



GOVERNING BODY

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COUNCIL MEMBER LEOPOLD I. COHEN

**SUBMITTED TO:
THE MAYOR AND THE CITY COUNCIL**

BY

**Hal Hegwer
City Manager**

**Melissa C. Cardinali
Director of Financial Services**

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CITY OF SANFORD HISTORY

The Town of Sanford was incorporated in Moore County on February 11, 1874 - 31 years before the creation of Lee County. The stimulus for growth provided by Sanford, along with the towns of Broadway and Jonesboro led to the birth of Lee County in 1907. Lee County was formed with portions of Moore and Chatham Counties, the county seat being a point equal-distance between Sanford and Jonesboro.

Sanford itself sprung up from the crossing of the Western and Chatham Railroads. These rails are now known as the Atlantic and Western and Seaboard Coastline. Colonel C. O. Sanford was chief civil engineer of the now Seaboard Coastline and Sanford is named in his honor. At one point near the turn-of-the-century, citizens debated changing the name of Sanford to Scottsville in honor of Major John W. Scott, but the name Sanford held. In 1947 the name Sanford survived the merger with Jonesboro. The area of Jonesboro became known as Jonesboro Heights. It is ironic that with the decline of the retail hub in Downtown Sanford, two distinct City centers have re-emerged. To this day Jonesboro Heights, as it is now known, retains a special identity and gives Sanford the unique pleasure of having two downtowns.

With the merger of the two incorporated towns of Jonesboro and Sanford a new municipal charter was adopted and the official name became the City of Sanford. The City was governed by seven Aldermen living in separate residence wards until 1991 when the City's wards were redesigned into five wards with two Aldermen being elected at-large.

The City of Sanford is operated under the Council-Manager form of government, which was adopted in 1944. Policymaking and legislative authority is vested in a City Council consisting of seven Council Members and a Mayor who are elected in odd-numbered years. The City Manager is employed by the Council and is responsible to the City Council for the administration of all affairs of the municipality. The City Manager appoints the Department Heads and supervises and coordinates the activities of the departments.

Sanford enjoys steady growth. In 1880 the population was 236; in 1900, 1,044; in 1920, 2,977; in 1940, 4,960, in 1950, after the merger of the Town of Jonesboro, 10,013. In the late 1950's, growth became more suburban in character. Taking advantage of municipal water and sewer lines, development occurred just outside the City Limits, and population growth became a function of annexation. In 1960 the population was 12,252; in 1970, 12,028; and in 1980, 14,773. Rapid development in the 1980's was contained in the City's Extra-Territorial Jurisdiction, but this development did not begin to be annexed into the City until the 1990's. The 1990 population was only 14,755 as a result of this phenomenon. The 1991 population was 18,125; the 1994 population was 20,385; and the 2000 population is in excess of 23,000. During fiscal year 2004-05 the City purchased the county water system from Lee County. The City now provides municipal water to more than 17,000 city and county residents as well as sewer service to approximately 8,900 city residents.

Community Profile

- o **Population**
- o **Landscape**
- o **Economic Characteristics**
- o **Family Income**
- o **Current Tax Rates**
- o **Education/Hospital**
- o **Climate**

Lee is one of 100 counties in North Carolina situated in the geographic center of North Carolina. It is on the divide of the Coastal Plains to the east and the Piedmont to the west. The City of Sanford (Lee County Seat) is approximately forty-five (45) miles south of Raleigh and Durham. Approximately one hundred fifty (150) miles to the east is the Atlantic Ocean, and one hundred sixty (160) miles to the west are the Appalachian Mountains. It is an economically diverse community.

Current Population

Estimates for July 2009

City of Sanford	29,141
Town of Broadway	1,301
Lee County	61,835

Population Projections

Lee County in 2010	64,418
Lee County in 2020	71,116
Lee County in 2030	77,509

Economic Characteristics

Median Age	38 years
Average Household Size	2.61 people
Gross Retail Sales (FY 2008-09)	
Lee County (including Sanford and Broadway)	\$512.8 million

Bond Rating for City of Sanford

- Standard & Poor's A+
- Moody's A1
- NC Municipal Council ¹ 84

Bond Rating for Lee County

- Standard & Poor's A+
- Moody's A1

Family Income

Median Household	\$39,160
Per Capita	\$23,471
Median Family	\$54,718

¹ The NC Municipal Council works closely with the Local Government Commission, a division of the North Carolina State Treasurer's office, which has statutory responsibility for debt issued by local governments in North Carolina. This council assists the local issuers in improving their credit quality and to improve their access to capital for essential municipal projects.

Landscape

Land Area*	258.3 sq. miles
Population Density	238.5 persons/sq. mi.
Urban Area (City of Sanford)	49 percent
Rural Area (Outside City)	51 percent
Latitude	35° 28'
Longitude	79° 07'



Climate

Average Temperatures	
January	37° F
June	76° F
Average Annual Rainfall	48 inches
Average Annual Snowfall	less than 5 inches

Current Tax Rates

Lee County	\$0.75 per \$100 valuation
Sanford	\$0.54 per \$100 valuation
Broadway	\$0.44 per \$100 valuation

Example: A house valued at \$100,000 would pay \$540 per year in city taxes and \$750 per year in county taxes.

Education

Public High Schools	3
Public Middle Schools	3
Public Elementary Schools	7
Private K-12 Schools	3
Montessori Schools	1

Central Carolina Community College

Access available to:

University of North Carolina at Chapel Hill, Duke University, North Carolina State University, Campbell University, North Carolina Central University, Fayetteville State University, and Sandhills Community College

Hospital

Central Carolina Hospital	137 beds and 100 physicians
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Water System Daily Capacity

Sanford	12,000,000 gallons per day
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Waste Water System Capacity

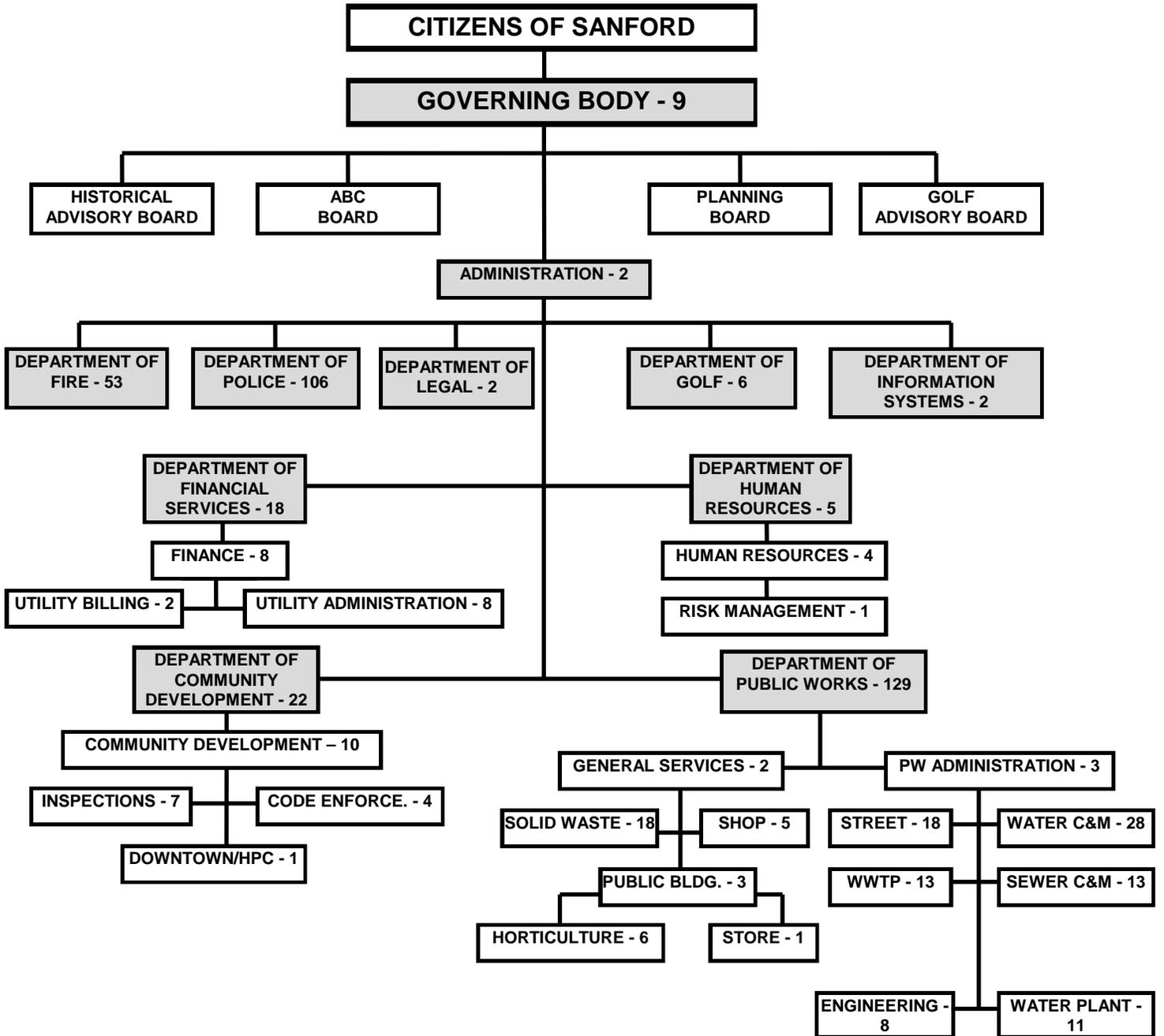
Sanford	6,800,000 gallons per day
Broadway	145,000 gallons per day

