,461,160 less than the \$7,960,200 appropriated in the FY18 Adopted Budget. The undesignated fund balance will be used for the following items.

Department	Items	Funding	Quantity
Community Services	• Compact Utility Tractor	\$40,923	1
	• Polycarbonate Board	\$28,000	-
Engineering	• Contract Document Template Purchase	\$2,440	1
	• Survey Equipment	\$25,000	1

FY19 Recommended Budget  
Transmittal

Department	Items	Funding	Quantity
Finance	• One-time Retirement Payout	\$12,229	1
Fire	• Fire Accreditation	\$3,715	1
Planning, Dev, Tran	• Printing of New Land Development Code Booklets	\$1,000	-
Police	• Celebrite UFED Compute Software	\$8,600	1
	• Diluter/Dispenser System	\$4,600	1
	• Drying Cabinet	\$11,095	1
	• K-9 Vests	\$13,161	4
	• Boat Collar Replacement	\$22,225	1
	• Python III I-Band Dual Antennae In-car Radars	\$12,290	10
	• Rosthenbuhler 1674 Remote Firing Device	\$6,999	1
	• Ballistic Vets	\$26,679	10
	• Interview System	\$58,596	4
Multiple	• Smart Phone Costs	\$1,050	6
	• New Computers	\$9,850	4
	• Tree Root & Sidewalk Study	\$90,000	1
	• Vehicles	\$113,300	4
	• Other equipment: Radio, Uniform, Vest	\$7,288	-

The General Fund unassigned fund balance at June 30, 2019 is expected to be \$32,754,120 or 31.19% of the FY19 projected expenditures. This projection assumes the following:

- The full FY18's adopted appropriated unassigned fund balance of \$7.9M is expended
- The full FY18's mid-year unassigned fund balance appropriations through April 22, 2018 totaling \$880,842 associated with encumbrance budget roll from prior year is used in full and nothing else is appropriated by year end FY18
- The full FY19 Recommended appropriated fund balance of \$499,040 is expended and nothing else in FY19 is required

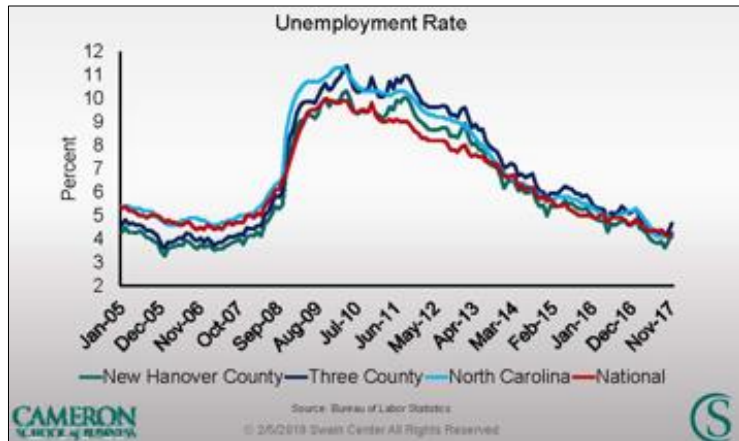
Our Financial Management Policies state that unassigned fund balance should only be appropriated for non-recurring expenditures. The City's General Fund unassigned fund balance remains healthy and above the Financial Management Policy's minimum target of 15-20 percent with this recommended budget. Of special note, even though our financial policies require the minimum target of 15-20 percent, an internal practice aims to operate with the unassigned fund balance of the General Fund at a minimum level closer to 25% as a measure that takes into account the timing of major revenue sources, maintenance of the AAA bond ratings and any unanticipated emergencies.

## The Economy

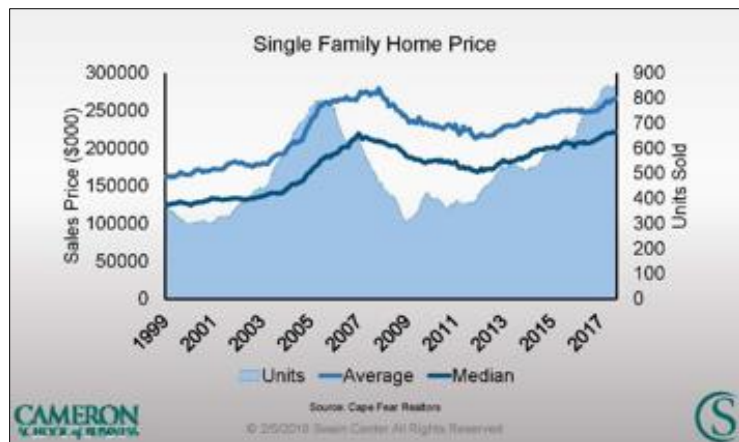
Our local economy continues to improve modestly with persistent increases in job gains, economic activity as well as a resurgence in local tourism. The area has for the most part fully recovered from the past

recession but that growth is now beginning to slow down per Dr. Adam Jones of the University of North Carolina Wilmington during a Council work session February 5, 2018.

Over the next few years, the region will continue to grow but at a slower pace. The unemployment rate has largely returned to numbers that are considered full employment. New Hanover County's unemployment rate reported by N.C. Department of Commerce in February 2018 was 4.5 percent as compared to 4.7 percent in February of 2017.



Home prices have fully recovered. Those homes that were previously underwater are now seeing growth allowing for those owners to tap into equity to invest in businesses, expansions and service collateral from loans, according to Dr. Jones' presentation on February 5, 2018.



Growth continues to be seen in the Wilmington area and regionally. Adjacent counties, namely Brunswick and Pender, will see growth in the residential areas and serve more as 'bedroom' communities making Wilmington the suburban hub according to Dr. Jones. In the next few years, the 'risk to the forecast' will be positive. With the tightening of the labor market there will be pressure for employers to increase wages. With increased wages there is a good possibility of increased consumption, which will drive sales in the region but not at the same levels as seen in the recent recovery period.

At both the State and Federal level, there are uncertainties and opportunities the City should continue to monitor. Last year, legislation introduced at the State level related to special additional retirement benefit for firefighters, an unfunded mandate. A change to the local sales tax distribution formula was also discussed this past session which would have adverse impacts on the City. Fortunately no change was approved. At the time of this publication, there is little chance there will be movement on the sales tax matter or the firefighter retirement benefit enhancement.

Two changes at the State level that did impact the *FY19 Recommended Budget* include the following:

- House Bill 280, Juvenile Justice Reinvestment Act has passed the House and the second reading in the Senate. This bill raises the juvenile age to include sixteen and seventeen year olds previously treated as adults. The bill is expected to be law January of 2019. The impact to the city will be an increase workload on juvenile cases for both the investigators and the city's juvenile

social worker. Based on future projections, two additional juvenile investigators, one in FY19 with another in FY20, and an additional social worker in FY20 will be required.

- Senate Bill 131 (Session Law 2017-1) provides a five year statute of limitations, and a seven year bar on bringing actions, for a unit of local government to institute an action for a violation of a land use statute, ordinance, permit, or other official action concerning land use carrying the effect of law. This section becomes effective October 1, 2018, and applies to actions commenced on or after that date. The impact to the city will require staff to initiate additional zoning actions and take a more proactive stance on zoning enforcement to ensure that violations of the code are not unintentionally grandfathered.

Another area to watch is the Federal Omnibus Spending bill which may positively impact the city in the following ways:

- Several key transportation programs received funding increases in this bill, particularly transportation specific infrastructure programs (\$8.7 billion more). Highway related programs received the largest increase at \$3.5 billion. The critical TIGER Grant program received a \$1 billion increase.
- Transit infrastructure related grant programs increased by \$834 million, including \$400M for communities to help modernize their bus systems and another \$400M for capital assistance to transit systems.
- EPA's water related infrastructure programs received a \$500 million increase and Army Corps of Engineers civil works programs will get \$789 million in additional funds.
- Increased funding is provided to tackle the nation's opioid epidemic with \$4.65 billion dedicated in the bill to help state and local governments towards developing prevention, treatment and law enforcement initiatives.
- Community Development Block Grants (CDBG) increased for the first since 2010, going from \$3 billion to \$3.3 billion.
- Local Law Enforcement programs received a \$1.2 billion increase for local law enforcement grants and \$446.5 million more for a Department of Justice grant that funds state and municipalities responding to opioid crisis.
- Apprenticeship programs across the country increased by \$50 million on top of an additional \$75 million increase for career and technical education programs.

Another potential change at the Federal level that could benefit local governments relates to the internet sales taxes (marketplace fairness) which if changed, will serve to benefit city revenues. Supreme Court actions suggest the nation is headed towards a resolution related to the ability for states to collect sales tax from all internet transactions at point of sale.

Locally, the city is seeing an influx of development activity. Last year, the transmittal focused on the changing skyline downtown with the influx of development activity specifically related to apartment complexes such as City Block, Oasis and Sawmill and hotels like the Hampton Inn, Embassy Suites, Courtyard by Marriott just to name a few. This year we want to expand the discussion of development activity to not only include the downtown but also include other areas within the city that have the potential of changing Wilmington's urban landscape.

The corridor on Military Cutoff road is booming. Already approved is a rezoning of seven-acres in the Renaissance North development, located across from Mayfaire Town Center. The development will be used for commercial shopping and a specialty grocery store. Just a few intersections south on Military Cutoff Road are two developments under active consideration, both well over \$200 million each. The Avenue, claiming to be the new benchmark for luxury and style in the southeast, is a proposed mixed-use development featuring 500 luxury apartment homes, a Westin Hotel, and approximately 109,000 square feet of retail and office space together on a 44-acre development site. The other, a 1 million square foot project called CenterPoint, is a mixed use development to include 300 apartments, 50 to 60 retail shops and restaurants, a medical facility and office space with both surface and multi-level parking that will sit on 23-acres of land. Plans have also been submitted for areas north on Military Cutoff road near Station Road. The proposed developments, Arboretum Village and Arboretum West, will include a 360 multi-family apartments, 98 townhomes, boutique retail, fine dining and office space. The interest in this corridor clearly exists. With the new developments coming on-line the need for services will also exist. Once developed, staff believe the service impacts may be as follows:

- Traffic and other police emergency incidents will increase requiring new staffing for that area
- Fire EMS call volume will increase
- Transportation improvements and maintenance will require more employees to maintain the roads and traffic signals

As these impacts occur, some of the additional costs are offset by additional local revenues.

The above are just a few of the changes occurring in the city. Other notable developments include Riverlights, a development which sits on 1,400-acres on the Cape Fear River and includes 5 miles of walking trails, restaurants and other retail stores and residential homes. The Forks at Barclay is a 46-acre Midtown development with 71 single family homes and 52 townhomes planned. And the Point at Barclay, already in development, a 300-acre site including a 14-screen premium cinema, retail, office and medical space, restaurants, and an apartment complex.

## Revenues

Revenue streams are beginning to be outpaced by demands for city services. As seen above there is an influx of development activity around the city that is placing stress on the resources that support that infrastructure:

- Increased emergency calls
- More transportation improvements/maintenance
- Further traffic monitoring/system improvements
- Additional plan reviews

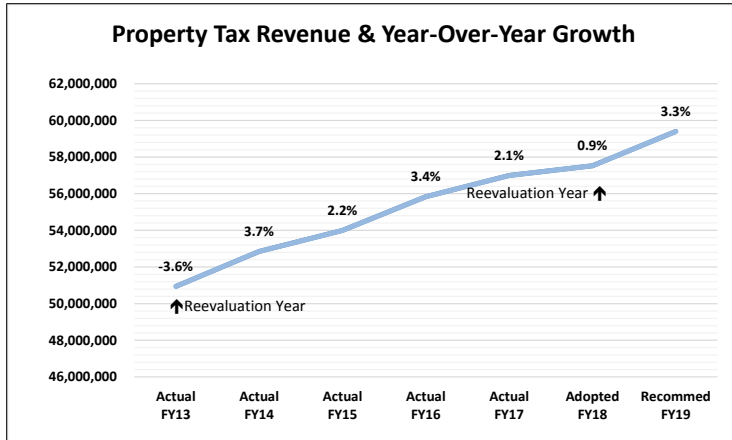
It is important, however, to note that development activity is not the only thing influencing increased demand for support services. There are projects already underway by the city that will be coming on-line as early as FY20 that may require operational funding to support programming. Those include:

- Parks Bond Project: Derrick Davis Center Expansion at Maides Park
- Parks Bond Project: MLK Center Gymnasium Expansion
- Parks Bond Project: Northern Water Front Park



- 2<sup>nd</sup> CIP: Police and Fire Training Facility
- 2<sup>nd</sup> CIP: MLK and Kerr Intersection Upgrades
- Operational Budget: Financial System Operational Cost

The following will provide an overview of the revenues as they are estimated for the *FY19 Recommended Budget*. In order to respond to demands for expanded infrastructure needs and support impacting the city a ½ cent increase on the ad valorem rate is recommended. This produces \$748,105 more in ad valorem taxes for general fund purposes.

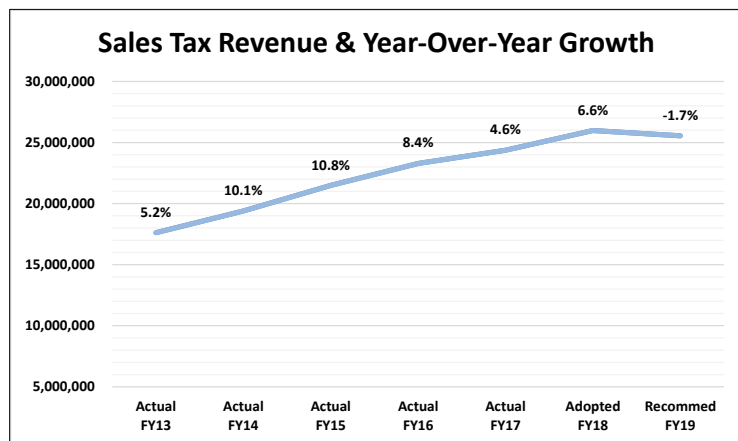


The City of Wilmington’s projected FY19 **property tax growth** over FY18’s adopted budget totals 3.3% and is a continued indication of the positive trend in the real estate market as multi-family, hotel and office construction continue to expand our tax base. The City’s tax base for FY19 is estimated at \$15,121,856,895 with the City’s real property totaling \$14,167,856,895 and Motor Vehicle property equaling \$954,000,000. With a \$0.4884 tax rate, one penny equates to a

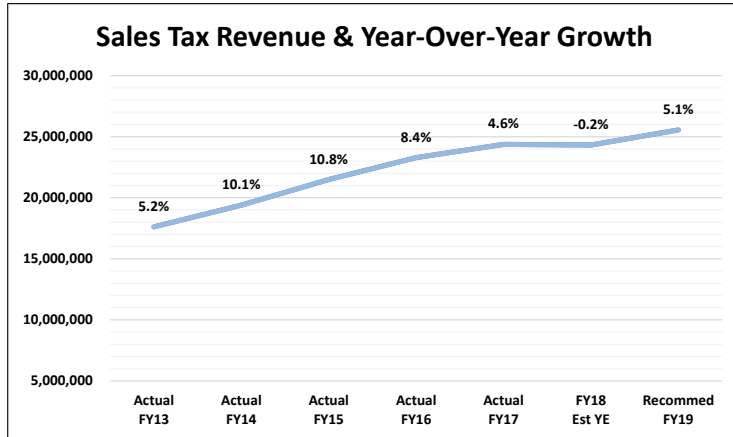
value of \$1,497,876 using a collection rate of 98.99% for property tax and 100% for motor vehicles. The tax base is expected to provide the City \$73,156,271 which is split between:

- General Fund (\$58,971,384/\$0.3737)
- Debt Service (\$14,184,887/\$0.0947)

This recommended budget continues to account for the improvement of the region’s economic health but also recognizes growth is slowing. Our forecasted decrease in **sales tax collection**, totaling 1.7% under the FY18’s adopted budget, is now on par with the revenues recorded to date as well as the county’s ad valorem sales tax distribution method. FY18’s ad valorem sales tax distribution favored New Hanover County’s 5 cent tax rate increase in FY17. FY19 changes the distribution again, however this time favoring the City due to the tax rate change in FY18 of 2.92 cents. FY18’s sales tax numbers were based on historical trend data and now appear to be falling short of that Adopted Budget.



A brief history in the changes to sales tax include recognizing the State expanded the sales tax base<sup>1</sup> in March of 2015 with the first impacted distribution in July of 2016. Since then, sales tax has had a steady increase year over year when comparing actuals. The FY18's estimated year-end revenues are essentially

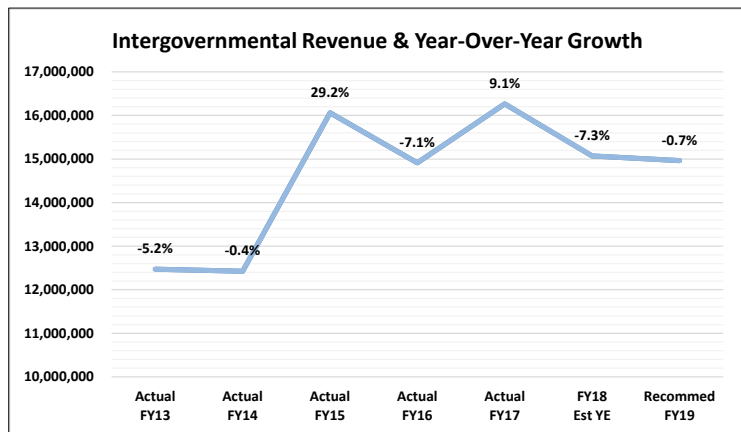


the same as FY17's actuals with less than 1% difference between them. The good news is, when comparing the actuals, the city's sales tax continues to increase with an expected 5.1% above the estimated FY18 year-end collections.

The NC League of Municipalities estimates projected FY19 local sales tax distributions will be 4.5% over FY18's collection. Wilmington tends to be higher than the State average due to the

city's location and tourism industry resulting in about 1.5% to 2% over the State projections. If the economy continues to grow at the current pace, the City's FY19 sales tax projection is modestly aggressive but reasonable given the trends. The economy, even though strong, will not stay on a positive trajectory continuously. The economic cycle is typically 10 years and we are surpassing that timeframe.

The third largest revenue stream category is Intergovernmental Revenues. The FY16 Adopted budget saw a \$2.3 million reduction in tax revenue due to the elimination of the local business privilege license fees. The City saw a \$2.5 million increase specifically in the **utility franchise tax** from the FY15's actuals of \$4.6 million to the FY16's actuals of \$7.1 million in that revenue stream alone. It should be noted, that in FY18, the utility franchise tax collections are on the decline when comparing year over year quarterly collection. The NC League of Municipalities and other statewide professionals are linking the decline to consumer behavior, electricity costs and the weather. The State has assured the jurisdictions that there have not been any large electricity refunds. The League is predicting FY19's statewide utility franchise tax collections will be 1% over FY18's actuals. The FY19 Recommended budget follows the League's prediction and are increased \$110,948 (N=1.5%) over FY18's. Utility franchise tax is weather dependent. If normal weather patterns persist, this revenue stream is expected to bring in \$7,461,336 in FY19.



There are a few other revenue streams in the Intergovernmental category with special notable circumstances related to customer behavior. The **telecommunications sales tax** distributions are declining due to customers abandoning landline

<sup>1</sup> Some of the sales tax expansion includes charging sales taxes on previously untaxed services such as repairs to cars, installation of big items or warranties connected to new purchases.

telephone service and going solely to mobile devices. For this reason, the FY19 budget is \$100,000 or 11.1% less than FY18 adopted values and 25.1% less than the FY17 actuals. This similar reduction is also seen in the **video programming tax** where the decline is attributable to customers exchanging cable TV with streaming services. The recommended FY19 revenue is 6.2% less than adopted FY17. Taking these impacts into consideration as well as the stabilization of the utility franchise tax, the intergovernmental revenues are less than a percent below the FY18's adopted rate contributing \$14.9 million to the City's overall budget.

And lastly, the City's general obligation bond rating continue to the highest possible ratings:

- Aaa issued by Moody's
- AAA issued by both Fitch and Standard & Poor's

The credit rating agencies base their ratings on a number of factors. Both Fitch and Standard & Poor's cited the city's healthy and diverse economy, very strong financial management, budgetary flexibility provided by ample operating reserves, and manageable long-term obligations. Better bond ratings result in lower interest costs on long-term debt.

We continue to be moderately conservative in our projections. The total General Fund revenues equal \$104,499,032 which is 5.2% lower than FY18's Adopted budget due to the removal of \$7.9 million in appropriated fund balance for three Capital Improvement Projects. If the budgets were compared without the use of unassigned fund balance, the FY19 budget would be \$1.75 million or 1.7% higher than the FY18 Adopted budget.

## Budget Preparation

In developing the FY19 recommended budget, the strategies used to balance the budget included:

- \$0.005 cent increase for items related to supporting expanded infrastructure for General Fund operations
- Modestly aggressive sales tax revenue estimates
- Strategic use of fund balance for one-time operational items
- No mandated service reductions
- Continue core services with limited additions
- Prioritize any requested enhancements based on the city's key strategic priorities
- Use of anticipated salary savings from vacancies during the year

In starting the FY19 budget process, City priorities were identified and the budget was framed around those priorities. Those included the following:

- Develop and fund strategic plan initiatives with an emphasis on the following:
  - Competitive compensation #1 priority
  - Core infrastructure upgrades & maintenance<sup>2</sup>

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<sup>2</sup> Core infrastructure maintenance focuses on those areas where the City has taken on assets over the years but has not provided the appropriate resources to maintain those assets.

- Community engagement and policing with an emphasis on youth violence prevention and reduction initiatives
- Workforce development, specifically jobs and affordable housing
- Collaborative partnerships
- Maintain current services at existing levels<sup>3</sup>
- Continue to fund infrastructure maintenance related to the following areas:
  - 80/20 Capital projects
  - Transportation Bond projects
  - Parks Bond projects

Every department in the City contributed to the overall goal of recommending a budget that incorporates a fiscally responsible plan for the continuation of basic quality services that meets the City's priorities as set forth above. Departments were charged with submitting the following scenarios:

- A flat base budget that realigned with current department priorities to include any resource shifts related to new services deemed a priority
- Enhancements that related to either:
  - Strategic plan initiatives with priority given to those initiatives that had a collaborative effort between two or more departments
  - Current service level maintenance
  - Core infrastructure maintenance

## Budget Highlights

The following section presents highlights included in the recommended budget.

### Strategic Plan

Staff is dedicated to delivering high-quality services to the citizens of Wilmington. FY18 represented the second full year implementation of the City's adopted four year strategic plan. The plan builds upon the community's vision and the city's core values and commitments.

The foundation of the plan are the six focus areas adopted June of 2015 and include:

- **Create a Safe Place:** The City will create a safe, inclusive community with neighborhood/area based public safety and support services.
- **Foster a Prosperous, Thriving Economy:** The City will promote opportunity and prosperity by fostering sustainable, regionally coordinated economic growth and development strategies for creating jobs, building a strong workforce, facilitating commerce and business vitality.
- **Promote Culture, Arts and Public Spaces:** The City will provide unique, creative open space, parks and community facilities integrated with arts and cultural activities for all.

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<sup>3</sup> Maintain current services at current levels focuses on those services that need additional resources to continue the same service going into FY18 such as contract increases, material increases and the like.

- **Support Efficient Transportation Systems:** The City will advocate for, develop and maintain diverse modes of transportation needed for an inclusive, connected community. Greenways, pedestrian and bicycle amenities and a regionally focused multimodal transportation system will increase mobility and regional connectivity.
- **Engage in Civic Partnerships:** The City will build and improve partnerships, collaborations and relationships with all stakeholders, including our citizens and public and private organizations.
- **Provide Sustainability and Adaptability:** The City will protect and preserve our natural resources with quality design for the built environment.

The following represents impacts staff have already made in the first 10 months of the current fiscal year towards the success of the strategic plan.

**Create a Safe Place**

- Police Department utilized a Crime Prevention Specialist position to develop and support neighborhood watch programs.
- As a part of a rover bulky program to identify and clean neighborhoods, the city collected over 77 tons of bulky items from city right of ways in 19 census tracts.
- City staff registered for Crime Prevention through environmental design (CPTED) training.
- Continued to identify and resolve sidewalk gaps throughout the city.

**Foster a Prosperous, Thriving Economy**

- Continue civic partnerships with economic development agencies and work closely with WDI and DBA on a range of communications and branding projects downtown.
- With the completion of the Convention Center hotel, shifting of marketing and sales strategies in an effort to become a convention destination.
- Work efforts on improving the development review process continued.

**Promote Culture, Arts and Public Spaces**

- The Northern Waterfront Parks' schematic design was completed and presented to City Council.
- Lacrosse programming has been added to community athletic events, along with existing programs in basketball, swimming, t-ball, soccer and flag football.

**Support Efficient Transportation Systems**

- Continued coordination of capital projects with CFPUA for street and stormwater system rehabilitation.
- Produced videos to promote WAVE and other alternative transportation options in the city such as bike and pedestrian trails.

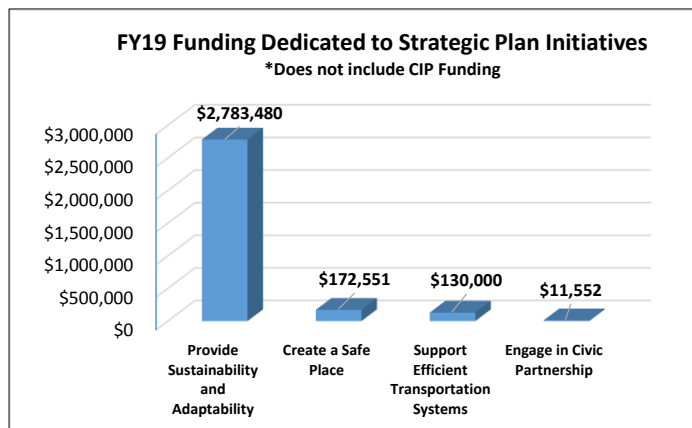
**Engage in Civic Partnerships**

- Submitted a plan to enhance at-risk youth programming by offering outdoor recreation programming.
- Continued process of the Community Development Block grant competitive funding.

**Provide Sustainability and Adaptability**

- Reallocated existing internal positions in Solid Waste and Stormwater to respond to existing needs allowing for improvements in productivity.
- Progress continued on a Duke University behavioral economics study reviewing personal appliance plug load energy usage in city facilities.
- Applied for a PARTF grant for the gymnasium addition at the Davis Center.
- Staff participation in a Business Process Mapping training and initiative to find efficiencies and document current business process.

The FY17-20 Strategic Plan sets the tone for the development of the recommended budget. The plan serves as a roadmap guiding the City’s vision for the future through its focus areas, strategies, action steps and outcomes. The plan continues to provide a consistent framework for alignment with the Comprehensive Plan, Council’s policies, budgetary decisions and staff guidance.



This recommended budget continues funding for current services and programs that support the City’s Strategic Plan and specifically those initiatives that will advance the six areas identified as the primary focus areas of Council’s vision for the City. The recommended budget has \$3,097,583 in new funding initiatives that directly tie to the strategic plan.

**City of Wilmington’s Workforce**

Our workforce is the backbone to the continuation of high-quality services to our community. Our strategic plan emphasizes investment in the development of the city’s human capital by developing internal service staffing plans that meet the need of our growing community (**Provide Sustainability and Adaptability 1.1**). As a priority, this recommended budget reflects the continuation of a multi-year compensation strategy that pays market wages to employees doing similar jobs in the current labor market. The success of our compensation program hinges on our ability to appropriately compete with external labor markets, to recognize and reward exceptional performance and to maintain a shared sense of internal equity and fairness. To this end, two compensation packages are included in the recommended budget:

- Compensation Study Components tied to determining market pay
- Merit Plan tied to performance

Reflected in the budget is a total of \$1,223,701 dedicated to implementing the findings of the compensation study undertaken in FY18. Those recommendations built into the budget include:

- Aligning our pay ranges to 100% of market for hourly, fire and police positions
- Adjusting employee compensation within the new pay ranges to insure internal equity and fairness
- Offering an educational incentive for uniformed fire personnel

In addition to the compensation study components, a total of \$1,254,736 in salary and benefits was added to the budget to recognize employees for their performance through a merit program. This allows the city to continue investing in strong workers and recognizing their value to the city. We are appreciative of Council's support and commitment to our market employee compensation philosophy.

### **Youth Violence Prevention & Community Policing**

The recommended budget continues to fund efforts to aid in the reduction and prevention of youth violence in progressive and innovative ways as identified in both ***the Create a Safe Place 1.1 and Engage in Civic Partnership 1.1***. Our outside agency competitive process, which went to a two-year contract cycle in FY17, enables community partners to request funding to support community-based programming. Generally, these organizations are well established in the community, having provided quality programming for many years.

This year, the funding available for these agencies increased by 2% going from \$600,903 to \$612,455 and represents the first year of another two-year contract. The current financial management policy states that competitive agency funding should not exceed ½% of the General Fund total appropriation. The ***FY19 Recommended Budget*** reflects 0.58% of the General Fund's total budget. These agencies are presented in the Sundry Non-Departmental section of the Recommended Budget to view them in their entirety. It should be noted there is an additional \$150,000 through the Community Development Block Grant. Just a few of those important organizations include:

- Blue Ribbon Commission (\$64,785) which supports two programs:
  - Voyager program that focuses on job skills training, career exposure, mentoring, vocational apprenticeships and eight (8) weeks employment for youth
  - YEZ program that focuses on youth violence prevention through education, safety, and health & wellness programs
- Phoenix Hometown Hires now called Step Up Wilmington (\$16,196) provides job readiness and job placement services to disadvantaged persons, including young adults and sheltered persons
- Brigade Boys and Girls Club and Community Boys and Girls Club (\$53,227) address youth intervention with afterschool and summer education, tutoring and recreational programming
- Dreams (\$22,302) delivers programming focusing on multi-disciplinary arts classes, serving elementary, middle, high school aged youth

- Ability Garden (\$8,013) provides gardening programming as intervention for at-risk students at low-performing schools and at in-school suspension program
- Kids Making It (\$33,943) offers skill building programming through woodworking, vocational and skilled trades training, entrepreneurship and income-earning opportunities, and paid apprenticeships
- Wilmington Residential Adolescent Achievement Place (\$25,310) delivers free after-school services and community outreach programs that reduce the number of unsupervised youth
- Cape Fear Communities in Schools (\$22,589) works collaboratively with the New Hanover County School system through after-school and summer programs for at-risk youth

The recommended budget funds two programs that directly link to at-risk youth in our community. The city will contract services to create an outdoor recreation program targeting at-risk youth to include possible kayaking, swimming, snorkeling, rock climbing and boating opportunities. The department expects an estimated 125 youth to participate.

The recommended budget also funds \$15,000 in support of the Port City Super Girls program which empowers girls throughout our community. It includes a week long academy for 60 girls. The curriculum along with extra-curricular activities, sports, health and fitness will be offered at the academy during spring break and at other times throughout the year. Funding for this program previously came from NC Drug Tax Revenue which has seen a decline over the years and can no longer fund the program sufficiently. The program is aimed at youth ages 12-18 who live in and around inner city communities.

The budget continues our youth athletic and engagement programming. The FY19 recommended budget continues to outsource the pool operations to the YMCA which increased pool hours and number of days the pools are open. First Tee, a program that influences the lives of young people by providing not only skills in the golf arena but also educational programs that build leadership, character and promotes healthy choices, has built a small course adjacent to the Municipal Golf course. Revenue is received from the First Tee to maintain the course which also has a practice area.

In response to the public's desire for neighborhood sweeps and community policing (**Create a Safe Place 2.2 and 2.3**), several initiatives continue. The *FY19 Recommended Budget* continues with the Wilmington Police Department Rover Bulky program that collaborates with Solid Waste to clean up city rights of way and illegal dumpsites, aiding in the 'Broken Window Theory', potentially reducing conditions that encourage crime. The General Fund transfer totaling \$29,866 to Solid Waste Management has been successful since its inception in July of 2016. Since its beginning of the program over 157 tons have been collected (FY17 = 80; FY18 YTD = 77).

In response to the opioid epidemic, the *FY19's Recommended Budget* funds \$13,950 for naxolene to help combat the exposure to not only our citizens who are exposed to opioids but also the safety of our officers who come into contact with it as they serve the community.

In response to House Bill 280, Juvenile Justice Reinvestment Act which raises the juvenile age to include sixteen and seventeen year olds, funding for 6 months for a new juvenile investigator (\$76,295) has been requested for FY19. This bill is expected to be law January of 2019. This represents the first year of a two



year staffing plan. With the expected increase in juvenile cases, the Police department will carefully monitor the impacts but expect the need to hire another full time juvenile investigator and a social worker in FY20. This initiative links to the city's strategic plan **Create a Safe Place 3.1** which ensures key staff is resourced in key areas of the city.

To help keep our communities safe and proactively respond to any code violations in our community (**Create a Safe Place 5.4**), a new zoning code enforcement officer (\$60,440) has been budgeted for a full year in FY19. This too is in response to a change in legislation. Senate Bill 131 (Session Law 2017-1) provides a five year statute of limitations, and a seven year ban on bringing actions, for a unit of local government to institute an action for a violation of a land use statute, ordinance, permit, or other official action concerning land use carrying the effect of law. This section becomes effective October 1, 2018, and applies to actions commenced on or after that date. The impact to the city will require staff to initiate additional zoning actions and take a more proactive stance on zoning enforcement generally to ensure that violations of the code are not unintentionally grandfathered and the communities we have in the city will continue to be preserved. This position will also aid the department in managing any policy decisions made regarding short term lodging.

The medic aid car program was created in FY17 as an additional unit to aid during high volume medical response times in lieu of dispatching fire trucks. This program was discontinued until such time as better analytics can be developed to support the cost effectiveness of the program and community partners can discuss how the program can be supported. The program discontinuation results in a reduction of the 3 firefighter position authorized for the program in FY17. Due to staffing shortages, the unit was frequently removed from service.

### **Workforce and Affordable Housing**

This budget supports the strategic plan initiative found in **Provide Sustainability and Adaptability** where the focus is on workforce and affordable housing. The budget increases funding by \$110,000 for workforce and affordable housing, budgeting \$510,000 in FY19 as compared to the \$400,000 in FY18.

The establishment of a City of Wilmington/New Hanover County Ad hoc Committee on Improving Workforce/Affordable Housing provided their first year recommendations to both the City and the County in April of 2017. The *FY19 Recommended Budget* has funding totaling \$60,000 to respond to the specific recommendations pending a joint City Council/County Board discussion on priorities going forward.

In addition to that, the budget allows for \$450,000 to continue to fund those programs that aid low income owner-occupied housing and rehabilitation programs at a similar level as FY18. Those programs include:

- Homeownership Opportunity Program (\$60,000)
- Rehabilitation Programs (\$340,000)
  - Minor Repairs up to \$10,000
  - Owner-occupied housing rehabilitation programs up to \$75,000
- Forgivable Loan Legal Fees (\$50,000)

And finally, the preservation of our housing stock protects neighborhoods from deteriorating either in aesthetics or crime. The budget funds \$28,000 to pilot new material, polycarbonate board, to use when boarding unsafe structures that are out of compliance with the minimum housing code. This program has several goals:

- Preserve the housing stock by preventing further deterioration of the home through prevention of vandalism and weather corrosion
- Aid the home owner to preserve their assets for a longer period of time
- Secures the property and neighborhood working as a crime deterrent

### **Expanding Infrastructure Maintenance**

Those areas where the City has acquired assets over the years but has not funded the appropriate amount of resources to maintain them are also a strategic plan initiative (***Provide Sustainability and Adaptability 1.1***). Our expanding infrastructure does not only relate to physical structures but also human capital. The recommended budget provides the following initiatives related to this priority.

A new Plan Review Project Engineer (\$108,430) was authorized in the FY19 budget. This position will help aid the development review process and decrease the permit review time eliminating a current bottleneck in the process. In addition, this position will be responsible for creating and managing a new process to address the 10-year renewal of initial permits that will be expiring in October 2018.

Financial Enterprise Operating SaaS Fees totaling \$316,968 will allow IT Services to address the SaaS (Software as a Service) fees in concurrence with the proposed Enterprise Resource Project upgrade scheduled go live date in January of 2019. This funding represents approximately half year funding requirements. In FY20, full funding is anticipated at a cost of just over \$700K.

Funding in the amount of \$62,916 was authorized for a new Electronic and Instrumentation Technician in the traffic division. This technician will aid the department in responding to the needs of the traffic signal systems which is expanding and becoming more complex both through development and NCDOT projects.

Funding in the amount of \$29,838 was authorized to allow GTV to hire a full time Video Production Technician. The entire package costs \$54,838. Staff supplemented \$25,000 of the cost with base shifts. The demand for video production, AV and technical support particularly link to use of social media continues to grow. A full time employee is more efficient and a better value than contracted temporary employees as the current practice dictates.

Funding for a new tree trimmer (\$50,166) is included for a 2<sup>nd</sup> three-man crew. They handle daily maintenance, take downs and emergency calls related to trees. The goal is to have three (3) three-man crews over time and eliminate all back order requests for trimming service.

A one-time expense of \$90,000 was identified to hire a consultant to review the City's standards for planting street trees, tree protection, soil selection, root barrier and other methods used to control root growth. With both the development boom around the city that impacts the city's tree canopy, and the

need to continue paving roads and sidewalks, many of the new streets are already seeing root damage on recently paved areas.

An increase of \$4,000 will allow for training related to the new HVAC system technology and Variable Frequency Drives found in the city's newer Fire stations. This funding allows two technicians to attend training as well as cover their travel needs.

### **Alternative Modes of Transportation**

The strategic plan has an area dedicated to alternative modes of transportation. Both ***action steps 2.4 and 4.2 in Support Efficient Transportation Systems*** relates to the pursuit of the rail realignment and seek partners to that end. To date, the Mayor appointed a Rail Realignment Task Force in 2015. The taskforce presented their feasibility study to Council in June of 2017 which was subsequently adopted in July of 2017. In order to continue development of the project and maintain the City's interest as lead agency, the FY19 budget funds a rail realignment coordinator at a cost of \$130,000. This position will continue to work with key stakeholders forging relationships to include NC State Ports, representatives from adjacent counties, NC Legislature, NC Department of Transportation, private sector interests, Congressional delegates and of course the rail companies. This is a large initiative that needs dedicated staff to manage the project.

Continuing our partnerships with local agencies, and reflected in the FY19 budget, is WAVE Transit's operating subsidy totaling \$1,404,155, three percent over FY18's adopted amount. Additionally, WAVE's capital request for the maximum 20% match for four buses totals \$375,200 with any additional funding from the State or Federal grant matches decreasing the City's contribution. Staff recommends the use of the Transportation Bond appropriation dedicated to general transportation projects to fund their Capital subsidy request.

### **Other Strategic Plan Initiatives**

Other partnerships, in the economic development and cultural arts sphere, include University of North Carolina at Wilmington (UNCW). FY19 is the last year of a funding commitment made to UNCW for \$100,000 annually in support of their efforts in redevelopment of the athletic track.

Every other year, the city conducts a citizen survey to gain an understanding of citizen's satisfaction. FY19 funds this initiative at \$32,852. This is an increase from previous years to accommodate a limited number of mini-surveys that seek citizen's feedback on real time topics facing the city. The details are still being scoped.

The budget includes \$25,000 for the Chambers' continued efforts to further develop the region's knowledge-sector economy and promote "Choose Cape Fear" Program introduced in 2017 through their regional economic development marketing efforts.

To complement the development activity around town, the FY19 budget has continued funding for business incentives. It is necessary for the city to be in a position to grow the local economy through such

business opportunities. Highlighted in this section is the most recent incentives the City approved with National Gypsum (\$46,000). Additionally, there is a \$25,000 increase to the Miscellaneous Incentives appropriation bringing the budget to \$125,000 and a \$50,000 increase to Council’s economic development contingency appropriation. With these increases, the city should be in good standing to appropriately respond to opportunities in FY19.

This budget recommends the continued partnerships with other economic development partners. FY19 represents the last year of a three year funding cycle with our economic civic partners. The funding remains at the same level as last year totaling \$446,890. The following represents what can be found in this proposal.

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend
<b>Economic Civic Partners</b>				
<i><b>Economic Development</b></i>				
Wilmington Business Development	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Wilmington Downtown, Inc.	\$ 86,000	\$ 86,000	\$ 86,000	\$ 86,000
Wilmington Regional Film Commission	\$ 121,890	\$ 121,890	\$ 121,890	\$ 121,890
<i><b>Cultural and Recreation</b></i>				
Children's Museum of Wilmington	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Entrepreneur Center	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000
Arts Council	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Cameron Art Museum	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Cucalorus Film Foundation	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000
Wilmington Jewish Film Festival	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
<b>Total Economic Civic Partner Agencies</b>	<b>\$ 446,890</b>	<b>\$ 446,890</b>	<b>\$ 446,890</b>	<b>\$ 446,890</b>

## Continuing Core Services

Additional funding is needed to continue core services at current levels. Many of these services require enhancements to include replacement of equipment to ensure staff has what is needed to complete their jobs safely and effectively. Some of those initiatives include the following:

- Nuisance abatement funding in the amount of 18,000 supporting historical expenses used for code enforcement violations.
- Replacement funding totaling \$47,252 allows for the purchase of a compact utility tractor. This tractor will replace a tractor that is currently twenty-eight years old and not a part of the fleet replacement fund. This tractor is used in both Parks and Recreation as well as the Trees division and other Recreation divisions.
- A total of \$70,774 will allow IT Services to cover the annual increases, typically 3-5% annually, in licensing of the City's software and maintenance contracts.
- Funding in the amount of \$26,679 allows the Police Department to purchase ten (10) specialized SWAT team ballistic vests to replace expiring units or upgrade existing vests.
- Authorized in the budget is funding in the amount of \$70,000 allowing the Police Department to replace aging interview equipment for four rooms. Interviews are required by law to be recorded.

- The funding in the amount of \$12,290 allows the Police Department to replace ten (10) in-car radars. Current radars are obsolete, leaving the patrol units with no authorized replacements on hand.
- A total of \$22,225 is budgeted for the Police Department to replace the aging collar system on the Police boat.
- Budgeted is \$11,095 to purchase an 8-foot wide duplex unit to replace the current duplex drying cabinet utilized by both the crime scene personnel and patrol officers to house evidence.
- Additional \$100,000 was budgeted in the Police overtime lines. Trends are showing an uptick warranting a need for additional funding.
- The Engineering Department will have a shortfall between operating costs and revenues due to the reduction of allocated force account charges. This reduction of revenues, presented in the budget book as allocated costs, as charged to the city's Capital Projects increases the General Fund support by \$46,635. With less and less projects allowing charge back, this is the second year where more General Fund support is required in lieu of Capital Projects.

And lastly, there were adjustments made to various internal services charges related to technology management fees (Seat Management), insurance liabilities, workers compensation claims, fuel and central fleet as a cost of doing business increased the budget \$387,711 over FY18 budget.

All the modifications to the budget can be found in the department section of the budget presentation.

## Debt Service & 80/20 Capital Improvement Plan (CIP)

### ***Debt Service***

FY19 continues the second year of the 2<sup>nd</sup> 80/20 Debt Service CIP. It also continues the voter approved Parks Bond projects, the Water Street Collaboration, now referred to as River Place, the 80/20 Debt Service for the 1st CIP and the voter approved Transportation Bond projects. Streets and sidewalk, facilities, infrastructure maintenance and park improvements projects continue to be funded through the implementation of the Capital Improvement Plan. This budget allocates \$0.0947 of the tax rate or \$14,184,887 that is dedicated to the Debt Service fund.

In order to maintain the current capital infrastructure improvement plan, the General Fund continues with the \$9.3 million transfer to the Debt Service fund in support of the projects. It includes the payment of principal and interest costs for already approved and recommended capital projects.

### ***80/20 Capital Improvement Plan***

The ***FY19 Recommended Budget*** appropriates \$10,935,170 in projects related to Streets and Sidewalks, Parks and Recreation, Public Facilities, Public Facilities-Parking and Stormwater. These appropriations continue the 2nd year of the 2nd 80/20 Capital Improvement Plan, FY18-FY23. In the presentation of the Capital Improvement's section of the recommended budget, there is \$1,400,000 for the Chestnut & Grace Street Improvement Project was previously appropriated in FY17 but was not in the financial model at

that time. This year that oversight has been corrected and the project it is now in the financial model; hence represented in the current financial plan.

## Enterprise Funds

The **Solid Waste** recommended budget continues to fund, as highlighted above in the Core Infrastructure Maintenance section, the alley maintenance program piloted in FY18. FY19 has \$20,000 budgeted to pay a contracted private tree service to help maintain the problem service alleyways.

To mitigate a challenge with the department's ability to hire experienced CDL drivers, 5 solid waste workers are reclassified to operators. Internal staff will be given the opportunity to obtain the required CDL training prior to going outside for staffing. Lastly, the budget continues the transfer from the General Fund of \$29,866 to support the partnership with Police and Code Enforcement to clean up illegal dumping sites in targeted neighborhoods.

The Solid Waste fund is balanced for FY19 at \$9,408,066 of which \$81,169 of unassigned fund balance is included. The expected unassigned fund balance as of June 30, 2019 is projected to be \$5,432,335 or 57.74% of FY19 projected expenditures. This assumes all of the FY18's appropriated unassigned fund balance of \$663,890 is expended and no further appropriations in FY19 are required.

The **Stormwater Management** rate model requires a 1% rate increase to fund expenditures, which includes a transfer to the Capital Improvement Plan of \$3,300,000 for annual storm drain rehabilitation. A total of \$2,200,000 of that transfer is to fund the Clear Run Branch project. The FY19 Storm Drain Rehabilitation CIP will be using pay-go for the projects instead of revenue bonds.

The Stormwater Management fund is balanced at \$11,776,939. The unassigned fund balance in the Stormwater Fund as of June 30, 2019 is expected to be \$3,990,415 or 33.88% of FY19 projected expenditures. This assumes all of the FY18's appropriated unassigned fund balance of \$3,367,206 is expended and no further appropriations in FY19 are required. Due to the capital intensive nature of the Stormwater Management Program, a higher balance than normal policy requirements of 15-20% is a good financial indicator.

A few highlights of the Stormwater Management fund relate to several reclassifications.

- Reclassify 10 stormwater worker positions to senior stormwater workers to reflect the job requirement of holding a commercial driver's license
- Reclassify 1 administrative support technician to a senior stormwater engine equipment mechanic in an effort to create efficiencies with downtime of operations when the stormwater workers are repairing equipment
- Reclassify 2 stormwater workers to senior stormwater workers resulting in a two-man crew that will be responsible for all of Stormwater's CCTV video inspections

**Parking** in the City of Wilmington is a high priority for residents, tourists, and businesses especially in the downtown area. Key factors in the success of the parking program are an improving economy, moderate weather and no natural or man-made disasters.

The Parking Facilities Fund is balanced at \$3,951,931. The fund's unassigned fund balance as of June 30, 2019 is projected to be approximately \$3,317,041 or 83.93% of FY19 budgeted expenditures. This assumes all of the FY18's appropriated unassigned fund balance of \$115,696 is expended fully and no further appropriations in FY19 are required.

The most noteworthy change proposed for the FY19 Parking budget includes the reduction of all revenue associated with the Water Street Parking Deck. The deck was demolished in FY18 to make way for the Water Street Redevelopment Project now referred to as the River Place project. There is a transfer of \$139,050 to the Parking Facilities Capital Improvement Fund to fund the Market Street Deck Access Improvements. And there are also several fee schedule changes that result in an overall parking fee restructure to sustain parking's growth and expansion in the downtown area. Those changes are highlighted in full in the fee schedule section further in the budget document.

The Convention Center parking deck also has a few fee schedule changes related to event rates for FY19. Those parking fee realignments include:

- Adding an **all day event rate** of \$13
- Adding a **partial day event rate** of \$10

The **Municipal Golf Course** proposed budget, totaling \$1,453,144, is less than a 1% increase over FY18's adopted budget. The revenue continues to reflect the \$51,396 intended to recoup the costs associated with this First Tee program maintenance to include a turf grass worker, additional consumables, repairs and maintenance to equipment as well as an increase in annual fuel usage.

The Golf Fund's unassigned fund balance is projected to be approximately \$105,515 or 7.26% of FY19 budgeted expenditures. This assumes the full \$120,399 of appropriated unassigned fund balance for FY18 is fully expended. If that is the case, the unassigned fund balance is below the City's financial policy and a review of the fee structure in FY20 should occur.

## Municipal District

The Wilmington City Council established a Municipal Services District (MSD) for the Central Business District in December of 2016 to provide professional services above and beyond what is already provided by the City. This recommended budget continues the tax rate of \$0.07 per \$100 assessed value, for both real and personal property, based on the total district's property values totaling \$556 million. The assessed values have increased by \$11 million over FY18. Expected revenues totaling \$384,341 have been budgeted for FY19.

The FY19 Municipal Services District will provide safety, cleaning, physical appearance and marketing services to our core downtown district beyond the scope of our City services. Wilmington Downtown, Inc., will continue to serve as our service provider. The MSD program began in FY18 and has overcome

initial start up challenges. The MSD Advisory Committee recommended the FY19 budget continue to focus on improving the Ambassador program. The FY19 contract budget of \$362,114 is slightly less than the FY18 budget. This reduction is not due to a decline in property values but rather some funding was appropriated in a reserve for unforeseen needs and includes fees to New Hanover County for these revenue collections that were not included in the FY18 budget. The FY19 budget endorsement of the MSD Advisory Committee is being requested at their April 27th meeting.

## Major Services

A request was made to identify services not only through assigned funds or functions but costs associated with major programmatic services that may cross functional and departmental boundaries. Exact figures are not easily identified through our financial system and assumptions were made with regard to positions' allocated time since many of our staff are responsible for multiple tasks. The following services were captured:

- Transportation (excluding CIP) = \$12,388,836
- Code Enforcement = \$1,332,830
- Inspection, permitting and citations = \$497,116
- LAB/CSI = \$1,029,897

## Not Included

Although the *FY19 Recommended Budget* included a number of items related to the city's expanding infrastructure, the ½ cent change did not adequately cover other worthwhile modifications. Those items the budget did not address include the following:

- Police officer coverage to include demands in both the northern downtown area and throughout the city in response to growth
- Riverwalk on-going maintenance funding
- Expanding Affordable Housing programs
- Neighborhood traffic calming funding

## Commitment

The City is committed to creating financial resiliency in preparation for the opportunities that we will face in the years to come. We continue to challenge each other and our systems, policies and methods of operation to ensure our tax payer dollars are used efficiently and responsibly. As the General Assembly convenes and deliberates the future with regard to various revenue stream distributions, we will move forward conservatively to preserve our revenue sources as well as remain flexible and proactive in our efforts to maintain quality services. We will continue to engage all employees in our efforts to make sure the way we provide services to citizens and how we conduct our internal business represents the core values established by the City.



FY19 Recommended Budget  
Transmittal

In closing, I would like to commend the efforts of the City Council for their guidance in the preparation of this budget and for their commitment to quality services for our community. I would also like to commend City departments who worked tirelessly and shared in the burden of preparation of this very challenging budget. I would like to especially thank the Budget staff for their extra effort in putting this recommended budget together.

The FY19 Budget is now respectfully turned over to Council and the community for consideration. We stand ready to support you as you make these decisions.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sterling B. Cheatham", with a long horizontal flourish extending to the right.

Sterling B. Cheatham  
City Manager

## REVENUE AND EXPENDITURE SUMMARY

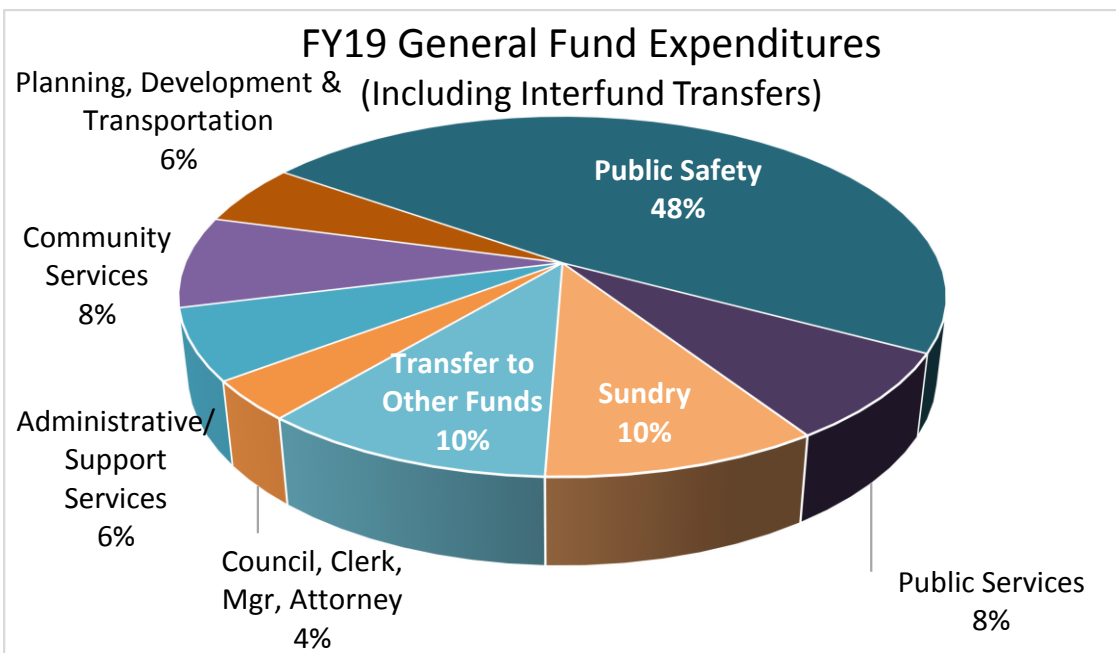
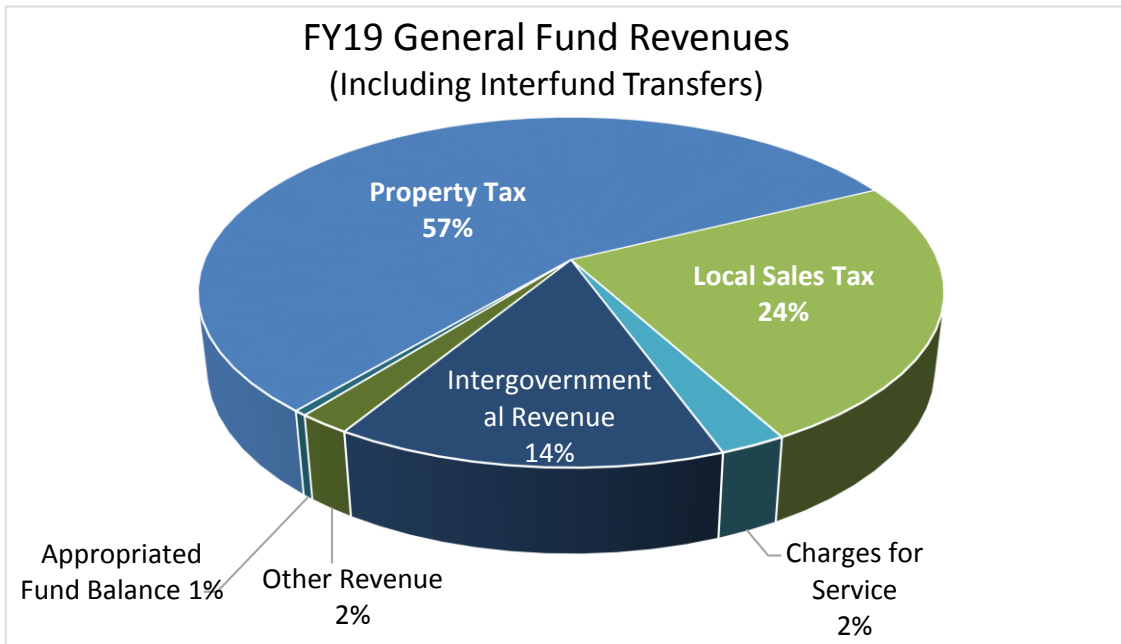
### REVENUE AND EXPENDITURE TRANSFER SCHEDULE

	Less Approp Fm			Total Expenditures	Less Approp To		
	Total Revenues	Other Funds	Net Revenue		Other Funds	Net Expenditure	
<b>Operating Funds</b>							
General Fund	\$ 104,999,032	\$ -	\$ 104,999,032	\$ 104,999,032	\$ 10,582,273	\$ 94,416,759	
Solid Waste Management Fund	\$ 11,776,939	\$ 29,866	\$ 11,747,073	\$ 11,776,939	\$ -	\$ 11,776,939	
Stormwater Management Fund	\$ 9,408,066	\$ -	\$ 9,408,066	\$ 9,408,066	\$ 3,300,000	\$ 6,108,066	
<b>Subtotal</b>	<b>\$ 126,184,037</b>	<b>\$ 29,866</b>	<b>\$ 126,154,171</b>	<b>\$ 126,184,037</b>	<b>\$ 13,882,273</b>	<b>\$ 112,301,764</b>	
<b>Program Funds</b>							
Special Purpose Fund	\$ 3,065,978	\$ 658,392	\$ 2,407,586	\$ 3,065,978	\$ 3,100	\$ 3,062,878	
Convention Center Operating Fund	\$ 7,101,838	\$ -	\$ 7,101,838	\$ 7,101,838	\$ -	\$ 7,101,838	
CDBG Fund	\$ 879,398	\$ -	\$ 879,398	\$ 879,398	\$ -	\$ 879,398	
CDBG/HOME Grant and Loan Fund	\$ 763,493	\$ 253,598	\$ 509,895	\$ 763,493	\$ -	\$ 763,493	
HOME Partnership Fund	\$ 662,147	\$ -	\$ 662,147	\$ 662,147	\$ -	\$ 662,147	
Parking Facilities Fund	\$ 3,951,931	\$ 534,543	\$ 3,417,388	\$ 3,951,931	\$ 139,050	\$ 3,812,881	
Golf Course Fund	\$ 1,453,144	\$ -	\$ 1,453,144	\$ 1,453,144	\$ -	\$ 1,453,144	
Fleet Maintenance & Replacement Fund	\$ 7,872,281	\$ -	\$ 7,872,281	\$ 7,872,281	\$ -	\$ 7,872,281	
Technology Replacement Fund	\$ 1,437,474	\$ 308,685	\$ 1,128,789	\$ 1,437,474	\$ -	\$ 1,437,474	
<b>Subtotal</b>	<b>\$ 27,187,684</b>	<b>\$ 1,755,218</b>	<b>\$ 25,432,466</b>	<b>\$ 27,187,684</b>	<b>\$ 142,150</b>	<b>\$ 27,045,534</b>	
<b>Debt Service Fund</b>							
Debt Service Fund	\$ 24,028,396	\$ 9,334,832	\$ 14,693,564	\$ 24,028,396	\$ 5,787,279	\$ 18,241,117	
<b>Subtotal</b>	<b>\$ 24,028,396</b>	<b>\$ 9,334,832</b>	<b>\$ 14,693,564</b>	<b>\$ 24,028,396</b>	<b>\$ 5,787,279</b>	<b>\$ 18,241,117</b>	
<b>Special District</b>							
MSD	\$ 384,341	\$ -	\$ 384,341	\$ 384,341	\$ -	\$ 384,341	
<b>Subtotal</b>	<b>\$ 384,341</b>	<b>\$ -</b>	<b>\$ 384,341</b>	<b>\$ 384,341</b>	<b>\$ -</b>	<b>\$ 384,341</b>	
<b>Capital Project Fund (Not of Debt)</b>							
CP - Streets and Sidewalks	\$ 4,164,095	\$ 2,914,208	\$ 1,249,887	\$ 4,164,095	\$ -	\$ 4,164,095	
CP- Stormwater/Drainage	\$ 3,327,513	\$ 3,300,000	\$ 27,513	\$ 3,327,513	\$ -	\$ 3,327,513	
CP- Parks and Recreation	\$ 726,968	\$ 1,812,590	\$ (1,085,622)	\$ 726,968	\$ -	\$ 726,968	
CP- Public Facilities	\$ 1,977,544	\$ 246,850	\$ 1,730,694	\$ 1,977,544	\$ -	\$ 1,977,544	
CP- Parking Facilities	\$ 739,050	\$ 885,458	\$ (146,408)	\$ 739,050	\$ -	\$ 739,050	
CP- Golf Course Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
CP- Public Improvement	\$ -	\$ -	\$ -	\$ -	\$ 467,320	\$ (467,320)	
<b>Subtotal</b>	<b>\$ 10,935,170</b>	<b>\$ 9,159,106</b>	<b>\$ 1,776,064</b>	<b>\$ 10,935,170</b>	<b>\$ 467,320</b>	<b>\$ 10,467,850</b>	
<b>Total All Funds</b>	<b>\$ 188,719,628</b>	<b>\$ 20,279,022</b>	<b>\$ 168,440,606</b>	<b># \$ 188,719,628</b>	<b>\$ 20,279,022</b>	<b>\$ 168,440,606</b>	

Table represents transfers actually appropriated in other funds. Periodically, transfers are appropriated on one side by not received on the other.

**GENERAL FUND BUDGET SUMMARY (Including Interfund Transfers)**

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
<b>Revenues</b>					
Property Tax	\$ 56,995,803	\$ 57,522,173	\$ 57,522,173	\$ 59,395,384	3.3%
Local Sales Tax	\$ 24,371,379	\$ 25,980,637	\$ 25,980,637	\$ 25,548,953	-1.7%
Licenses, Fees & Permits	\$ 1,005,065	\$ 915,000	\$ 915,000	\$ 940,000	2.7%
Intergovernmental Revenues	\$ 16,265,145	\$ 15,071,951	\$ 15,121,951	\$ 14,960,972	-0.7%
Charges for Current Services	\$ 2,585,868	\$ 2,448,238	\$ 2,450,368	\$ 2,557,944	4.5%
Fines & Forfeitures	\$ 170,291	\$ 165,000	\$ 165,000	\$ 175,000	6.1%
Interest Earnings	\$ 282,801	\$ 252,620	\$ 252,620	\$ 577,666	128.7%
Other Revenue	\$ 1,473,064	\$ 388,553	\$ 429,398	\$ 344,073	-11.4%
Appropriated Fund Balance	\$ 2,304,537	\$ 7,960,200	\$ 8,757,530	\$ 499,040	-93.7%
<b>Revenue Total</b>	<b>\$ 105,453,952</b>	<b>\$ 110,704,372</b>	<b>\$ 111,594,677</b>	<b>\$ 104,999,032</b>	<b>-5.2%</b>
<b>Expenditures</b>					
City Council	\$ 207,315	\$ 218,351	\$ 228,176	\$ 226,269	3.6%
City Clerk	\$ 217,572	\$ 258,485	\$ 258,480	\$ 254,759	-1.4%
City Manager	\$ 1,990,381	\$ 2,159,120	\$ 2,237,487	\$ 2,221,145	2.9%
City Attorney	\$ 1,001,212	\$ 1,034,232	\$ 1,078,074	\$ 1,044,173	1.0%
Human Resources	\$ 818,566	\$ 1,067,846	\$ 1,068,343	\$ 1,034,820	-3.1%
Finance	\$ 2,039,468	\$ 2,339,918	\$ 2,352,247	\$ 2,313,394	-1.1%
Information Technology	\$ 2,552,963	\$ 2,873,974	\$ 2,899,565	\$ 3,331,910	15.9%
Community Services	\$ 7,582,969	\$ 8,431,906	\$ 8,520,315	\$ 8,609,851	2.1%
Planning, Development & Transp	\$ 4,892,609	\$ 5,538,086	\$ 5,787,343	\$ 5,798,443	4.7%
Police	\$ 29,522,594	\$ 30,666,806	\$ 30,846,212	\$ 31,859,884	3.9%
Fire	\$ 17,252,355	\$ 18,257,286	\$ 18,300,959	\$ 18,659,995	2.2%
Public Services	\$ 5,207,423	\$ 5,525,488	\$ 5,561,294	\$ 5,546,191	0.4%
PS-Engineering	\$ 2,418,693	\$ 2,559,269	\$ 2,562,071	\$ 2,745,433	7.3%
Non-Departmental	\$ 10,211,268	\$ 10,573,000	\$ 10,731,675	\$ 10,055,492	-4.9%
Contingency	\$ -	\$ 200,000	\$ 195,000	\$ 265,000	32.5%
Transfer to Other Funds	\$ 19,319,046	\$ 19,000,605	\$ 18,967,436	\$ 11,032,273	-41.9%
<b>Appropriations Total</b>	<b>\$ 105,234,434</b>	<b>\$ 110,704,372</b>	<b>\$ 111,594,677</b>	<b>\$ 104,999,032</b>	<b>-5.2%</b>

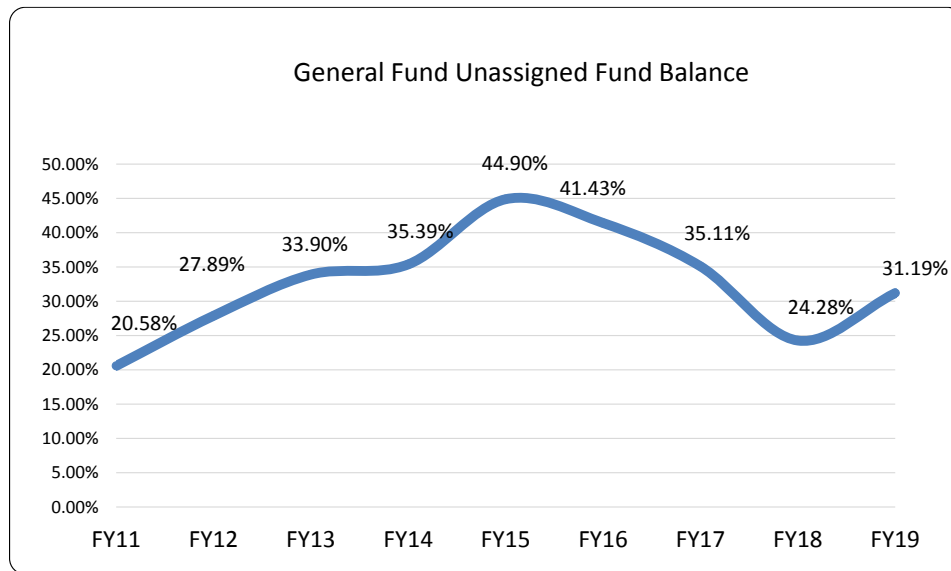


**CONSOLIDATED UNASSIGNED FUND BALANCE SUMMARY**

Fund	Unassigned Fund Balance As of June 30, 2017	Anticipated Unassigned Fund Balance June 30, 2018	Recommended FY 18-19 Budgeted Expenditures	% of FY 18-19 Budgeted Expenditures	Anticipated Unassigned Fund Balance June 30, 2019	% of FY 18-19 Budgeted Expenditures
General Fund	42,433,218	33,253,160	104,999,032	31.67%	32,754,120	31.19%
Solid Waste Management Fund	4,849,614	5,513,504	9,408,066	58.60%	5,432,335	57.74%
Storm Water Management Fund	7,570,096	4,202,890	11,776,939	35.69%	3,990,415	33.88%
Golf Course Fund	225,914	105,515	1,453,144	7.26%	105,515	7.26%
Parking Facilities Fund	3,201,345	3,317,041	3,951,931	83.93%	3,317,041	83.93%

The anticipated unassigned fund balance for June 30, 2018 includes any FY18 mid-year appropriations. The unassigned fund balance for year end FY19 assumes receipt of budgeted revenues and use of all budgeted expenditures.

**General Fund Unassigned Fund Balance**



Fund balance is the accumulated excess of revenues and other financing sources over expenditures and other financing uses for governmental functions. **Unassigned** fund balance is the residual classification for the government’s General Fund based on GASB (Governmental Accounting Standards Board) Statement #54 and includes all spendable amounts not contained in other classifications.

## AUTHORIZED POSITION LISTING

The authorized position listing summarizes the net changes in positions for the fiscal years 2016-17 through the recommended FY19 budget.

	FY17 Actuals	FY18 Adopted	FY18 Adjusted	FY19 Recommended
<b>General Fund Full Time</b>				
City Clerk	3	3	3	3
City Manager	17	18	18	19
City Attorney	10	10	10	10
Human Resources	9	10	10	10
Finance	27	27	27	27
Information Technology Services	21	21	21	21
Community Services	83	85	85	86
Planning, Development and Transportation	44	45	45	48
Police Department	341	343	343	344
Fire Department	222	222	222	219
Public Services Department	40	40	40	40
Engineering	30	30	30	31
<b>General Fund Full Time Total</b>	<b>847</b>	<b>854</b>	<b>854</b>	<b>858</b>
<b>Other Funds Full Time</b>				
CD/HM Grant and Loan Fund	8	8	8	8
Fleet	13	13	13	13
Golf Course Fund	10	10	10	10
Metropolitan Planning Special Purpose Fund	10	11	11	11
Parking Fund	2	2	2	2
Solid Waste Management Fund	75	75	75	75
Stormwater Management Fund	60	60	60	60
<b>Other Funds Full Time Total</b>	<b>178</b>	<b>179</b>	<b>179</b>	<b>179</b>
<b>Part Time</b>				
City Manager	0.5	0	0	0
Community Services	17.44	16.26	16.26	16.66
Fire Department	1.45	1.45	1.45	1.45
Human Resources	0.48	0.48	0.48	0.48
Police Department	12.79	12.79	12.79	12.79
CD/HM Grant and Loan Fund	1.06	0.96	0.96	0.96
Golf Course Fund	2.92	2.92	2.92	2.92
<b>Part Time Total</b>	<b>36.64</b>	<b>34.86</b>	<b>34.86</b>	<b>35.26</b>
<b>All Funds Full Time Total</b>	<b>1025</b>	<b>1033</b>	<b>1033</b>	<b>1037</b>
<b>All Funds Part Time Total</b>	<b>36.64</b>	<b>34.86</b>	<b>34.86</b>	<b>35.26</b>
<b>Grand Total All Funds</b>	<b>1061.64</b>	<b>1067.86</b>	<b>1067.86</b>	<b>1072.26</b>

## Overview

The FY19 recommended budget reflects a net increase of four (4) full time positions across various departments as well as an increase to part time staffing of .40. Each position request directly associates with the strategic plan and overall mission of the core values of the city. In summary, it is recommended to increase the full-time authorized strength by the following positions: Video Production Technician in the City Manager’s Communications Office, a Tree Trimmer in Community Services, a Zoning Officer, an Electronics and Instrumentation Technician and a Rail Realignment Coordinator with Planning, Development and Transportation, a Juvenile Investigator in the Police Department, and a Plan Review Engineer in the Engineering Department. Full time authorized strength is also recognizing a decrease in the Fire Department of three (3) positions. This is a result of the Medic Aid Car program being discontinued. Two (2) Firefighter and one (1) Master Firefighter positions were reduced.

Two adjustments were made to part time staffing positions as follows: .15 FTE hours was added to an existing Recreation Specialist position bringing the position up to a .88 FTE as well as adding .25 FTE hours to an existing Recreation Coordinator position that will also be reclassified to a Recreation Specialist upon budget adoption.

## FEE SCHEDULE CHANGES

Below is a summary of recommended changes to the fee schedule with each summary indicating what is represented currently as well as the proposed change.

### General Fund

#### Planning

Fee	Current	Change
Plotter Prints	n/a	24x36 inch prints: \$8 36x48 inch prints: \$17
Variance Application	\$500	\$500  The City Manager may waive this fee in instances where the need for the variance is due to an error on the part of City Staff and which was not caused by misrepresentation on the part of the applicant.