General Information

Power - Progress Energy and Central Electric Membership

Gas - PSNC Energy

CITY OF SANFORD ORGANIZATIONAL CHART



CITY OF SANFORD PROGRAM POLICIES

SECURITY – The citizens of the City of Sanford must be provided with a feeling of personal security and property protection. The City Council and the City will continue to improve its citizens feeling of security by improving existing public safety programs and exploring new and more effective ways of delivering public safety services.

MASTER PLANNING AND ZONING - Our neighborhood, whether composed of single or multiple family dwellings and our industrial community must be stabilized, strengthened and controlled. To promote an attractive, harmonious community, preserve natural resources and promote a sound tax base a comprehensive land use development program, economic incentive program, code enforcement, zoning and minimum housing will be maintained.

TRANSPORTATION - The development and implementation of a road improvement program to include maintenance and expansion will assist in meeting increased traffic demands with emphasis on particular land use configuration. To ensure transportation needs are met, the City will continue to update and modify the thoroughfare plan for the City.

UTILITIES - The governing body continues to stress as one of its major goals the providing of adequate, safe water and wastewater collection and treatment to its residential and industrial users. To ensure water and sewer programs meet the needs of both existing and future customers, continuous study and analysis of utility operations will be maintained.

FINANCIAL PLANNING – To ensure a sound financial position, a comprehensive, well-integrated financial plan composed of long and short-term elements will be maintained. Five-year analysis of operations and capital planning will be integrated as an ongoing management tool.

DEVELOPMENT OF STAFF - To ensure the City attains and keeps well-qualified productive workforce, a competitive wage; salary and benefit plan will be monitored and maintained.

FY 2010-2011 MAJOR GOALS

The goals of the City of Sanford have been adopted to strengthen the relationship between service priorities and delivery of service. The goals and key budget principles on which the budget was developed do not vary considerably from past budgets. The goals are established with the clear understanding that the citizens of Sanford demand a high quality of service. Within the context of the City's goals we have established specific goals at the departmental level. Departmental goals and objectives are stated within each department's budget. Departmental goals will be monitored by the Administration and Governing Body to ensure that major City goals are being accomplished.

FY 10-11 ACCOMPLISHMENTS

The accomplishments of the City of Sanford are highlighted below to give the reader some insight as to how the major goals provide direction to all areas of municipal service.

SECURITY

- The Inspections Department continues to maintain a high level of service with reduced staffing.
- The Fire Department received a new pumper and placed in service at #2 fire station in August of 2009. This pumper replaced a 1996 model that is now used as the number one reserve at Central fire station.
- The Fire Department continued to upgrade our personal alert safety system (PASS) for our self contained breathing apparatus (SCBA); continued the five year replacement of the turnout gear recommended by NFPA; completed the upgrade of Hydraulic Rescue Tools to single hose operation with a higher safety factor for personnel; offices were restructured to transition from three shift inspectors to one forty hour a week inspector.
- The Fire Department placed laptops in the three first run trucks. These units have run report and pre-plan information on board. These units hook to the internet while at the stations wirelessly and can use wireless connections when the battalion commandor's or the chief's vehicle is on scene with an air card and router to create wi-fi hotspots.
- The Fire Department personnel continued utilizing the Emergency Service Training Center (ESTC) located at the old airport. Continued the use of a burn building allowing our personnel to perform operations in a training environment that would simulate a structure fire. This also allows the department to practice our Rapid Intervention Team (RIT) training for our own staff in case we have a fire fighter down or trapped in an emergency.
- The Risk Management division provided 8 safety classes to employees at the departmental level; conducted thirty job site or facility inspections; created HAZCOM program for the city golf course covering 148 chemicals; risk management officer was assigned as the city coordinator for ADA and National Incident Management (NIMS); risk management officer assumed facilitator responsibilities for monthly public works safety committee meetings; eight committee meetings held since October 2009; combined insurance program premium was reduced by \$45,000.

MASTER PLANNING AND ZONING

- The Community Development Department was awarded the NC Main Street Center Award: Best Public-Private Partnership (Chatham Street Facilities and Streetscape Project); awarded from KaBoom for second year Playful City; received ARRA funding for Haven Domestic Abuse Shelter and Endor Iron Furnace Trail (greenway) project; Second Century (Well Centered) Branding campaign.
- The Downtown HPC Department held its third annual fall festival (Artoberfest); ninth annual Christmas tree lighting; downtown merchant holiday open house; spring fling open house for downtown businesses; second annual family fourth festival celebration held in conjunction with the Chamber of Commerce; continued "Screen on the Green" family movie series; continued the "Function at the Junction" Depot Park summer concert series; held retail workshop for downtown merchants with nationally recognized consultant Tom Shay; installed first wayfinding sign in Horner Square Lot; and granted \$18,000 in building improvement grants to subsidize renovation costs to downtown property owners and merchants.
- Historic Preservation Department received a grant to complete a nomination to the national register for the East Sanford Historic District.

TRANSPORTATION AND PUBLIC WORKS

- The Solid Waste (Refuse) Division used inmates to collect approximately 14 tons of litter along street right-of-ways; mowed city and state right-of-ways in five cycles; collected 953 loads of leaves (compost); collected 1260 loads of limbs that were ground into woodships and sold; collected 454 loads of bulk trash from curbside; and cleaned 191,919 feet of sidewalk.

- The Street Department continued to repair catch basins, ditches, and sink holes. Improvements were made to drainage at Vance Street, Lord Ashley Drive, Nob Hill, Moore Hill, Fifth Street, Sutphin Drive, Landor Circle, and Perry Drive.
- Street markers, stop signs, and lighting were established for new phases of developments; the second year of street lighting enhancements were completed; and sidewalk rehabilitation was complete at Mclver Street and Gordon Street.
- The Shop Department continued to buy compact trucks/ cars to increase fuel mileage and lower initial costs; continued several strategies to conserve fuel; and continued scrutiny of vehicular use in an attempt to maximize conformance of fleet vehicle replacement program.

UTILITIES

- The Public Works Administration Department applied for and received an “Electronics Ban and Recycling Grant” from DENR’s Department of Pollution Prevention and Environment Assistance totaling \$20,000 to be used for the purchase of a truck required for the new electronic recycling program (television and computers); applied for and received a \$5,000 grant from Blue Cross Blue Shield of North Carolina Foundation for park equipment at the Carr Creek Neighborhood Park; participated in National Public Works Week by visiting three local elementary schools and talking with students about what we do for the community; and applied for and received \$60,000 in stimulus funding from the State Energy Office for lighting retrofit project at city hall.
- Engineering accomplishments are as follows: 1) completed the Coty Water System improvement project which was funded in part by a Rural Center Grant; 2) completed construction of Gaster’s Creek wet well expansion project which is part of the Wal-Mart sewer system improvements; 3) reached substantial completion of the Clearwell Rehabilitation Project which was funded through the Public Works Supply Section of the Department of Environment and Natural Resources with American Recovery and Reinvestment Act (ARRA) funds; 4) bid and began construction of the Endor Iron Furnace Trail Project which is partially funded through the ARRA; 5) completed waterline extension to West Landing Subdivision and shifted approximately one hundred residents to the high pressure zone in order to improve flow and pressure to these homes; 6) the city undertook a project utilizing cured-in-place lining of sewer lines to rehabilitate approximately 25,000 linear feet of sewer main at an estimated cost of \$1.1 million; 7) performed repairs to the wetwell, replaced electrical components, and installed new pumps at Patterson Creek Lift station; and 8) as a result of negotiations with the Construction Grants and Loan Section of the NC Department of Environment and Natural Resources, the city secured a finding of no significant impact concerning the expansion of the wastewater treatment facility.
- General Services Department responded to council, city manager, and citizen requests, inquiries, and complaints in a timely and efficient manner; maintained safety in all departments of general services through the year and assured compliance with all reporting; completed renovations at city hall; refurbished two brick “Sanford” signs; completed construction of Carr Creek Neighborhood Park; and continued construction of Martin Luther King Park.
- The Water Treatment Plant (WTP) exceeded meeting all state / federal regulations for drinking water; 100% of the operations staff acquired at least the minimum level of certification required to operate the water plant independently; continued education opportunities to enable staff to receive certification of maintenance activities at the WTP; construction was completed at the West Garden Street booster pump station; and continued work on the Clearwell Rehabilitation project.
- The Water Construction and Maintenance (C & M) division maintained 568 miles of distribution lines; 135 major water line repairs; 60 minor water line repairs; installed 97 new water taps and 193 water retaps; installed 60 new meters; read 221,340 water meters; tested 28 large water meters and 8 small water meters; replaced 19 old meters; inspected and maintained 1,767 hydrants; inspected and exercised 2,812 valves; inspected 4 city owned backflow devices and 404 privately owned backflow devices; removed 567,663 gallons of grease containing fluids and inspected 19 grease traps.
- The Sewer Construction and Maintenance (C & M) division cleaned 24% or the City’s collection system lines, handily exceeding the annual requirement of 10%; improved right-of-way access points and creek crossings; removed trees from cross-country right-of-ways for better access; staff responded to 225 stoppage complaints; jetted 52 miles of sewer main; sent 5 employees to the AWWA Pipe and Meter School to obtain state certifications; mowed 43 miles of right-of-way easements; inspected 78 miles of priority lines; inspected 129 miles of collection system; televised

17,117 linear feet of sewer line; vacuumed all wet wells and cleaned all build up and solids; improved stock of spare parts to decrease downtime of lift stations; and treated 12,864 linear feet of sewer main with Duke's root control.

- WWTP updated Process Safety Management procedures to ensure compliance with OSHA standards; installed new barscreen and new influent pump; certified two employees to grade III; reissued new permits for the pretreatment program; installed RAS pump and upgraded the wiring; repaired area lighting at the WWTP; installed brace for influent pump number 5 and installed valve dampener; land applied six million gallons of bio-solids; installed valve dampeners for filter backwash pumps; services all generators for the plant and lift stations to ensure operation when called for; cleaned backwash tank; brought new set well on line at Gaster's Creek lift station; changed wooling water system for pumps at Little Buffalo lift station; changed flow sensors for pumps at Little Buffalo lift station; updated Hazardous Energy Control Plan for the WWTP; and started monthly meetings with area industries to pass along current regulations and process control changes that may affect their permits.

FINANCIAL PLANNING

- The City continued the process of funding other post employment benefits (OPEB). This was the first year the city used OPEB distribution funds for city revenue.
- Financial Services department received a Certificate of Achievement for Excellence in Financial Reporting from the GFOA for the City's June 30, 2009 Comprehensive Annual Financial Report. This is the 29th straight year the City has received this honor.
- Financial Services department also received a Distinguished Budget Presentation Award from the GFOA for the City's Annual Operating Budget ending June 30, 2010. This is the 24th straight year the city has received this honor.
- The City's Debt Set Off program continues to be successful in the collection of delinquent accounts. 421 outstanding final bills totaling \$67,628 were submitted for collection and 251 accounts totaling \$38,405 were actually collected.
- Continued the contract in which the City of Sanford provides accounting services to a smaller area municipality. This arrangement provides the smaller unit with increased internal controls without hiring additional personnel.

DEVELOPMENT OF STAFF AND TECHNOLOGIES

- The Information Systems department completed the following: installed a new web server to continue hosting our www.sanfordnc.net website; added social networking to city website by adding Facebook and Twitter to keep citizens informed; upgraded the network managed anti-virus system; updated the mail server software to add more features; created the video that helped the city win the 2009 National Night Out award as well as produced several informational videos for city services on Sanford TV 11 and the website; installed new computer systems at city hall, federal building, fire departments, service center, and inspections building; upgraded wireless access points at each fire station; maintained, repaired, and supported 175 computer systems / users on 9 local area networks at 10 remote sites with 40 networked printers; purchased 33 computers for the employee computer purchase program; managed project to install public wifi at city hall; updated equipment hosting the Sanford TV 11 station to give us additional video capacity and more flexibility creating screens; and installed / managed new software packages, service pack upgrades, and security patches for computers and servers on the city's WAN network.
- Human Resources enhanced the service awards program with Tharpe; employees now have more gift selections and are able to order and obtain service award in the month of anniversary; ensured compliance with drug and alcohol testing program; continued to meet requirements of FLSA, COBRA, USERRA, FMLA, child labor laws, etc; conducted Personnel Policy review meetings for management team members; human resources recruited, hired, and conducted new employee orientation for 24 new employees and 6 new board / commission members during the year;.
- Human Resources successfully negotiated a new life benefit provided (Reliance Life) for employee life, dependent life, accidental death and dismemberment, and short-term disability benefits with no change in rates; negotiated with the city's flexible spending account plan provider and no administrative rate changes are expected during FY 10-11; negotiated with Guardian Dental and no rate increases are expected.

- Over \$2.7 million paid in medical claims / fixed costs this year under the BCBSNC group health care plan resulting in a loss ratio of 101%; down from 117% for 2008-09 plan year despite an increase in the average number of employees covered and an increase in claims of approximately \$211,000. A rate increase of 2.8% for 2010-2011 plan year was approved to cover anticipated / expected claims costs.
- Human Resources coordinated continued successes of wellness program to include formation of formal wellness committee, distribution of employees wellness needs survey, walking program, lunch-n-learn sessions, wellness publications, flu shots, benefits fair, softball team, bowling team, basketball / softball / golf team challenges with Lee County, and freedom from tobacco use program.
- Human Resources collaborated with Information Systems director to revise Computer / Technology System Use Policy to incorporate social networking information; created an Equal Employment Opportunity Plan (EEO) to ensure compliance with federal grant program requirements; processed out 23 full time and part time employees; coordinated three retirement ceremonies; and raised over \$17,000 for the United Way Campaign.

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Sanford
North Carolina**

For the Fiscal Year Beginning

July 1, 2009

A handwritten signature in black ink, appearing to be 'HR'.

President

A handwritten signature in black ink, appearing to be 'Jeffrey R. Emery'.

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Sanford, North Carolina for its annual budget for the fiscal year beginning July 1, 2009. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

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



PO Box 3729

Sanford, NC 27331-3729

City of Sanford

(919)775-8202

MEMORANDUM

TO: The Honorable Mayor Olive and City Council Members

FROM: Hal Hegwer, City Manager

DATE: May 12, 2010

SUBJECT: Fiscal Year 2010-2011 Proposed Annual Operating Budget

In accordance with Chapter 159-11 of the North Carolina General Statutes, I am pleased to submit the City of Sanford's proposed budget for Fiscal Year 2010-2011. Preparation for this year's budget was a difficult task due to declining revenues related to the recession and certain expenses increasing beyond our control. So far, our excellent financial status has enabled us to weather the recession without having to institute drastic measures. We have enjoyed the use of a strong fund balance as a mechanism to provide stability in the face of declining revenues. Officially, the recession ended last year and most economists believe that during 2010, economic conditions will begin to improve nationally. However, despite this improvement, there are signs there will not be significant growth in municipal revenues this year. Therefore, it was necessary to rein in recurring expenses as much as possible to balance this year's budget. Essentially, revenues are projected to be down this year, while expenses related to fuel, health care, and retirement are up. This has created a monetary gap that was difficult to fill without delaying some of our initiatives. Our main mission in this year's budget is to prohibit diminishing the level of service that our citizens have enjoyed, while not expanding any new services or initiatives until there is an improvement in the revenue picture.