#### Fire

Fee	Current	Change
Blue Card Incident Management Training	n/a	\$100 per student for non-WFD personnel

**Parks and Recreation**

***Hugh Morton/Greenfield Lake Amphitheater:***

Fee	Current	Change
Four hour block	<p>Four hour block</p> <p>Non-Profit: \$575 plus \$20/hour attendant fee</p> <p>Private/For Profit: \$800 plus \$20/hour attendant fee</p>	<p>Per Day</p> <p>Non-Profit: \$600 plus \$20/hour attendant fee</p> <p>Private/For Profit: \$900 plus \$20/hour attendant fee</p>
Four hour block	<p>Per Day (frequent user)</p> <p>Non-Profit: \$700 plus \$20/hour attendant fee</p>	<p>Per Day (frequent user)</p> <p>Non-Profit: \$700 plus \$20/hour attendant fee</p>

***Special Service Fees:***

Fee	Current	Change
Camps		Remove from Schedule
Boxing Center Membership	n/a	<p>Visitor Membership: \$25 monthly membership option available for visiting guests to the area. Members must live outside a 50-mile radius of Wilmington.</p> <p>City Employee Spouse Policy: Spouse's enrolled in the City's health plan may join the Boxing and Fitness Center under the City Employee rate.</p> <p>Free Day Pass available at the discretion of staff for promotional events and City employee promotions.</p>

***Legion Sports Complex:***

Fee	Current	Change
Exemption from Posted Fees	<p>American Legion Post 10</p> <p>New Hanover County Schools</p>	<p>American Legion Post 10</p> <p>New Hanover County Schools</p> <p>Coastal Pop Warner Football Games</p>



**Special Event Equipment Rentals:**

Fee	Current	Change
Bleacher Rentals	n/a	Bleachers* Aluminum 3 Row (seats 30): \$150/day Mobile Aluminum Grandstand (seats 300): \$700/day
Stage Rentals	n/a	Stage* 4 x 4 sections, can be built up to 12 x 12 (3 feet high, includes stairs): \$40/per section
		* Special event equipment may only be rented for delivery/pick up within the Wilmington city limits
Outside Food Vendors	n/a	25% of gross sales realized during events shall be paid to the City. Outside food vendors must be requested by the renter of the facility.

**Parking Fund**

Fee	Current	Change
On-street Parking Meter Fee (Hourly)	\$1.25 hour	\$1.50 hour
	\$11.87 all day (9.5 hours)	\$14.25 all day (9.5 hours)
Off-street Parking Meter Fee (Hourly)	\$1.25 hour	\$1.50 hour
	\$11.87 all day (9.5 hours)	\$14.25 all day (9.5 hours)
Second Street Deck Monthly Unreserved Single Space	\$55.00	\$60.00
Second Street Deck Monthly Unreserved Daytime Restricted Rate	n/a	\$50 Parking only M-F 6a to 6p, daily rates apply outside of restricted times
Second Street Deck Monthly Unreserved Evening & Weekend Restricted Rate	n/a	\$40 Parking only M-F 5p to 8a and all day Saturday and Sunday, daily rates apply outside of restricted times
Second Street Deck Monthly Reserved Single Space	\$100.00	\$110.00
Second Street Deck Hourly Rate	Up to 1 hour: \$0 1-2 hours: \$1 2-3 hours: \$2 3-4 hours: \$3 4-5 hours: \$4 5-6 hours: \$5 6-7 hours: \$6 7-8 hours: \$7 8-24 hours: \$8 Lost Ticket: \$8	Up to 1 1/2 hours: \$0 1 1/2-2 hours: \$2 2-3 hours: \$3 3-4 hours: \$4 4-5 hours: \$5 5-12 hours: \$8 12-24 hours: \$10 Lost Ticket: \$10

Fee	Current	Change
Market Street Deck Monthly Unreserved Single Space	\$55.00	\$60.00
Market Street Deck Monthly Unreserved Daytime Restricted Rate	n/a	\$50 Parking only M-F 6a to 6p, daily rates apply outside of restricted times
Market Street Deck Monthly Unreserved Evening & Weekend Restricted Rate	n/a	\$40 Parking only M-F 5p to 8a and all day Saturday and Sunday, daily rates apply outside of restricted times
Market Street Deck Monthly Reserved Single Space	\$100	\$110 with 24/7 access
Market Street Rooftop Monthly Rate	\$30.00	\$35.00
Market Street Deck Hourly Rate	Up to 1 hour: \$0 1-2 hours: \$1 2-3 hours: \$2 3-4 hours: \$3 4-5 hours: \$4 5-6 hours: \$5 6-7 hours: \$6 7-8 hours: \$7 8-24 hours: \$8 Lost Ticket: \$8	Up to 1 1/2 hours: \$0 1 1/2-2 hours: \$2 2-3 hours: \$3 3-4 hours: \$4 4-5 hours: \$5 5-12 hours: \$8 12-24 hours: \$10 Lost Ticket: \$10
Second Street Parking Lot Hourly	Up to 1 hour: \$1.25 1-2 hours: \$2.50 2-3 hours: \$5 3-4 hours: \$6.25 4-5 hours: \$7 5-24 hours: \$7 Evening starting 5pm: \$7 Weekend: \$7	Up to 1 hour: \$1 1-2 hours: \$2 2-3 hours: \$3 3-4 hours: \$4 4-5 hours: \$5 5-24 hours: \$8 Evening starting 6:30pm: \$8 Weekend: \$8
Hannah Block Lot Hourly	Up to 1 hour: \$1.25 1-2 hours: \$2.50 2-3 hours: \$3.75 3-4 hours: \$5 4-5 hours: \$6.25 5-24 hours: \$7 Evening starting 5pm: \$7 Weekend: \$7	Up to 1 hour: \$1 1-2 hours: \$2 2-3 hours: \$3 3-4 hours: \$4 4-5 hours: \$5 5-24 hours: \$8 Evening starting 6:30pm: \$8 Weekend: \$8

Fee	Current	Change
Hannah Block Lot Monthly Unreserved Single Space Rate	\$50	\$55
Water Street Parking Deck	<p>Monthly Unreserved Single Space Rate: \$70.00/month</p> <p>Monthly Reserved Single Space Rate: \$100.00/month</p> <p>Hourly Single Space Rate (7 a.m. to 7 a.m.):</p> <ul style="list-style-type: none"> <li>o \$2.00 for the first hour</li> <li>o \$1.00 per hour thereafter</li> <li>o \$8.00/day maximum</li> </ul> <p>Daily Single Space rate for Special Events: \$10.00</p>	Remove from Schedule

**\*All Parking fee changes to be effective January 1, 2019**

### Convention Center Fund

#### Convention Center Parking Deck:

Fee	Current	Change
Special Event Single Space	Special Event Single Space Rate (7 a.m. to 7 a.m.): \$8 Flat Rate	City Sponsored Special Event Single Space Rate: \$8 Flat Rate
Short Term Event Rate	Wilmington Convention Center Short Term Event Rate (7 a.m. to 3 p.m. Monday-Friday): \$5	Wilmington Convention Center Short Term Event Rate: \$5
Partial Day Event Rate	n/a	Wilmington Convention Center Partial Day Event Rate: \$10
All Day Event Rate	n/a	Wilmington Convention Center All Day Event Rate: \$13
Short Term Event Rate	Short Term Event – A Wilmington Convention Center event scheduled for 3 hours or less from 7a.m. to 3 p.m. when parking is paid through a voucher system. The Short Term Event fee rates will be at the discretion of the City Manager or Designee.	Short Term Event – A Wilmington Convention Center event scheduled for 3 hours or less. The Short Term Event fee rate will be at the discretion of the City Manager or Designee and may be charged upon entrance at the parking deck.
Partial Day Event Rate	n/a	Partial Day Event – A Wilmington Convention Center event scheduled for 3 – 8 hours or other area event. The Partial Day Event fee rate will be at the discretion of the City Manager or Designee and may be charged upon entrance at the parking deck.
All Day Event Rate	n/a	All Day Event – A Wilmington Convention Center event scheduled for 8 or more hours and or other large area event. The All Day Event fee will be at the discretion of the City Manager of Designee and may be charged upon entrance at the parking deck.

Fee	Current	Change
City Sponsored Event Rates	City sponsored events may require parking fee adjustments depending on the anticipated length of the event. Event fee rates will be at the discretion of the City Manager for \$3.00, \$5.00 or \$7.00 and may be charged upon entrance at the parking deck.	City sponsored events, such as the Azalea Festival, Riverfest, 4th of July or similar, may require parking fee adjustments depending on the anticipated length of the event. Event fee rates will be at the discretion of the City Manager for \$3.00, \$5.00 or \$8.00 and may be charged upon entrance at the parking deck.

### Stormwater Fund

Fee	Current	Change
Standard Rate	\$8.11 per ERU	\$8.19 per ERU (1% increase)

## REVENUE SUMMARY

	FY17 Actual	FY18 Adopted	FY19 Recommend	Change FY18 to FY19
<b>Revenue</b>				
<b>Operating Funds</b>				
010	\$ 105,453,952	\$ 110,704,372	\$ 104,999,032	-5.2%
050	\$ 9,186,280	\$ 15,396,885	\$ 11,776,939	-23.5%
056	\$ 8,345,365	\$ 9,274,623	\$ 9,408,066	1.4%
029	<b>\$ 122,985,598</b>	<b>\$ 135,375,880</b>	<b>\$ 126,184,037</b>	<b>-6.8%</b>
<b>Program Funds</b>				
021	\$ 7,401,723	\$ 7,698,933	\$ 3,065,978	-60.2%
022	\$ 8,859,140	\$ 8,105,206	\$ 7,101,838	-12.4%
023	\$ 1,113,241	\$ 887,269	\$ 879,398	-0.9%
024	\$ 651,916	\$ 804,103	\$ 763,493	-5.1%
025	\$ 1,146,130	\$ 634,147	\$ 662,147	4.4%
055	\$ 3,836,930	\$ 3,883,179	\$ 3,951,931	1.8%
057	\$ 1,294,236	\$ 1,447,351	\$ 1,453,144	0.4%
061	\$ 5,855,841	\$ 7,509,883	\$ 7,872,281	4.8%
065	\$ 1,168,086	\$ 1,385,005	\$ 1,437,474	3.8%
	<b>\$ 31,327,242</b>	<b>\$ 32,355,076</b>	<b>\$ 27,187,684</b>	<b>-16.0%</b>
<b>Debt Service Funds</b>				
015	\$ 19,300,209	\$ 23,670,275	\$ 24,028,396	1.5%
	<b>\$ 19,300,209</b>	<b>\$ 23,670,275</b>	<b>\$ 24,028,396</b>	<b>1.5%</b>
<b>Special District</b>				
029	\$ -	\$ -	\$ 384,341	-
	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 384,341</b>	<b>-</b>
<b>Capital Project Funds (Not of Debt)</b>				
031	\$ 15,452,911	\$ 2,190,251	\$ 4,164,095	90.1%
032	\$ 2,132,122	\$ 3,319,500	\$ 3,327,513	0.2%
033	\$ 1,622,510	\$ 37,407,524	\$ 726,968	-98.1%
034	\$ 5,995,665	\$ 18,898,019	\$ 1,977,544	-89.5%
035	\$ 840,000	\$ 2,868,334	\$ 739,050	-74.2%
036	\$ -	\$ 1,000,000	\$ -	-100.0%
039	\$ 1,945,817	\$ -	\$ -	-
	<b>\$ 27,989,026</b>	<b>\$ 65,683,628</b>	<b>\$ 10,935,170</b>	<b>-83.4%</b>
<b>Total All Fund</b>	<b>\$ 201,602,074</b>	<b>\$ 257,084,859</b>	<b>\$ 188,719,628</b>	<b>-26.6%</b>
Less Interfund Transfers	\$ (31,316,347)	\$ (39,600,378)	\$ (20,279,022)	-48.8%
<b>Net Operating &amp; Capital</b>	<b>\$ 170,285,727</b>	<b>\$ 217,484,481</b>	<b>\$ 168,440,606</b>	<b>-22.6%</b>

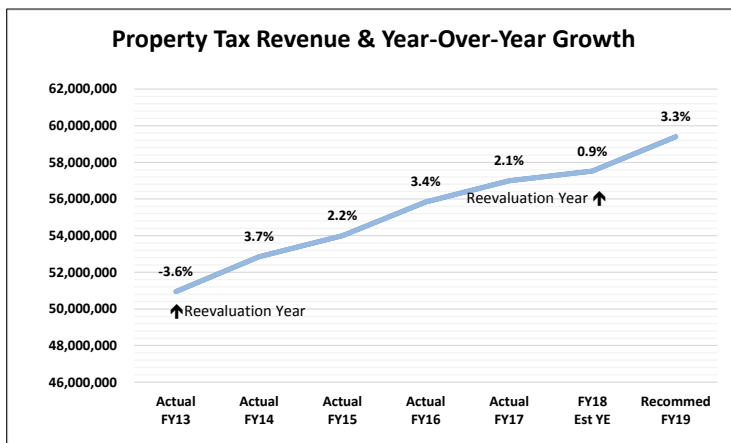
## REVENUE ESTIMATES

The revenue estimates for the FY19 budget have been made in accordance with the City’s Financial Management Policies. These estimates include only those reasonably expected to be realized during the fiscal year to meet all operating, debt and capital needs in line with the “no deficiency” budget requirements imposed by State Statute. Only significant revenue sources for all funds are listed as follows:

### GENERAL FUND

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
<b>Revenues</b>					
Property Tax	\$ 56,995,803	\$ 57,522,173	\$ 57,522,173	\$ 59,395,384	3.3%
Local Sales Tax	\$ 24,371,379	\$ 25,980,637	\$ 25,980,637	\$ 25,548,953	-1.7%
Licenses, Fees & Permits	\$ 1,005,065	\$ 915,000	\$ 915,000	\$ 940,000	2.7%
Intergovernmental Revenues	\$ 16,265,145	\$ 15,071,951	\$ 15,121,951	\$ 14,960,972	-0.7%
Charges for Current Services	\$ 2,585,868	\$ 2,448,238	\$ 2,450,368	\$ 2,557,944	4.5%
Fines & Forfeitures	\$ 170,291	\$ 165,000	\$ 165,000	\$ 175,000	6.1%
Interest Earnings	\$ 282,801	\$ 252,620	\$ 252,620	\$ 577,666	128.7%
Other Revenue	\$ 1,473,064	\$ 388,553	\$ 429,398	\$ 344,073	-11.4%
Appropriated Fund Balance	\$ 2,304,537	\$ 7,960,200	\$ 8,757,530	\$ 499,040	-93.7%
<b>Revenue Total</b>	<b>\$ 105,453,952</b>	<b>\$ 110,704,372</b>	<b>\$ 111,594,677</b>	<b>\$ 104,999,032</b>	<b>-5.2%</b>

### Property Taxes



Property Taxes are the largest revenue source for the General Fund at approximately 57% representing \$59.3 million. The amount represented here includes current and prior year tax as well as penalties and interest. The property tax rate will be \$0.4884 per \$100 assessed valuation. The value of one penny of the tax rate is equivalent to approximately \$1,497,876 based on a 98.99% collection rate for Property and a 100% collection rate for Motor

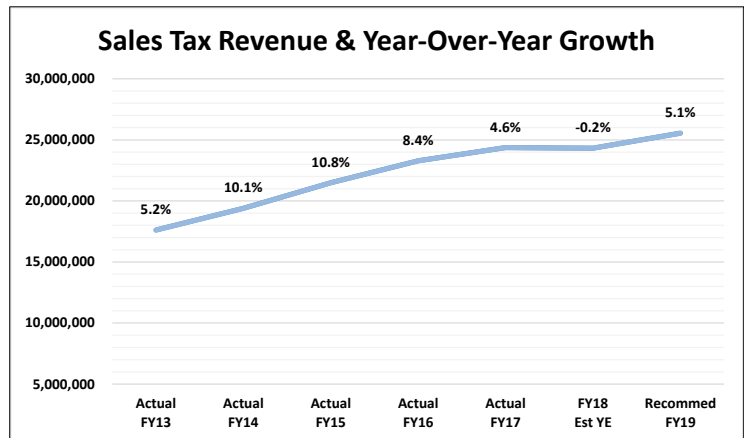
Vehicles. Of the \$0.4884, \$0.0947 is dedicated to the Debt Service Fund to support capital projects related to the 1<sup>st</sup> 80/20 Debt Service CIP, the voter approved Transportation Bond, the voter approved Parks Bond, the Water Street Deck Collaboration and the 2<sup>nd</sup> year of the 2<sup>nd</sup> 80/20 Debt Service CIP.

The City’s tax base for FY19 is estimated at \$15,121,856,895 of assessed value. The City’s real property is expected to total approximately \$14,167,856,895. Motor Vehicle property is projected to be

approximately \$954,000,000. Overall values increased about \$284 million from the FY18 assessed of \$13,656,573,000 or 1.81%.

**Local Sales Tax**

Local sales tax revenues for FY19 are estimated at \$25,548,953 reflecting a 1.7% decrease over FY18 adopted levels and a 9.7% increase over the FY7 actuals. Sales Tax represents 24.3% of the total General Fund revenues. Of the total amount, \$12.1 million comes from the locally collected and distributed one-cent levy. The balance of the revenue, approximately \$13.4 million, comes from the statewide collected 1.5 cent levy. Both levies are distributed among New Hanover County’s local governments based on the property tax levy.



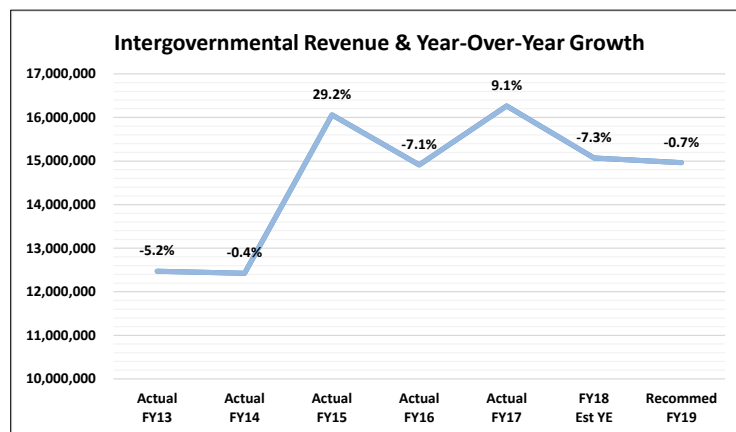
**Licenses, Fees, and Permits**

This revenue category includes the anticipated revenues for such items as motor vehicle licenses and annual fire permit fees, and reflects a 2.7% increase from FY18 adopted levels which is mainly due to an increase in expected annual fire permits. This category of revenue makes up less than 1% of the General Fund revenues totaling \$940,000.

**Intergovernmental Revenues**

The third largest revenue stream category is Intergovernmental Revenues. The FY16 Adopted Budget saw a \$2.3 million reduction in tax revenue by the NC General Assembly related to businesses through the elimination of the local business privilege license fees. Signs are slowly indicating that the mid-FY14 intergovernmental revenue tax base expansion may be a revenue stream aiding the City in that loss. The

City saw a \$2.5 million increase specifically in the utility franchise tax from the FY15’s actuals of \$4.6 million to the FY16’s actuals of \$7.1 million in that revenue stream alone.



FY19’s Utility Franchise tax budget is projecting a 1.5% increase over the FY18 adopted. Utility Franchise Tax is weather dependent, if normal weather patterns persist, this revenue stream is expected to bring in at least \$7.4 million in FY19.

This revenue source is starting to see a decrease and it is assumed to be related to consumer behavior, electricity prices and weather conditions.

There are a few revenue streams in the Intergovernmental category with special notable circumstances related to customer behavior. The telecommunications sales tax distributions are declining due to customers abandoning landline telephone service and going solely to mobile devices. For this reason, the FY19 budget is \$800,000 or 25.1% less than FY17 actuals and 11.1% less than the FY18 adopted budget. This similar reduction is also seen in the video programming tax where the decline is attributable to customers exchanging cable TV with streaming services instead. The recommended FY19 revenue is 6.2% less than the adopted FY18. With these changes netted with the increase and stabilization of the utility franchise tax, the intergovernmental revenues are less than 1% below FY18’s adopted rate contributing \$14.9 million to the city’s overall budget.

**Charges for Current Services**

Charges for current services represent approximately 2.4% of total anticipated General Fund revenues for FY19. Charges for current services are classified in five sub-categories: general government services, public safety services, public services, recreation programs, and miscellaneous charges. For the FY19 budget, these revenues total \$ \$2,557,944 which represents almost a 4.5% increase over FY18’s adopted budget and slightly more than a 1.1% reduction from the FY17’s actuals.

**Other Revenue, Interest and Fines and Forfeitures**

Other Revenue includes miscellaneous revenue sources in the amount of \$1,096,739, of which \$577,666 is interest earnings. Interest earnings is expected to produce 128% more than FY18 adopted budget in revenue in FY19. Fines and Forfeitures include civil citations and fire code violations. The budget reflects the City’s historical experience in collection of civil citations.

**Appropriated Fund Balance**

Use of appropriated fund balance in the amount of \$499,040 is included in the budget for identified one-time items. Those items include:

<b>Department</b>	<b>Items</b>	<b>Funding</b>	<b>Quantity</b>
Community Services	• Compact Utility Tractor	\$40,923	1
	• Polycarbonate Board	\$28,000	-
Engineering	• Contract Document Template Purchase	\$2,440	1
	• Survey Equipment	\$25,000	1
Finance	• One-time Retirement Payout	\$12,229	1
Fire	• Fire Accreditation	\$3,715	1
Planning, Dev, Tran	• Printing of New Land Development Code Booklets	\$1,000	-
Police	• Celebrite UFED Compute Software	\$8,600	1



Department	Items	Funding	Quantity
	• Diluter/Dispenser System	\$4,600	1
	• Drying Cabinet	\$11,095	1
	• K-9 Vests	\$13,161	4
	• Boat Collar Replacement	\$22,225	1
	• Python III I-Band Dual Antennae In-car Radars	\$12,290	10
	• Rosthenbuhler 1674 Remote Firing Device	\$6,999	1
	• Ballistic Vets	\$26,679	10
	• Interview System	\$58,596	4
Multiple	• Smart Phone Costs	\$1,050	6
	• New Computers	\$9,850	4
	• Tree Root & Sidewalk Study	\$90,000	1
	• Vehicles	\$113,300	4
	• Other equipment: Radio, Uniform, Vest	\$7,288	-

General Fund Unassigned fund balance as of June 30, 2018 is anticipated to be approximately 31.19% of FY19 budgeted expenditures or \$32,754,120 million.

## CITY OF WILMINGTON STRATEGIC PLAN (2017 to 2020)

The Strategic Plan (Plan) set forth, like the City itself, is not a static object; rather it is intended to provide a framework for positive change in the city. It sets the stage for the City's priority initiatives as voiced by City Council, citizens, vetted by staff. The plan is expected to evolve to ensure the city is moving towards the desired vision.

The strategic plan's philosophy ensures maintenance of the City's core and essential services while at the same time enhancing identified strategic initiatives. This ensures the services succeeding today are not the community's strategic initiatives tomorrow. It also ensures the Plan set forth is focused on a small number of community priorities to make certain that over the next four years the strategies identified will have successes.

The Plan's intent is threefold:

- To provide a strategic focus for the community and city staff,
- To provide stability and opportunities for those who already live, work and build their businesses here, and;
- To provide a common goal for all

### **Basic Strategic Planning Elements and Definitions:**

- **Focus Areas:** Broad statement toward which the organizations efforts are directed; identifies the 'what' not the 'how'
- **Community Outcomes:** specific and measurable milestone the community/organization sets that identifies success of the Focus Area
- **Strategies:** the approach or plan of action the organization wants to take to achieve the community outcomes; the 'how' the organization is going to get there, the 'direction' of the plan
- **Action Steps:** the actual work task or specific tactic identified to deliver on the strategy; the 'what you do', which will remain flexible allowing staff to respond to community needs

## Focus Area: Create a Safe Place

The City will create a safe, inclusive community with neighborhood/area based public safety and support services.

### **Community Outcomes**

1. Reduce city crime rate on a year over year basis
2. Truancy rates decline year over year
3. Participation increases in after school program
4. School drop-out rates decrease 5% annually
5. Increase newly developed “complete streets” by no less than 1,000 linear feet annually
6. The total response time for all calls for emergency service, the Fire Departments first due unit will be within four and a half (4.5) minutes for 90% of all calls for emergency service
7. Reduce the # of enforced (under order) minimum housing code and nuisance violations

### **Strategies**

1. Partner with community and non-profit agencies to enhance youth engagement (Outcome Link: 1, 2, 3, 4)

#### Action steps:

- 1.1. Proactively recruit additional resources or groups that will promote and enhance youth engagement
- 1.2. Partner with non-profits that will enable affordable home ownership opportunities to eligible citizens

2. Review and implement city-wide sharing of resources across departments to aid in known public safety service gaps allowing more targeted community policing (Outcome Link: 1, 2, 3, 4, 7)

#### Action steps:

- 2.1. Real time CTR implementation
- 2.2. Initiate neighborhood sweeps
- 2.3. Pilot community policing approaches and roll out successful practices to more of the community

3. Implement a public safety staffing plan directed at a safer community (Outcome Link: 1, 2, 3, 4, 6, 7)

#### Action steps:

- 3.1. Ensure current staffing levels are resourced in key areas of the city

5. Employ comprehensive plan policies and land development codes to create both defensible spaces and safe streets (Outcome Link: 1, 5, 7)

Action steps:

- 5.1. Maximize active walls in pedestrian oriented areas and promote the development of more pedestrian oriented areas
- 5.2. Incorporate crime prevention through environmental design (CPTED) techniques in parks, public spaces, parking decks, and new developments to maximize community safety
- 5.3. Allow “drivability” centered mixed use development
- 5.4. Enhance bike and pedestrian infrastructure that increases bicycle and pedestrian safety and supports public health goals
- 5.5. Coordinate street designs with placemaking and pedestrian priorities to improve traffic flow and enhance bike and pedestrian safety
- 5.6. Relocate freight trains to a more direct route into the port of Wilmington to dramatically reduce the number of at-grade freight train crossings, improve traffic flow and enhance vehicular, bicycle, and pedestrian safety
- 5.7. Plan for police and fire services in coordination with development and growth projections to allow for the efficient provision of public safety services

6. Engage in public outreach to change citizen perception (Outcome Link: 1, 2, 3, 4, 7)

Action steps:

- 6.1. Creative messaging of media statements
- 6.2. Police will partner with key groups to convey common regional communications
- 6.3. Proactively target and implement additional neighborhood watch programs
- 6.4. Proactively identify City code violations and alert the property owner

7. Provide state of the art equipment and personnel capabilities in order to best provide for the fire, EMS, and disaster emergency response needs of our citizens, businesses, and visitors.” (Outcome link: 6)

Action steps:

- 7.1. Provide innovative fire suppression operations in order to protect life, property and the environment
- 7.2. Provide specialized operational capabilities and strategies in order to safely mitigate low frequency high risk emergency incidents

## Focus Area: Support Efficient Transportation Systems

The City will advocate for, develop and maintain diverse modes of transportation needed for an inclusive, connected community. Greenways, pedestrian and bicycle amenities and a regionally focused multimodal transportation system will increase mobility and regional connectivity.

### **Community Outcomes**

1. Improve citizen's important-satisfaction rating for *'overall maintenance of city streets and sidewalks'* from .2596
2. Improve Citizen's important-satisfaction rating for *'maintenance of neighborhood streets'* from .1277
3. Improve Citizen's important-satisfaction rating for *'overall management of traffic flow on city streets'* from .2549
4. Increase Bike/Pedestrian paths by at least ½ miles per year
5. Maintain and/or increase State/Federal funding levels in support of transportation improvements
6. Convert WAVE from a 'dependency rider' model to a 'choice rider' model
7. Increase WAVE ridership year over year

### **Strategies**

1. Create and follow a strategic transportation financial plan to include multiple partners (Outcome link: 1, 2, 3, 4, 5)

#### Action steps:

- 1.1. Create the 2045 Metropolitan Transportation Plan

2. Proactively seek local and regional partners for smart development initiatives (Outcome link: 2, 3, 4)

#### Action steps:

- 2.1. Work with New Hanover County towards a common understanding of effective mixed use development and implement through respective code changes
- 2.2. Work through CFPUA and New Hanover County to encourage smart growth
- 2.3. **Completed FY17:** Implement limited street cut programs with partners
- 2.4. Seek partners to aid in the rail realignment project

3. Develop and market public educational materials to improve traffic perceptions and ultimately behavior while driving around the city (Outcome link: 3)

#### Action steps:

- 3.1. Employ commercials, billboards and print ads promoting safe bike, walk drive rules
- 3.2. Employ GTV8, the web and social media to convey safe driver behaviors

4. Enable and promote alternative modes of transportation (i.e. WAVE, carpooling, mass transit, bike sharing) (Outcome link: 3, 4, 6)

Action steps:

- 4.1. **Completed FY17:** Complete a feasibility study for rail realignment and trolley service development during FY17
- 4.2. Continue pursuit of rail realignment and trolley service through further studies, public awareness and development of regional partnerships
- 4.3. Improve the efficiencies of the transit system by continuing to fund WAVE transit and encouraging other local jurisdictions to participate in building capacity and service area
- 4.4. Assess recommendations from joint City/County WAVE Study implementing practical and appropriate recommendations to streamline transportation in the region

5. Increase attention to intergovernmental affairs to include relations, advocacy and education (Outcome Link: 5)

Action Steps:

- 5.1. Increase attention to state and federal legislative action regarding transportation funding (e.g. Powell Bill Appropriations)
- 5.2. Seek additional state and federal transportation funding

## Focus Area: Foster a Prosperous, Thriving Economy

The City will promote opportunity and prosperity by fostering sustainable, regionally coordinated economic growth and development strategies for creating jobs, building a strong workforce, facilitating commerce and business vitality.

### **Community Outcomes**

1. Decrease Vacancy Rates (VE)
2. Economic development partners will maintain required benchmarks
3. 2% increase in higher paying job wages in targeted industries (Garner Report/Chambers Scorecard)
4. Strategic increases in the city's tax base
5. Increase in redevelopment as measured in redevelopment projects—target no less than 3 projects per year
6. Reduce single occupancy driven miles to work measured in TDM initiatives—no less than 2 initiatives per year
7. Complete the new Land Development Code—75% complete by the end of 2017-18 with 100% by 2018-19.
8. Citizen survey results related to economic development will be the same or better than the prior year's results

### **Strategies**

1. Leverage existing assets to support a diverse economy (i.e. Innovate NC, Garner Report, etc.) (Outcome Link: 2, 3, 4, 8)

#### Action steps:

- 1.1. Pursue partnering projects in the tri-county
- 1.2. Revise and adopt new business incentive policy
- 1.3. Find ways to work with federal dollars to increase % used

2. Pursue partnerships for Economic Development (Outcome link: 1, 2, 3, 4, 8)

#### Action steps:

- 2.1. Leverage non-profits such as WBD, WDI, Film, UNCW and TDA
- 2.2. Advocate with TDA for tourism strategies that extend beyond summer and attract more tourists
- 2.3. Continuing supporting 'Choose Cape Fear' marketing campaign to foster regional economic development and communicate the opportunities available in Southeastern North Carolina

4. Encourage smart economic development (Outcome link: 3, 4, 5, 6, 7)

Action steps:

- 4.1. Develop codes that promote accessory housing
- 4.2. Market to citizens and developers benefits of placemaking; facilitate development projects that embody placemaking elements
- 4.3. Consult with the development community and citizens during the drafting of the new land development code to provide clarity, gather stakeholder input and promote more timely issuance of the permitting process
- 4.4. As development returns to a normal or an above normal volume of projects, provide adequate staffing to maintain an expedited pace of development review
- 4.5. Facilitate adaptive reuse and redevelopment projects to put underperforming properties back on the market and added to the tax base of the City and NHC

5. Work with regional partners to create a regional advisory board to enhance economic development (Outcome link: 1, 2, 3, 4, 8)

Action steps:

- 5.1. Evaluate regional process as reported annually by the Wilmington Chamber of Commerce – Regional Economic Scorecard, WBD, TDA, WBI
- 5.2. Properly manage growth and development using comprehensive planning principles and policies seeking opportunities to coordinate with other local governments in the region



## Focus Area: Promote Culture, Arts and Public Spaces

The City will provide unique, creative open space, parks and community facilities integrated with arts and cultural activities for all.

### **Community Outcomes**

1. All new developments in the city limits will have average open space of no less than 10% of total project acreage.
2. The Northern Waterfront Park will have no less than 1 major public event per month over the course of any given year
3. Designs for the Northern Waterfront Park will be 100% complete by FY17-18
4. The design of the Northern Waterfront Park will allow for multiple events going on at one time.
5. The Northern Waterfront area of downtown will average no less than 5 acres of enhanced development completed annually over the next 3 years.
6. The City's brownfields program shall facilitate no less than one development project annually.
7. Increase citizen's awareness of role and effectiveness of the Arts Council
8. Increased \$ value of economic impact of film industry
9. Increased youth participation in city sponsored outreach programs (FY16 = 508)
10. Increased athletic events run by the city (FY16 = 12 programs<sup>4</sup>)

### **Strategies**

1. Transform environmental constraints into amenities (Outcome link: 1, 6)

#### Action steps:

- 1.1. Employ stream corridors and buffer areas for recreation and non-vehicular mobility
- 1.2. Investigate opportunities to allow for the use old railway beds for public spaces
- 1.3. Promote the reuse of Brownfield properties through proactive initiatives

2. Promote Northern Waterfront Park to be a large public gathering place with activities for all (Outcome link: 2, 3, 4, 5)

#### Action steps:

- 2.1. Adopt a master plan for the northern end of downtown as part of the Greater Downtown Plan
- 2.2. Design the park to accommodate a diversity of events year round
- 2.3. Develop a promotional outreach plan that seeks to provide dynamic and diverse programming at the park
- 2.4. **Complete FY17:** Adopt a master plan specifically for the Northern Waterfront Park by the end of FY 16-17

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<sup>4</sup> Twelve programs referenced includes collaborative programs. City runs 7 programs and 6 more collaboratively with city partners.

- 2.5. Maintain design schedule to keep on pace to be in a position to advertise for construction summer of 2018
- 2.6. Develop funding scheme for improvements including private contributions

3. Engage in civic partnerships to bring arts and cultural events to public spaces (Outcome link: 7)

Action steps:

- 3.1. Develop a Sister City strategic plan
- 3.2. Participate and develop a Strategic Plan for the Arts Council and related groups
- 3.3. **Completed FY17:** Provide 3 years of support to the Arts Council's efforts to conduct an Economic Impact study
- 3.4. Promote the viability of the Arts Council by working in tandem with the Council to develop funding marketing, educational and cultural opportunities

4. Promote film industry by continuing to value the necessity of incentives and capitalization (Outcome link: 8)

Action steps:

- 4.1. Continue support for the film industry on the City's legislative agenda and through key stakeholders and partners

5. Continue to promote the use of the city's public spaces (Outcome link: 1, 2, 4, 8, 9, 10)

Action steps:

- 5.1. Continue support and growth of athletic events that positively impact the community
- 5.2. Market city programs to youth
- 5.3. Use social media as a method to promote activities available in the city's public spaces
- 5.4. Communicate the positive impact of the quality of life that diverse public spaces generate

6. Increase the creative class base in Wilmington (outcome link: 2, 7)

Action steps:

- 6.1. Create, protect and enhance assets of area to attract creative talents
- 6.2. Support the generation of entrepreneurial ideas thru public/private partnerships

## Focus Area: Engage in Civic Partnership

The City will build and improve partnerships, collaborations and relationships with all stakeholders, including our citizens and public and private organizations.

### **Community Outcomes**

1. Increase citizen satisfaction rating with the level of public involvement in decision-making (FY15 = 29%)
2. Increase citizen's satisfaction with the quality of city recreation programs/classes (FY15 = 45%)
3. Increase # of civic presentations about the city's priorities
4. Increase # of social organizations that support and help solve the city's social challenges
5. Reduce city crime rate year over year
6. Increase in Community Youth intervention and prevention activities
7. Reduce the number of citizen's who feel less safe in their residential community

### **Strategies**

1. Leverage the existing process of civic partnerships to maximize the utilization of existing public sector resources (Outcome link: 2, 3, 4, 5, 6, 7)

#### Action steps:

- 1.1. Increase resources going to organizations that address youth violence reduction programs
- 1.2. Encourage civic partners to collaborate on affordable housing/workforce housing and other city priorities
- 1.3. Target partnerships with citizens and/or citizen groups who feel less safe in their communities in order to work with them to create a safe place
- 1.4. Market and support active lifestyle programs
- 1.5. Market and support athletic and recreation programs

2. Promote both City and citizen engagement in the community (Outcome link: 1, 3)

#### Action steps:

- 2.1. Leverage existing tools and resources that will enable the public to contribute opinions and ideas more readily
- 2.2. Encourage employees to volunteer with non-profits to address the needs of the community

## Focus Area: Provide Sustainability and Adaptability

The City will protect and preserve our natural resources with quality design for the built environment. The City will make strategic decisions focused on the long-term financial, physical and social health of the entire City to enhance our ability to respond to changing economic and demographic conditions. Our actions will be based on a shared commitment to inclusiveness, equity and continuous improvement.