The most unusual expense in this year's budget is an increase in the Local Government Employee Retirement System contribution rate. The employer required contribution rate has been the same since July of 1983. The

retirement system board of trustees approved increasing the base employer contribution rate from 4.8 percent of payroll to 6.35 percent for general employees and from 5.27 to 6.82 percent for law enforcement employees, effective July 1, 2010. This increase correlates into an annual recurring cost of \$234,000. The annual required employer contribution rate increase is directly related to investment losses of \$4.9 billion suffered by the fund during 2008. Additional increases in the contribution rate are planned for the next five years.

Nationally, healthcare costs continue to increase at an annual rate of 9 percent to 11 percent. This year's budget includes an increase in the cost required to fund claims in our self-insured health fund. This year will require a \$76,190 increase or 2.8 percent over last year. This is a relatively mild increase compared to last years 14 percent or \$300,000 increase. Adjustments were made to decrease preventative care co-pays in order to encourage our employees to be more proactive with their health.

Fuel prices are budgeted at 12.5 percent higher for gasoline and 10 percent higher for diesel. This budget continues to embrace our overall strategy in fleet maintenance toward maximizing fuel economy through the purchase of more fuel-efficient vehicles. This strategy will certainly benefit us as fuel prices are anticipated to climb this year.

In 2008-2009, we made a carefully planned decision to transfer funds out of fund balance into a State of North Carolina trust fund to support other post-employment benefits (OPEB). The plan was funded with a one-time contribution of \$1,175,500. There were no funds contributed to the trust in the 2009-2010 Budget. However, this year I am recommending \$118,750 be contributed to the fund. In the last eighteen months, the fund has achieved favorable interest and market value of over \$229,493. These gains, along with projected interest and market value of \$125,000, are being budgeted to help offset costs of the OPEB expenses.

GENERAL FUND OVERVIEW

This year the decline in revenues made it difficult to balance the budget without utilizing fund balance for recurring expenditures. In an effort to reduce recurring expenditures, fund balance of \$970,389 was budgeted to retire existing debt to achieve an overall savings in the future. The three loans that are recommended for retirement are the service center expansion, one fire pumper, and debt associated with street improvements.

Also, in an effort to minimize operating costs, four positions were frozen to achieve a reduction in salaries and benefits of approximately \$166,464. This was a lean year for capital expenditures in an effort not to reduce our fund balance too much. Even though it is easier to trim capital expenditures during

tough economic times, we must continue to make investments in capital items to prevent our assets from deteriorating.

GENERAL FUND REVENUES

For Fiscal Year 2010-2011, General Fund revenues are budgeted to be \$22,270,984 (excluding grants, drug forfeiture, and 911 reimbursements) which reflects a decrease of approximately \$284,738 when compared to our current year's original budget. A fund balance appropriation of \$979,900 is included for the purchase of capital expenditures. The major sources of our revenue decline are investment income, state shared revenues, and the privilege license program. Sales tax revenues are projected to decrease 1 percent or approximately \$46,325. Investment income is projected to decrease 27 percent or \$36,100. It is anticipated that ad valorem property tax will remain relatively flat with an increase of less than \$45,000.

GENERAL FUND EXPENDITURES

Our annual budget ordinance segregates governmental functions within the General Fund into five categories. They are general government, public safety, transportation, sanitation, and community development. The significant changes in the General Fund expenditures are listed below:

General Government – There is an expected budgetary decrease of approximately 8 percent from last year's original budget in this category. There are several operating transfers and contributions to specific organizations funded out of the General Fund. The recommended contributions for Fiscal Year 2010-2011 include \$20,000 to the Central Business Tax District. This contribution has decreased \$30,000 because the loan to pay off improvements to Depot Park will be retired this year. Due to lengthy discussions concerning funding nonprofits, the yearly contributions of \$3,000 to the Arts Council, \$3,000 to the Railroad House Association, and \$20,000 to the Temple Theater have been omitted pending direction from City Council. I feel it is prudent for City Council to decide which non-profit agencies should be funded. We have also budgeted to continue the strategic services, animal control, and tax collection contracts with Lee County, whereby we compensate them for providing these services. The budget proposes continued support for Sanford/Lee County Economic Development Corporation at its current amount, as well as the economic incentive packages totaling \$96,740. In our Human Resources Department, one position will remain frozen to achieve an additional savings for next year. One new budgeted item is a Youth Skate Park. This idea garnered support at our annual retreat and \$75,000 is allocated for this purpose.

Public Safety – This category of expenditures includes the Police, Fire, and Building Inspection budgets. The Public Safety category is projected to

increase by \$790,127 or 6.5 percent compared to the prior year's original budget. This increase is primarily attributed to the purchase of thirteen patrol vehicles totaling \$318,500, in accordance with the routine two-year replacement schedule. During the budget year of 2009-2010, two of the four front-desk administrative positions in the police department were funded. The remaining two positions were frozen and filled with patrol officers who could not perform their normal duties due to injuries, illness, etc. In order to return these officers to their normal duties, it is recommended that we fund these previously frozen positions in the forthcoming fiscal year. In addition, we received a federal grant to increase our uniform patrol by four officers. The intent of the grant was to increase the number of police beats and reduce beat sizes, resulting in a higher level of service. In order to fulfill the intent of the grant and achieve a higher level of service, it is recommended that these two positions be funded.

Public Safety also includes \$141,100 of capital expenses in the Fire Department. These expenditures include heavy repair and maintenance projects at our stations, along with a purchase of trench rescue equipment. Lee County has provided funding for 50 percent of the cost of this equipment.

I am recommending continued freezing of two positions in the Inspections Department, one clerical and one field inspector. As you know, we share departmental expenses with Lee County and feel it is prudent for these positions to remain frozen until such time as building permit activity increases. I also recommend that when the economy improves, we should amend the budget to fund the remaining two components of the EnerGov software that we purchased in 2008. The two components missing are software that would allow field inspectors to record the results of inspection in the field (in real time) and another to allow for the online acquisition of certain trade permits such as electrical, mechanical, and plumbing. Efficiencies derived from the placement of this software will be substantial. Also, remember revenue planned for implementation of this project was to be recouped from a technology fee of \$10 per permit that was imposed in 2008.

Community Development – This category includes Community Development, Code Enforcement, and Downtown/Historic Preservation. The overall increase in this category is approximately 5.6 percent versus the original Fiscal Year 2009-2010 Budget. There are no significant capital expenditures included in the budget for this category.

Transportation – This category's overall decrease in expenditures is approximately \$203,848 from last year's original budget. The decrease is primarily attributed to a reduction of expenditure in our paving and street repair operations. We have included only \$100,000 for street maintenance and repair next year. Our normal street paving budget needs to be approximately \$650,000 a year to maintain our current level of service. Fiscal Year 2010-2011 would be the third year of our streetlight enhancement program. It is recommended that

we place a moratorium on new streetlights this year until we see some upward movement in our revenue stream. As you know, the streetlight program produces a recurring expense when each new light is added. We are one year ahead of schedule in our ten-year streetlight enhancement plan; therefore, a moratorium of one year would not prohibit us from meeting our ten-year goal.

Sanitation – This category of expenditures includes our Solid Waste Division, curbside garbage collection, recycling, and disposal. This category's overall increase is 4.2 percent or \$104,128. Our contract with Waste Management will require a 2.3 percent increase over the prior year. There is also one frozen position in the Solid Waste Department. In terms of capital, one knuckleboom truck and one dump truck are funded at a cost of \$180,500.

UTILITY FUND OVERVIEWS

This is the third year of rate adjustments necessary to accommodate the debt service for our planned capital improvements in the Utility Fund. Our main priority this year is to sell revenue bonds that will be utilized to fund the expansion of the wastewater treatment plant in 2011. We anticipate wastewater and water revenues to increase this year due to rate adjustments that have been calculated through our utility rate model. We are pleased to have added Goldston Gulf as a bulk water customer, which is anticipated to raise revenue of approximately \$55,000 annually. Each additional large volume customer will result in off-setting rate increases for our residential customers.

One new program that we would like to establish is an Emergency Assistance Fund that will help customers experiencing financial hardship with their City of Sanford water and sewer bills. The program would be administered through an outside agency that would screen applicants and assess individual needs. The amount of \$30,000 is included in the budget and was estimated based on the average monthly water and sewer bill cost. This assistance program was modeled after programs in Cary, Apex, Durham, and Fayetteville.

This year, in an effort to minimize operating costs, three positions were frozen to achieve reduction in salary and benefits of \$156,274.