### **Community Outcomes**

1. City's utility consumption will reduce by 2% annually (per heated sq foot of city-owned buildings)
2. Maintain current bond rating annually
3. Maintain or increase citizen satisfaction ratings for City taxes and fees (FY15 = 32%); quality of services provided by the City (FY15 = 64%) and availability of affordable housing (FY15 = 31%)
4. Maintain an undesignated fund balance of each year at targeted levels
5. 90% of CIPs will follow draft environmental performance standards including the potential to integrate renewable energy
6. Revenues at least equal to budgets
7. Increase # of new revenue sources made available
8. The Comprehensive Plan will be used in 100% of all land use decisions brought before the Planning Commission and City Council
9. Upon adoption of the new land development code, sustainable, form based development shall represent no less than 1/4 of all development projects in the 1945 corporate limits annually
10. Ratio of internal staff accepting promotions as compared to external candidates

### **Strategies**

1. Invest in the development of human capital to meet organizational goals (Outcome link: 3, 10)  
  
Action steps:
  - 1.1. Develop internal service staffing plan to respond to the increased capital and resource growth and demand for service
  - 1.2. Promote a culture of life-long learning through avenues such as career development, succession planning or the city's performance process
2. Promote uses of alternative energy and reduction in resource consumption (Outcome link: 1, 2, 5)  
  
Action steps:
  - 2.1. Develop policy on new construction following the draft environmental performance standards
  - 2.2. Require capital projects to include total cost of ownership projections
  - 2.3. Develop policy on personal appliances in city owned buildings/offices

- 2.4. Assess new and existing buildings for potential energy innovations
- 2.5. Evaluate electric and natural gas for the city's fleet

3. Diversify the city's sources of funding (Outcome link: 2, 3, 6, 7)

Action steps:

- 3.1. Pursue legislative strategies to charge new fees thus augmenting fees in lieu of taxes
- 3.2. Maximize dollars by leveraging grant opportunities
- 3.3. Align revenue with the cost of doing business for certain services

4. Implement the Comprehensive Plan and create a new development code (Outcome link: 8, 9)

Action steps:

- 4.1. **Completed FY17:** Conduct the rail feasibility study with a focus on the benefits of a rail realignment and potential trolley system
- 4.2. Develop local and regional partnerships, as well as private sector participation, to aid in the rail initiative
- 4.3. Develop new LDC employing form-based development principles where appropriate
- 4.4. Prepare and employ alternative transportation map for in land use decisions
- 4.5. Continue to link higher density development with higher density facilities, such as mixed use centers and transit truck lines
- 4.6. Promote walkability to public facilities (especially parks and schools)

5. Cultivate stewardship of the taxpayer's money at all levels (Outcome link: 2, 3, 4, 6, 7)

Action steps:

- 5.1. Develop life cycle costing policies and steps for users to take
- 5.2. Deliver value for money through innovation and continuous improvement of processes

6. Partner with developers and non-profits on ways to tackle the challenges to create more affordable housing (Outcome Link: 3)

Action steps:

- 6.1. **Completed FY17:** Facilitate the effective policy and recommendation setting capacity of the Mayor's Taskforce on affordable housing
- 6.2. Facilitate a work program that evaluates the capabilities of the Mayor's Taskforce on affordable housing's recommendations
- 6.3. Seek incentives and greater flexibility in the Land Development Code to promote affordable housing
- 6.4. Consider providing infrastructure improvements as the city's contribution to creating affordable housing

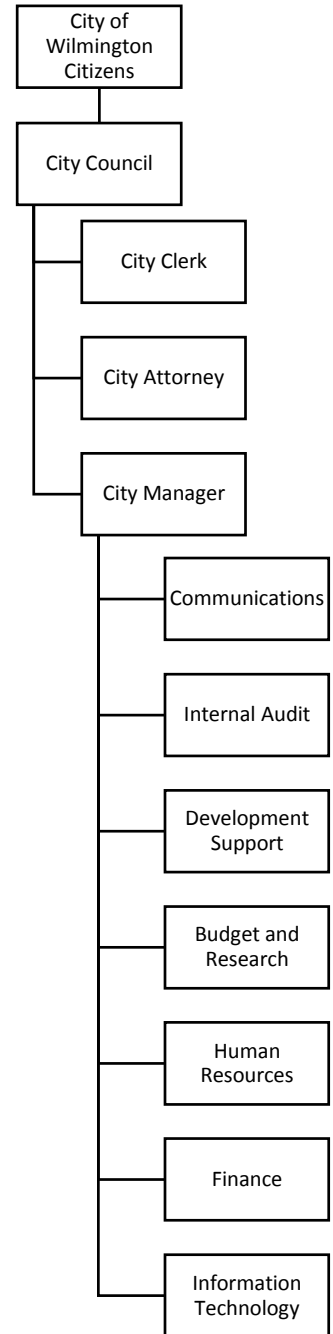
8. Foster a culture of transparent government (Outcome link: 3)

Action steps:

- 8.1. Adopt policies, practices and procedures that allow citizens to have access to understandable, accurate data and information about the city's operations and decision making
- 8.2. Review current methods or establish new methods to enable citizens to find information, complete transactions and provide input via the city's web-site

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## GOVERNANCE OFFICES





## CITY COUNCIL

The seven-member **City Council** is the official legislative and policy-making body of the City of Wilmington. The Mayor, the presiding officer of the City Council, serves as the official and ceremonial head of the City and is a voting member of the City Council.

The Mayor serves a two-year term, while the other six members of the City Council serve four-year terms. The six members of City Council serve staggered terms, with three members elected in each odd-numbered year. All members are elected at-large on a non-partisan basis. All official actions of the City Council are taken at public meetings. City Council holds regular public meetings on the first and third Tuesday of each month.

### BUDGET SUMMARY

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
City Council					
Personnel	\$ 126,912	\$ 128,946	\$ 128,946	\$ 129,780	0.6%
Benefits	\$ 52,758	\$ 43,530	\$ 53,407	\$ 50,494	16.0%
Operating	\$ 27,645	\$ 45,875	\$ 45,823	\$ 45,995	0.3%
<b>City Council Total</b>	<b>\$ 207,315</b>	<b>\$ 218,351</b>	<b>\$ 228,176</b>	<b>\$ 226,269</b>	<b>3.6%</b>

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### Budget Overview

The City Council budget reflects a continuation of current services. Additionally, adjustments were made to various internal services charges related to technology management fees and insurance liabilities as a cost of doing business. This budget continues core services.

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### Budget Modifications

#### A. Salary & Benefits Maintenance

<b>Division:</b>	Council
<b>Total Cost:</b>	\$7,579
<b>Priority:</b>	Continuation of Services
<b>Position(s):</b>	Full Time Equivalent: 0; Part-Time: 0.00
<b>Description:</b>	Changes in benefit electives have increased Council's budget by \$7,579.

## CITY CLERK

Appointed by the City Council to a two-year term, the **City Clerk** acts as the official record keeper for the City of Wilmington. The City Clerk attends and records minutes of all Council meetings, certifies ordinances and resolutions adopted by City Council, maintains files of deed and contractual transactions, provides for the official notification of special meetings and public hearings, maintains the membership record of all City boards and commissions, manages the codification of ordinances, and provides information from these reports to the Council, public, and staff.

### BUDGET SUMMARY

	<b>FY17 Actual</b>	<b>FY18 Adopted</b>	<b>FY18 Adjusted</b>	<b>FY19 Recommend</b>	<b>Change FY18 to FY19</b>
<b>City Clerk</b>					
Personnel	\$ 145,509	\$ 169,603	\$ 169,603	\$ 168,258	-0.8%
Benefits	\$ 52,861	\$ 56,170	\$ 56,170	\$ 56,568	0.7%
Operating	\$ 19,202	\$ 32,712	\$ 32,707	\$ 29,933	-8.5%
<b>City Clerk Total</b>	<b>\$ 217,572</b>	<b>\$ 258,485</b>	<b>\$ 258,480</b>	<b>\$ 254,759</b>	<b>-1.4%</b>
<b>Authorized Positions</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	

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### Budget Overview

The City continues to invest in the workforce by adding to both the compensation study funding impacts as well as a merit plan. This budget increases the associated salary and corresponding benefits related to those initiatives. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. This budget continues core services.

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### Budget Modifications

#### A. Business Travel Funding Reduction

**Division:** Clerk  
**Total Cost:** (\$3,000)  
**Priority:** Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A total of \$3,000 of business travel funding was reduced from the budget. This reduction correlates with past usage.

## CITY MANAGER

The City Manager is appointed by the City Council and serves as Chief Executive Officer of the City of Wilmington. The City Manager provides leadership and management of City operations and works through a management team composed of two Deputy City Managers, department directors, and other key staff to identify needs, establish priorities, administer programs, policies and operations, and build organizational capacity. The City Manager also assists City Council in its policy making role by providing recommendations and background materials on programs, trends, and issues of concern to the City Council and the Administration.

### BUDGET SUMMARY

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
<b>Administration</b>					
Personnel	\$ 739,353	\$ 759,682	\$ 838,069	\$ 775,328	2.1%
Benefits	\$ 191,888	\$ 208,515	\$ 208,480	\$ 213,086	2.2%
Operating	\$ 44,484	\$ 53,828	\$ 53,776	\$ 54,093	0.5%
Miscellaneous	\$ 7	\$ -	\$ -	\$ -	-
<b>Administration Total</b>	<b>\$ 975,732</b>	<b>\$ 1,022,025</b>	<b>\$ 1,100,325</b>	<b>\$ 1,042,507</b>	<b>2.0%</b>
<b>Budget and Research</b>					
Personnel	\$ 255,234	\$ 300,963	\$ 302,869	\$ 313,640	4.2%
Benefits	\$ 61,109	\$ 78,794	\$ 79,085	\$ 85,801	8.9%
Operating	\$ 17,689	\$ 29,257	\$ 27,725	\$ 28,073	-4.0%
Outlay	\$ 1,223	\$ 2,400	\$ 2,400	\$ -	-100.0%
<b>Budget and Research Total</b>	<b>\$ 335,255</b>	<b>\$ 411,414</b>	<b>\$ 412,079</b>	<b>\$ 427,514</b>	<b>3.9%</b>
<b>Communications</b>					
Personnel	\$ 308,334	\$ 316,477	\$ 316,477	\$ 359,402	13.6%
Benefits	\$ 89,142	\$ 91,469	\$ 91,469	\$ 105,472	15.3%
Operating	\$ 88,176	\$ 117,216	\$ 117,209	\$ 92,209	-21.3%
Outlay	\$ 4,246	\$ -	\$ -	\$ -	-
<b>Communications Total</b>	<b>\$ 489,898</b>	<b>\$ 525,162</b>	<b>\$ 525,155</b>	<b>\$ 557,083</b>	<b>6.1%</b>
<b>Economic Development</b>					
Personnel	\$ 83,238	\$ 85,304	\$ 85,304	\$ 86,579	1.5%
Benefits	\$ 22,671	\$ 22,911	\$ 22,911	\$ 23,147	1.0%
Operating	\$ 1,935	\$ 5,494	\$ 4,906	\$ 5,568	1.3%
<b>Economic Development Total</b>	<b>\$ 107,844</b>	<b>\$ 113,709</b>	<b>\$ 113,121</b>	<b>\$ 115,294</b>	<b>1.4%</b>
<b>Internal Audit</b>					
Personnel	\$ 72,347	\$ 74,288	\$ 74,288	\$ 75,396	1.5%
Benefits	\$ 20,560	\$ 21,201	\$ 21,201	\$ 22,099	4.2%
Operating	\$ 5,530	\$ 8,104	\$ 8,101	\$ 7,818	-3.5%
<b>Internal Audit Total</b>	<b>\$ 98,436</b>	<b>\$ 103,593</b>	<b>\$ 103,590</b>	<b>\$ 105,313</b>	<b>1.7%</b>
<b>Allocated Cost</b>					
Allocated Cost	\$ (16,783)	\$ (16,783)	\$ (16,783)	\$ (26,566)	58.3%
<b>Allocated Cost Total</b>	<b>\$ (16,783)</b>	<b>\$ (16,783)</b>	<b>\$ (16,783)</b>	<b>\$ (26,566)</b>	<b>58.3%</b>
<b>City Manager Total</b>	<b>\$ 1,990,381</b>	<b>\$ 2,159,120</b>	<b>\$ 2,237,487</b>	<b>\$ 2,221,145</b>	<b>2.9%</b>

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend
<b>Authorized Positions</b>				
City Manager Administration	7	7	7	7
Budget and Research	3	4	4	4
Communications	5	5	5	6
Development Support	1	1	1	1
Internal Audit	1	1	1	1
<b>Total Positions</b>	<b>17</b>	<b>18</b>	<b>18</b>	<b>19</b>

### *Division Descriptions*

The **Administrative** arm of the City Manager’s department includes the City Manager, two Deputy City Managers, Legislative Affairs staff and support staff. Together they provide professional, effective leadership and management of all City operations. In addition, they assist City Council in their policy making role by providing information to ensure that Council makes informed decisions.

The **Communications** division of the City Manager’s office ensures that the public at- large is provided with current and relevant information provided through the City’s website, print media, press releases, and the citizen information line. The Government Television section reflects the costs associated with operating the City’s cable channel 8 (GTV).

The **Budget and Research** Office coordinates the preparation of the annual operating and capital budget including financial forecasting. It ensures fiscal control over City expenditures, conducts program evaluations and analysis, and coordinates the development and progress of the City’s Strategic Plan.

The **Internal Audit** division conducts financial and performance audits within the organization to identify and reduce risks, and ensures acceptable policies and procedures are followed, established standards are met, resources are used efficiently and effectively, and the organization’s objectives are achieved.

The **Economic Development** division provides resources for economic development guidance and management. The division is responsible for convention center support and associated hotel and adjacent area project coordination, development agreement and opportunities oversight, and downtown parking management oversight.

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## Budget Overview

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The City continues to invest in the workforce by adding to both the compensation study funding impacts as well as a merit plan. This budget increases the associated salary and corresponding benefits related to those initiatives. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. This budget continues core services.

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## Base Budget Adjustments

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### A. Reduction of Data Processing Equipment Funding

**Division:** Budget  
**Total Cost:** (\$2,400)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Removal of one-time funding in the amount of \$2,400 that was used for the purchase of a computer for the Budget Specialist position authorized in FY18.

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## Budget Modifications

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### A. Video Production Technician

**Division:** GTV8  
**Total Cost:** \$29,838  
**Priority:** Expanding Infrastructure Provide Sustainability and Adaptability 1.1  
**Position(s):** Full Time Equivalent: 1; Part-Time: 0.00  
**Description:** Funding in the amount of \$29,838 was authorized to allow GTV to hire a full time Video Production Technician at a salary of \$37,500 plus benefits. The demand for video production, AV and technical support continues to grow. A full time employee is more efficient and a better value than contracted temporary employees. The entire package totals \$54,838. To help supplement the request, the division shifted \$25,000 from contracted temporary services.

## CITY ATTORNEY

The City Attorney's Office provides legal services to the Mayor, Members of City Council, the City Manager, the City Clerk, and to each of the City's departments, boards, and commissions.

### BUDGET SUMMARY

	<b>FY17 Actual</b>	<b>FY18 Adopted</b>	<b>FY18 Adjusted</b>	<b>FY19 Recommend</b>	<b>Change FY18 to FY19</b>
<b>City Attorney</b>					
Personnel	\$ 747,454	\$ 742,946	\$ 742,946	\$ 742,057	-0.1%
Benefits	\$ 202,304	\$ 214,791	\$ 214,756	\$ 224,975	4.7%
Operating	\$ 50,999	\$ 76,495	\$ 116,772	\$ 77,141	0.8%
Outlay	\$ 455	\$ -	\$ 3,600	\$ -	-100.0%
<b>City Attorney Total</b>	<b>\$ 1,001,212</b>	<b>\$ 1,034,232</b>	<b>\$ 1,078,074</b>	<b>\$ 1,044,173</b>	<b>1.0%</b>
<b>Authorized Positions</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	

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### *Budget Overview*

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The City continues to invest in the workforce by adding to both the compensation study funding impacts as well as a merit plan. This budget increases the associated salary and corresponding benefits related to those initiatives. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. This budget continues core services. There are no other modifications to the budget than those mentioned already.

## HUMAN RESOURCES

The Human Resources department provides comprehensive services which support effective management of the workforce to all City departments. Functional areas include recruitment, classification, compensation and benefits administration, personnel records management, training, health and wellness, safety and risk management, and employee relations.

### BUDGET SUMMARY

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
<b>Human Resources</b>					
Personnel	\$ 591,452	\$ 749,293	\$ 749,858	\$ 747,194	-0.3%
Benefits	\$ 153,023	\$ 202,505	\$ 202,636	\$ 194,581	-3.9%
Operating	\$ 72,936	\$ 113,648	\$ 113,449	\$ 93,045	-18.1%
Outlay	\$ 1,155	\$ 2,400	\$ 2,400	\$ -	-100.0%
<b>Human Resources Total</b>	<b>\$ 818,566</b>	<b>\$ 1,067,846</b>	<b>\$ 1,068,343</b>	<b>\$ 1,034,820</b>	<b>-3.1%</b>
<b>Authorized Positions</b>	<b>9</b>	<b>10</b>	<b>10</b>	<b>10</b>	

### Budget Overview

The City continues to invest in the workforce by adding to both the compensation study funding impacts as well as a merit plan. This budget increases the associated salary and corresponding benefits related to those initiatives. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. This budget continues core services.

### Base Budget Adjustments

#### A. Laserfiche Funding Reduction

**Division:** Human Resources  
**Total Cost:** (\$15,000)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Reduction of \$15,000 of \$20,466 authorized in FY18 to hire contracted temporary laserfiche help was removed from the budget. Due to hiring a temporary city employee, the need for a contracted worker at the budgeted level was not necessary.

**B. Reduction of Performance Management Funding**

**Division:** Human Resources  
**Total Cost:** (\$5,600)  
**Priority:** Budget Adjustment  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A total of \$5,600 of funding was budgeted for the purchase of a NeoGov Performance management tool. Of that amount, a base budget shift in the amount of \$3,300 of on-going funding was shifted to the IT department to fulfill contractual obligations. The remainder \$2,300 was removed from the budget as one-time funding.

**C. Reduction of Data Processing Equipment Funding**

**Division:** Human Resources  
**Total Cost:** (\$2,400)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Removal of one-time funding in the amount of \$2,400 that was used for the purchase of a computer for the Compensation Analyst position authorized in FY18.

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**Budget Modifications**

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**A. ACA Reporting**

**Division:** Human Resources  
**Total Cost:** \$1,700  
**Priority:** Strategic Plan: Provide Sustainability and Adaptability 5.2  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** The funding in the amount of \$1,700 was authorized allowing the HR Department to remain compliant in the ACA federal mandate by hiring an outside contractor to print and mail or electronically deliver the ACA 1095-C forms and to transmit the ACA report to the IRS.



## FINANCE

The Finance Department focuses on the City's financial services, including debt service management, cash investments, payroll, payables, billing, collections and purchasing.

### BUDGET SUMMARY

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
<b>Accounting/Treasury Svcs</b>					
Personnel	\$ 926,435	\$ 975,329	\$ 975,329	\$ 988,896	1.4%
Benefits	\$ 281,538	\$ 306,362	\$ 306,362	\$ 310,522	1.4%
Operating	\$ 70,503	\$ 189,701	\$ 196,636	\$ 124,011	-34.6%
Outlay	\$ 1,055	\$ 1,000	\$ 4,000	\$ -	-100.0%
<b>Accounting/Treasury Svcs Total</b>	<b>\$ 1,279,531</b>	<b>\$ 1,472,392</b>	<b>\$ 1,482,327</b>	<b>\$ 1,423,429</b>	<b>-3.3%</b>
<b>Billing And Collections</b>					
Personnel	\$ 370,797	\$ 408,954	\$ 408,954	\$ 426,232	4.2%
Benefits	\$ 124,743	\$ 126,570	\$ 126,570	\$ 143,372	13.3%
Operating	\$ 59,762	\$ 110,564	\$ 112,368	\$ 111,206	0.6%
Outlay	\$ 19,980	\$ -	\$ 597	\$ -	-100.0%
<b>Billing And Collections Total</b>	<b>\$ 575,281</b>	<b>\$ 646,088</b>	<b>\$ 648,489</b>	<b>\$ 680,810</b>	<b>5.4%</b>
<b>Purchasing</b>					
Personnel	\$ 248,103	\$ 268,011	\$ 268,011	\$ 260,809	-2.7%
Benefits	\$ 78,973	\$ 87,235	\$ 87,235	\$ 83,301	-4.5%
Operating	\$ 8,345	\$ 16,395	\$ 16,388	\$ 16,760	2.2%
<b>Purchasing Total</b>	<b>\$ 335,421</b>	<b>\$ 371,641</b>	<b>\$ 371,634</b>	<b>\$ 360,870</b>	<b>0.0%</b>
<b>Allocated Cost</b>					
Allocated Cost	\$ (150,765)	\$ (150,203)	\$ (150,203)	\$ (151,715)	1.0%
<b>Allocated Cost Total</b>	<b>\$ (150,765)</b>	<b>\$ (150,203)</b>	<b>\$ (150,203)</b>	<b>\$ (151,715)</b>	<b>1.0%</b>
<b>Finance Total</b>	<b>\$ 2,039,468</b>	<b>\$ 2,339,918</b>	<b>\$ 2,352,247</b>	<b>\$ 2,313,394</b>	<b>-1.1%</b>
<b>Authorized Positions</b>					
Finance Administration and Accounting	14	14	14	14	
Billing and Collections	8	8	8	8	
Purchasing	5	5	5	5	
<b>Total Positions</b>	<b>27</b>	<b>27</b>	<b>27</b>	<b>27</b>	

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## *Division Descriptions*

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The **Purchasing** division provides quality and economical materials and services that are promptly priced and purchased.

The **Revenue** division handles the cash receipts for all accounts receivables to include rehab loans, assessments, and demolition/lot cleaning liens, annual billing and the collection of beer/wine permits as well as miscellaneous invoices for in-person, mail, after-hours depository and draft payments. This division is also responsible for the delivery of mail to all City departments.

The **Accounting and Treasury Services** division is responsible for all financial transactions including accounts payable and receivable, management of fixed assets, preparation of the City's Comprehensive Annual Financial Report, filing of statutory reports, grant reporting, various state and federal tax filings, and the management of the City's cash and investment portfolio and debt issuance. Payroll is also processed in the Accounting and Treasury Services division.

The **Community Development/Housing** Division Loan accounting staff work closely with the Community Development programmatic staff to manage the numerous loan accounts provided through various federal/state/local funding sources designed to benefit low to moderate income citizens. The Community Development budget is shown in the Community Development Section of the budget.

The **Fleet** Division provides a safe and efficient management of city-owned passenger motor vehicles and equipment. This includes; fuel operations, GPS management, full service maintenance facility, purchase and disposal of vehicles and equipment. The Fleet division budget is shown in the Other Funds section under Fleet Fund.

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## *Budget Overview*

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The City continues to invest in the workforce by adding to both the compensation study funding impacts as well as a merit plan. This budget increases the associated salary and corresponding benefits related to those initiatives. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. This budget continues core services.

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## Base Budget Adjustments

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### A. Reduction of AP Forensic Software Funding

**Division:** Finance  
**Total Cost:** (\$67,000)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Funding in the amount of \$67,000 was removed from the Finance Department's budget as one-time funding to purchase software and a contract for services over the next 3 years. No on-going funding is required during the period of the contract.

### B. FY19 Salary & Benefits: Position Swap to Allow For Cross training

**Division:** Finance  
**Total Cost:** (\$7,447)  
**Priority:** Budget Adjustment  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A reduction of \$7,447 in salary and benefits related to swapping positions between Finance and CDBG to cross train employees due to pending accountant's retirement in CDBG. Represents a funding reduction in the General Fund and an increase transfer to CDBG fund.

### C. Reduction of Data Processing Equipment Funding

**Division:** Finance  
**Total Cost:** (\$1,000)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A total of \$1,000 of one-time funding was removed from the budget. Funding was used to purchase desktop scanners.

## INFORMATION TECHNOLOGY

The Information Technology department provides a wide array of services which support all departments through end-user client support, network infrastructure, software applications, and championing the use of technology to meet the City's strategic goals.

### BUDGET SUMMARY

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
<b>Information Technology</b>					
Personnel	\$ 1,340,466	\$ 1,443,622	\$ 1,435,622	\$ 1,454,862	0.8%
Benefits	\$ 403,750	\$ 462,309	\$ 462,272	\$ 448,488	-3.0%
Operating	\$ 796,525	\$ 965,643	\$ 995,024	\$ 1,426,160	47.7%
Outlay	\$ 12,221	\$ 2,400	\$ 6,647	\$ 2,400	0.0%
<b>Information Technology Total</b>	<b>\$ 2,552,963</b>	<b>\$ 2,873,974</b>	<b>\$ 2,899,565</b>	<b>\$ 3,331,910</b>	<b>15.9%</b>
<b>Authorized Positions</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>21</b>	

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### Budget Overview

The City continues to invest in the workforce by adding to both the compensation study funding impacts as well as a merit plan. This budget increases the associated salary and corresponding benefits related to those initiatives. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. This budget continues core services.

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### Base Budget Adjustments

#### A. 24 Hour Desk Support

- Division:** IT Services
- Total Cost:** \$0
- Priority:** Budget Adjustment
- Position(s):** Full Time Equivalent: 0; Part-Time: 0.00
- Description:** The IT Services Department is shifting resources to fund a Tier 1 Support contract. The contract is intended to assist IT Services in providing 24/7 held desk support. The IT Services Department shifted funding to the professional services account from overtime, temporary services and training.

**B. Budget Adjustment from Human Resources to IT to Cover Cost of Performance Management System**

**Division:** IT Services  
**Total Cost:** \$3,300  
**Priority:** Budget Adjustment  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Base budget shift in the amount of \$3,300 from the Human Resource Department to the IT department was required to cover the cost of NeoGov Performance management module implemented in FY18.

**Budget Modifications**

**A. Public Records Technology Software**

**Division:** IT Services  
**Total Cost:** \$57,400  
**Priority:** Outside Directive  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A total of \$57,400 was added to the budget to allow IT Services to pursue public records technology software. With the continuation of public record requests and the changes in technology used by city employees, a review of software is required.

**B. Application Licensing Annual Increase**

**Division:** IT Services  
**Total Cost:** \$70,774  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Funding in the amount of \$70,774 will allow IT Services to cover the increases, typically 3-5% annually, in licensing of the City's software and maintenance contracts.

**C. SaaS fees as a Part of Tyler Modules**

**Division:** IT Services  
**Total Cost:** \$316,968  
**Priority:** Expanding Infrastructure  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** The funding in the amount of \$316,968 will allow IT Services to address the SaaS (Software as a Service) fees in concurrence with the proposed Enterprise Resource Project schedule go live date in January of 2019. This funding represents approximately half year funding requirements.

## SUNDRY APPROPRIATIONS

### NONDEPARTMENTAL

	FY17	FY18	FY18	FY19
Non-Departmental	Actual	Adopted	Adjusted	Recommend
Salary Savings Credit	\$ -	\$ -	\$ -	\$ (300,000)
Overtime/Time & One Half	\$ 210	\$ -	\$ -	\$ -
City-wide Intern Pool Benefits	\$ 1,621	\$ 2,678	\$ 2,678	\$ 1,530
Employee Recognition	\$ 6,225	\$ 16,000	\$ 16,000	\$ 16,000
City Facilities Stormwater	\$ 125,466	\$ 110,000	\$ 110,000	\$ 110,000
City Newsletter	\$ 81,013	\$ 85,000	\$ 85,000	\$ 85,000
Facilities Insurance	\$ 515,251	\$ 608,836	\$ 608,773	\$ 575,274
Unemployment Compensation	\$ 34,846	\$ 40,000	\$ 40,000	\$ 40,000
Worker's Compensation Claims	\$ 36,094	\$ 99,500	\$ 44,339	\$ 142,500
Dues - Associations	\$ 113,387	\$ 118,858	\$ 118,858	\$ 118,858
Claims Against the City	\$ 152,292	\$ 125,000	\$ 125,000	\$ 125,000
City Advertising	\$ 300	\$ 10,000	\$ 10,000	\$ 10,000
Medical Insurance - Regular	\$ -	\$ 580,000	\$ 660,075	\$ 580,000
Medical Insurance - Retiree	\$ 1,580,440	\$ 1,979,612	\$ 1,899,537	\$ 1,800,000
New Hanover County Tax Collection	\$ 419,416	\$ 427,384	\$ 427,384	\$ 441,724
Independent Audit	\$ 72,930	\$ 85,000	\$ 151,725	\$ 85,000
Employee Parking	\$ 79,200	\$ 87,000	\$ 87,000	\$ 87,000
Municipal Elections	\$ -	\$ 94,000	\$ 94,000	\$ -
Actuarial Studies	\$ 6,773	\$ 9,350	\$ 18,650	\$ 10,000
United Way Fund Raising Campaign	\$ 424	\$ 1,000	\$ 1,000	\$ 1,000
Wellness Program	\$ 28,238	\$ 27,500	\$ 27,500	\$ 22,500
City-wide Training	\$ 10,965	\$ 20,000	\$ 20,000	\$ 30,000
City-wide Tuition Reimbursement	\$ 24,868	\$ 45,000	\$ 45,000	\$ 40,000
Retirement Payout Estimate	\$ -	\$ 238,000	\$ 159,613	\$ 235,000
Records Retention	\$ 6,522	\$ 30,000	\$ 30,000	\$ 30,000
City Streets Stormwater	\$ 2,441,004	\$ 2,649,015	\$ 2,649,015	\$ 2,742,393
Strategic Planning	\$ 22,186	\$ -	\$ -	\$ 32,852
Indirect Cost Study	\$ -	\$ 20,000	\$ 15,935	\$ -
Technology Projects	\$ -	\$ 40,000	\$ 40,000	\$ 60,000
Rent - Coast Guard Spaces	\$ 15,184	\$ 16,500	\$ 16,500	\$ 18,000
Bank Service Fees	\$ 42,406	\$ 43,066	\$ 43,066	\$ 43,161
Travel Pool	\$ -	\$ -	\$ 20,000	\$ 20,000
City-wide Intern Pool	\$ 20,979	\$ 35,000	\$ 15,000	\$ 20,000
Convention Center Hotel Costs	\$ 4,351	\$ -	\$ -	\$ -
Economic Development Initiatives	\$ 59,959	\$ 75,000	\$ 75,000	\$ 50,000
City Marketing	\$ 5,000	\$ 20,000	\$ 20,000	\$ 20,000

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend
<b>Non-Departmental</b>				
Arts Council Strategic Plan	\$ 703	\$ 703	\$ 719	\$ -
Affordable Housing Committee	\$ 1,312	\$ -	\$ -	\$ -
City/County Comm Relation	\$ 1,074	\$ -	\$ -	\$ -
Legislative Affairs	\$ 35,756	\$ 38,000	\$ 38,000	\$ 20,000
Miscellaneous	\$ 5,977	\$ 85,000	\$ 124,562	\$ 110,224
Accounting Move/Rent	\$ 246,300	\$ 285,000	\$ 285,000	\$ 266,388
Leadership Development	\$ 3,503	\$ 20,000	\$ 40,000	\$ 30,000
Office Space Assessment	\$ 133,693	\$ -	\$ 63,026	\$ -
DMV Tax Collection Fees	\$ 96,159	\$ 107,981	\$ 107,981	\$ 112,677
Dental Self Insurance	\$ (57,028)	\$ -	\$ -	\$ -
Disease Management	\$ 340,033	\$ 360,000	\$ 360,000	\$ 360,000
HRA Retiree and Administrative Fees	\$ 4,680	\$ 63,668	\$ 63,668	\$ 10,000
FSA Administrative Fees	\$ 14,203	\$ 17,682	\$ 17,682	\$ 16,755
Employment Medical	\$ 131,067	\$ 100,000	\$ 100,000	\$ 90,000
Employee Assistance Program	\$ 10,491	\$ 10,557	\$ 10,557	\$ 11,230
OPEB Contribution Trust	\$ 874,875	\$ -	\$ -	\$ -
Retiree Health Claims Audit	\$ 800	\$ 800	\$ 800	\$ 800
Health Claims Audit	\$ 528	\$ 800	\$ 800	\$ 800
Legal Fees	\$ 182	\$ -	\$ -	\$ -
Special Purpose Grant Match	\$ -	\$ 176,000	\$ 150,722	\$ 216,055
Hurricane Debris Removal/Disposal	\$ 1,126,596	\$ -	\$ -	\$ -
Wave Transit Subsidy	\$ 1,323,550	\$ 1,363,257	\$ 1,363,257	\$ 1,404,155
Allocated Costs	\$ (1,644,492)	\$ (1,644,492)	\$ (1,644,492)	\$ (1,648,257)
<b>Total</b>	<b>\$ 8,557,509</b>	<b>\$ 8,723,255</b>	<b>\$ 8,758,930</b>	<b>\$ 8,293,619</b>

The FY19 General Fund Nondepartmental budget includes funding for general City expenditures not attributable to a specific City department. Some highlights for the allotments are as follows:

- A \$300,000 salary savings credit was added to the budget based on projected vacancy rates throughout the functions in the general fund
- An increase in the expense for storm water fees associated with City-owned streets includes a 1% increase in the storm water utility rate from \$8.11 to \$8.19
- A \$5,000 decrease to the employee tuition assistance budget bringing the budget to \$40,000 moving the appropriation closer to actuals
- Funding for WAVE Transit has a 3% increase from FY18 totaling \$1,404,155 for operating costs with an additional \$375,000 in capital assistance funding in the Public Transportation Project assigned for 4 Gillig 35' CNG Vehicles.
- A total of \$32,852 was added to the budget to fund both the biennial citizen survey and monies to fund smaller more frequent surveys on current issues facing the city
- A decrease of \$15,000 was reduced from the budget related to a UNCW Fellows program that never got off the ground

## SUNDRY’S PUBLIC SERVICE AGENCY APPROPRIATIONS

The City provides funding to public service agencies through the General Fund, Community Development Block Grant, and HOME Investment Partnership funds that provide services consistent with the City Council's strategic focus areas, Department of Housing and Urban Development (HUD) national guidelines, and the priorities of the City's Five-year Consolidated Plan for CDBG/HOME. Applications for these funds are considered through a competitive process for two consecutive years of funding that is appropriated annually by City Council through the budget process.

### Public Service Agencies - General Fund

The agencies listed here received funding through the City's application process and are funded from the General Fund. FY19 represents the first year of a two year contract and represents a 2% increase in funding.

	FY17	FY18	FY18	FY19
	Actual	Adopted	Adjusted	Recommend
<b>General Fund Competitive Agencies</b>				
Coastal Horizons	\$ 70,444	\$ 71,474	\$ 71,474	\$ 72,779
Domestic Violence Shelter & Services, Inc.	\$ 25,073	\$ 25,073	\$ 25,073	\$ 3,545
Elderhaus	\$ 20,385	\$ 20,385	\$ 20,385	\$ 21,393
YWCA Lower Cape Fear	\$ 5,174	\$ 5,174	\$ 5,174	\$ 6,305
Phoenix Employment Ministries	\$ 15,000	\$ 15,000	\$ 15,000	\$ 16,196
Kids Making It Summer Jobs Program	\$ 32,711	\$ 32,711	\$ 32,711	\$ 33,943
Brigade Boys and Girls Club	\$ -	\$ 52,045	\$ 52,045	\$ 53,227
American Red Cross	\$ -	\$ 10,800	\$ 10,800	\$ 11,938
Food Bank of North Carolina	\$ 15,744	\$ 15,744	\$ 15,744	\$ 16,810
Cape Fear United Way	\$ 62,400	\$ 62,400	\$ -	\$ -
Communities in Schools in Cape Fear	\$ 21,393	\$ 21,393	\$ 21,393	\$ 22,589
Ability Garden	\$ 7,020	\$ 7,020	\$ 7,020	\$ 8,013
Wilmington Area Rebuilding Ministry (WARM)	\$ 40,000	\$ 40,000	\$ 40,000	\$ 41,109
Historic Wilmington Foundation	\$ 12,426	\$ 12,426	\$ 12,426	\$ 13,231
Aging in Place Downtown	\$ 9,268	\$ 9,268	\$ 9,268	\$ 8,830
Cape Fear Literacy Council	\$ 14,667	\$ 14,667	\$ 14,667	\$ 15,820
LINC - Leading Into New Communities	\$ 72,975	\$ 72,975	\$ 72,975	\$ 79,157
Cape Fear Housing Land Trust	\$ 22,420	\$ 22,420	\$ 22,420	\$ 23,500
Blue Ribbon Commission	\$ -	\$ -	\$ 62,400	\$ 64,785
Dreams	\$ 21,200	\$ 21,200	\$ 21,200	\$ 22,302
Wilmington Residential Adolescent Achievement	\$ 24,215	\$ 24,215	\$ 24,215	\$ 25,310
Community Boys and Girls Club	\$ 42,531	\$ 44,513	\$ 44,513	\$ 46,673
American Red Cross	\$ 10,800	\$ -	\$ -	\$ -
Brigade Boys and Girls Club	\$ 52,045	\$ -	\$ -	\$ 5,000
<b>Total General Fund Competitive Agencies</b>	<b>\$ 597,891</b>	<b>\$ 600,903</b>	<b>\$ 600,903</b>	<b>\$ 612,455</b>



Public Service Agencies - CDBG

The agencies listed here received funding through the City's application process and are funded from Federal entitlement funds associated with the Community Development Block Grant.

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend
<b>CDBG Competitive Agencies</b>				
<b>Public Service Agencies</b>				
Domestic Violence Shelter & Services, Inc.	\$ 9,650	\$ 9,650	\$ 9,650	\$ -
Good Shepherd Ministries/Wilmington Interfaith	\$ 117,523	\$ 117,523	\$ 117,523	\$ -
First Fruit Ministries	\$ 22,827	\$ 22,827	\$ 22,827	\$ -
Undesignated	\$ -	\$ -	\$ -	\$ 134,000
<b>Public Facilities (Capital Projects)</b>				
Child Development Center	\$ 33,000	\$ -	\$ -	\$ -
Domestic Violence Shelter & Services, Inc.	\$ 5,114	\$ -	\$ -	\$ -
Undesignated	\$ -	\$ -	\$ -	\$ 175,000
<b>Total CDBG Competitive Agencies</b>	<b>\$ 188,114</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ 309,000</b>
<b>Grand Total Competitive Agencies</b>	<b>\$ 786,005</b>	<b>\$ 750,903</b>	<b>\$ 750,903</b>	<b>\$ 921,455</b>

**CIVIC DEVELOPMENT PARTNER AGENCY APPROPRIATIONS**

The City also provides funding to Civic Development Partner agencies through the General Fund such as those that provide economic and physical development, cultural and recreational programs, or boards and commissions that enhance the area and quality of life for its citizens. Applications through the General Fund for these agencies are also considered through a competitive process. FY17 marked the first year of a three year contract with the agencies below. This budget is the 3<sup>rd</sup> year of that process.

Civic Development Partner Agencies

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend
<b>Economic Civic Partners</b>				
<b>Economic Development</b>				
Wilmington Business Development	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Wilmington Downtown, Inc.	\$ 86,000	\$ 86,000	\$ 86,000	\$ 86,000
Wilmington Regional Film Commission	\$ 121,890	\$ 121,890	\$ 121,890	\$ 121,890
<b>Cultural and Recreation</b>				
Children's Museum of Wilmington	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Entrepreneur Center	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000
Arts Council	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Cameron Art Museum	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Cucalorus Film Foundation	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000
Wilmington Jewish Film Festival	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
<b>Total Economic Civic Partner Agencies</b>	<b>\$ 446,890</b>	<b>\$ 446,890</b>	<b>\$ 446,890</b>	<b>\$ 446,890</b>

## OTHER GENERAL FUND AGENCY APPROPRIATIONS

Other General Fund agencies include those that provide quality of life for the citizens of the greater Wilmington region and are considered annually in the budget. These agencies do not go through an application process.

<b>Other General Fund Agencies</b>	<b>FY17 Actual</b>	<b>FY18 Adopted</b>	<b>FY18 Adjusted</b>	<b>FY19 Recommend</b>
<b>Agencies</b>				
Battleship Fireworks	\$ 28,004	\$ 30,000	\$ 40,000	\$ 40,000
Thalian Hall Center for the Performing Arts	\$ 132,664	\$ 133,991	\$ 133,991	\$ 136,537
Community Arts Center	\$ 53,700	\$ 54,237	\$ 54,237	\$ 55,267
Cape Fear Public Utility Authority	\$ -	\$ 4,000	\$ 4,000	\$ -
Kids Making it Summer Jobs Renovation	\$ -	\$ 35,000	\$ 35,000	\$ -
UNCW Track	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
CF COG- Continuum of Care (10 Yr Plan)	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Martin Luther King Day Celebration	\$ -	\$ -	\$ 5,000	\$ -
Cape Fear Purple Heart Association	\$ 640	\$ -	\$ -	\$ -
Cape Fear Futures	\$ -	\$ -	\$ -	\$ 25,000

Of special note related to the above agencies are two new initiatives. Cape Fear Futures funding of \$25,000 represents the city's continued commitment to aid the Chambers in marketing the region for economic development. This represents the 3<sup>rd</sup> and final year for the city's commitment to UNCW and their track improvements.

### **Boards and Commissions**

City Boards	\$ 17,425	\$ 6,500	\$ 14,500	\$ 6,500
Civil Service Appeals	\$ -	\$ 8,500	\$ 8,500	\$ 8,500
Sister City	\$ 1,884	\$ 2,500	\$ 2,500	\$ 2,500
<b>Total Other Agencies</b>	<b>\$ 384,317</b>	<b>\$ 424,728</b>	<b>\$ 447,728</b>	<b>\$ 424,304</b>

**Grand Total General Fund Agencies**      \$ 1,429,098    \$ 1,472,521    \$ 1,495,521    \$ 1,483,649

## CONTINGENCY

<b>Contingency</b>	<b>FY17 Actual</b>	<b>FY18 Adopted</b>	<b>FY18 Adjusted</b>	<b>FY19 Recommend</b>
Council Contingency	\$ -	\$ 100,000	\$ 95,000	\$ 115,000
Contingency for Economic Development	\$ -	\$ 100,000	\$ 100,000	\$ 150,000
<b>Total</b>	<b>\$ -</b>	<b>\$ 200,000</b>	<b>\$ 195,000</b>	<b>\$ 265,000</b>

Contingency funds are budgeted for unforeseen needs that may arise during the fiscal year. Any use of contingency funds must be approved by City Council. For FY19, Council's contingency increased by \$15,000. In addition, Council's economic development contingency funds increased by \$50,000 to respond to potential incentives that may arise in FY19.

## ECONOMIC INCENTIVES

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend
<b>Economic Incentives</b>				
Wrightsville Beach Galleria	\$ 7,224	\$ 7,224	\$ 7,224	\$ 7,224
Pharmaceutical Product Development	\$ 117,437	\$ 125,000	\$ 125,000	\$ -
Castle Branch	\$ 50,000	\$ 50,000	\$ 100,000	\$ 50,000
Live Oak Bank	\$ 50,000	\$ 50,000	\$ 100,000	\$ 50,000
AAI Pharma	\$ -	\$ 45,000	\$ 45,000	\$ -
Miscellaneous Incentives	\$ -	\$ 100,000	\$ 100,000	\$ 125,000
National Gypsum	\$ -	\$ -	\$ -	\$ 46,000
<b>Total</b>	<b>\$ 224,661</b>	<b>\$ 377,224</b>	<b>\$ 477,224</b>	<b>\$ 278,224</b>

Incentive payment agreements with PPD and AAI Pharma were removed for FY19. FY19 continues incentive agreements with Castle Branch, Live Oak Branch and begins an agreement with National Gypsum. The budget also includes a contractual payment to Wrightsville Beach for the annexation of the Galleria property. The payment to the town of Wrightsville Beach is scheduled to increase to an annual amount of \$30,000 effective July 2019. The increased payment will continue through July 2043. The miscellaneous incentive funding increased by \$25,000 to respond to any incentives that present themselves in FY19.

## TRANSFERS

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend
<b>Transfers</b>				
Debt Service	\$ 9,334,832	\$ 9,334,832	\$ 9,334,832	\$ 9,334,832
Special Purpose	\$ 601,408	\$ 646,108	\$ 671,386	\$ 655,292
CDBG/HOME Grant & Loan Administration	\$ 150,835	\$ 305,234	\$ 305,234	\$ 253,598
HOME Invest	\$ 8,358	\$ -	\$ -	\$ -
Capital Projects Streets and Sidewalks	\$ 3,352,266	\$ -	\$ -	\$ -
Capital Projects Parks and Recreation	\$ 16,105	\$ -	\$ 1,553	\$ -
Capital Projects Public Facilities	\$ 3,320,357	\$ 7,960,200	\$ 7,960,200	\$ -
Capital Projects Public Improvement	\$ 1,732,424	\$ -	\$ -	\$ -
Solid Waste Management Fund	\$ 29,866	\$ 29,866	\$ 29,866	\$ 29,866
Technology Replacement Fund	\$ 372,595	\$ 324,365	\$ 324,365	\$ 308,685
Loan Fund: HOP Revolving	\$ 50,000	\$ 100,000	\$ 250,000	\$ 60,000
Loan Fund: Legal and Forgivable Loans	\$ 350,000	\$ 300,000	\$ 90,000	\$ 390,000
<b>Total Transfers</b>	<b>\$ 19,319,046</b>	<b>\$ 19,000,605</b>	<b>\$ 18,967,436</b>	<b>\$ 11,032,273</b>

The FY19 Sundry Transfers budget provides for approximately \$9.3 million to the Debt Service Fund, which represents existing debt service previously incorporated into the property tax rate. This level of funding will continue until that debt is retired.

Transfers to the Special Purpose Fund moves funding into projects for various programs. The budget for FY19 includes:

- Metropolitan Planning Administration (WMPO): \$258,334
- SABLE: \$196,958
- Safelight: \$200,000

The General Fund subsidizes the community development activities in the CD/HM Grant and Loan Administration Fund, which is funded primarily with Community Development Block Grant and HOME funds from the federal government. The General Fund contribution for FY19 is \$253,598.

The \$308,685 to the Technology Replacement Fund provides for the costs associated with the City's transition to a hosted environment also known as cloud computing.

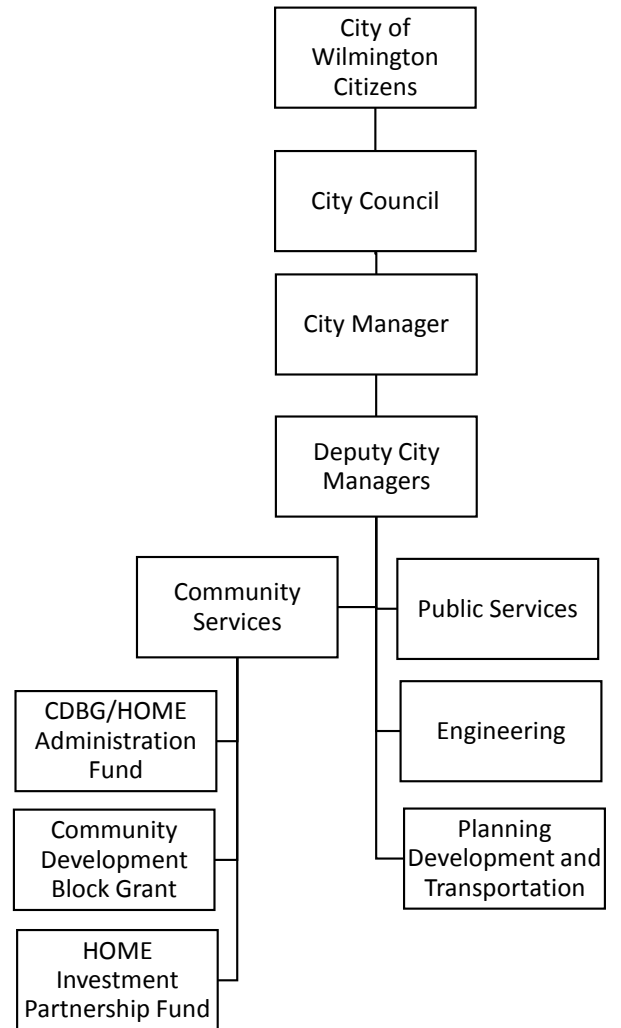
The establishment of a City of Wilmington/New Hanover County Ad hoc Committee on Improving Workforce/Affordable Housing has developed their recommendations. The City has \$60,000 allocated in Non-departmental in this budget to respond to joint City/County recommendations expected to come forward FY19. Additionally, this budget allows for continued services funding those programs that aid low income owner-occupied housing and rehabilitations programs. Those programs include:

- Homeownership Opportunity Program
- Minor Repairs up to \$10,000
- Owner-occupied housing rehabilitation programs up to \$75,000

These funds are located in a transfer account to the HOP revolving Loan (\$60,000) and the Legal (\$50,000) and Forgivable Loans (\$340,000).

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## COMMUNITY DEVELOPMENT



## COMMUNITY SERVICES

The Community Services department encompasses programs designed to improve the quality of life for all City residents regardless of age or economic standing.

### BUDGET SUMMARY

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
<b>Administration</b>					
Personnel	\$ 144,981	\$ 161,398	\$ 161,398	\$ 164,044	1.6%
Benefits	\$ 40,415	\$ 44,653	\$ 44,653	\$ 46,116	3.3%
Operating	\$ 8,355	\$ 9,124	\$ 4,437	\$ 5,368	-41.2%
<b>Administration Total</b>	<b>\$ 193,751</b>	<b>\$ 215,175</b>	<b>\$ 210,488</b>	<b>\$ 215,528</b>	<b>0.2%</b>
<b>Code Enforcement</b>					
Personnel	\$ 211,200	\$ 264,669	\$ 267,269	\$ 279,610	5.6%
Benefits	\$ 71,950	\$ 96,534	\$ 96,534	\$ 99,247	2.8%
Operating	\$ 230,127	\$ 305,706	\$ 329,653	\$ 335,534	9.8%
Outlay	\$ 5,361	\$ -	\$ 3,820	\$ -	-
<b>Code Enforcement Total</b>	<b>\$ 518,638</b>	<b>\$ 666,909</b>	<b>\$ 697,276</b>	<b>\$ 714,391</b>	<b>7.1%</b>
<b>Parks and Recreation</b>					
Personnel	\$ 3,565,051	\$ 3,979,702	\$ 3,795,771	\$ 3,943,087	-0.9%
Benefits	\$ 1,217,843	\$ 1,350,623	\$ 1,293,804	\$ 1,299,894	-3.8%
Operating	\$ 2,023,635	\$ 2,142,411	\$ 2,105,692	\$ 2,096,786	-2.1%
Outlay	\$ 113,751	\$ 126,785	\$ 59,295	\$ 79,201	-37.5%
Miscellaneous	\$ -	\$ -	\$ 2	\$ -	0.0%
<b>Parks and Recreation Total</b>	<b>\$ 6,920,279</b>	<b>\$ 7,599,521</b>	<b>\$ 7,254,564</b>	<b>\$ 7,418,968</b>	<b>-2.4%</b>
<b>Inland Greens Park</b>					
Personnel	\$ -	\$ -	\$ 177,564	\$ 163,353	-
Benefits	\$ -	\$ -	\$ 58,475	\$ 44,350	-
Operating	\$ -	\$ -	\$ 104,760	\$ 102,960	-
Outlay	\$ -	\$ -	\$ 66,887	\$ -	-
<b>Allocated Cost</b>					
Allocated Cost	\$ (49,699)	\$ (49,699)	\$ (49,699)	\$ (49,699)	-
<b>Allocated Cost Total</b>	<b>\$ (49,699)</b>	<b>\$ (49,699)</b>	<b>\$ (49,699)</b>	<b>\$ (49,699)</b>	<b>-</b>
<b>Community Services Total</b>	<b>\$ 7,582,969</b>	<b>\$ 8,431,906</b>	<b>\$ 8,520,315</b>	<b>\$ 8,609,851</b>	<b>2.1%</b>
<b>Authorized Positions</b>					
Community Services Administration	2	2	2	2	
Code Enforcement	6	6	6	6	
Inland Greens	0	1	1	1	
Parks and Recreation	75	76	76	77	
<b>Total Positions</b>	<b>83</b>	<b>85</b>	<b>85</b>	<b>86</b>	

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### *Division Description*

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The **Administration** division's primary responsibility is the oversight, coordination, and management of all departmental activities.

The primary responsibility of the **Code Enforcement** division is to enforce City ordinances and educate citizens on maintaining a healthy and safe environment.

The **Parks and Recreation** division provides an array of services such as individual and team activities to youth and adults for improvement in mental health, health maintenance, and promotion of positive sportsmanship. It also provides outlets for social interaction, physical activity, environmental awareness, and to support community integration through creative programming for the total family and to make a positive impact towards their quality of life. The Parks, Landscape and Tree Maintenance section maintains landscaping and trees in City greenways and supports over 50 public parks and playgrounds throughout the City. Additionally the division provides set-up and support for press conferences and special meetings throughout City departments.

The **Community Development and Housing** division administers federal, state and local funding to benefit low-to-moderate income citizens by supporting the production and rehabilitation of affordable housing, assistance for homebuyers and numerous community-based organizations that serve at-risk youth, elderly, homeless, victims of abuse and neglect, disabled, and other special populations. The Community Development and Housing division works to leverage limited funding by working in collaboration with the non-profit and private sectors to address a variety of issues impacting the quality of life in a community.

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### *Budget Overview*

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The City continues to invest in the workforce by adding to both the compensation study funding impacts as well as a merit plan. This budget increases the associated salary and corresponding benefits related to those initiatives. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. This budget continues core services.



### Base Budget Adjustments

#### A. Start-up Equipment Funding Reduction

**Division:** Inland Greens  
**Total Cost:** (\$66,887)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A total of \$66,887 was removed from Inland Greens activity. The funding was for start-up equipment to include point-of-sale computer and software and ground maintenance equipment (debris blower, dethatcher, dresser etc.).

#### B. Heavy Equipment Funding Reduction

**Division:** Parks & Landscape  
**Total Cost:** (\$16,200)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A total of \$16,200 was removed from Parks and Landscape's base budget. The funding was authorized to purchase a Litter Vacuum.

#### C. Partial Reduction of Laserfiche Funding

**Division:** Code Enforcement  
**Total Cost:** (\$10,374)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A total of \$10,374 of one-time funding was removed from Code Enforcement's budget. Funding in the amount of \$20,748 was authorized in FY18 to import a backlog of documents into Laserfiche. Due to a delay in hiring temporary staff, half the funding is needed in FY19 to complete the backlog and set up an on-going document management process going forward.

#### D. Motor Vehicle Funding Reduction

**Division:** Parks & Landscape  
**Total Cost:** (\$5,420)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A total of \$5,420 was removed from the base budget. The funding was used in conjunction with reserves built up in the fleet replacement fund to switch out a Flatbed truck and replace it with a Stakebed truck allowing Parks and Recreation to pick up trash at specific park locations.

## Budget Modifications

### A. Outdoor Recreation Program Targeting at Risk Youth

**Division:** Downtown Services  
**Total Cost:** \$3,000  
**Priority:** Strategic Plan: Create a Safe Place 1.1  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Funding in the amount of \$3,000 will be used to contract services with outdoor providers to create an outdoor recreation program targeting at-risk youth to include possible kayaking, swimming, snorkeling, rock climbing and boating opportunities. The department expects an estimated 125 youth to participate.

### B. Reclass from Recreation Coordinator to a Recreation Specialist

**Division:** Recreation Administration  
**Total Cost:** \$11,877  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: N/A; Part-Time: 0.25  
**Description:** A total of \$11,877 was added to the budget to reclass a position down from a Recreation Coordinator to a Recreation Specialist. Though the position is being downgraded, the request also includes an increase in FTE from a .48 to a .73 which allows for more working hours. The funding is coming from the reclass and downgrade of another position. The increase to temporary salaries is \$8,305, with an additional \$3,572 in benefits.

### C. Recreation Specialist: FTE and Hour Increase

**Division:** Athletics  
**Total Cost:** \$15,959  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: N/A; Part-Time: 0.15  
**Description:** A total of \$15,959 was authorized to increase a Recreation Specialist's FTE as well as hourly rate. The request will increase the current FTE from a 0.73 to a 0.88 as well as provide benefits. This request is being funded by the reclass and downgrade of another position. The increase to temporary salaries is \$5,120, with an additional \$10,839 in benefits.

### D. Abatement Funding

**Division:** Code Enforcement  
**Total Cost:** \$18,000  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Funding totaling \$18,000 was authorized to support historical expenses used for code enforcement abatement violations.

**E. Increase to Overtime**

**Division:** Parks & Landscape  
**Total Cost:** \$21,645  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Increase to overtime in the amount of \$18,000 plus \$3,645 in associated benefits was added to the budget for the Parks and Landscape division. This additional overtime is needed to assist in covering special events, athletic tournaments as well as weather related events. The past three fiscal years shows an average of \$22,068 spent in the overtime account.

**F. Tree Planting Budget Increase**

**Division:** Tree Management  
**Total Cost:** \$25,000  
**Priority:** Expanding Infrastructure  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** An increase of \$25,000 to the tree planting budget was authorized bringing the total budget to \$50,000. With the increase, the department expects to increase tree planting from 100 to 250 trees annually.

**G. Polycarbonate Board to Secure Properties**

**Division:** Code Enforcement  
**Total Cost:** \$28,000  
**Priority:** Strategic Plan: Provide Sustainability and Adaptability 5.2  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A test pilot program using polycarbonate boards to secure properties from squatting and vandalism has been authorized. This will also allow for the preservation of the housing stock in the neighborhood. The \$28,000 would allow for a test of approximately 10 houses.

**H. Tree Root & Sidewalk Study**

**Division:** Tree Management  
**Total Cost:** \$45,000  
**Priority:** Expanding Infrastructure  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A one time expense of \$90,000 was identified to hire a consultant to review the City's standards for planting street trees, tree protection, soil selection, root barrier and other methods used to control root growth. The \$90,000 estimate for this study will be funded through Community Services and Public Services at \$45,000 each.

**I. Compact Utility Tractor**

**Division:** Parks & Landscape

**Total Cost:** \$47,252

**Priority:** Continuation of Services

**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00

**Description:** The funding allows for the purchase of a compact utility tractor. This tractor will replace a tractor that is currently twenty-eight years old and not a part of the fleet replacement fund. This tractor is used in both Parks and Recreation as well as the Trees and other Recreation divisions. The total cost of the tractor is \$47,252. Of that, \$40,923 is the up-front purchase of the tractor with \$6,329 budgeted for annual costs.

**J. New Tree Trimmer Position**

**Division:** Tree Management

**Total Cost:** \$50,166

**Priority:** Expanding Infrastructure

**Position(s):** Full Time Equivalent: 1; Part-Time: 0.00

**Description:** The addition of a Tree Trimmer position totaling \$50,166, of which \$32,948 is salary with \$17,218 in benefits was authorized. This position will be a member of a three-man crew to handle daily maintenance, take downs and emergency calls related to the trees. This represents the second year of a three-year plan to add a tree trimmer to the department. This will provide the department with two (2) three-man crews and one (1) two-man crew. The goal is to have three (3) three-man crews.

## CDBG/HOME GRANT AND LOAN ADMIN FUND

The CDBG/HOME Grant and Loan Fund was established in FY10 to capture the costs associated with the City's community development and housing activities.

### BUDGET SUMMARY

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
<b>Revenue</b>					
Transfer from CDBG	\$ 434,007	\$ 435,454	\$ 435,454	\$ 443,680	1.9%
Transfer from General Fund	\$ 150,835	\$ 305,234	\$ 305,234	\$ 253,598	-16.9%
Transfer from HOME	\$ 67,073	\$ 63,415	\$ 63,415	\$ 66,215	4.4%
<b>Revenue Total</b>	<b>\$ 651,916</b>	<b>\$ 804,103</b>	<b>\$ 804,103</b>	<b>\$ 763,493</b>	<b>-5.1%</b>
<b>Appropriations</b>					
Personnel	\$ 412,595	\$ 471,684	\$ 471,684	\$ 503,605	6.8%
Benefits	\$ 127,245	\$ 182,952	\$ 182,952	\$ 159,497	-12.8%
Operating	\$ 62,377	\$ 99,768	\$ 95,268	\$ 50,692	-49.2%
Outlay	\$ -	\$ -	\$ 4,500	\$ -	-
<b>Allocated Cost</b>	<b>\$ 49,699</b>	<b>\$ 49,699</b>	<b>\$ 49,699</b>	<b>\$ 49,699</b>	<b>0.0%</b>
<b>Appropriations Total</b>	<b>\$ 651,916</b>	<b>\$ 804,103</b>	<b>\$ 804,103</b>	<b>\$ 763,493</b>	<b>-5.1%</b>
<b>Authorized Positions</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	

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### Budget Overview

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The City continues to invest in the workforce by adding to both the compensation study funding impacts as well as a merit plan. This budget increases the associated salary and corresponding benefits related to those initiatives. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. This budget continues core services.

### Base Budget Adjustments

#### A. Consulting Services Reduction

**Division:** CD/HM  
**Total Cost:** (\$45,000)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A reduction in the amount of \$45,000 was removed from the budget. This funding was used to create a job manual.

#### B. Off-cycle Business Decision: Increase Budgeted Salary

**Division:** CD/HM  
**Total Cost:** (\$500)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A reduction in the amount of \$500 was removed from the legal services budget to aid in reclassification of Administrative Support Technician.

### Budget Modifications

#### A. Overhire Funding

**Division:** Accounting  
**Total Cost:** \$10,867  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Due to the upcoming retirement of the CDGB Sr. Accountant, a modification in the amount of \$10,867 is authorized to allow for needed cross training of the new incumbent over a 12-week period. The salary associated with this is \$8,508 with \$2,359 in benefits.

#### B. Retirement Payout

**Division:** Accounting  
**Total Cost:** \$12,229  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** An increase of \$12,229 is estimated for retirement payout and associated benefits for the CDGB Sr. Accountant's planned retirement mid-FY19.

## COMMUNITY DEVELOPMENT BLOCK GRANT

The Community Development Block Grant (CDBG) Entitlement Program provides annual grants on a formula basis to entitled cities and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons.

### BUDGET SUMMARY

	FY18 Adopted	FY19 Recommend
<b>CDBG</b>		
PUBLIC SERVICES	\$ -	\$ 175,000
Undesignated	\$ 301,815	\$ 126,718
<b>CDBG Total</b>	<b>\$ 301,815</b>	<b>\$ 301,718</b>
<b>Housing</b>		
Housing Delivery Costs	\$ 205,000	\$ 205,000
<b>Housing Total</b>	<b>\$ 205,000</b>	<b>\$ 205,000</b>
<b>Program Administration and Planning</b>		
CDBG Activities	\$ 230,454	\$ 238,680
<b>Program Administration and Planning Total</b>	<b>\$ 230,454</b>	<b>\$ 238,680</b>
<b>Public Facilities</b>		
Domestic Violence	\$ 9,650	\$ -
First Fruit Ministries	\$ 22,827	\$ -
Good Shepherd	\$ 117,523	\$ -
<b>Public Facilities Total</b>	<b>\$ 150,000</b>	<b>\$ -</b>
<b>Public Services</b>		
Child Development Center	\$ -	\$ 134,000
<b>Public Services Total</b>	<b>\$ -</b>	<b>\$ 134,000</b>
<b>Grand Total</b>	<b>\$ 887,269</b>	<b>\$ 879,398</b>

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### Budget Overview

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In program year 2019, the City anticipates \$871,498 in CDBG entitlement funds and \$484,147 in HOME entitlement funds. One hundred percent of CDBG funds are anticipated to be used for the benefit of low-to-moderate income persons.

The proposed projects and programs for implementation in the coming fiscal year include projects to increase the supply of affordable rental housing; foster homeownership; preserve and rehabilitate existing housing stock; and provide services and support for the homeless, including ex-offenders, victims of domestic violence and at-risk youth. Resources are made available to provide for services to improve neighborhoods and serve citizens, including at-risk youth.

## HOME INVESTMENT PARTNERSHIP FUND

The HOME Investment Partnerships Program (HOME) provides formula grants to States and localities that communities use, often in partnership with local nonprofit groups, to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income persons.

### BUDGET SUMMARY

	FY18 Adopted	FY19 Recommend
<b>Housing</b>		
CHDO'S	\$ 95,122	\$ 99,322
Undesignated	\$ 475,610	\$ 496,610
<b>Housing Total</b>	<b>\$ 570,732</b>	<b>\$ 595,932</b>
<b>Program Administration and Planning</b>		
HOME Planning and Administration	\$ 63,415	\$ 66,215
<b>Program Administration and Planning Total</b>	<b>\$ 63,415</b>	<b>\$ 66,215</b>
<b>Grand Total</b>	<b>\$ 634,147</b>	<b>\$ 662,147</b>

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### *Budget Overview*

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In program year 2019, the City anticipates \$871,498 in CDBG entitlement funds and \$484,147 in HOME entitlement funds. One hundred percent of CDBG funds are anticipated to be used for the benefit of low-to-moderate income persons.

The proposed projects and programs for implementation in the coming fiscal year include projects to increase the supply of affordable rental housing; foster homeownership; and preserve and rehabilitate existing housing stock. Resources are made available to provide neighborhood improvements through the creation of affordable housing to serve low to moderate income citizens.



## PLANNING, DEVELOPMENT AND TRANSPORTATION

The Planning, Development and Transportation department is comprised of the Planning and Traffic Engineering divisions. The department provides technical support to ensure growth and redevelopment contribute to the quality of life in the City of Wilmington. The department is split amongst the General Government and the Transportation Functions as depicted below.

### BUDGET SUMMARY

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
General Government					
<b>Administration</b>					
Personnel	\$ 226,787	\$ 236,001	\$ 236,001	\$ 353,491	49.8%
Benefits	\$ 60,939	\$ 64,358	\$ 64,358	\$ 90,894	41.2%
Operating	\$ 14,856	\$ 23,077	\$ 25,552	\$ 23,498	0.0%
<b>Administration Total</b>	<b>\$ 302,583</b>	<b>\$ 323,436</b>	<b>\$ 325,911</b>	<b>\$ 467,883</b>	<b>44.7%</b>
<b>Planning</b>					
Personnel	\$ 968,763	\$ 1,139,475	\$ 1,142,636	\$ 1,180,523	3.6%
Benefits	\$ 279,783	\$ 348,347	\$ 349,268	\$ 363,520	4.4%
Operating	\$ 143,794	\$ 125,929	\$ 340,291	\$ 131,652	4.5%
Outlay	\$ 2,524	\$ 2,236	\$ 10,926	\$ 4,598	105.6%
<b>Planning Total</b>	<b>\$ 1,394,864</b>	<b>\$ 1,615,987</b>	<b>\$ 1,843,121</b>	<b>\$ 1,680,293</b>	<b>4.0%</b>
<b>Allocated Cost</b>					
Allocated Cost	\$ (3,416)	\$ -	\$ -	\$ -	0.0%
<b>Allocated Cost Total</b>	<b>\$ (3,416)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>
<b>General Government Total</b>	<b>\$ 1,694,031</b>	<b>\$ 1,939,423</b>	<b>\$ 2,169,032</b>	<b>\$ 2,148,176</b>	<b>10.8%</b>
Transportation					
<b>Transportation Traffic</b>					
Personnel	\$ 1,169,329	\$ 1,264,409	\$ 1,264,409	\$ 1,336,780	5.7%
Benefits	\$ 380,741	\$ 414,595	\$ 414,595	\$ 432,436	4.3%
Operating	\$ 1,637,568	\$ 1,919,659	\$ 1,862,143	\$ 1,877,901	-2.2%
Outlay	\$ 10,939	\$ -	\$ 77,164	\$ 3,150	-
<b>Transportation Traffic Total</b>	<b>\$ 3,198,578</b>	<b>\$ 3,598,663</b>	<b>\$ 3,618,311</b>	<b>\$ 3,650,267</b>	<b>1.4%</b>
<b>Transportation Total</b>	<b>\$ 3,198,578</b>	<b>\$ 3,598,663</b>	<b>\$ 3,618,311</b>	<b>\$ 3,650,267</b>	<b>1.4%</b>
<b>PDT Total</b>	<b>\$ 4,892,609</b>	<b>\$ 5,538,086</b>	<b>\$ 5,787,343</b>	<b>\$ 5,798,443</b>	<b>4.7%</b>
<b>Authorized Positions</b>					
PDT Administration	3	3	3	3	
Planning	18	19	19	21	
Traffic Engineering	23	23	23	24	
<b>Total Positions</b>	<b>44</b>	<b>45</b>	<b>45</b>	<b>48</b>	

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### ***Division Description***

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The **Administrative** function provides management and leadership to the three Divisions of the Planning, Development and Transportation Department, while also coordinating department activities with the activities of other city departments.

The **Traffic Engineering** division provides the traffic signal system management, roadway signs and pavement markings, management of street lighting, neighborhood traffic management and SafeLight program management services.

The **Planning Division** provides development review, maintenance of development regulations, historic preservation planning, zoning administration and enforcement, floodplain administration, boards and commissions administration, comprehensive planning, urban design and placemaking assistance, neighborhood and special area planning, environmental planning, geospatial planning and analysis, and special projects services.

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### ***Budget Overview***

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The City continues to invest in the workforce by adding to both the compensation study funding impacts as well as a merit plan. This budget increases the associated salary and corresponding benefits related to those initiatives. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. This budget continues core services.

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### ***Base Budget Adjustments***

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#### **A. Reduction of Street lighting Funding**

**Division:** Traffic Engineering

**Total Cost:** (\$90,000)

**Priority:** Reduction

**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00

**Description:** Traffic Engineering reduced the overall Street lighting budget to better align with the expected neighborhood acceptances in FY19.

**B. Reduction of Data Processing Equipment Funding**

**Division:** Planning  
**Total Cost:** (\$2,236)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Removal of one-time funding in the amount of \$2,236 that was used for the purchase of a computer for the Administrative Support position authorized in FY18.

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**Budget Modifications**

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**A. Printing**

**Division:** Planning  
**Total Cost:** \$1,000  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** One-time funding in the amount of \$1,000 was authorized, allowing the Planning division to print the Land Development Code for Council, Planning Commission members and staff. This funding complements another \$4,000 the department has in their base budget. Total printing cost is estimated at \$5,000.

**B. Annual Technology Fund Service Charge**

**Division:** Traffic Engineering  
**Total Cost:** \$1,440  
**Priority:** Budget Adjustment  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Traffic Engineering shifted \$1,400 to allow for upgraded laptops compatible with Contracts 2.X software, to be included in the PC replacement program.

**C. PC Replacement**

**Division:** Planning  
**Total Cost:** \$3,490  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A total of \$3,490 was added to the budget enabling the Planning division to include three tablets, two I-Pads and the 3rd floor conference up-fit to be included in the PC replacement program.

**D. Signal Systems Consultant to Transition Signals to IP**

**Division:** Traffic Engineering  
**Total Cost:** \$10,000  
**Priority:** Budget Adjustment  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Traffic Engineering shifted \$10,000 from Street lighting to account for hiring a consultant to transition the signal systems software to IP and conduct needed employee training.

**E. Market Street streetlight construction at the 00 Block**

**Division:** Traffic Engineering  
**Total Cost:** \$40,000  
**Priority:** Budget Adjustment  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Traffic Engineering shifted \$40,000 from Street lighting to fund construction for street lighting on the 00 Block of Market Street.

**F. New Zoning Officer**

**Division:** Planning  
**Total Cost:** \$60,440  
**Priority:** Expanding Infrastructure Create a Safe Place 5.4  
**Position(s):** Full Time Equivalent: 1; Part-Time: 0.00  
**Description:** The funding allows the Planning division to hire one full-time Zoning Officer at a salary of \$36,899 to include benefits totaling \$17,212. The funding provides the Zoning Officer with a rugged tablet at \$3,068 as well as a desktop at \$1,530 both of which will participate in the PC replacement program. It will fund other operating needs such as a uniform, cell phone stipend and a safety shoe allowance. The officer will aid the department in responding to building permits, zoning applications, field inspections, pre-construction meetings and the like. It will also help set the department up for responding to possible changes that will result from the General Assembly's approval of Section Law 2017-10 (Senate Bill 131) which includes specific time limits on when a local government could bring a zoning actions against a violator as well as future changes in local short term lodging needs. The total initiative cost \$60,440.