UTILITY FUND REVENUES

Utility Fund revenues are estimated at \$18,311,866 which reflects an increase of approximately 10 percent over the Fiscal Year 2009-2010 original budget. As the economy rebounds, it is anticipated that industries' demand for water will increase. Also, this is the third planned year of rate adjustments necessary to remain on track with our capital improvements plan and accommodate the debt service on our wastewater treatment plant expansion

planned for early 2011. Therefore, this budget includes a water rate increase of 4 percent and a wastewater rate increase of 6 percent, effective July 1, 2010.

UTILITY FUND EXPENSES

Utility Fund expenses will increase \$1.35 million or approximately 9 percent from last year's original budget. The budget includes \$750,000 for sewer line rehabilitation in an effort to reduce inflow and infiltration; total capital equipment replacement; and monitoring of \$186,500. Approximately \$467,000 is scheduled for system improvements such as water line replacement, water tank painting, and related maintenance activities. Additionally, we must begin repayment on utility relocation projects that were required to accommodate the construction of the 421 Bypass. These payments represent approximately \$473,000. Utility fund revenues are projected to cover all operating and capital expenses. There are two positions in engineering and one in sewer construction and maintenance that will remain frozen to achieve additional savings next year.

SPECIAL TAX DISTRICT

The proposed Special Tax District budget for Fiscal Year 2010-2011 is \$75,805 which reflects a 25 percent decrease compared to last year's budget. The current year tax rate is \$.13 for \$100 assessed valuation, and it is recommended that this tax rate remain the same. No major capital projects are planned.

SUMMARY

In summary, the proposed Fiscal Year 2010-2011 Budget requires a continued conservative approach. Balancing the budget included eliminating recurring costs where possible. Essentially, this budget contains minimal new initiatives, but strives to maintain the level of service we currently provide. After our annual retreat, I was optimistic that we could move forward on several initiatives to meet service demands for growth; however, our revenues are just too stagnant.

In light of the declining revenues and increasing expenses, I am recommending no ad valorem tax increase for Fiscal Year 2010-2011. It is not the time to add an additional tax burden on our citizens. It is certain that we will need growth in revenues to resume this year so that we are not placed in a situation requiring extreme measures next year. Our approach this year is not much different from the last couple of years where we have delayed some major projects, extending them over a longer period of time. This year we are taking a somewhat similar approach.

I am recommending that we provide a cost-of-living adjustment of 2.5 percent of salary, effective with the July 8, 2010 pay date. The City of Sanford has invested heavily in our employees, and we must continue to compete with other local governments and the private sector for competent, educated, and qualified workers. There were no adjustments made to salary in the 2009-2010 year and many of our employees endured a pay cut due to health insurance increases.

I ask that when you examine this budget, you do not consider it for just one fiscal year. Consider the budget as a small snapshot of the City at this point in time and realize that decisions made will have repercussions that will last for many years. As the City continues to grow and expand, we must consider future demands that could be very costly.

I would like to thank the Mayor and City Council for their leadership and financial stewardship during this economically challenging time. I would also like to thank Financial Services Director Melissa Cardinali and her staff for their efforts in preparing this budget. Additionally, the City of Sanford is blessed with a dedicated workforce, and I am proud to be part of such an organization.

Please feel free to call me if you have any questions regarding the proposed Fiscal Year 2010-2011 budget or any other supporting material.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Hal Hegwer', with a large loop at the end of the signature.

Hal Hegwer, City Manager

CHANGES IN BUDGET ORDINANCE

	PROPOSED	APPROVED	NET CHANGE
TOTAL GENERAL FUND	\$ 24,346,640	\$ 25,200,197	\$ 853,557
REVENUES			
Fund Balance Appropriation	1,130,308	2,146,148	1,015,840
State Grant	0	20,000	20,000
Miscellaneous	75,000	75,408	408
E911 Surcharge	706,670	523,979	(182,691)
TOTAL REVENUE ADJUSTMENTS			853,557
EXPENDITURES			
Governing Body	252,820	267,820	15,000
Community Development	846,017	848,417	2,400
General Fund Contributions	914,916	963,374	48,458
Police – E911	706,670	523,979	(182,691)
Public Building	639,367	1,077,270	437,903
Fire	3,721,147	3,946,357	225,210
Street Capital	200,000	507,277	307,277
TOTAL EXPENDITURE ADJUSTMENTS			853,557

GENERAL FUND

Revenues

Appropriated fund balance reflects the combined increase in expenditures with the majority being for retirement of debt. The city received a grant for the purchase of a new recycling vehicle. A correction was made within miscellaneous revenue. E911 surcharge was reduced to offset change in expenditures.

Expenditures

Council added monies within Governing Body to fund brochures for the city; within Community Development to fund youth council intern; and within General Fund Contributions for GIS services, Boys and Girls Club, Temple Theatre, Arts Council, and Railroad House. A decrease was made within Police for E911 upgrades purchased in FY 09-10. Public Building, Fire, and Street Capital were increased to pay off existing debt.

**ANNUAL BUDGET ORDINANCE
FOR FISCAL YEAR 2010-2011**

BE IT ORDAINED by the City Council of the City of Sanford, North Carolina in regular session assembled:

Section 1: The following amounts are hereby appropriated for the operation of the City's government and its activities for the fiscal year beginning July 1, 2010 and ending June 30, 2011 according to the following summary and schedules.

<u>SUMMARY</u>	<u>REVENUES</u>	<u>APPROPRIATIONS</u>
General Fund	\$25,200,197	\$25,200,197
Enterprise Fund	16,136,018	16,136,018
Special Tax District	<u>75,805</u>	<u>75,805</u>
Subtotal	\$41,412,020	\$41,412,020
Less Interfund Activity	(20,000)	(20,000)
TOTAL BUDGET	\$41,392,020	\$41,392,020

Section 2: That for said fiscal year there is hereby appropriated out of all funds:

SCHEDULE A: GENERAL FUND

(Includes Interfund Reimbursements)

GENERAL GOVERNMENT

Governing Body	267,820
Administration	169,206
Human Resources	232,842
Risk Management	57,397
Elections	0
Finance	726,990
Information Systems	272,648
Legal	176,605
Public Building	1,077,270
General Services	163,811
Central Office	20,789
GF Contributions	963,374
Golf	731,411
Shop	1,185,531
Horticulture	475,773

PUBLIC SAFETY

Police	7,232,950
Dispatching Services	913,913
Police – 911 Surcharge	523,979
Fire	3,946,357
Inspections	442,783

STREET

Street	2,115,705
Street Capital Imp.	507,277

SANITATION

Solid Waste	1,320,820
Sanitation	1,275,872

COMMUNITY DEVELOPMENT

Community Development	848,417
Code Enforcement	279,930
Downtown / Historic Preservation	107,272

SUBTOTAL GENERAL FUND	26,036,742
Less Departmental Charges (Shop)	(836,545)
TOTAL GENERAL FUND	25,200,197

SCHEDULE B: ENTERPRISE FUND**UTILITY FUND****DEBT SERVICE**

Debt Service	3,509,339
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OTHER

Utility Fund Contributions	378,947
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PUBLIC UTILITIES

UF Administration	1,340,422
Utility Billing	235,137
Engineering	495,138
UF PW Administration	266,546
Sewer Const. & Maint.	1,333,650
Water Const. & Maint.	2,579,732
Water Plant	2,147,169
Wastewater Plant	2,012,909
Water Capital Imp.	917,806
Sewer Capital Imp.	807,000
Store	308,998

SUBTOTAL UTILITY FUND	16,332,793
Less Departmental Charges (Store)	(196,775)
TOTAL UTILITY FUND	16,136,018
TOTAL ENTERPRISE FUND	16,136,018

SCHEDULE C: SPECIAL TAX DISTRICT FUND

OTHER

Special Tax District Fund 75,805

TOTAL SPECIAL TAX DISTRICT FUND 75,805

SUBTOTAL ALL FUNDS 41,412,020

LESS INTERFUND ACTIVITY (20,000)

TOTAL ALL FUNDS 41,392,020

SCHEDULE A: GENERAL FUND

TAXES- AD VALOREM

Current Year Taxes 11,202,313

Prior Year Taxes 270,000

Penalties Less Discounts 76,530

Payments in Lieu of Taxes 23,000

OTHER TAXES

Privilege License 2,300

Cable Franchise 232,830

Past Due 0

Disposal Tax 20,300

Local Sales Tax – Article 39 1,975,000

Local Sales Tax – Article 40 927,300

Local Sales Tax – Article 44 797,400

Local Sales Tax – Article 42 922,800

LICENSE AND PERMITS

City Permits 180,818

County Permits 87,000

Broadway Permits 7,000

INVESTMENT INCOME

Interest Income 100,000

Interest on Assessments 2,000

OPEB Distribution 354,493

GOLF USER CHARGES

Green Fees Annual	74,500
Green Fees Daily	150,000
Cart Fees	189,000
Driving Range	15,000