**G. New Electronics and Instrumentation Technician**

**Division:** Traffic Engineering  
**Total Cost:** \$62,916  
**Priority:** Expanding Infrastructure  
**Position(s):** Full Time Equivalent: 1; Part-Time: 0.00  
**Description:** Funding in the amount of \$62,916 allows the Traffic Engineering division to hire one full-time Electronics and Instrumentation Technician at a salary of \$38,188, benefits of \$17,478, uniform, safety shoe allowance, a computer and pc replacement, as well as travel and training to the IMSA Certification training. This technician will aid the department in responding to the needs of the traffic signal systems which is expanding both through development and NCDOT projects.

**H. Rail Realignment Coordinator**

**Division:** Admin

**Total Cost:** \$130,000

**Priority:** Strategic Plan: Support Efficient Transportation Systems 6.6

**Position(s):** Full Time Equivalent: 1; Part-Time: 0.00

**Description:** Funding in the amount of \$130,000 has been budgeted for a Rail Realignment Coordinator to include operating costs. This position will aid the city in its effort to gain support in realigning the railroads tracks to more efficient routes throughout the city.

## PLANNING, DEVELOPMENT AND TRANSPORTATION: WMPO

The City of Wilmington serves as the Lead Planning Agency for the Wilmington Metropolitan Planning Organization (WMPO). As a federally-mandated and federally-funded entity, the Wilmington MPO is tasked with providing a regional and cooperative transportation planning process that serves as the basis for the expenditure of all federal transportation funds in the greater Wilmington area. The WMPO is required to prepare long range transportation plans for the planning area with a minimum of a 20-year horizon. Additionally, the WMPO prepares an annual planning work program and assists with the prioritization of projects for inclusion in the State Transportation Improvement Program (outlines NCDOT’s funding for a 10-year period).

### BUDGET SUMMARY

	FY18 Adopted	FY19 Recommend	Change FY18 to FY19
<b>WMPO - Revenue</b>			
General Fund Contribution	\$ 193,126	\$ 184,702	-4.4%
City of Wilmington	\$ 67,720	\$ 73,632	8.7%
New Hanover County	\$ 54,699	\$ 59,475	8.7%
Pender County	\$ 15,238	\$ 16,568	8.7%
Town of Leland	\$ 8,600	\$ 9,351	8.7%
Brunswick County	\$ 5,787	\$ 6,292	8.7%
Town of Carolina Beach	\$ 3,633	\$ 3,950	8.7%
Town of Wrightsville Beach	\$ 1,575	\$ 1,712	8.7%
Town of Kure Beach	\$ 1,286	\$ 1,398	8.7%
Town of Belville	\$ 1,238	\$ 1,346	8.8%
Town of Navassa	\$ 965	\$ 1,049	8.7%
UMTA Planning Section 5303	\$ 64,000	\$ 64,000	0.0%
NCDOT Planning	\$ 8,000	\$ 8,000	0.0%
NCDOT Highways	\$ 271,096	\$ 271,096	0.0%
NCDOT STP DA	\$ 339,869	\$ 396,000	16.5%
Transportation Planning	\$ -	\$ -	0.0%
<b>WMPO Revenue Total</b>	<b>\$ 1,036,832</b>	<b>\$ 1,098,571</b>	<b>6.0%</b>
<b>WMPO - Appropriations</b>			
Personnel	\$ 624,826	\$ 663,659	6.2%
Benefits	\$ 205,777	\$ 218,573	6.2%
Operating	\$ 206,229	\$ 216,339	4.9%
<b>WMPO Appropriations Total</b>	<b>\$ 1,036,832</b>	<b>\$ 1,098,571</b>	<b>6.0%</b>
<b>Authorized Positions</b>	<b>11</b>	<b>11</b>	

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## Budget Overview

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The City of Wilmington serves as the Lead Planning Agency for the Wilmington Metropolitan Planning Organization (WMPO). Due to additional funding sources now afforded the Transportation Management Area (TMA) designation bestowed upon the City in FY 2014, and to properly monitor, verify and record expenditures associated with the multiple funding sources as well as account for the multi-member match contributions, the Metropolitan Planning Administration Special Purpose project was established.

The WMPO is housed in the Planning, Development and Transportation Department but the budget resides in the Special Purpose Fund. The WMPO Budget Summary reflects funding for the continuation of regional transportation management. The variance in personnel is related to an increase in salary associated with a compensation and market analysis study conducted by the WMPO board. Overall, the WMPO budget increased by 6.0%.

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## Budget Adjustment

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### A. New Employee Outfitting Funding Removed

**Division:** MPO  
**Total Cost:** (\$2,736)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** One-time funding in the amount of \$2,736 for the purchase of a computer and furniture was removed from the budget. Funding was authorized to outfit a newly authorized position in the previous fiscal year.

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## Budget Modifications

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### A. Traffic Counter MiFi

**Division:** MPO  
**Total Cost:** \$456  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** The funding allows the MPO to provide a MiFi to the Traffic Count program, increasing efficiency in daily workflows. Due to the funding structure of the WMPO, the City of Wilmington financial impact for this amount is \$38.

**B. PC Replacement**

**Division:** MPO  
**Total Cost:** \$500  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** The 4th Floor conference room at the city's office at 305 Chestnut Street was up-fitted with a new computer and monitor. To include this equipment in the PC replacement program funding in the amount of \$500 is necessary. And, due to the funding structure of the WMPO, the City of Wilmington financial impact for this amount is \$42.

**C. PC Replacement**

**Division:** MPO  
**Total Cost:** \$920  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** The WMPO purchased two (2) iPad Pro tablets in FY18 for the Executive Director and the Long Range Planning section. To include these two tablets in the PC replacement program funding in the amount of \$920 is necessary. Due to the funding structure of the WMPO, the City of Wilmington financial impact for this amount is \$78.

**D. Reserve Fund**

**Division:** MPO  
**Total Cost:** \$10,164  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Funding in the amount of \$10,164 was authorized to be utilized to recruit and retain MPO staff if the needs arise throughout the year. And, due to the funding structure of the WMPO, the City of Wilmington financial impact for this amount is \$857.

**E. Implementation of WMPO Compensation and Market Analysis**

**Division:** MPO  
**Total Cost:** \$20,000  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** At the direction of the Wilmington MPO Board, the MPO hired Capital Associated Industries to complete a compensation and market analysis. Based on the recommendations, which were approved by the WMPO board, \$20,000 was added to the WMPO budget. Due to the funding structure of the WMPO, the City of Wilmington financial impact for \$20,000 is \$1,685.



## PUBLIC SERVICES

The Public Services department is responsible for streets, City buildings and facilities, stormwater services (managed through the Storm Water enterprise fund) and solid waste services (managed through the Solid Waste enterprise fund). The department is split amongst the General Government and the Transportation Functions as depicted below.

### BUDGET SUMMARY

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
<b>General Government</b>					
<b>Administration</b>					
Personnel	\$ 346,831	\$ 328,706	\$ 328,706	\$ 372,157	13.2%
Benefits	\$ 106,651	\$ 103,240	\$ 103,240	\$ 111,711	8.2%
Operating	\$ 40,376	\$ 37,081	\$ 36,574	\$ 38,171	2.9%
<b>Administration Total</b>	<b>\$ 493,857</b>	<b>\$ 469,027</b>	<b>\$ 468,520</b>	<b>\$ 522,039</b>	<b>11.3%</b>
<b>Buildings</b>					
Personnel	\$ 466,604	\$ 493,532	\$ 497,432	\$ 481,002	-2.5%
Benefits	\$ 142,624	\$ 145,429	\$ 145,429	\$ 154,376	6.2%
Operating	\$ 2,086,415	\$ 2,329,634	\$ 2,324,382	\$ 2,231,557	-4.2%
Outlay	\$ -	\$ -	\$ 2,100	\$ -	-
<b>Buildings Total</b>	<b>\$ 2,695,644</b>	<b>\$ 2,968,595</b>	<b>\$ 2,969,343</b>	<b>\$ 2,866,935</b>	<b>-3.4%</b>
<b>Allocated Cost</b>					
Allocated Cost	\$ (162,606)	\$ (162,785)	\$ (162,785)	\$ (163,716)	0.6%
<b>Allocated Cost Total</b>	<b>\$ (162,606)</b>	<b>\$ (162,785)</b>	<b>\$ (162,785)</b>	<b>\$ (163,716)</b>	<b>0.6%</b>
<b>General Government Total</b>	<b>\$ 3,026,895</b>	<b>\$ 3,274,837</b>	<b>\$ 3,275,078</b>	<b>\$ 3,225,258</b>	<b>-1.5%</b>
<b>Transportation</b>					
<b>Streets</b>					
Personnel	\$ 1,128,047	\$ 1,171,676	\$ 1,171,676	\$ 1,182,947	1.0%
Benefits	\$ 369,016	\$ 386,385	\$ 386,489	\$ 385,352	-0.3%
Operating	\$ 651,572	\$ 692,590	\$ 728,051	\$ 752,634	8.7%
Outlay	\$ 31,892	\$ -	\$ -	\$ -	-
<b>Streets Total</b>	<b>\$ 2,180,528</b>	<b>\$ 2,250,651</b>	<b>\$ 2,286,216</b>	<b>\$ 2,320,933</b>	<b>3.1%</b>
<b>Transportation Total</b>	<b>\$ 2,180,528</b>	<b>\$ 2,250,651</b>	<b>\$ 2,286,216</b>	<b>\$ 2,320,933</b>	<b>3.1%</b>
<b>Public Services Total</b>	<b>\$ 5,207,423</b>	<b>\$ 5,525,488</b>	<b>\$ 5,561,294</b>	<b>\$ 5,546,191</b>	<b>0.4%</b>
<b>Authorized Positions</b>					
Public Services Administration	5	5	5	5	
Buildings	10	10	10	10	
Streets	25	25	25	25	
<b>Total Positions</b>	<b>40</b>	<b>40</b>	<b>40</b>	<b>40</b>	

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### ***Division Description***

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The **Administration** division is responsible for oversight and management of all Public Services divisions, as well as employee development and overall financial and budget development and management. The division also houses the compliance, sustainability, and safety programs.

The **Streets** Division's mission is to maintain a simple, dependable street and sidewalk system, allowing people in Wilmington to travel safely and efficiently. To fulfill this mission, the division provides a dependable and well-maintained street system and coordinates street and sidewalk rehabilitation projects.

The Public **Buildings** division manages maintenance needs in City-owned buildings and property through a combination of preventative, corrective, and emergency maintenance.

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### ***Budget Overview***

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The City continues to invest in the workforce by adding to both the compensation study funding impacts as well as a merit plan. This budget increases the associated salary and corresponding benefits related to those initiatives. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. This budget continues core services.

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### ***Base Budget Adjustments***

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#### **A. Citywide decrease to Electricity Funds**

**Division:** Buildings  
**Total Cost:** (\$80,473)  
**Priority:** Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A decrease of \$80,473 is being applied to the citywide electricity budget. Efficiencies in the replacement of lighting fixtures and installation of LED lighting can be linked to this reduction.

**B. Citywide decrease to Natural Gas Funds**

**Division:** Buildings  
**Total Cost:** (\$31,752)  
**Priority:** Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A decrease of \$31,752 is being applied to the natural gas budget based on prior year actuals plus a 5% contingency.

**Budget Modifications**

**A. Upgrade Cell Phones to Smart Phones**

**Division:** Buildings  
**Total Cost:** \$3,207  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** An increase of \$3,207 is needed to replace six (6) cell phones with smart phones. This enhancement will cover \$175 per phone upgrade as well as the annual cost totaling \$240 for 6 phones and \$717 for the Superintendent. This will allow the city's building staff to respond to incidents more efficiently at the site of the problem instead of leaving the site to look up required information.

**B. HVAC Training: Two Facility Specialists**

**Division:** Buildings  
**Total Cost:** \$4,000  
**Priority:** Expanding Infrastructure  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** An increase of \$4,000 will allow for training related to the new HVAC system technology and Variable Frequency Drives found in the city's newer Fire stations. This funding allows two technicians to attend training as well as cover their travel needs.

**C. Tree Root & Sidewalk Study**

**Division:** Streets  
**Total Cost:** \$45,000  
**Priority:** Expanding Infrastructure  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A one time expense of \$90,000 was identified to hire a consultant to review the City's standards for planting street trees, tree protection, soil selection, root barrier and other methods used to control root growth. The \$90,000 estimate for this study will be funded through Community Services and Public Services at \$45,000 each.

## ENGINEERING

The Engineering Department provides civil engineering and related services. The Administration Section establishes Technical Standards and Specifications, processes contract payments, and oversees administrative functions. The Plan Review Section regulates private development stormwater permitting, variances, sureties, official acceptance, and encroachments. The Construction Management Section oversees engineering inspections for public and private development projects; performs constructability reviews; and administers the Right-of-Way Permit program. The Capital Projects group is comprised of three sections. The Project Management Section and Design Section implement Capital Improvement Program public infrastructure projects (e.g., bridges, roadway, pedestrian & bicycle, riverfront, facilities, streetscape, and utilities). The Geomatics Section provides professional surveying and mapping services for capital projects, legal, planning, police, and operations staff.

### BUDGET SUMMARY

	<b>FY17 Actual</b>	<b>FY18 Adopted</b>	<b>FY18 Adjusted</b>	<b>FY19 Recommend</b>	<b>Change FY18 to FY19</b>
<b>Engineering Admin</b>					
Personnel	\$ 1,836,389	\$ 1,970,780	\$ 1,968,333	\$ 2,060,204	4.5%
Benefits	\$ 569,543	\$ 598,661	\$ 598,665	\$ 634,010	5.9%
Operating	\$ 180,769	\$ 191,202	\$ 192,846	\$ 199,878	4.5%
Outlay	\$ 950	\$ 23,840	\$ 27,441	\$ 29,920	100.0%
Allocated Cost	\$ (168,959)	\$ (225,214)	\$ (225,214)	\$ (178,579)	-20.7%
<b>Engineering Admin Total</b>	<b>\$ 2,418,693</b>	<b>\$ 2,559,269</b>	<b>\$ 2,562,071</b>	<b>\$ 2,745,433</b>	<b>7.3%</b>
<b>Authorized Positions</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>31</b>	

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### *Budget Overview*

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The City continues to invest in the workforce by adding to both the compensation study funding impacts as well as a merit plan. This budget increases the associated salary and corresponding benefits related to those initiatives. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. This budget continues core services.

### Base Budget Adjustments

#### A. Motor Vehicle Funding Reduction

**Division:** Engineering  
**Total Cost:** (\$20,340)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** One-time funding in the amount of \$20,340 that was used to purchase and replace an aging survey van was removed from the base budget.

#### B. Partial Reduction of Funding for Damage Assessment Tablets

**Division:** Engineering  
**Total Cost:** (\$3,500)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Funding in the amount of \$9,500 was authorized in FY18 for the purchase of damage assessment tables. The tablet purchase amount of \$3,500 was removed from the base budget. The remainder supports the maintenance and data access requirements.

### Budget Modifications

#### A. Stormwater Mapping Intern

**Division:** Engineering  
**Total Cost:** \$750  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** One-time funding in the amount of \$750 was budgeted to hire an intern to assist on the Stormwater Services Inventory Mapping project. The project will be mapping stormwater facilities in the north end of downtown. The \$750 is in addition to the existing \$3,014 in the base budget for the same purpose.

#### B. Contract Documents and Specifications

**Division:** Engineering  
**Total Cost:** \$3,940  
**Priority:** Strategic Plan: Provide Sustainability and Adaptability 5.2  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A total of \$3,940 was authorized for the purchase of industry-standard contract documents and specifications for capital projects. The documents will standardize a process throughout the city and provide efficiencies. A total of \$2,440 of one-time funding for setup was included and recurring costs of \$1,500 for annual expenses related to subscription and updates.

**C. Computer Software Licenses and Annual Subscriptions**

**Division:** Engineering  
**Total Cost:** \$4,570  
**Priority:** Continuation of Services Provide Sustainability and Adaptability  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Annual software licenses for Project Management, Stormwater Modeling and Public Records Redaction were authorized in this years budget. The software will aid in the tracking of CIP project managers tasks, provide visual impacts of Stormwater projects and the redacting of Engineers' seals as required by law, before releasing public records requests.

**D. Survey Equipment 5-Year Replacement Plan**

**Division:** Engineering  
**Total Cost:** \$15,155  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A five year replacement plan is being put in place for survey equipment in the Engineering Department. Over the course of the next five years, items related to conventional survey equipment, GPS and data collector equipment will be replaced. A balance of \$26,500 will be maintained in the capital outlay account to accommodate these purchases. Engineering has shifted \$11,345 from other sources to assist in funding this priority.

**E. Decrease to Engineering charges to CIP**

**Division:** Engineering  
**Total Cost:** \$46,635  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Authorized for FY19 is a reduction of the charge back cost associated with in-house engineering services that are charged to capital projects. This results in a total charge back to the CIP of \$225,214 in FY18 to \$178,579 for FY19, a \$46,635 reduction. This is the second year of required reductions of this charge largely in part due to the types of CIP projects authorized which do not include in-house engineering services. This reduction results in an increase to the General Fund of \$46,635.

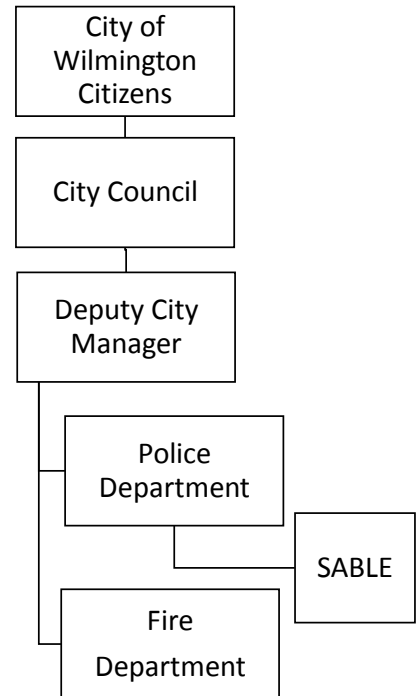
**F. New Plan Review Project Engineer**

**Division:** Engineering  
**Total Cost:** \$108,430  
**Priority:** Expanding Infrastructure Create a Safe Place  
**Position(s):** Full Time Equivalent: 1; Part-Time: 0.00  
**Description:** A new Plan Review Project Engineer was authorized with a salary in the amount of \$76,564 and associated benefits and additional operating needs in the amount of \$31,866. This position will aid the development review process and decrease the permit review time eliminating a current bottleneck in the process. In addition, this position will be responsible for creating and managing a new process to address the 10-year renewal of initial permits that will be expiring in October 2018.

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## PUBLIC SAFETY





## POLICE DEPARTMENT

The Police department provides a wide array of services aimed at protecting Wilmington residents and visitors through the prevention and reduction of crime, the enforcement of laws, and the promotion of community safety and wellbeing. Led by the Chief of Police, the department promotes Community Policing by targeting illegal drug activities, violent street crimes, and other quality of life problems.

### BUDGET SUMMARY

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
<b>Office Of The Chief</b>					
Personnel	\$ 2,616,623	\$ 2,943,684	\$ 2,943,684	\$ 2,408,042	-18.2%
Benefits	\$ 755,165	\$ 945,177	\$ 951,375	\$ 728,082	-23.0%
Operating	\$ 347,585	\$ 316,761	\$ 343,641	\$ 323,346	2.1%
Outlay	\$ 400	\$ 23,262	\$ 14,004	\$ -	-100.0%
<b>Office Of The Chief Total</b>	<b>\$ 3,719,774</b>	<b>\$ 4,228,884</b>	<b>\$ 4,252,704</b>	<b>\$ 3,459,470</b>	<b>-18.2%</b>
<b>Administrative Services</b>					
Personnel	\$ 1,819,663	\$ 2,010,945	\$ 2,011,992	\$ 2,038,736	1.4%
Benefits	\$ 598,450	\$ 672,908	\$ 676,816	\$ 720,117	7.0%
Operating	\$ 3,943,535	\$ 4,405,357	\$ 4,426,375	\$ 4,576,267	3.9%
Outlay	\$ 112,405	\$ 158,879	\$ 160,908	\$ 161,083	1.4%
<b>Administrative Services Total</b>	<b>\$ 6,474,052</b>	<b>\$ 7,248,089</b>	<b>\$ 7,276,091</b>	<b>\$ 7,496,203</b>	<b>3.4%</b>
<b>Criminal Investigations</b>					
Personnel	\$ 2,128,915	\$ 2,150,296	\$ 2,150,296	\$ 2,011,923	-6.4%
Benefits	\$ 677,314	\$ 711,299	\$ 709,048	\$ 665,210	-6.5%
Operating	\$ 169,798	\$ 112,816	\$ 86,984	\$ 112,817	0.0%
Outlay	\$ 85,168	\$ 3,600	\$ 4,967	\$ 105,288	2824.7%
<b>Criminal Investigations Total</b>	<b>\$ 3,061,194</b>	<b>\$ 2,978,011</b>	<b>\$ 2,951,295</b>	<b>\$ 2,895,238</b>	<b>-2.8%</b>
<b>Northwest Patrol</b>					
Personnel	\$ 5,923,120	\$ 5,624,693	\$ 5,626,823	\$ 6,422,732	14.2%
Benefits	\$ 1,849,467	\$ 1,807,792	\$ 1,805,542	\$ 2,087,736	15.5%
Operating	\$ 355,088	\$ 431,931	\$ 393,760	\$ 489,066	13.2%
Outlay	\$ -	\$ -	\$ 1,400	\$ -	0.0%
<b>Northwest Patrol Total</b>	<b>\$ 8,127,676</b>	<b>\$ 7,864,416</b>	<b>\$ 7,827,525</b>	<b>\$ 8,999,534</b>	<b>14.4%</b>
<b>Southeast Patrol</b>					
Personnel	\$ 3,933,945	\$ 3,587,579	\$ 3,587,579	\$ 3,972,892	10.7%
Benefits	\$ 1,240,120	\$ 1,177,432	\$ 1,171,661	\$ 1,252,928	6.4%
Operating	\$ 178,091	\$ 237,209	\$ 373,161	\$ 230,726	-2.7%
Outlay	\$ 20,671	\$ -	\$ 15,974	\$ 32,450	100.0%
<b>Southeast Patrol Total</b>	<b>\$ 5,372,826</b>	<b>\$ 5,002,220</b>	<b>\$ 5,148,375</b>	<b>\$ 5,488,996</b>	<b>9.7%</b>

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
<b>Special Investigations</b>					
Personnel	\$ 1,744,398	\$ 1,866,408	\$ 1,866,408	\$ 1,986,939	6.5%
Benefits	\$ 542,257	\$ 629,380	\$ 630,576	\$ 663,495	5.4%
Operating	\$ 126,503	\$ 149,398	\$ 190,243	\$ 170,009	13.8%
Outlay	\$ 5,354	\$ -	\$ 2,995	\$ -	0.0%
<b>Special Investigations Total</b>	<b>\$ 2,418,512</b>	<b>\$ 2,645,186</b>	<b>\$ 2,690,222</b>	<b>\$ 2,820,443</b>	<b>6.6%</b>
<b>Separation Allowance</b>					
Separation Allowance	\$ 350,000	\$ 700,000	\$ 700,000	\$ 700,000	0.0%
<b>Separation Allowance Total</b>	<b>\$ 350,000</b>	<b>\$ 700,000</b>	<b>\$ 700,000</b>	<b>\$ 700,000</b>	<b>0.0%</b>
<b>Allocated Cost</b>					
Allocated Cost	\$ (1,439)	\$ -	\$ -	\$ -	0.0%
<b>Allocated Cost Total</b>	<b>\$ (1,439)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>
<b>Police Department Total</b>	<b>\$ 29,522,594</b>	<b>\$ 30,666,806</b>	<b>\$ 30,846,212</b>	<b>\$ 31,859,884</b>	<b>3.9%</b>
<b>Authorized Positions</b>					
Office of the Chief	49	37	37	37	
Administrative Services Bureau	30	32	32	32	
Criminal Investigations	32	33	33	34	
Lab/CSI	12	12	12	12	
Northwest Patrol	111	119	119	119	
Southeast Patrol	76	77	77	77	
Special Investigations	29	31	31	31	
<b>Total Positions</b>	<b>339</b>	<b>341</b>	<b>341</b>	<b>342</b>	

\*Two SABLE pilots shown in SABLE/Special Purpose

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### Division Description

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The **Office of the Chief** is responsible for the oversight of all law enforcement services within the City of Wilmington to include internal investigations, policy development and review, inspections, and the targeting of criminal activity through crime analysis. This division will also coordinate departmental training. The Planning and Research duties were transferred to the Office of the Chief in FY17. Planning and Research allows for greater oversight and managerial authority of critical components that directly affect the overall operation of the department's divisions. Systematic research, planning and analysis is critical to compliance with national accreditation standards, departmental staffing, benchmarking and charting its overall direction.

The **Criminal Investigations** division (CID) investigates cases for criminal trials, recovers property, participates in a multi-agency fugitive task force, handles youth-related incidents, and oversees crime scene investigation. The unit also consists of drug enforcement teams, commercial robbery, violent crime task force, Alcoholic Beverage Control (ABC) section and the FBI- JTTF (Joint Terrorism Task Force).

The **Northwest Patrol Services** division is situated in the northwest portion of the City and is responsible for high visibility, proactive policing patrols utilizing a strategy that consists of crime prevention, crime detection, and perpetrator apprehension utilizing mobile, and foot and mounted conveyances.

The **Southeast Patrol Services** division is situated in the southeast portion of the City and is responsible for high visibility, proactive policing patrols utilizing a strategy that consists of crime prevention, crime detection, and perpetrator apprehension utilizing mobile and foot conveyances. The Patrol Organized Response Team, previously the Special Operations unit, consists of Traffic, K-9, and oversees the department's Emergency Response Team (ERT), Explosive Ordinance Disposal (EOD), harbor patrol and hostage negotiation units. This division also houses the School Resource Officers and Wilmington Housing Authority Officers.

The **Administrative Services Bureau** division maintains, controls and coordinates department information and functions related to records, property/evidence control and disposal, personnel, budget, grants, logistics and recruitment.

The **Special Investigations Division** (SID) is responsible for investigations involving illegal drugs, prostitution, or any investigation involving prescription drugs or the pharmacies that distribute legal prescription drugs within the City. SID also has members of Federal Task Forces for the U.S. Drug Enforcement Administration (DEA), U.S. Marshal Service, and U.S Alcohol Tobacco Firearms and Explosives (ATF).

The **Forensic Lab** is a regional lab, serving a six county area in Southeastern North Carolina. The lab provides forensics tests for criminal cases aiding the regional analysis needs in an efficient manner. The Lab applies for its own grant funding and yields funds from outside agencies. CSI, or Crime Scene Investigations, falls under the Forensic Lab. The Forensic Lab and CSI manage the collection and analysis of evidence.

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## **Budget Overview**

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The City continues to invest in the workforce by adding to both the compensation study funding impacts as well as a merit plan. This budget increases the associated salary and corresponding benefits related to those initiatives. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. This budget continues core services.

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## Base Budget Adjustments

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### A. Floor Replacement Funding Reduction

**Division:** Administrative Services  
**Total Cost:** (\$40,990)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Funding in the amount of \$40,990 was removed from the base budget. Funding supported the replacement of failing flooring at Police Headquarters.

### B. Reduction of In-Car Video Systems

**Division:** Administrative Services  
**Total Cost:** (\$25,750)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A total of \$25,750 was removed from the base budget. Funding supports the replacement of five (5) in-car video systems.

### C. Partial Reduction of Real Time Crime Center Equipment/Training Funding

**Division:** Office of the Chief  
**Total Cost:** (\$24,791)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Removal of \$24,791 of the \$44,527 in funding authorized for the Real Time Crime Center efforts. The funding supported one-time purchases for the Real Time Crime Center's start-up including four laptop computers and surveillance equipment purchased in FY18. The remainder is for maintenance contracts and on-going employee training.

### D. Reduction of Furniture Funding

**Division:** Multiple  
**Total Cost:** (\$15,750)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A total of \$15,750 was removed from the base budget. Funding supported one-time purchase of replacement furniture.

**E. Reduction on Body Camera Storage Equipment Funding**

**Division:** Administrative Services  
**Total Cost:** (\$12,099)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A total of \$12,099 was removed from the base budget that supported one-time purchases of body camera storage equipment.

**F. Equipment Funding Removal**

**Division:** Lab & CSI  
**Total Cost:** (\$8,443)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A total of \$8,443 was removed from the CIS/Crime Lab base budget. Funding supported a one-time purchase of a camera and an analytical balance/stabilizer slab.

**G. Reduction of CALEA Accreditation Funding**

**Division:** Office of the Chief  
**Total Cost:** (\$5,500)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A total of \$5,500 was removed from the base budget which supported the Police CALEA accreditation. The accreditation process is currently required every four years with the next one expected in FY21.

**H. Partial reduction of Simmunition Training Equipment**

**Division:** Office of the Chief  
**Total Cost:** (\$4,721)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Funding totaling \$4,721 of the \$11,976 for simmunition equipment was removed from the base budget. Funding supported one-time purchases of items (cameras, kits, helmets, gloves, etc.) needed for the simmunition training. The remainder (\$7,255) supports a contract supporting the training.

**I. Off-cycle Business Decision: Increase Budgeted Salary**

**Division:** Lab & CSI  
**Total Cost:** (\$1,259)  
**Priority:** Budget Adjustment  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Funding totaling \$1,259 from contracted services was shifted to the salary and benefits lines to support a mid-year department decision to hire a position above the budgeted allotment.

**J. Partner Forensic Chemist funding**

**Division:** Lab & CSI  
**Total Cost:** \$0  
**Priority:** Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** New Hanover County Forensic Chemist contract renewed from FY19 to FY21. The funding found in the base budget covers the contract for salary and benefits totaling \$75,561, plus \$4,885 in lab supplies and \$3,000 in training.

**K. Quartermaster Issued Uniforms and Equipment**

**Division:** Administrative Services  
**Total Cost:** \$0  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** In FY18, an enhancement was granted to allow the quartermaster to supply officers with needed uniforms and equipment in the amount of \$58,569. This amount was kept in the base budget to allow for annual replacement of needed inventory.

**L. BMW Motorcycle and antennae**

**Division:** Multiple  
**Total Cost:** \$0  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** In FY18, one BMW motorcycle, antennae and fleet replacement costs were included in the budget as an enhancement. The funding, totaling \$34,747, was kept in base to allow for the 2nd year of a 3-year motorcycle replacement plan to occur.

**Budget Modifications**

**A. Overhire Positions for Military Leave**

**Division:** Administrative Services  
**Total Cost:** \$0  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 2; Part-Time: 0.00  
**Description:** Added to the budget are two overhire positions, unfunded, to aid the department in temporarily filling the vacancies created by those out on military leave. This will increase the Police Department overhire authorization from 10 to 12. However, the two new overhires will only be used to house those employees on military leave so the department can continue to hold the position as required by law but also hire an active uniformed officer during their absence.

**B. PC Replacement**

**Division:** Criminal Investigative Division  
**Total Cost:** \$3,600  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** The funding allows the Police Department to ensure computers purchased in FY16 are included in the PC replacement program.

**C. Mobile Field Force**

**Division:** Office of the Chief  
**Total Cost:** \$3,866  
**Priority:** Strategic Plan: Create a Safe Place 2.3  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** The funding allows the Police Department to provide for the on-going cost associated with the Mobile Field Force Unit, an assignment to assist with the facilitation of peaceful demonstrations and protests. The funding in the amount of \$3,866 covers training, gas mask fit tests and annual vehicle and trailer registrations.

**D. Diluter/Dispenser System**

**Division:** Lab & CSI  
**Total Cost:** \$4,600  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Funding of \$4,600 allows the Police Department to replace a broken diluter/dispenser system utilized in the lab to test blood alcohol samples.

**E. Rosthenbuhler 1674 Remote Firing Device for Bomb Squad**

**Division:** Southeast Patrol  
**Total Cost:** \$6,999  
**Priority:** Strategic Plan: Provide Sustainability and Adaptability 5.2  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** The funding allows the Police Department to purchase a remote firing device utilized by the bomb squad to increase distance between explosive material and team members. The firing device, that costs \$6,999, increases safety due to increased distance and reduces cost as the amount of shock tube per shot is reduced.

**F. Celebrite UFED for PC Software**

**Division:** Vice/Special Ops  
**Total Cost:** \$9,000  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Funding in the amount of \$9,000 allows the Police Department to replace software utilized to conduct digital forensic analysis on mobile, PC related equipment, that will aid in investigations.

**G. Drying Cabinet for CSI**

**Division:** Lab & CSI  
**Total Cost:** \$11,095  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** The funding allows the Police Department to purchase an 8-foot wide duplex unit to replace the current duplex drying cabinet utilized by both the Crime Scene department and patrol officers to house evidence. Cost for the unit totals \$11,095 of one-time funding.

**H. Standby Time Increase**

**Division:** Vice/Special Ops  
**Total Cost:** \$11,980  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** The funding allows the Police Department to accommodate standby time, \$10,000 plus benefits, for an on-call Vice detective and member of the gang unit.

**I. Python III I-Band Dual Antennae In-car Radars**

**Division:** Southeast Patrol  
**Total Cost:** \$12,290  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** The funding allows the Police Department to replace ten (10) in-car radars at a cost of \$12,290. Current radars are obsolete, leaving the Patrol units with no authorized replacements on hand.

**J. K-9 Vests**

**Division:** Southeast Patrol  
**Total Cost:** \$13,161  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** The funding allows the Police Department to replace four (4) ill-fitting and cumbersome K-9 vests with properly-sized, lighter-weight and camera-ready vests at a cost of \$13,161.

**K. Naxolene to Combat Opioid Overdoses**

**Division:** Administrative Services  
**Total Cost:** \$13,950  
**Priority:** Strategic Plan: Create a Safe Place 2.3  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Funding in the amount of \$13,950 allows the Police Department to purchase Naxolene to combat opioid overdoses. These are issued to each officer for deployment to both citizens and officers. This funding will purchase 310 doses at \$45 each.



**L. Port City Super Girls**

**Division:** Office of the Chief  
**Total Cost:** \$15,000  
**Priority:** Strategic Plan: Create a Safe Place 1.1  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Funding totaling \$15,000 allows the Police Department to host the Port City Super Girls program activities, provide onsite housing, hire interns and other resources to support a week-long academy. The program is aimed at youth ages 12-18 who live in and around crime-enriched communities.

**M. Police Boat Collar System Replacement**

**Division:** Administrative Services  
**Total Cost:** \$22,225  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** The funding allows the Police Department to replace the aging collar system on the Police boat, which acts as an external fender. The total cost to outfit the collar system is \$22,225.

**N. SWAT Team Protect Ballistic Vests**

**Division:** Administrative Services  
**Total Cost:** \$26,679  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Funding in the amount of \$26,679 allows the Police Department to purchase ten (10) specialized SWAT team ballistic vests to replace expiring units or upgrade existing vests.

**O. Interview System**

**Division:** Criminal Investigative Division  
**Total Cost:** \$70,000  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Funding in the amount of \$70,000 was authorized allowing the Police Department to replace aging interview equipment for four rooms. Interviews are required by law to be recorded.

**P. Juvenile Investigator Half Year Funding**

**Division:** Criminal Investigative Division

**Total Cost:** \$76,295

**Priority:** Strategic Plan: Create a Safe Place 3.1

**Position(s):** Full Time Equivalent: 1; Part-Time: 0.00

**Description:** The funding allows the Police Department to provide adequate support to juvenile cases. North Carolina law, in effect December 2019, is changing the current juvenile age from sixteen (16) to eighteen (18). The funding allows PD to hire one Juvenile Investigator in January 2019 at a salary of \$36,123 plus benefits, equipment, a vehicle, fleet replacement, computer, PC replacement and uniform. Half year of funding totals \$76,295 which includes the one-time vehicle cost totaling \$21,000.

**Q. Overtime trends**

**Division:** Northwest Patrol

**Total Cost:** \$100,000

**Priority:** Continuation of Services

**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00

**Description:** Police overtime trends are showing an uptick warranting a need for additional funding in the FY19 budget.

## POLICE DEPARTMENT: SABLE

The primary purpose of the Southeastern AirBorne Law Enforcement (SABLE) Air Unit is to support and increase the effectiveness of Officers in the field through aerial observation and communication.

The SABLE program is a regional, multi-agency effort shared between the Wilmington Police Department, Pender County Sheriff Department and New Hanover County Sheriff Department.

### BUDGET SUMMARY

	FY18 Adopted	FY19 Recommend	Variance
<b>SABLE Revenues</b>			
General Fund Contribution	\$ 178,262	\$ 196,958	10.5%
New Hanover County	\$ 30,000	\$ 30,000	0.0%
Town of Leland	\$ 3,675	\$ 3,675	0.0%
Pender County	\$ 6,125	\$ 6,125	0.0%
Federal Forfeiture	\$ 115,744	\$ 115,744	0.0%
<b>TOTAL SABLE Revenues</b>	<b>\$ 333,806</b>	<b>\$ 352,502</b>	<b>5.6%</b>
<b>SABLE Appropriations</b>			
Personnel	\$ 171,221	\$ 173,231	1.2%
Benefits	\$ 36,105	\$ 38,637	7.0%
Operating	\$ 126,480	\$ 140,634	11.2%
<b>TOTAL SABLE Appropriations</b>	<b>\$ 333,806</b>	<b>\$ 352,502</b>	<b>5.6%</b>

	FY18 Adopted	FY19 Recommend
<b>Authorized Positions</b>	2	2

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### Budget Overview

The General Fund is providing a transfer of \$196,958 to the SABLE project in the Special Purpose fund to provide salary and related benefits for two full time Pilots, two part time pilots shown as Authorized positions in the Police Department, continue with the Budget Reserve and account for Aircraft Insurance. In FY19, the recommended budget reflects a 2% compensation increase in this budget.

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## Budget Modifications

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### A. Annual Technology Fund Service Charge

**Division:** SABLE

**Total Cost:** \$1,390

**Priority:** Continuation of Services

**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00

**Description:** The Police Department shifted \$1,390 from the General Fund Police Department budget to the Special Purposes Fund SABLE budget to account for the PC replacement cost for two (2) new tablets and one (1) existing laptop housed in the airport hangar.

### B. Digital Airware Software

**Division:** SABLE

**Total Cost:** \$12,600

**Priority:** Continuation of Services

**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00

**Description:** Funding in the amount of \$12,600 allows the Police Department's SABLE unit to purchase software to track and manage flight hours, operations and equipment, as required by the FAA.

## FIRE DEPARTMENT

The Fire department provides a multitude of services dedicated to the life and property safety of residents and visitors by providing education and protection from fires and other related emergencies.

### BUDGET SUMMARY

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
<b>Administration</b>					
Personnel	\$ 211,174	\$ 329,645	\$ 329,645	\$ 240,768	-27.0%
Benefits	\$ 62,778	\$ 94,923	\$ 94,923	\$ 64,443	-32.1%
Operating	\$ 65,812	\$ 22,227	\$ 13,555	\$ 22,298	0.3%
<b>Administration Total</b>	<b>\$ 339,764</b>	<b>\$ 446,795</b>	<b>\$ 438,123</b>	<b>\$ 327,509</b>	<b>-26.7%</b>
<b>Community Risk Reduction</b>					
Personnel	\$ 88,629	\$ 120,272	\$ 120,272	\$ 56,164	-53.3%
Benefits	\$ 30,429	\$ 39,174	\$ 38,881	\$ 19,281	-50.8%
Operating	\$ 9,973	\$ 19,653	\$ 19,271	\$ 14,798	-24.7%
Outlay	\$ -	\$ -	\$ 11,105	\$ -	0.0%
<b>Community Risk Reduction Total</b>	<b>\$ 129,031</b>	<b>\$ 179,099</b>	<b>\$ 189,529</b>	<b>\$ 90,243</b>	<b>-49.6%</b>
<b>Fire And Life Safety</b>					
Personnel	\$ 414,984	\$ 423,741	\$ 423,741	\$ 431,268	1.8%
Benefits	\$ 138,098	\$ 139,677	\$ 139,642	\$ 143,256	2.6%
Operating	\$ 7,721	\$ 8,975	\$ 8,673	\$ 9,095	1.3%
<b>Fire And Life Safety Total</b>	<b>\$ 560,804</b>	<b>\$ 572,393</b>	<b>\$ 572,056</b>	<b>\$ 583,619</b>	<b>2.0%</b>
<b>Fire Fighting</b>					
Personnel	\$ 9,556,038	\$ 9,911,870	\$ 9,916,931	\$ 10,471,760	5.6%
Benefits	\$ 3,150,172	\$ 3,342,352	\$ 3,343,637	\$ 3,449,831	3.2%
Operating	\$ 513,271	\$ 363,318	\$ 424,403	\$ 405,877	11.7%
Outlay	\$ 42,486	\$ 37,430	\$ 44,004	\$ 15,000	-59.9%
<b>Fire Fighting Total</b>	<b>\$ 13,261,967</b>	<b>\$ 13,654,970</b>	<b>\$ 13,728,975</b>	<b>\$ 14,342,468</b>	<b>5.0%</b>
<b>Fire Fleet Maintenance</b>					
Personnel	\$ 129,297	\$ 147,401	\$ 147,401	\$ 152,502	3.5%
Benefits	\$ 49,385	\$ 51,682	\$ 51,682	\$ 57,236	10.7%
Operating	\$ 203,073	\$ 219,197	\$ 289,812	\$ 189,148	-13.7%
Outlay	\$ -	\$ 21,000	\$ 24,339	\$ -	-100.0%
Miscellaneous	\$ 34,193	\$ -	\$ 45,683	\$ -	0.0%
<b>Fire Fleet Maintenance Total</b>	<b>\$ 415,948</b>	<b>\$ 439,280</b>	<b>\$ 558,917</b>	<b>\$ 398,886</b>	<b>-9.2%</b>
<b>Support Services</b>					
Personnel	\$ 292,977	\$ 329,087	\$ 333,746	\$ 342,395	4.0%
Benefits	\$ 91,521	\$ 105,070	\$ 106,002	\$ 105,614	0.5%
Operating	\$ 1,553,685	\$ 1,958,937	\$ 1,815,222	\$ 1,820,966	-7.0%
Outlay	\$ 98,793	\$ 72,000	\$ 76,448	\$ 91,675	27.3%
<b>Support Services Total</b>	<b>\$ 2,036,976</b>	<b>\$ 2,465,094</b>	<b>\$ 2,331,418</b>	<b>\$ 2,360,650</b>	<b>-4.2%</b>

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
<b>Training</b>					
Personnel	\$ 321,599	\$ 290,235	\$ 290,235	\$ 371,588	28.0%
Benefits	\$ 96,568	\$ 88,440	\$ 88,764	\$ 114,534	29.5%
Operating	\$ 89,698	\$ 120,980	\$ 102,942	\$ 90,498	-25.2%
<b>Training Total</b>	<b>\$ 507,865</b>	<b>\$ 499,655</b>	<b>\$ 481,941</b>	<b>\$ 576,620</b>	<b>15.4%</b>
<b>Allocated Cost</b>					
Allocated Cost	\$ -	\$ -	\$ -	\$ (20,000)	
Allocated Cost Total	\$ -	\$ -	\$ -	\$ (20,000)	
<b>Fire Department Total</b>	<b>\$ 17,252,355</b>	<b>\$ 18,257,286</b>	<b>\$ 18,300,959</b>	<b>\$ 18,659,995</b>	<b>2.2%</b>

**Authorized Positions**

Community Risk Reduction	1	1	1	1
Fire Administration	3	3	3	3
Fire and Life Safety	7	7	7	7
Fire Fleet Maintenance	3	3	3	3
Fire Support Services	5	5	5	5
Fire Training	6	7	7	7
Firefighting	197	196	196	193
<b>Total Positions</b>	<b>222</b>	<b>222</b>	<b>222</b>	<b>219</b>

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**Division Descriptions**

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The **Administrative** division houses the Fire Chief who oversees the Department’s coordination and management of all fire and emergency response activities.

The **Firefighting** division maintains responsibility for two primary functions. The first relates to the firefighting units who are responsible for all ground operations which include confinement, extinguishment, salvage, and overhaul operations to reduce further damage. The second function relates to emergency medical services who are generally first on the scene and provide immediate care for life-threatening injuries, controlling the scene, and preparing for the arrival of advanced life support personnel.

The **Support Services** Division’s primary responsibilities focus on the management of training division, fleet maintenance, Fire and Life Safety and the department’s budget.

The **Fire Fleet Maintenance** section, which is responsible for maintaining the department’s apparatus and vehicles in proper working condition. This includes periodic preventative maintenance to ensure the immediate availability for an emergency response.

The **Fire Training** division oversees expenditures and efforts for training and equipment in fire, water rescue, tactical rescue and hazardous materials. Battalion Chiefs will be assigned to each special team to monitor and effectively assess training needs and expenditures.

The **Fire and Life Safety** Division primarily focuses on fire safety inspections, new and existing commercial construction plan reviews, and fire investigation. The Fire and Life Safety division houses the Community Risk Reduction section, whose primary focus is on public education with special emphasis on community involvement at the individual fire station level to reduce risks in their first-in response area.

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## **Budget Overview**

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The City continues to invest in the workforce by adding to both the compensation study funding impacts as well as a merit plan. This budget increases the associated salary and corresponding benefits related to those initiatives. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. This budget continues core services.

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## **Base Budget Adjustments**

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### **A. Grant Match Funding Removal**

**Division:** Fire Fighting  
**Total Cost:** (\$224,011)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Funding in the amount of \$224,011 was removed from the base budget. This funding was authorized in FY18 as the City's grant match requirement for the SAFER grant applied for by the Fire Department.

### **B. Reduce Medic Car Program**

**Division:** Multiple  
**Total Cost:** (\$154,064)  
**Priority:** Reduction  
**Position(s):** Full Time Equivalent: -3; Part-Time: 0.00  
**Description:** The medic aid car program was discontinued until such time as better analytics can be developed to support the cost effectiveness of the program and community partners can discuss on how the program can be supported. The program discontinuation resulted in a reduction of the 3 firefighters authorized for the program in FY17.

**C. Motor Vehicle Funding Reduction**

**Division:** Fire Fighting  
**Total Cost:** (\$72,000)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A total of \$72,000 was removed from the base budget. The one-time funding supported the purchase of three (3) vehicles.

**D. Haz Mat Project**

**Division:** Multiple  
**Total Cost:** (\$56,000)  
**Priority:** Budget Adjustment  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** The State Fire HazMat contract funding was moved to a project for financial tracking purposes. Fire's base budget was reduced by \$36,000 related to grant spending. A negative \$20,000 in indirect cost payments was also added to Fire's budget to compensate for the city's administrative cost paid for by the grant.

**E. Partial Fireboat Painting Funding Removal**

**Division:** Fire Fleet  
**Total Cost:** (\$40,120)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A total of \$40,120 in one-time funding was removed from the base budget. Funding in the amount of \$43,430 was authorized in FY18 to support the painting of both the top and bottom of the boat. The top portion is required every decade or so while the hull requires annual painting. A total of \$3,000 remains in their budget for annual maintenance.

**F. Reduction of Specialized Equipment Funding**

**Division:** Fire Fighting  
**Total Cost:** (\$22,430)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A total of \$22,430 of the \$37,430 was removed from the base budget. The funding was authorized in FY18 for one-time purchases for rescue jacks (1 kit) and defibrillators (7). An annual on-going replacement program was authorized for FY19 with the remainder of the funding (N=\$15,000) allocated to replace 4 of the 40 defibrillators currently owned.



**G. Garage Tool Funding Removal**

**Division:** Fire Fleet  
**Total Cost:** (\$21,000)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Funding in the amount of \$21,000 was removed from the base budget. This funding was used to purchase a new set of tools required for the maintenance of the fleet.

**H. Partial Reduction of Community Smoke Alarm Funding**

**Division:** Community Risk Reduction  
**Total Cost:** (\$4,500)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A total of \$4,500 was removed from the base budget. FY18 Budget authorized \$8,500 to purchase and install smoke alarms for at-risk residents in the community. The remaining \$4,000 begins an on-going community outreach program continuing to install smoke alarms for those in need.

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**Budget Modifications**

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**A. Fire Accreditation Continuation**

**Division:** Multiple  
**Total Cost:** \$3,715  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Funding totaling \$3,715 was granted to allow the Fire Department to host a peer assessment re-accreditation team as a part of a five-year process. The funding also allows the team leader to attend the bi-annual meeting where WFD will be presented to the Center for Public Safety Excellence Board of Directors for re-accreditation.

**B. PC Replacement**

**Division:** Multiple  
**Total Cost:** \$5,000  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** The funding totaling \$5,000 allows the Fire Department to ensure their ten (10) inspection tablets are fully participating in the PC replacement program.

**C. Self-Contained Breathing Apparatus Annual Testing**

**Division:** Multiple  
**Total Cost:** \$6,000  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** The funding in the amount of \$6,000 allows the Fire Department to contract with an outside vendor to conduct annual SCBA equipment testing required by the manufacturer and OSHA.

**D. Furniture Replacement Program**

**Division:** Multiple  
**Total Cost:** \$6,375  
**Priority:** Outside Directive  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A total of \$6,375 allows the Fire Department to replace aging furniture and mattress sets strategically throughout their fire stations. These stations are occupied 24 hours a day and furniture and mattress sets age quickly due to use. FY19 starts a on-going program.

**E. Turnout Gear Annual Contract Increase**

**Division:** Multiple  
**Total Cost:** \$14,320  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** The funding allows the Fire Department to purchase replacement turnout gear. The funding in the amount of \$14,320 is needed to allow for the continued purchase of 40 sets of gear annually.

**F. Vehicle Replacements**

**Division:** Multiple  
**Total Cost:** \$98,598  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** The funding allows the Fire Department to purchase vehicles, replacing existing vehicles, and include them in the fleet fund to continue operations. The vehicles to replace include a 2000 Ford Taurus at \$26,300 with fleet fund of \$4,124, a 2010 Ford F-150 at \$29,500 with fleet fund of \$4,587, and a 2010 Ford F-150 at \$29,500 with fleet fund of \$4,587.

**G. Educational Incentives**

**Division:** Multiple

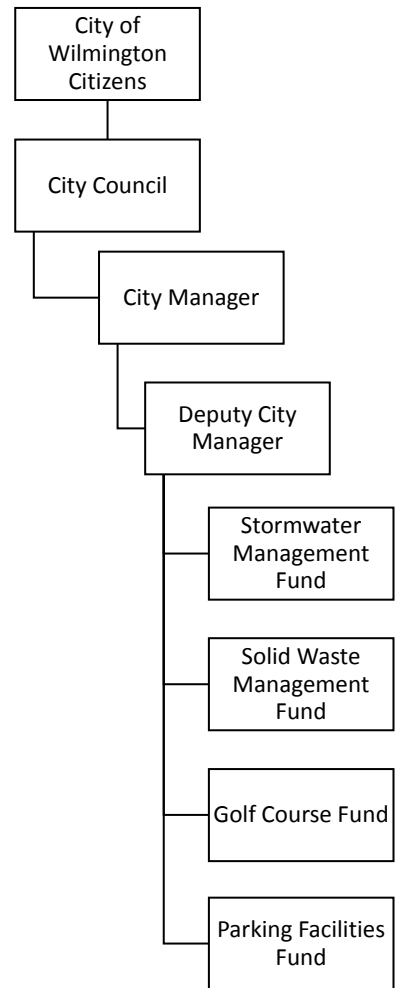
**Total Cost:** \$214,891

**Priority:** Continuation of Services

**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00

**Description:** The funding allows the Fire Department to fund an increase in salary to uniformed personnel with Associates, Bachelors and Masters degrees. This recommendations stems from the city-wide compensation study conducted in FY18.

## ENTERPRISE FUNDS



## STORMWATER MANAGEMENT FUND

The City of Wilmington's Stormwater Management division funded by the Stormwater Management enterprise fund, maintains and improves the public drainage system for the protection of the community and the environment.

### BUDGET SUMMARY

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
<b>Revenue</b>					
Stormwater Utility Fee	\$ 10,678,945	\$ 11,136,804	\$ 11,136,804	\$ 11,312,604	1.6%
Intergovernmental Revenue	\$ 59,891	\$ -	\$ -	\$ -	-
Other Revenue and Interest Earnings	\$ 158,055	\$ 145,758	\$ 145,758	\$ 251,860	72.8%
Appropriated Fund Balance	\$ (1,710,611)	\$ 4,114,323	\$ 4,535,899	\$ 212,475	0.0%
<b>Revenue Total</b>	<b>\$ 9,186,280</b>	<b>\$ 15,396,885</b>	<b>\$ 15,818,461</b>	<b>\$ 11,776,939</b>	<b>-23.5%</b>
<b>Appropriations</b>					
Personnel	\$ 2,105,818	\$ 2,606,967	\$ 2,606,967	\$ 2,754,480	5.7%
Benefits	\$ 732,522	\$ 925,579	\$ 925,589	\$ 918,272	-0.8%
Operating	\$ 1,402,548	\$ 1,670,522	\$ 1,692,088	\$ 1,769,237	5.9%
Outlay	\$ 29,645	\$ 100,564	\$ 100,564	\$ 18,148	100.0%
Nondepartmental	\$ 1,868,386	\$ 2,017,783	\$ 2,017,783	\$ 2,020,480	0.1%
Allocated Cost	\$ 953,460	\$ 987,425	\$ 987,425	\$ 996,322	0.9%
Transfer To CIP	\$ 2,093,900	\$ 7,088,045	\$ 7,488,045	\$ 3,300,000	-53.4%
<b>Appropriations Total</b>	<b>\$ 9,186,280</b>	<b>\$ 15,396,885</b>	<b>\$ 15,818,461</b>	<b>\$ 11,776,939</b>	<b>-23.5%</b>
<b>Authorized Positions</b>					
Storm Water Maintenance	51	51	51	51	
Storm Water Services	9	9	9	9	
<b>Total Positions</b>	<b>60</b>	<b>60</b>	<b>60</b>	<b>60</b>	

### Division Descriptions

The **Stormwater Maintenance** section is responsible for maintaining the public drainage system. Maintenance activities consist of two core components - open drainage, which includes ditches and ponds, and closed drainage, which is comprised of underground pipes and culverts.

The five core components of **Stormwater Services** include: management and planning, capital improvements, regulatory and enforcement activities, water quality, and operations and maintenance.

## Budget Overview

The City continues to invest in the workforce by adding to both the compensation study funding impacts as well as a merit plan. This budget increases the associated salary and corresponding benefits related to those initiatives. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. This budget continues core services.

## Budget Modifications

### A. Reclass a Crew Leader position to a Heavy Equipment Operator

**Division:** Maintenance  
**Total Cost:** (\$8,828)  
**Priority:** Strategic Plan: Provide Sustainability and Adaptability 1.1  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** This reclass will result in a decrease to the budget in the amount of \$8,828. Adding a Heavy Equipment Operator position will create a four-man pipe crew allowing for greater efficiencies and job management.

### B. Annual fleet replacement for excavator

**Division:** Maintenance  
**Total Cost:** \$4,000  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Annual replacement costs of \$4,000 for the replacement and upgraded excavator.

### C. Reclass Administrative Support Technician to a Senior Stormwater Engine Equipment Mechanic

**Division:** Maintenance  
**Total Cost:** \$9,079  
**Priority:** Strategic Plan: Provide Sustainability and Adaptability 1.1  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** An increase in the amount of \$9,079 was budgeted to reclass an Administrative Support Technician position to a Senior Stormwater Engine Equipment Mechanic position. This mechanic position would allow for the field crews to spend more time in the field versus performing maintenance and repairs on equipment.

**D. Reclass a Stormwater Worker to a Stormwater Operator**

**Division:** Maintenance  
**Total Cost:** \$16,158  
**Priority:** Strategic Plan: Provide Sustainability and Adaptability 1.1  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** An increase in the amount of \$16,158 will allow for the reclass of a Stormwater Worker to a Stormwater Operator. The reclassification will result in a two-man camera crew that will be responsible for all CCTV video inspections and other related duties.

**E. Reclass 10 Stormwater Workers to Senior Stormwater Workers**

**Division:** Maintenance  
**Total Cost:** \$32,753  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A total of \$61,073 is being allocated to accommodate the reclassification of ten (10) Stormwater Worker positions to Senior Stormwater Worker positions correcting the classification due to the requirement of a commercial's driver license. This is being partially funded through base shifts in the amount of \$28,320 with the remaining \$32,753 being an enhancement to the budget.

**F. Replacement Excavator Costs**

**Division:** Maintenance  
**Total Cost:** \$40,878  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** An excavator was replaced in FY18 that resulted in an additional cost of \$40,878.

## SOLID WASTE MANAGEMENT FUND

The City of Wilmington's Solid Waste Management division, funded by the Solid Waste Management fund, oversees the collection and disposal of City solid waste customer refuse. The division also oversees recycling, yard waste and bulky collection.

### BUDGET SUMMARY

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
<b>Revenue</b>					
Refuse Collection Fees	\$ 8,898,067	\$ 8,744,024	\$ 8,744,024	\$ 8,910,498	1.9%
Other Revenue and Interest Earnings	\$ 306,446	\$ 264,680	\$ 264,680	\$ 331,533	25.3%
Solid Waste Disposal Tax	\$ 77,580	\$ 70,558	\$ 70,558	\$ 55,000	-22.0%
Transfer from General Fund	\$ 29,866	\$ 29,866	\$ 29,866	\$ 29,866	0.0%
Intergovernmental Revenue	\$ 311,549	\$ -	\$ -	\$ -	0.0%
Appropriated Fund Balance	\$(1,278,143)	\$ 165,495	\$ 185,931	\$ 81,169	0.0%
<b>Revenue Total</b>	<b>\$ 8,345,365</b>	<b>\$ 9,274,623</b>	<b>\$ 9,295,059</b>	<b>\$ 9,408,066</b>	<b>1.4%</b>
<b>Appropriations</b>					
Personnel	\$ 2,699,115	\$ 3,044,177	\$ 1,496,557	\$ 3,119,793	2.5%
Benefits	\$ 994,890	\$ 1,064,796	\$ 612,015	\$ 1,084,104	1.8%
Operating	\$ 3,561,343	\$ 4,165,431	\$ 2,823,911	\$ 4,394,682	5.5%
Outlay	\$ 98,051	\$ -	\$ 4,900	\$ -	0.0%
Nondepartmental	\$ 258,286	\$ 272,824	\$ 274,824	\$ 81,500	-70.1%
Allocated Cost	\$ 727,680	\$ 727,395	\$ 727,395	\$ 727,987	0.1%
Transfer To CIP	\$ 6,000	\$ -	\$ 21,000	\$ -	0.0%
<b>Appropriations Total</b>	<b>\$ 8,345,365</b>	<b>\$ 9,274,623</b>	<b>\$ 5,960,602</b>	<b>\$ 9,408,066</b>	<b>1.4%</b>
<b>Authorized Positions</b>					
Solid Waste Administration	5	5	5	5	
Bulky Waste Collection	7	7	7	7	
Customer Refuse	29	29	29	29	
Downtown Collection	11	11	11	11	
Recycling	5	5	5	5	
Yard Waste	18	18	18	18	
<b>Total Positions</b>	<b>75</b>	<b>75</b>	<b>75</b>	<b>75</b>	



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### ***Division Description***

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The primary responsibility of the ***Solid Waste Administration*** is to provide leadership and direction for all operational sections. Other responsibilities include: telephone customer support, bulky pick up appointments, new customer support, assuring proper billing information is sent to CFPUA and scheduling the cleaning, delivery, pick up, and repair of customer trash carts.

The ***Customer Refuse Collection*** section of Solid Waste Management provides residential trash collection to 30,000 City of Wilmington residents.

The ***Recycling*** section provides for the bi-weekly curbside collection of recyclable materials from City Solid Waste Customers.

The ***Yard Waste*** section provides for the weekly curbside collection of vegetative yard waste. Once collected, all yard waste is contractual processed through a commercial facility and hauled to the New Hanover County Landfill for reuse.

Commercial establishments in the Central Business District (CBD) can elect trash collection ranging from two times a week, to twice a day, seven times per week. The responsibility for this service is housed in the Downtown Collection section. Residents in the CBD have seven day per week collection. This section also includes daily servicing of over 250 brick trash receptacles and 100 ashtrays in the Central Business District and City parks. ***Downtown Services*** also maintain two public restrooms, pressure washes sidewalks and provides litter collection seven days a week, 18 hours per day. Downtown Services organizes all cleanup activities following the City's variety of festivals and events in the CBD.

The Bulky section oversees the City's call-in bulky, white goods, and electronic collection, and carrion service for City streets.

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### ***Budget Overview***

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The City continues to invest in the workforce by adding to both the compensation study funding impacts as well as a merit plan. This budget increases the associated salary and corresponding benefits related to those initiatives. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. This budget continues core services.

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### **Base Budget Adjustments**

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#### **A. Reduction of Separation Pay**

**Division:** Solid Waste  
**Total Cost:** (\$41,876)  
**Priority:** One-Time, Non-recurring Expenditure Reduction  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A reduction of \$41,876 was removed from the salary and benefit lines as a one-time funding source to help pay for the Solid Waste Superintendent's separation payout.

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### **Budget Modification**

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#### **A. Overweight Truck Fines**

**Division:** Non-Departmental  
**Total Cost:** \$500  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Add \$500 to the budget to cover potential overweight truck fines issued by the DMV.

## GOLF COURSE FUND

### BUDGET SUMMARY

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
<b>Revenue</b>					
Daily Greens	\$ 797,091	\$ 962,022	\$ 962,022	\$ 962,022	0.0%
Cart Rentals	\$ 243,146	\$ 265,661	\$ 265,661	\$ 265,661	0.0%
Concessions	\$ 163,266	\$ 165,500	\$ 165,500	\$ 169,000	2.1%
Other Revenue and Interest Earnings	\$ 4,871	\$ 2,772	\$ 2,772	\$ 5,065	82.7%
Miscellaneous	\$ 17,888	\$ 51,396	\$ 51,396	\$ 51,396	0.0%
Appropriated Fund Balance	\$ 67,973	\$ -	\$ -	\$ -	0.0%
<b>Revenue Total</b>	<b>\$ 1,294,236</b>	<b>\$ 1,447,351</b>	<b>\$ 1,447,351</b>	<b>\$ 1,453,144</b>	<b>0.4%</b>
<b>Appropriations</b>					
Personnel	\$ 458,079	\$ 485,209	\$ 485,209	\$ 505,356	4.2%
Benefits	\$ 156,757	\$ 169,578	\$ 169,578	\$ 162,984	-3.9%
Operating	\$ 543,271	\$ 592,405	\$ 591,730	\$ 592,378	0.0%
Outlay	\$ -	\$ 2,500	\$ 3,175	\$ 2,500	0.0%
Nondepartmental	\$ 8,061	\$ 69,591	\$ 69,591	\$ 61,858	-11.1%
Allocated Cost	\$ 128,068	\$ 128,068	\$ 128,068	\$ 128,068	0.0%
<b>Appropriations Total</b>	<b>\$ 1,294,236</b>	<b>\$ 1,447,351</b>	<b>\$ 1,447,351</b>	<b>\$ 1,453,144</b>	<b>0.4%</b>
<b>Authorized Positions</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	

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### Budget Overview

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The City continues to invest in the workforce by adding to both the compensation study funding impacts as well as a merit plan. This budget increases the associated salary and corresponding benefits related to those initiatives. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. This budget continues core services.

**Budget Modifications**

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**A. Budget Reserve**

**Division:** Golf  
**Total Cost:** \$40,858  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Estimated revenues are greater than budgeted expenditures resulting in a Reserve in the amount of \$40,858.

## PARKING FUND

### BUDGET SUMMARY

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
<b>Revenue</b>					
Parking Fees	\$ 3,367,786	\$ 3,253,694	\$ 3,253,694	\$ 3,371,225	3.6%
Interest Earnings	\$ 15,696	\$ 19,264	\$ 19,264	\$ 46,163	139.6%
Transfer from Debt Service Fund	\$ 550,386	\$ 543,633	\$ 543,633	\$ 534,543	-1.7%
Appropriated Fund Balance	\$ (96,938)	\$ 66,588	\$ 66,588	\$ -	0.0%
<b>Revenue Total</b>	<b>\$ 3,836,930</b>	<b>\$ 3,883,179</b>	<b>\$ 3,883,179</b>	<b>\$ 3,951,931</b>	<b>1.8%</b>
<b>Appropriations</b>					
Personnel	\$ 121,311	\$ 118,746	\$ 118,746	\$ 120,733	1.7%
Benefits	\$ 43,137	\$ 46,968	\$ 46,968	\$ 36,589	-22.1%
Operating	\$ 1,826,190	\$ 2,024,096	\$ 2,023,630	\$ 2,034,649	0.5%
Outlay	\$ 6,150	\$ 43,000	\$ 43,000	\$ 75,000	74.4%
Nondepartmental	\$ 6,359	\$ 6,078	\$ 6,544	\$ 316,681	5110.3%
Miscellaneous	\$ -	\$ 45,000	\$ 45,000	\$ 45,000	0.0%
Allocated Cost	\$ 84,414	\$ 84,414	\$ 84,414	\$ 61,788	-26.8%
Transfer To CIP	\$ 650,000	\$ 438,150	\$ 438,150	\$ 139,050	-68.3%
Debt Service	\$ 1,099,370	\$ 1,076,727	\$ 1,076,727	\$ 1,122,441	4.2%
<b>Appropriations Total</b>	<b>\$ 3,836,930</b>	<b>\$ 3,883,179</b>	<b>\$ 3,883,179</b>	<b>\$ 3,951,931</b>	<b>1.8%</b>

<b>Authorized Positions</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
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### Budget Overview

The City continues to invest in the workforce by adding to both the compensation study funding impacts as well as a merit plan. This budget increases the associated salary and corresponding benefits related to those initiatives. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. This budget continues core services.

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## Budget Modifications

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### A. Occupancy Data Management System

**Division:** Street Parking  
**Total Cost:** \$75,000  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** The funding allows for the purchase of a mobile Occupancy Data Management System to capture parking occupancy data. The initial cost is \$75,000 with an expected annual cost of \$30,000.

### B. Market Street Deck Access and Pedestrian Improvements CIP Funding Transfer

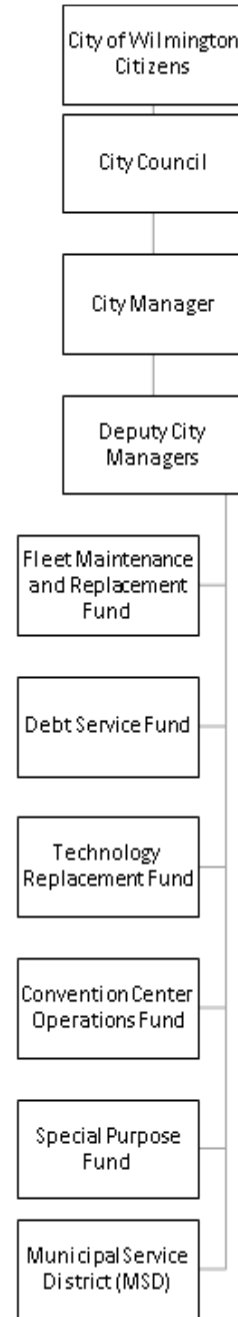
**Division:** Transfers  
**Total Cost:** \$139,050  
**Priority:** Continuation of Services  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** A transfer to Parking CIP fund 035 in the amount of \$139,050 is authorized for the Market Street Deck access and pedestrian improvements. Further details of this project can be found in the CIP section.

### C. Budget Reserve

**Division:** Non-Departmental  
**Total Cost:** \$310,322  
**Priority:** Held Harmless  
**Position(s):** Full Time Equivalent: 0; Part-Time: 0.00  
**Description:** Revenue projections are higher than expenditure accounts and \$310,322 is entered in to the Budget Reserve account to balance the fund.

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## OTHER FUNDS





## FLEET MAINTENANCE & REPLACEMENT FUND

### BUDGET SUMMARY

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
<b>Revenue</b>					
Lease Charges	\$ 5,718,833	\$ 5,669,053	\$ 5,669,053	\$ 6,106,828	7.7%
Other Revenue and Interest Earnings	\$ 137,008	\$ 42,209	\$ 42,209	\$ 93,856	122.4%
Appropriated Fund Balance	\$ -	\$ 1,798,621	\$ 3,062,929	\$ 1,671,597	-7.1%
<b>Revenue Total</b>	<b>\$ 5,855,841</b>	<b>\$ 7,509,883</b>	<b>\$ 8,774,191</b>	<b>\$ 7,872,281</b>	<b>4.8%</b>
<b>Appropriations</b>					
Personnel	\$ 537,605	\$ 621,685	\$ 621,685	\$ 637,553	2.6%
Benefits	\$ 179,798	\$ 211,330	\$ 211,294	\$ 221,825	5.0%
Operating	\$ 1,000,961	\$ 1,337,710	\$ 1,349,013	\$ 1,362,905	1.9%
Outlay	\$ 2,539,213	\$ 4,398,777	\$ 5,663,085	\$ 4,708,013	7.0%
Nondepartmental	\$ 7,051	\$ -	\$ -	\$ 8,000	-
Miscellaneous	\$ (57,345)	\$ 500,000	\$ 488,733	\$ 500,000	0.0%
Debt Service	\$ 446,777	\$ 440,381	\$ 440,381	\$ 433,985	-1.5%
<b>Appropriations Total</b>	<b>\$ 4,654,060</b>	<b>\$ 7,509,883</b>	<b>\$ 8,774,191</b>	<b>\$ 7,872,281</b>	<b>4.8%</b>
<b>Authorized Positions</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	

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### Budget Overview

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The City continues to invest in the workforce by adding to both the compensation study funding impacts as well as a merit plan. This budget increases the associated salary and corresponding benefits related to those initiatives. Additionally, adjustments were made to various internal services charges related to technology management fees, insurance liabilities, fuel and central fleet as a cost of doing business. This budget continues core services.

## DEBT SERVICE FUND

This service/reserve fund was established in FY05 to set aside resources to meet current and future debt service requirements on general long-term debt.

### BUDGET SUMMARY

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
<b>Revenue</b>					
Interest Earnings	\$ 59,116	\$ 112,756	\$ 112,756	\$ 197,285	75.0%
Intergovernmental Revenue	\$ 336,240	\$ 330,177	\$ 330,177	\$ 311,392	-5.7%
Property Tax	\$ 9,570,020	\$ 13,892,510	\$ 13,892,510	\$ 14,184,887	0.0%
Transfer from General Fund	\$ 9,334,832	\$ 9,334,832	\$ 9,334,832	\$ 9,334,832	0.0%
Revenue	\$ -	\$ -	\$ -	\$ -	0.0%
<b>Revenue Total</b>	<b>\$ 19,300,209</b>	<b>\$ 23,670,275</b>	<b>\$ 23,670,275</b>	<b>\$ 24,028,396</b>	<b>1.5%</b>
<b>Appropriations</b>					
Bond Interest	\$ 744,319	\$ 760,100	\$ 760,100	\$ 1,306,531	71.9%
Bond Principal	\$ 2,170,000	\$ 2,055,000	\$ 2,055,000	\$ 2,920,778	42.1%
Fiscal Agent Fees	\$ 47,083	\$ 81,272	\$ 81,272	\$ 70,887	-12.8%
Installment Interest	\$ 3,910,913	\$ 4,356,699	\$ 4,356,699	\$ 4,031,124	-7.5%
Installment Principal	\$ 5,085,370	\$ 6,698,075	\$ 6,698,075	\$ 5,677,312	-15.2%
Nondepartmental	\$ 86,943	\$ 138,863	\$ 138,863	\$ 141,977	2.2%
Reserve for Future Debt	\$ -	\$ 516,126	\$ 516,126	\$ 3,940,793	663.5%
Transfer to Capital Projects Public Facilities	\$ 1,000,628	\$ 1,273,941	\$ 1,273,941	\$ 418,138	-67.2%
Transfer to Capital Projects Streets and Sidewalk	\$ 650,910	\$ 2,436,392	\$ 2,436,392	\$ 2,914,208	19.6%
Transfer to Capital Projects Parks and Recreation	\$ 1,020,000	\$ 4,257,500	\$ 4,257,500	\$ 1,812,590	-57.4%
Transfer to Capital Projects Project Parking	\$ 190,000	\$ 402,471	\$ 402,471	\$ 107,800	-73.2%
Transfer to General Fund	\$ 874,875	\$ -	\$ -	\$ -	0.0%
Transfer to Parking Facilities	\$ 550,386	\$ 543,633	\$ 543,633	\$ 534,543	-1.7%
Unallocated Cost	\$ 150,765	\$ 150,203	\$ 150,203	\$ 151,715	1.0%
<b>Appropriations Total</b>	<b>\$ 16,482,193</b>	<b>\$ 23,670,275</b>	<b>\$ 23,670,275</b>	<b>\$ 24,028,396</b>	<b>1.5%</b>

### Budget Overview

Along with maintaining the current AAA rating with credit agencies Standard & Poor's and Fitch, Moody's upgraded their rating to Aaa in April 2017. The higher bond rating results in lower interest costs on long-term debt. The credit rating agencies base their ratings on a number of factors. The area's healthy and diverse economy, very strong financial management, budgetary flexibility provided by ample operating reserves, and manageable long-term obligations are factors used in providing a rating.