INTERGOVERNMENTAL REVENUES**UNITED STATES OF AMERICA**

Build America Bonds Rebate	5,840
U.S. Department of Justice Grant	210,678

STATE OF NORTH CAROLINA

Utility Franchise Tax	1,475,730
Beer and Wine Tax	61,840
Drug Forfeiture	28,000
N.C. DOT Mowing Agreement	28,626
Powell Bill	717,415
NC DENR Grant	20,000

OTHER LOCAL GOVERNMENTS

Consolidated Planning Services	385,108
911 Surcharge Reimbursement	523,979
911 Dispatch	208,548
Lee County Inspection Contract	65,983
Lee County Fire Equipment	35,000
Financial Services – Broadway	4,000

SALES AND SERVICE

Sale of Materials	3,500
Sale of Compost Materials	40,200
Sale of Fixed Assets	65,000
Waste Mgmt. User Fees	880,000

GOLF OTHER

Brick Tournament Fees	10,000
Concession	35,000
Pro Shop Sales	52,000

OTHER

Court Cost Fees	8,000
ABC Revenue	160,000
Street Charges	260,000
Rental Income	30,510
Parking Revenue	20,000
Miscellaneous	75,408
Civil Violations	8,000
Sales Tax Refund	6,100
Animal Control	2,000
Code Enforcement	5,000
Assessments	5,000
Tower Consultant Fee	8,000

APPROPRIATED FUND BALANCE

2,146,148

TOTAL GENERAL FUND

25,200,197

SCHEDULE B: ENTERPRISE FUND**UTILITY FUND****USER CHARGES**

Water Charges	10,222,362
Sewer Charges	7,242,884

INVESTMENT INCOME

Interest Income	90,000
Interest on Assessments	6,600
OPEB Distribution	127,378

OTHER

Taps and Connections	142,000
Sewer Surcharge	20,000
Sludge Charge	30,000
Monitoring Fee	89,000
Charges on Past Due Accounts	130,000
Oil and Grease Fees	18,500
Sales Other Funds	36,000
Sale of Fixed Property	50,000

Miscellaneous	15,000
Rental Income	83,642
Non-Compliance Fees	2,000
After Hours Fees	2,500
NSF Charges	4,000

APPROPRIATED FUND BALANCE (2,175,848)

TOTAL UTILITY FUND 16,136,018

TOTAL ENTERPRISE FUND 16,136,018

SCHEDULE C: SPECIAL TAX DISTRICT FUND

TAXES AD VALOREM

Current Year Taxes	51,016
Prior Year Taxes	550
Penalties Less Discounts	150

INVESTMENT INCOME

Interest Income	300
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OTHER

Parking Revenues	1,425
Contribution from General	20,000

APPROPRIATED FUND BALANCE 2,364

TOTAL SPECIAL TAX DISTRICT FUND 75,805

SUB-TOTAL ALL FUNDS 41,412,020

LESS INTERFUND ACTIVITY (20,000)

TOTAL ALL FUNDS 41,392,020

Section 4: There is hereby levied for the fiscal year ending June 30, 2011, the following rate of taxes on each \$100 assessed valuation of taxable property as listed as of January 1, 2010 for the purpose of raising the revenue from current year's property tax as set forth in the foregoing estimate of revenue, and in order to finance the foregoing appropriation.

TOTAL RATE PER \$100 VALUATION \$.54

Section 5: There is hereby levied for the fiscal year ending June 30, 2011, the following rate of taxes on each \$100 assessed valuation of property in the Special Tax District defined as the Central Business District listed as of January 1, 2010 for the purpose of raising the revenue from current year's property tax as set forth in the foregoing estimate of revenue and in order to finance the foregoing appropriation:

TOTAL RATE PER \$100 VALUATION \$.13

Section 6: Privilege licenses and franchise taxes for the privilege of conducting specified businesses and professions within the City of Sanford are hereby levied at the rate established and authorized and adopted by the City Council of the City of Sanford on May 6, 1975.

Section 7: Building permits, inspection fees, GIS fees, planning fees, compost facility fees, solid waste collection and disposal fees, beer and wine fees, water and wastewater rates are hereby levied at the rate established and shown on the attached schedules.

Section 8: Fees for Solid Waste Collection and Disposal shall hereby be collected according to the provisions of North Carolina General Statutes 160A-314.1 that allows for the collection of said waste fees by any manner by which real and/or personal property taxes are billed and collected.

Section 9: The Finance Officer is authorized to transfer budgeted amounts within the departments but any revisions that alter total expenditures must be approved by the City Council through legislative action. All budget amendments must be reported in a public meeting of the City Council and made a matter of record in the minutes.

Section 10: Copies of the Budget Ordinance shall be furnished to the Finance Officer of the City of Sanford to be kept on file by them for their direction in the collection of revenue and expenditure of amounts appropriated.

Adopted this the 15th day of June, 2010.



Cornelia P. Olive, Mayor

ATTEST:



Bonnie D. White, City Clerk



Susan C. Patterson, City Attorney

CITY OF SANFORD

RATE SCHEDULE FOR FISCAL YEARS 2010-2011

Water Utility Rates

Monthly Consumption Level	Residential			Non-Residential		
	Inside City	Outside City	District	Inside City	Outside City	District
Minimum Charge for up to 3 ccf (\$ / month)	\$13.50	\$26.99	\$26.99	\$13.50	\$26.99	\$26.99
3 ccf to 8 ccf (\$ / ccf)	\$4.08	\$8.16	\$9.79	\$4.08	\$8.16	\$9.79
8 ccf to 20 ccf (\$ / ccf)	\$4.08	\$8.16	\$9.79	\$2.53	\$5.06	\$8.71
Over 20 ccf (\$ / ccf)	\$4.08	\$8.16	\$9.79	\$2.53	\$5.06	\$5.39

1 ccf = 100 cubic feet = 748 gallons

Sewer Utility Rates

Monthly Consumption Level	Inside City	Outside City
Minimum Charge for up to 3 ccf (\$ / month)	\$14.28	\$21.42
Over 3 ccf (\$ / ccf)	\$4.76	\$7.14

1 ccf = 100 cubic feet = 748 gallons

Industrial Surcharge Rates

Strength Parameter	Proposed Rate (\$/1,000 lb)
BOD	\$145 / 1,000 lb in excess of 250mg/l
SS	\$220 / 1,000 lb in excess of 200 mg/l
Oil & Grease	\$200 / 1,000 lb in excess of 40 mg/l

CITY OF SANFORD

RATE SCHEDULE FOR FISCAL YEARS 2010-2011

Industrial Pretreatment Monitoring Fee Development	
Pretreatment Monitoring Fee Development	Fee
Estimated Pretreatment Monitoring Fee	\$1,188.00/Event

Miscellaneous Charges	
Processing Fee For Returned Checks	\$25.00
Late Fee	\$20.00
Additional fee for Reconnection after hours	\$25.00

Waste Management Fee	
Annually	\$100.00

CITY OF SANFORD

BEER AND WINE FEES FOR FISCAL YEARS 2010-2011

Beer and Wine Fees		
Malt Beverage (Beer)	Wine	Total
For On Premise - \$15.00	For On Premise - \$15.00	\$30.00
Off Premise - \$ 5.00	Off Premise - \$10.00	\$15.00