The Debt Service Fund will reserve approximately \$24 million to cover current and future debt obligations associated with the Capital Improvement Program.

The expenditures also reflect transfers of 20% of the FY19 project totals resultant from the implementation of the 80/20 capital plan. This plan provides for a dedicated \$0.0468 cents on the City's ad valorem rate to provide for an 80% financed, 20% pay-as-you-go plan for the City's recommended Capital Improvement Program. Effective with the FY18 adopted budget, the City entered into the second multi-year CIP plan utilizing the same dedicated tax rate of \$0.0468 cents on the City's ad valorem rate to provide for an 80% financed, 20% pay-as-you-go plan.

Effective July 1, 2015, the Debt Service Fund has a dedicated \$0.0187 cents on the City's tax rate due to an approved \$55M Bond Referendum for streets, sidewalks and other transportation Improvements. This consists of \$44 million of General Obligation Bonds, plus an additional \$11 million of pay-go projects.

In November 2016, City voters approved a \$30.465 million General Obligation Bond Referendum for parks and recreation projects. An increase to the City's property tax rate of \$0.0292 was effective with the adoption of the FY18 budget. The bonds represent 80% of a \$38,080,000 addition to the City's capital improvement program, with \$7,615,000 to be funded from pay-as-you-go funding from the same \$0.0292 tax increase.

As a note, the rates above are reflective of the reevalutaion impact from FY18.

## TECHNOLOGY REPLACEMENT FUND

This internal service fund provides for the scheduled replacement of computers and other technology hardware in order to fully realize the benefits of improving technology and assures that the organization's workforce has the tools available to maximize productivity. The fund also provides for cloud computing services.

### BUDGET SUMMARY

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
<b>Revenue</b>					
Technology Replacement Charges	\$ 441,801	\$ 601,364	\$ 601,364	\$ 669,513	11.3%
Transfer from General Fund	\$ 372,595	\$ 324,365	\$ 324,365	\$ 308,685	-4.8%
Appropriated Fund Balance	\$ 353,690	\$ 459,276	\$ 562,800	\$ 459,276	0.0%
<b>Revenue Total</b>	<b>\$ 1,168,086</b>	<b>\$ 1,385,005</b>	<b>\$ 1,488,529</b>	<b>\$ 1,437,474</b>	<b>3.8%</b>
<b>Appropriations</b>					
Operating	\$ 570,725	\$ 618,976	\$ 702,672	\$ 636,976	2.9%
Outlay	\$ 597,361	\$ 766,029	\$ 785,857	\$ 748,029	-2.3%
Miscellaneous	\$ -	\$ -	\$ -	\$ 52,469	-
<b>Appropriations Total</b>	<b>\$ 1,168,086</b>	<b>\$ 1,385,005</b>	<b>\$ 1,488,529</b>	<b>\$ 1,437,474</b>	<b>3.8%</b>

### Budget Overview

The IT Department's Technology Fund's FY19 budget continues to provide for the replacement of scheduled equipment including personal computers, docking stations, and other miscellaneous computer equipment. The IT Department is working to realign the fund to provide replacement for all devices and services related to computer equipment use by the employees of the City of Wilmington. The department proposed in FY18 a three-year plan of \$50 increase per device per year. This is the second year of the three-year plan implementation. In addition to replacing computer equipment, the fee is used to cover network services which include networking equipment and service fees. In FY18, the standard charge was \$550 per computer seat. In FY19, the recommended standard charge is \$600 per computer seat. The goal of this increase is to ensure a sustainable source of funds to keep the City's technology current and reduce the need for extraneous costs to fix out dated technology.

## CONVENTION CENTER OPERATIONS FUND

This operating fund was established in FY 2007-08 to set aside resources to meet operating expenditures associated with the construction and operation of the Convention Center.

### BUDGET SUMMARY

	FY17 Actual	FY18 Adopted	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
<b>Revenue</b>					
Room Occupancy Tax	\$ 5,131,886	\$ 4,559,641	\$ 4,559,641	\$ 2,738,325	-39.9%
Convention Center Revenue	\$ 3,336,385	\$ 2,982,255	\$ 2,982,255	\$ 3,644,174	22.2%
Convention Center Parking Deck Revenue	\$ 390,870	\$ 563,310	\$ 563,310	\$ 719,339	27.7%
<b>Revenue Total</b>	<b>\$ 8,859,140</b>	<b>\$ 8,105,206</b>	<b>\$ 8,105,206</b>	<b>\$ 7,101,838</b>	<b>-12.4%</b>
<b>Appropriations</b>					
Operating	\$ 4,278,656	\$ 4,282,768	\$ 4,393,556	\$ 5,013,333	17.1%
Outlay	\$ 84,631	\$ 335,000	\$ 335,000	\$ -	-100.0%
Miscellaneous	\$ -	\$ (28,284)	\$ 283,742	\$ 98,588	-448.6%
Allocated Cost	\$ 16,783	\$ 16,783	\$ 16,783	\$ 49,192	193.1%
Debt Service	\$ 3,594,878	\$ 3,498,939	\$ 3,076,125	\$ 1,940,725	-44.5%
<b>Appropriations Total</b>	<b>\$ 7,974,947</b>	<b>\$ 8,105,206</b>	<b>\$ 8,105,206</b>	<b>\$ 7,101,838</b>	<b>-12.4%</b>

### Budget Overview

The FY19 appropriated budget for the Convention Center Operations Fund reflects a decrease of 12.4% over FY18. The FY19 appropriated budget contributes to the Convention Center project, which is cumulative in nature. An increase in budgeted revenue is shown in the Convention Center Parking Deck based on the recent opening of the adjoining hotel on the premises. Since FY17, debt service is experiencing a savings and decrease due refinancing of the Convention Center installment financing at a lower interest rate. This savings will be recognized for several years going out through 2023. Due to the lower debt payments, a decrease in revenue utilizing Room Occupancy Taxes is needed to balance the fund. Use of ROT is down by almost 40% in FY19 as compared to the adopted FY18 budget. In addition, FY19 is recognizing a 27.7% increase in revenues that are related to an expected increase in bookings at the Convention Center.

Allocated costs have increased to account for the City of Wilmington's Parking Manager and Administrative Assistant's time that is dedicated to the Convention Center. This is the first year that the allocation has taken place taking into consideration the increased hours that both positions have seen that is being allocated to the Convention Center. The budget also funds personnel expenditures for food and beverage operations, and general administrative costs. Funding for the continued management by SMG, marketing by the Convention and Visitors Bureau (CVB), and the ongoing coordination and management by City staff is also included.

## SPECIAL PURPOSE FUND

The Special Purpose Fund is primarily supported by grants, donations to the City, and contributions from the General Fund for special purpose projects. Each project is identified with its own project title and code and is life-to-date.

### BUDGET SUMMARY

	FY18 Adopted	FY19 Recommend	Change FY18 to FY19
<b>Affordable Housing Programs - 2EP100</b>			
Operating	\$ 1,563	\$ -	100.0%
<b>Total</b>	<b>\$ 1,563</b>	<b>\$ -</b>	<b>100.0%</b>
<b>Annual Housing Summit - 14EP10</b>			
Reserve	\$ 7,000	\$ 1,500	-78.6%
<b>Total</b>	<b>\$ 7,000</b>	<b>\$ 1,500</b>	<b>-78.6%</b>
<b>Homeownership Services - 3EP100</b>			
Operating	\$ 17,935	\$ -	-100.0%
<b>Total</b>	<b>\$ 17,935</b>	<b>\$ -</b>	<b>-100.0%</b>
<b>UDAG and Misc Income Project - 5NF051</b>			
Transfer to 023	\$ -	\$ 3,100	100.0%
<b>Total</b>	<b>\$ -</b>	<b>\$ 3,100</b>	<b>100.0%</b>
<b>Convention Center - 05ED10</b>			
Debt/Operating	\$ 4,559,641	\$ -	-100.0%
<b>Total</b>	<b>\$ 4,559,641</b>	<b>\$ -</b>	<b>-100.0%</b>
<b>Metropolitan Planning Administration - MP1718</b>			
Personnel	\$ 624,826	\$ 663,659	6.2%
Benefits	\$ 205,777	\$ 218,573	6.2%
Operating	\$ 206,229	\$ 216,339	4.9%
<b>Total</b>	<b>\$ 1,036,832</b>	<b>\$ 1,098,571</b>	<b>6.0%</b>
<b>Red Light Cameras - Safelight - 08TR10</b>			
Operating	\$ 1,742,156	\$ 1,541,305	-11.5%
<b>Total</b>	<b>\$ 1,742,156</b>	<b>\$ 1,541,305</b>	<b>-11.5%</b>
<b>Regional Haz Mat Reponse Team - RT1819</b>			
Benefits	\$ -	\$ 5,000	100.0%
Operating	\$ -	\$ 64,000	100.0%
<b>Total</b>	<b>\$ -</b>	<b>\$ 69,000</b>	<b>100.0%</b>
<b>SABLE - 06PD50 and 07PD60</b>			
Personnel	\$ 171,221	\$ 173,231	1.2%
Benefits	\$ 36,105	\$ 38,637	7.0%
Operating	\$ 126,480	\$ 140,634	11.2%
<b>Total</b>	<b>\$ 333,806</b>	<b>\$ 352,502</b>	<b>5.6%</b>
<b>TOTAL SPECIAL PURPOSE</b>	<b>\$ 7,698,933</b>	<b>\$ 3,065,978</b>	<b>-60.2%</b>

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## *Budget Overview*

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The City of Wilmington has available program income in the Affordable Housing Programs project. Program sponsorship funds of \$1,500 are recommended to be appropriated into the Affordable Housing Summit project, 14EP10.

The UDAG and Miscellaneous Income Projects, 5FN051, has \$3,100 that was realized in FY16 that is to be appropriated in the FY19 budget.

Room Occupancy Tax revenues were formerly recorded in the Special Purpose Fund to support the operating expenditures in the Convention Center operations fund. In FY19, it is recommended to appropriate the ROT revenues intended for the Convention Center fund directly to the Convention Center fund 022.

The budget for the Metropolitan Planning Administration, or WMPO, is included in the Special Purpose Fund however, is presented under Community Development with the Planning, Development and Transportation Department budget.

The budget for the continued operation of the Safelight program reflects the operating expenditures and the required 90% contribution of the total fines paid to the New Hanover County Board of Education. The budget for FY18 was \$1,742,156 and the recommended FY19 budget is \$1,541,305 a variance of -11.5%.

The Fire Department's regional hazmat response program is being captured in a project in the Special Purpose fund. The department receives funding from the NC Department of Public Safety to respond to regional hazmat issues as well as for specialized training opportunities.

The budget for SABLE is also included in the Special Purpose Fund however, is presented under Public Safety with the Police Department budget.

## MUNICIPAL SERVICE DISTRICT

### BUDGET SUMMARY

	FY18 Adjusted	FY19 Recommend	Change FY18 to FY19
<b>Revenue</b>			
Property Tax	\$ 377,000	\$ 384,341	2%
<b>Revenue Total</b>	<b>\$ 377,000</b>	<b>\$ 384,341</b>	2%
<b>Appropriations</b>			
Operating	\$ 377,000	\$ 365,281	2%
Nondepartmental	\$ -	\$ 19,060	-
<b>Appropriations Total</b>	<b>\$ 377,000</b>	<b>\$ 384,341</b>	2%

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### *Budget Overview*

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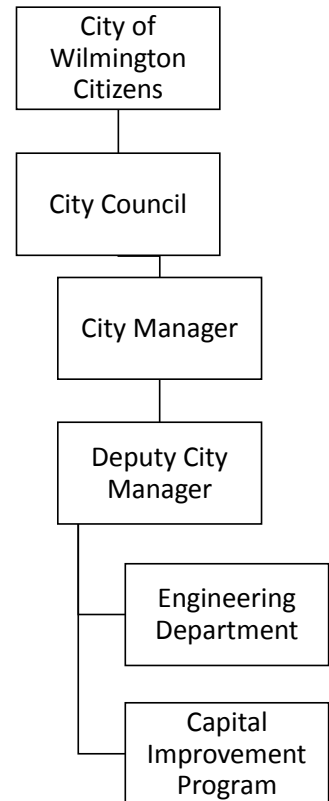
The Wilmington City Council established a Municipal Services District (MSD) for the Central Business District in December of 2016 to provide professional services above and beyond what is already provided by the City. This recommended budget continues the tax rate of \$0.07 per \$100 assessed value, for both real and personal property, based on the total district's property values totaling \$556 million. The assess values have increased by \$11 million over FY18. Expected revenues totaling \$384,341 have been budgeted for FY19.

The FY19 Municipal Services District will provide safety, cleaning, physical appearance and marketing services to our core downtown district beyond the scope of our City services. Wilmington Downtown, Inc., will continue to serve as our service provider. The MSD program began in FY18 and has overcome initial startup challenges. The MSD Advisory Committee recommended the FY19 budget continue to focus on improving the Ambassador program. The FY19 contract budget of \$362,114 is slightly less than the FY18 budget. This reduction is not due to a decline in property values but rather some funding was appropriated in a reserve for unforeseen needs and includes fees to New Hanover County for the revenue collections that were not included in the FY18 budget. The FY19 budget endorsement of the MSD Advisory Committee is being requested at their April 27th meeting.



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## CAPITAL IMPROVEMENT FUNDS



## CAPITAL BUDGETING

Capital improvement programming is a critical procedure for identifying major facility needs, projecting fiscal resources, establishing priorities, and developing defined project schedules to meet the City of Wilmington capital needs. Capital projects, for the purpose of the Capital Improvement Program (CIP), are generally defined as fixed assets that have a useful life greater than five years and with a cost of \$50,000 or greater. Regular purchases of vehicles and equipment for routine operations and most maintenance and repair costs for City facilities are funded through the annual operating budget.

Once adopted by the City Council, the CIP becomes a policy document regarding the timing, location, character, and funding of future capital projects. It is recognized that the policy represented by the CIP reflects the best judgment of the City Council at the time, and that changing capital priorities, fiscal constraints, and additional needs are likely to become apparent before the program is completed.

The policy established by the CIP provides important guidance for City administration, boards, and commissions appointed by the City Council in regards to municipal governance as it relates to the following matters:

- Preparation of the capital portion of the annual operating budget
- Scheduling and prioritization of project planning and scheduling
- Financial modeling regarding the financing of debt
- Planning efforts of businesses, developers and community organizations

Capital improvement programming provides a bridge between general long-term and short-term project planning. In this process, the long-term objectives of the City are reviewed and translated into a more specific and well defined, multi-year program of five years.

It should be noted, the projects and funding figures shown in this section are included due to their inclusion in the financial funding plan. Where projects have prior appropriation, a note is included.

### ***2<sup>nd</sup> CIP: 80/20 CAPITAL DEBT PLAN***

The FY18-FY23 reflects a financing strategy implemented in FY18 that provides a dedicated \$0.0018 of the property tax rate which funds eighty percent (80%) of debt service and 20% pay-go funding for maintenance and new infrastructure needs –80/20 Capital Debt Plan. The projects represented in the plan are consistent with City Council goals and objectives and within a framework of identified priorities.

In order to put this plan into place, the Wilmington City Council adopted a tax rate of \$0.0018 cents over revenue neutral in the 2017 revaluation year for the FY18 budget. The dedicated rate is restricted in the Debt Service Fund by Ordinance and as changes occur in future revaluation years, the tax rate can be adjusted as needed. The prioritization of the recommended projects as well as the funding plan will be determined in the years of actual appropriation.

## CAPITAL IMPROVEMENT PROGRAM SUMMARY

The Capital Improvement Program is the City's 2<sup>nd</sup> CIP that began in FY18 and continues in FY19 through FY23. Project costs, descriptions, and funding plans are presented in five (5) programmatic categories which include Streets and Sidewalks, Parks and Recreation, Public Facilities, Public Facilities-Parking and Storm Water from FY19 to FY23.

The **Streets and Sidewalks** program addresses major thoroughfare needs, street maintenance and rehabilitation, sidewalk construction and repair at a five-year projected cost of \$28,720,677.

The **Parks and Recreation** program provides for development of existing parks and funding for the maintenance and repair of various park facilities and structures throughout the City at a five-year projected cost of \$3,367,214.

The **Public Facilities** program consists of funding for various public improvements. The five-year projected cost for this program is \$10,566,793.

The **Public Facilities-Parking** program consists of funding for various public improvements in the capital parking fund. The five-year projected cost for this program is \$945,050.

The **Storm Water** program continues the City's efforts to proactively manage and mitigate the effects of storm water runoff, alleviate flooding, improve and maintain the drainage systems and drainage capacity of watercourses and containment structures City-wide at a projected cost of \$14,329,513 over five years.

**Capital Improvement Cost Summary by Program**

<b>FY18-FY23</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>Total FY19-FY23</b>
<b>Fund Total</b>						
Streets and Sidewalks*	\$ 5,564,095	\$ 2,015,781	\$ 994,373	\$ 9,496,435	\$ 12,049,993	\$ 30,120,677
Parks and Recreation	\$ 726,968	\$ 1,052,228	\$ 198,386	\$ 489,632	\$ 900,000	\$ 3,367,214
Public Facilities	\$ 1,977,544	\$ 3,797,750	\$ 3,173,000	\$ 791,212	\$ 827,287	\$ 10,566,793
Public Facilities- Parking	\$ 739,050	\$ 206,000	\$ -	\$ -	\$ -	\$ 945,050
Stormwater	\$ 3,327,513	\$ 1,500,000	\$ 2,570,000	\$ 3,317,000	\$ 3,615,000	\$ 14,329,513
<b>Program Total</b>	<b>\$ 12,335,170</b>	<b>\$ 8,571,759</b>	<b>\$ 6,935,759</b>	<b>\$ 14,094,279</b>	<b>\$ 17,392,280</b>	<b>\$ 59,329,247</b>

<b>Revenue Type</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>Total FY19-FY23</b>
Prior year appropriation	\$ 1,400,000	\$ -	\$ -	\$ -	\$ -	\$ 1,400,000
Installment Financing - 2nd 80/20 Plan	\$ 4,628,950	\$ 5,380,607	\$ 3,380,607	\$ 8,621,823	\$ 11,021,824	\$ 33,033,811
Debt Service Fund - 2nd 80/20	\$ 1,970,304	\$ 1,485,152	\$ 985,152	\$ 2,155,456	\$ 2,755,456	\$ 9,351,520
Future Pay Go - 2nd 80/20	\$ (280,000)	\$ -	\$ -	\$ -	\$ -	\$ (280,000)
Debt Service Fund/PayGo - Parks Bond	\$ 1,482,432	\$ -	\$ -	\$ -	\$ -	\$ 1,482,432
Future Pay Go - Parks Bond	\$ (1,482,432)	\$ -	\$ -	\$ -	\$ -	\$ (1,482,432)
Debt Service Fund/PayGo - Transportation Bond	\$ 1,800,000	\$ -	\$ -	\$ -	\$ -	\$ 1,800,000
Future Pay Go - Transportation Bond	\$ (1,800,000)	\$ -	\$ -	\$ -	\$ -	\$ (1,800,000)
Capital Balance (031 Fund) - General Fund	\$ 550,000	\$ -	\$ -	\$ -	\$ -	\$ 550,000
Parking Fund	\$ 139,050	\$ 206,000	\$ -	\$ -	\$ -	\$ 345,050
Stormwater Fund	\$ 3,300,000	\$ 1,500,000	\$ 2,570,000	\$ 3,317,000	\$ 3,615,000	\$ 14,302,000
Transfer from 39 fund	\$ 467,320	\$ -	\$ -	\$ -	\$ -	\$ 467,320
Interest Earnings	\$ 159,546	\$ -	\$ -	\$ -	\$ -	\$ 159,546
<b>Revenue Total</b>	<b>\$ 12,335,170</b>	<b>\$ 8,571,759</b>	<b>\$ 6,935,759</b>	<b>\$ 14,094,279</b>	<b>\$ 17,392,280</b>	<b>\$ 59,329,247</b>

\*Includes \$1,400,000 of prior year appropriation in Streets and Sidewalks (16ST20)

## Streets and Sidewalks

Project Code	Project Name	Recommended FY19	FY20	FY21	FY22	FY23	Total FY19-FY23
<b>2nd CIP</b>							
16ST20	*Chestnut & Grace Street Improvements	\$ 1,400,000	\$ -	\$ -	\$ -	\$ -	\$ 1,400,000
13ST10	Coordinated Improvements w/CFPUA	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 1,500,000	\$ 2,500,000
17BR20	Bridge Repair	\$ 303,323	\$ 22,781	\$ 419,373	\$ 24,035	\$ 271,357	\$ 1,040,869
06PK50	Downtown Alley Improvements	\$ -	\$ -	\$ 125,000	\$ 152,000	\$ -	\$ 277,000
17SR10	Streets Rehabilitation	\$ 1,600,000	\$ 1,305,000	\$ -	\$ 4,770,000	\$ 7,175,000	\$ 14,850,000
17SW10	Sidewalk Rehab/Repairs	\$ 250,000	\$ -	\$ 150,000	\$ 1,000,000	\$ 1,000,000	\$ 2,400,000
17SW20	Pedestrian/Bike Improvements	\$ 300,000	\$ 200,000	\$ 300,000	\$ 500,000	\$ 200,000	\$ 1,500,000
18SR10	Brick Street Rehabilitation	\$ 250,000	\$ -	\$ -	\$ 500,000	\$ 1,500,000	\$ 2,250,000
19ST10	US 74 and SR 1409 Interchange Upgrade	\$ 560,000	\$ -	\$ -	\$ -	\$ -	\$ 560,000
19ST15	Riverwalk: Red Cross Riverwalk Access	\$ 259,772	\$ -	\$ -	\$ -	\$ -	\$ 259,772
TBD	Independence Blvd Screen Wall Repair	\$ -	\$ 488,000	\$ -	\$ -	\$ -	\$ 488,000
TBD	Market Street Access Mgmt Improvements	\$ -	\$ -	\$ -	\$ 1,550,400	\$ -	\$ 1,550,400
TBD	Riverwalk South Handrails	\$ -	\$ -	\$ -	\$ -	\$ 403,636	\$ 403,636
<b>Add-on projects</b>							
19ST20	Red Cross Streetscape - Front to Second	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
19ST25	Manly Avenue	\$ 450,000	\$ -	\$ -	\$ -	\$ -	\$ 450,000
<b>Interest Earnings</b>							
14SR10	Pine Valley Road/ Street Rehab	\$ 84,000	\$ -	\$ -	\$ -	\$ -	\$ 84,000
17SR10	Streets Rehabilitation	\$ 7,000	\$ -	\$ -	\$ -	\$ -	\$ 7,000
<b>Total Expenditure Streets and Sidewalks</b>		<b>\$ 5,564,095</b>	<b>\$ 2,015,781</b>	<b>\$ 994,373</b>	<b>\$ 9,496,435</b>	<b>\$ 12,049,993</b>	<b>\$ 30,120,677</b>
<b>Revenue Type</b>							
*Prior year appropriation		\$ 1,400,000	\$ -	\$ -	\$ -	\$ -	\$ 1,400,000
Installment Financing - 2nd 80/20 Plan		\$ 2,688,887	\$ 1,725,925	\$ 836,554	\$ 8,621,823	\$ 11,021,824	\$ 24,895,013
Debt Service Fund - 2nd 80/20		\$ 1,114,208	\$ 289,856	\$ 157,819	\$ 874,612	\$ 1,028,169	\$ 3,464,664
Future Pay Go - 2nd 80/20		\$ (280,000)	\$ -	\$ -	\$ -	\$ -	\$ (280,000)
Debt Service Fund/PayGo - Transportation Bond		\$ 1,800,000	\$ -	\$ -	\$ -	\$ -	\$ 1,800,000
Future Pay Go - Transportation Bond		\$ (1,800,000)	\$ -	\$ -	\$ -	\$ -	\$ (1,800,000)
Capital Balance (031 Fund) - General Fund		\$ 550,000	\$ -	\$ -	\$ -	\$ -	\$ 550,000
Interest Earnings		\$ 91,000	\$ -	\$ -	\$ -	\$ -	\$ 91,000
<b>Total Revenue Streets and Sidewalks</b>		<b>\$ 5,564,095</b>	<b>\$ 2,015,781</b>	<b>\$ 994,373</b>	<b>\$ 9,496,435</b>	<b>\$ 12,049,993</b>	<b>\$ 30,120,677</b>

\*Includes \$1,400,000 of prior year appropriation in Streets and Sidewalks (16ST20)

**Streets and Sidewalks continued**

**Operating Estimate**

Project Code	Project Name	FY19	FY20	FY21	FY22	FY23	Total FY19-FY23
16ST20	Chestnut & Grace Street Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13ST10	Coordinated Improvements w/CFPUA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17BR20	Bridge Repair	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
06PK50	Downtown Alley Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17SR10	Streets Rehabilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17SW10	Sidewalk Rehab/Repairs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17SW20	Pedestrian/Bike Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18SR10	Brick Street Rehabilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18ST10	Market St LED upgrade	\$ (11,000)	\$ (11,000)	\$ (11,000)	\$ (11,000)	\$ (11,000)	\$ (55,000)
18ST15	Interchange Upgrade (Kerr & MLK)	\$ -	\$ 14,831	\$ 15,127	\$ 15,430	\$ 15,739	\$ 61,127
18ST20	Riverfront Assessment Update	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19ST10	US 74 and SR 1409 Interchange Upgrade	\$ -	\$ -	\$ 15,127	\$ 15,430	\$ 15,738	\$ 46,295
19ST15	Riverwalk: Red Cross Riverwalk Access	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19ST20	Red Cross Streetscape - Front to Second	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19ST25	Manly Avenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3MF200	Additional Water Street Deck Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TBD	Independence Blvd Screen Wall Repair	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TBD	Market Street Access Mgmt Improvements	\$ -	\$ 15,000	\$ 15,300	\$ 15,606	\$ 15,918	\$ 61,824
TBD	Riverwalk South Handrails	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Operating Estimates Streets and Sidewalks</b>		<b>\$ (11,000)</b>	<b>\$ 18,831</b>	<b>\$ 34,554</b>	<b>\$ 35,466</b>	<b>\$ 36,395</b>	<b>\$ 114,246</b>

Parks and Recreation							
Project Code	Project Name	Recommended FY19	FY20	FY21	FY22	FY23	Total FY19-FY23
<b>2nd CIP</b>							
	Parks, Recreation and Open Space						
06PK30	Master Plan Update	\$ -	\$ 37,450	\$ -	\$ -	\$ -	\$ 37,450
17PK15	Park Facilities Maintenance	\$ 243,250	\$ 289,070	\$ 198,386	\$ 489,632	\$ 900,000	\$ 2,120,338
18PK10	Bijou Park Renovation	\$ 483,718	\$ -	\$ -	\$ -	\$ -	\$ 483,718
TBD	Riverfront Park Phase IA	\$ -	\$ 725,708	\$ -	\$ -	\$ -	\$ 725,708
<b>Total Expenditure Parks and Recreation</b>		<b>\$ 726,968</b>	<b>\$ 1,052,228</b>	<b>\$ 198,386</b>	<b>\$ 489,632</b>	<b>\$ 900,000</b>	<b>\$ 3,367,214</b>
<b>Revenue Type</b>							
	Installment Financing - 2nd 80/20 Plan	\$ 396,810	\$ 621,356	\$ -	\$ -	\$ -	\$ 1,018,166
	Debt Service Fund - 2nd 80/20	\$ 330,158	\$ 430,872	\$ 198,386	\$ 489,632	\$ 900,000	\$ 2,349,048
	Debt Service Fund/PayGo - Parks Bond	\$ 1,482,432	\$ -	\$ -	\$ -	\$ -	\$ 1,482,432
	Future Pay Go - Parks Bond	\$ (1,482,432)	\$ -	\$ -	\$ -	\$ -	\$ (1,482,432)
<b>Total Revenue Parks and Recreation</b>		<b>\$ 726,968</b>	<b>\$ 1,052,228</b>	<b>\$ 198,386</b>	<b>\$ 489,632</b>	<b>\$ 900,000</b>	<b>\$ 3,367,214</b>
<b>Operating Estimate</b>							
Project Code	Project Name	FY19	FY20	FY21	FY22	FY23	Total FY19-FY23
	Parks, Recreation and Open Space						
06PK30	Master Plan Update	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17PK15	Park Facilities Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18PK10	Bijou Park Renovation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TBD	Riverfront Park Phase IA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Operating Estimates Parks and Recreation</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



<b>Public Facilities</b>							
Project Code	Project Name	Recommended FY19	FY20	FY21	FY22	FY23	Total FY19-FY23
<b>2nd CIP</b>							
10MF10	Police, Fire and City Training Facility	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17MF05	Building Maintenance	\$ 187,941	\$ 255,000	\$ 149,000	\$ 791,212	\$ 827,287	\$ 2,210,440
17MF10	Parks Maintenance Facility	\$ 266,250	\$ 3,195,000	\$ -	\$ -	\$ -	\$ 3,461,250
18MF10	HVAC Replacement	\$ 1,015,000	\$ -	\$ -	\$ -	\$ -	\$ 1,015,000
TBD	RiverLights Fire Station	\$ -	\$ 347,750	\$ 3,024,000	\$ -	\$ -	\$ 3,371,750
<b>Transfer Request</b>							
18MF20	IT Core System Replacement	\$ 467,320	\$ -	\$ -	\$ -	\$ -	\$ 467,320
<b>Interest Earnings</b>							
06MF40	City Hall Improvements	\$ 1,033	\$ -	\$ -	\$ -	\$ -	\$ 1,033
13MF15	Fire Station #5 Shipyard	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000
<b>Total Expenditure Public Facilities</b>		<b>\$ 1,977,544</b>	<b>\$ 3,797,750</b>	<b>\$ 3,173,000</b>	<b>\$ 791,212</b>	<b>\$ 827,287</b>	<b>\$ 10,566,793</b>
<b>Revenue Type</b>							
Installment Financing - 2nd 80/20 Plan		\$ 1,051,053	\$ 3,033,326	\$ 2,544,053	\$ -	\$ -	\$ 6,628,432
Debt Service Fund - 2nd 80/20		\$ 418,138	\$ 764,424	\$ 628,947	\$ 791,212	\$ 827,287	\$ 3,430,008
General Fund Revenue		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Installment Financing - 3rd 80/20		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Earnings		\$ 41,033	\$ -	\$ -	\$ -	\$ -	\$ 41,033
Transfer from 39 fund		\$ 467,320	\$ -	\$ -	\$ -	\$ -	\$ 467,320
<b>Total Revenue Public Facilities</b>		<b>\$ 1,977,544</b>	<b>\$ 3,797,750</b>	<b>\$ 3,173,000</b>	<b>\$ 791,212</b>	<b>\$ 827,287</b>	<b>\$ 10,566,793</b>
<b>Operating Estimate</b>							
Project Code	Project Name	FY19	FY20	FY21	FY22	FY23	Total FY19-FY23
10MF10	Police Training Facility & Substation	\$ 280,000	\$ 285,600	\$ 291,312	\$ 297,138	\$ 303,081	\$ 1,457,131
17MF05	Building Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17MF10	Parks Maintenance Facility	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18MF10	HVAC Replacement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TBD	RiverLights Fire Station	\$ -	\$ -	\$ -	\$ 904,972	\$ 923,071	\$ 1,828,043
<b>Total Operating Estimates Public Facilities</b>		<b>\$ 280,000</b>	<b>\$ 285,600</b>	<b>\$ 291,312</b>	<b>\$ 1,202,110</b>	<b>\$ 1,226,152</b>	<b>\$ 3,285,175</b>

## Public Facilities - Parking

Project Code	Project Name	Recommended FY19	FY20	FY21	FY22	FY23	Total FY19-FY23
<b>2nd CIP</b>							
3MF200	Chestnut Street Deck Elevated Walkway	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ 600,000
<b>Parking Fund</b>							
19MF10	Market St. Deck Access Improvements	\$ 139,050	\$ -	\$ -	\$ -	\$ -	\$ 139,050
TBD	2nd Street Parking Deck Elevator Modernization	\$ -	\$ 206,000	\$ -	\$ -	\$ -	\$ 206,000
<b>Total Expenditure Public Facilities - Parking</b>		<b>\$ 739,050</b>	<b>\$ 206,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 945,050</b>
<b>Revenue Type</b>							
Installment Financing - 2nd 80/20 Plan		\$ 492,200	\$ -	\$ -	\$ -	\$ -	\$ 492,200
Debt Service Debt Service Fund - 2nd 80/20		\$ 107,800	\$ -	\$ -	\$ -	\$ -	\$ 107,800
Parking Fund Parking Fund		\$ 139,050	\$ 206,000	\$ -	\$ -	\$ -	\$ 345,050
<b>Total Revenue Public Facilities - Parking</b>		<b>\$ 739,050</b>	<b>\$ 206,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 945,050</b>
<b>Operating Estimate</b>							
Project Code	Project Name	FY19	FY20	FY21	FY22	FY23	Total FY19-FY23
19MF10	Market St. Deck Access Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3MF200	Chestnut Street Deck Elevated Walkway	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TBD	2nd Street Parking Deck Elevator Modernization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Operating Estimates Public Facilities - Parking</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Stormwater							
Project Code	Project Name	Recommended FY19	FY20	FY21	FY22	FY23	Total FY19-FY23
<b>Stormwater CIP</b>							
07DC20	Annual Storm Drain Rehab	\$ 1,000,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 7,000,000
14DC10	Clear Run Branch	\$ 2,300,000	\$ -	\$ -	\$ -	\$ -	\$ 2,300,000
TBD	Kelly Road	\$ -	\$ -	\$ -	\$ 342,000	\$ 900,000	\$ 1,242,000
TBD	Pirates Cove	\$ -	\$ -	\$ 460,000	\$ -	\$ -	\$ 460,000
TBD	Whispering Pines/Masonboro Drainage	\$ -	\$ -	\$ 610,000	\$ 1,475,000	\$ 1,215,000	\$ 3,300,000
<b>Interest Earnings</b>							
08DC10	Bradley Creek/Michelle Drive	\$ (11,687)	\$ -	\$ -	\$ -	\$ -	\$ (11,687)
09DC10	Wisteria/Clearbrook Area	\$ 39,200	\$ -	\$ -	\$ -	\$ -	\$ 39,200
<b>Total Expenditure Stormwater</b>		<b>\$ 3,327,513</b>	<b>\$ 1,500,000</b>	<b>\$ 2,570,000</b>	<b>\$ 3,317,000</b>	<b>\$ 3,615,000</b>	<b>\$ 14,329,513</b>
<b>Revenue Type</b>							
Interest Earnings		\$ 27,513	\$ -	\$ -	\$ -	\$ -	\$ 27,513
Stormwater Fund		\$ 3,300,000	\$ 1,500,000	\$ 2,570,000	\$ 3,317,000	\$ 3,615,000	\$ 14,302,000
<b>Total Revenue Stormwater</b>		<b>\$ 3,327,513</b>	<b>\$ 1,500,000</b>	<b>\$ 2,570,000</b>	<b>\$ 3,317,000</b>	<b>\$ 3,615,000</b>	<b>\$ 14,329,513</b>
<b>Operating Estimate</b>							
Project Code	Project Name	FY19	FY20	FY21	FY22	FY23	Total FY19-FY23
07DC20	Annual Storm Drain Rehab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14DC10	Clear Run Branch	\$ -	\$ -	\$ -	\$ -	\$ 9,000	\$ 9,000
TBD	Kelly Road	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TBD	Pirates Cove	\$ -	\$ -	\$ -	\$ -	\$ 700	\$ 700
TBD	Whispering Pines/Masonboro Drainage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Operating Estimates Stormwater</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,700</b>	<b>\$ 9,700</b>