Building Construction

Fee Schedule

2010-2011

www.sanfordnc.net

CITY OF SANFORD / LEE COUNTY / TOWN OF BROADWAY

North Carolina

COMMUNITY DEVELOPMENT DEPARTMENT

Inspections Division

Construction Permit Fee Schedule

**BUILDING PERMIT FEES
RESIDENTIAL**

RESIDENTIAL (New)	Includes all Single Family Dwellings, Duplexes, and Townhouses.
Building Permit Fee:	Square Footage up to 1500 sq.ft.: \$190 Basic Fee.
	Square Footage over 1500 sq.ft.: Multiply by \$0.15 + \$190.00 (Basic Fee)
	North Carolina Licensed General Contractors add \$10.00 Homeowner Recovery Fund. (G.S.§ 87-15.6).
RESIDENTIAL (Modular Homes)	Additional permits shall be obtained for porches, basements, garages and additional structural alterations to the modular home in accordance with the appropriate fee schedule. Please be aware that separate permits are required for electrical, mechanical and plumbing. In accordance with G.S.§ 87-1 and F.S.§ 143-139.1: any person, firm or corporation that undertakes to erect a modular building must have either a valid NC General Contractors License or provide a \$5,000 Surety Bond.
Building Permit Fee:	1500 sq.ft. or Less - \$100.00
	1501 – 2000 sq. ft. - \$130.00
	2001 sq.ft. and Up - \$160.00
MANUFACTURED HOMES	Manufactured Home Setup Fee only. Refer to Electrical, Plumbing and Plumbing Fee Schedule for other permits.
Single-Wide	\$30.00 each
Double-Wide	\$45.00 each
Triple-Wide	\$60.00 each
OTHER RESIDENTIAL CONSTRUCTION	Includes all Residential Additions.
Building Permit Fee:	Square Footage shall be used to calculate building permit fees. Estimated Cost of Construction is determined at \$65/sq.ft. for Heated Space, \$30/sq.ft. for Unheated Space and \$15/sq.ft. for Unheated Porches, Shelters or Decks. Building permit fee shall be calculated by: \$2.50 per \$1,000 of Estimated Cost of Construction (<i>from calculation above</i>). Minimum Building Permit Fee is \$40.00.
OTHER RESIDENTIAL CONSTRUCTION	Includes all Residential Renovations, Repairs, and Other Residential Construction not listed elsewhere.
Building Permit Fee:	Permit Fee is Calculated based on Applicants Estimated Cost of Construction. (Bid, quote, or estimate must be provided with permit application). Building permit fee shall be calculated by: \$2.50 per \$1,000 of Applicants Estimated Cost of Construction. Minimum Building Permit Fee is \$40.00.

**BUILDING PERMIT FEES
COMMERCIAL**

COMMERCIAL (New)	50,000 Square Feet and Less.	
Building Permit Fee:	<p>Estimated Cost of Construction shall be determined by multiplying the total gross building square footage by the cost per square foot for Type of Occupancy listed below;</p> <p>Permit Fee = Estimated Cost of Construction (from above) divided by \$1,000, multiplied by \$2</p>	
	Assembly	\$80
	Business	\$70
	Educational	\$80
	Factory/Industrial	\$80
	Hazardous	\$80
	Institutional	\$100
	Mercantile	\$80
	Residential	\$80
	Storage	\$40 Heated \$35 Unheated
	Utility and Miscellaneous	\$40 Heated \$35 Unheated
	Mixed Occupancy	Highest Cost per Sq.Ft. of Occupancy Types

COMMERCIAL (New)	50,000 Square Feet and More.	
Building Permit Fee:	<p>Estimated Cost of Construction shall be determined by:</p> <ol style="list-style-type: none"> 1. Multiplying the first 50,000 square feet of the total building gross square footage by the cost per square foot for Type of Occupancy listed below. 2. Multiplying the square footage in excess of 50,000 square feet by the cost per square foot for Type of Occupancy listed below and add to figure from above. <p>Permit Fee = Estimated Cost of Construction (from 1 above), divided by \$1,000, multiplied by \$2 <i>Plus</i> Estimated Cost of Construction (from 2 above), divided by \$1,000, multiplied by \$1.</p>	
	Assembly	\$80
	Business	\$70
	Educational	\$80
	Factory/Industrial	\$80
	Hazardous	\$80
	Institutional	\$100
	Mercantile	\$80
	Residential	\$80
	Storage	\$40 Heated \$35 Unheated
	Utility and Miscellaneous	\$40 Heated \$35 Unheated
	Mixed Occupancy	Highest Cost per Sq.Ft. of Occupancy Types

**BUILDING PERMIT FEES
COMMERCIAL (continued)**

COMMERCIAL (New)	Modular Units.	
Building Permit Fee:	<p>Estimated Cost of Construction shall be determined by multiplying the total gross building square footage by the cost per square foot for Type of Occupancy listed below;</p> <p>Permit Fee = Estimated Cost of Construction (from above) divided by \$1,000, multiplied by \$2</p>	
	Assembly	\$80
	Business	\$70
	Educational	\$80
	Factory/Industrial	\$80
	Hazardous	\$80
	Institutional	\$100
	Mercantile	\$80
	Residential	\$80
	Storage	\$40 Heated \$35 Unheated
	Utility and Miscellaneous	\$40 Heated \$35 Unheated
	Mixed Occupancy	Highest Cost per Sq.Ft. of Occupancy Types

OTHER COMMERCIAL CONSTRUCTION	Includes all Commercial Renovations, Repairs, and Other Commercial Construction not listed elsewhere.	
Building Permit Fee:	<p>Permit Fee is Calculated based on Applicants Estimated Cost of Construction. (Bid, quote, or estimate must be provided with permit application). Building permit fee shall be calculated by: \$2.00 per \$1,000 of Applicants Estimated Cost of Construction. Minimum Building Permit Fee is \$40.00.</p>	

**BUILDING PERMIT FEES
MISCELLANEOUS**

MISCELLANEOUS BUILDING PERMITS	
Items not shown elsewhere in Fee Schedule.	Minimum Fee. Items not shown. \$40.00
Change of Occupancy Permit	\$40.00 each
Daycare Permit	\$50.00 each
Demolition Permit	\$65.00 Permit Fee plus Post \$500 Bond (Cash, Certified Check or Money Order per permit).
Footing/Foundation Permit	\$40.00 each
Malt Beverage License Inspection	\$40.00 each
Moving Building Permit	\$65.00 Permit Fee plus Post \$500 Bond (Cash, Certified Check or Money Order per permit).
Swimming Pool (For Setbacks Only)	\$40.00 each
Tent Permit	\$40.00 each
Outdoor Advertising Sign (For Lee County Only)	\$65.00 each
Other Signs	\$40.00 each

ELECTRICAL PERMIT FEES

RESIDENTIAL	
RESIDENTIAL (New): Basic Fee \$100.00 (up to 200 Amps) Basic Fee <i>plus</i> \$15.00 per each 100 Amps over 200 Amps	
RESIDENTIAL (Renovations) (Maximum Fee \$100.00): Basic Fee \$40.00 <i>plus</i> any of the following that apply: \$4.00 per Special Outlet (Dryer/Electric Stove/Etc) \$20.00 per subpanel	
RESIDENTIAL (Room Additions) (Maximum Fee \$100.00): Basic Fee \$40.00 <i>plus</i> Room Additions - \$30.00 per Room Addition. <i>plus</i> \$4.00 per Special Outlet (Dryer/Electric Stove/Etc). <i>plus</i> \$20.00 per subpanel.	
MANUFACTURED HOME	Basic Fee \$35.00 each
MODULAR HOMES	\$50.00 each
COMMERCIAL	
0-200 Amps	\$85.00 plus \$4.00 per Special Outlet, plus \$30.00 per subpanel
201-400 Amps	\$100.00 plus \$4.00 per Special Outlet, plus \$30.00 per subpanel
401-600 Amps	\$110.00 plus \$4.00 per Special Outlet, plus \$30.00 per subpanel
601-800 Amps	\$125.00 plus \$4.00 per Special Outlet, plus \$30.00 per subpanel
801-1000 Amps	\$135.00 plus \$4.00 per Special Outlet, plus \$30.00 per subpanel
1001-2000 Amps	\$200.00 plus \$4.00 per Special Outlet, plus \$30.00 per subpanel
2001 & Up AMPS	\$260.00 plus \$4.00 per Special Outlet, plus \$30.00 per subpanel
Special Outlets – 30 Amp/240 Volt or Greater	
MISCELLANEOUS ELECTRICAL PERMITS	
Items not shown elsewhere in Fee Schedule.	Minimum Fee. Items not shown. \$40.00
Conditional Power Fee	\$40.00
Fire Alarm	\$40.00
Electrical for Mechanical Change Outs	\$20.00
Power Restoration	\$40.00
Accessory Building	\$40.00
Service Change (Up to 100 amps)	\$40.00
Service Change (125-200 Amps)	\$50.00
Signs	\$40.00
Special Outlets	\$40.00 Minimum Fee plus \$4.00 each (Special Outlets – 30 Amp/240 Volt or Greater)
Swimming Pool Grounding	\$40.00
Temporary Power Pole	\$40.00

MECHANICAL PERMIT FEES

RESIDENTIAL	
Items not shown elsewhere in Fee Schedule.	Minimum Fee. Items not shown. \$40.00
Gas Heating Unit w/ A/C Unit (2 Separate Units/1 System)	\$50.00 per system
Gas Pack	\$45.00 each
Heatpump	\$50.00 each
Single Air Conditioning Unit	\$40.00 each
Single Heating Unit (Gas Furnace, Electric Heat, Etc.)	\$40.00 each
Gas Accessories. (Gas Logs, Fireplace, Dryer, Range, Grill, Space Heater, Lights, Woodburning Inserts, Etc.)	\$30.00 each
Gas Piping/Pressure Test	\$20.00 / 1 st Unit \$6.50 per additional unit
Air Handler or Outdoor Condenser - Change Outs (not heat pumps)	\$40.00 each unit
Ductwork Additions	\$40.00 Basic Fee
COMMERCIAL	
Basic Fee	*\$40.00 plus any of the following that apply:
Boilers	*(Up to 15 tons) \$8.00 per ton (16 tons and up) Total above <i>plus</i> \$2.50 per ton thereafter
Chillers:	*(Up to 15 tons) \$8.00 per ton (16 tons and up) Total above <i>plus</i> \$2.50 per ton thereafter
Gas Pack:	*(Up to 15 tons) \$8.00 per ton (16 tons and up) Total above <i>plus</i> \$2.50 per ton thereafter
Heat Pump:	*(Up to 15 tons) \$8.00 per ton (16 tons and up) Total above <i>plus</i> \$2.50 per ton thereafter
Refrigeration:	*(Up to 15 tons) \$8.00 per ton (16 tons and up) Total above <i>plus</i> \$2.50 per ton thereafter
Gas Appliances	*\$2.50 per 10,000 BTU's
Gas Heating Unit	*\$2.50 per 10,000 BTU's
Gas Heating Unit w/ A/C Unit (2 Separate Units/1 System)	*\$2.50 per 10,000 BTU's
Gas Piping/Pressure Test	*\$20.00 / 1 st Unit \$6.50 Per Additional Unit
Air Handler or Outdoor Condenser - Change Outs (not heat pumps)	\$40.00 each unit
Ductwork Additions	\$40.00 Basic Fee
Canopy Hood (<i>does not require licensed contractor</i>)	*\$40.00 each

(For calculation purposes:

- Horsepower to BTU: 1 HP = 33.475 BTU
- 12,000BTU = 1 Ton)

PLUMBING PERMIT FEES

RESIDENTIAL (New)
Basic Fee \$40.00 plus \$20.00 for every Full Bath \$15.00 for every Half Bath
RESIDENTIAL (Modular Homes)
Basic Fee \$40.00 plus \$4.50 for water line \$4.50 for sewer line Unfinished Baths require a separate permit at the time of Fit Up.
RESIDENTIAL (Manufactured Homes)
Basic Fee \$30.00
OTHER RESIDENTIAL CONSTRUCTION
Basic Fee \$40.00 plus \$4.50 per fixture (<i>see plumbing permit application</i>).
COMMERCIAL (New)
Basic Fee \$40.00 plus \$4.50 per fixture (<i>see plumbing permit application</i>).
COMMERCIAL (Modular)
Basic Fee \$40.00 plus \$4.50 for water line \$4.50 for sewer line
MISCELLANEOUS PLUMBING PERMITS
Basic Fee \$40.00 plus \$4.50 per fixture (<i>see plumbing permit application</i>).

FIRE PREVENTION PERMIT FEES

Items not shown elsewhere in Fee Schedule.	Minimum Fee. Items not shown. Basic Fee \$40.00
Fire Sprinkler System/Standpipe.	\$40.00 <i>plus any of the following that apply:</i>
	\$0.25 per Sprinkler Head
	\$30.00 per Sprinkler Riser
	\$30.00 per Standpipe Riser
	\$30.00 Alterations to Sprinkler Heads (Twenty or less).
Storage Tanks.	Above/Underground Removal \$65.00 1 st Tank, \$30.00 Each Additional Tank
	Above/Underground Installation \$65.00 1 st Tank, \$30.00 Each Additional Tank
Private School Fire Inspection.	\$50.00

RECORD RESEARCH

Permit Activity Computer Printouts	\$100.00
Archives/History Research (Per Permit)	\$20.00 per hour.
Copies (per page)	\$0.35 per page

TECHNOLOGY FEE

Fee applied to all permits to assist in recovering cost of permitting software system	\$10.00
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SPECIAL NOTES

1. FAILURE TO SECURE PERMIT

Failure to obtain the appropriate permit before construction begins shall result in a 100% penalty (double fees).

Commencement of or proceeding with any work of which a permit is required by the State Building Code or any other state or local laws (shall include digging footings or moving manufactured homes on site).

(G.S. § 153A-357, G.S. § 160A-417; G.S. § 153A-354, G.S. § 160A-414; G.S. § 153A-352, G.S. § 160A-412).

2. ISSUANCE OF PERMITS

Individual trades are responsible for purchasing their respective permits (no blanket permits are issued).

If a building permit is required for any job, the building permit must be issued prior to issuance of any trade permits.

All approvals from other regulatory agencies (local, state, and federal) must be documented (i.e. zoning approval, erosion control, historic district, environmental health, etc.) before building permits will be issued. (G.S. § 153A-357, G.S. § 153A-363, G.S. § 160A417, G.S. § 160A-423).

It is the contractor's responsibility to meet all requirements of license limitations when making application for permits. (G.S. § 87-14, G.S. § 87-21(e), G.S. § 87-43.1, G.S. § 87-58, G.S. § 153A-134, G.S. § 153A-357, G.S. § 160A-194, G.S. § 160A-417).

The Permit Coordinator will notify the applicant at which time the permit is prepared for issuance and the cost of the permit.

BUILDING PERMITS

The North Carolina Building Code requires that a permit be issued for "The construction, reconstruction, alteration, repair, movement to another site, removal, or demolition of any building or structure;" Accessory Buildings with any dimension greater than twelve (12) feet are required to meet the provisions of the North Carolina Residential Code for One- and Two-Family Dwellings.

"No permit ...shall be required for any construction, installation, repair, replacement, or alteration costing Five Thousand Dollars (\$5,000) or less in any single family residence or farm building unless the work involves: the addition, repair, or replacement of load bearing structures;"

- Building permits will be issued to a properly licensed North Carolina General Contractor.

OR

- **To the owner of the property on which the building is to be built and occupied by said owner for at least twelve (12) months following completion (no rental property). Volume I-A, G.S. 87-1.**

OR

- To an individual when a general contractor's license is not required. The cost of the undertaking cannot exceed thirty thousand dollars (\$30,000).

Permits will be issued personally to the license holder of record only. A bonafide employee of the licensee will be allowed to obtain permits upon submittal of the "Authorization for Permit Application by Employee of Licensed Contractor Form".

General Contractors Licensing Limitations: If the estimated cost of construction from the fee schedule exceeds a contractor's license limitations a copy of the original bid, quote or estimate will be required prior to permit issuance.

HOMEOWNER RECOVERY FUND:

Pursuant to §87-15.6 (b), whenever a general contractor applies for the issuance of a permit for the construction of any single-family residential dwelling unit or for the alteration of an existing single-family residential dwelling unit, a (\$10.00) fee shall be collected from the general contractor for each dwelling unit to be constructed or altered under the permit. The City of Sanford shall forward nine dollars (\$9.00) of each fee collected to the Board of General Contractors, on a quarterly basis and the city may retain one dollar (\$1.00) of each fee collected. The Board shall deposit the fees received into the General Fund.

ELECTRICAL PERMITS

Electrical permits are required for "The installation, extension, alteration, or general repair of any electrical wiring, devices, appliances, or equipment."

**Electrical permits are issued to a North Carolina properly licensed North Carolina Electrical Contractor
OR**

Property owners requesting to perform electrical work upon their own property when such property is not intended at the time for rent, lease, or sale will be required to take and pass an electrical exam prepared by this office. (*G.S. § 87-43.1 Exceptions*).

Permits will be issued personally to the license holder of record only. A bonafide employee of the licensee will be allowed to purchase permits upon submittal of the Authorization for Permit Application by Employee of Licensed Contractor Form.

Temporary Service Poles

Temporary Service Poles Inspections are to be made in conjunction with the footing or foundation inspection (permit fee is waived with new building construction only). In order to erect a temporary pole prior to or after the footing or foundation inspection or for renovations or additions, an electrical permit for the temporary pole must be obtained (see fee schedule).

MECHANICAL PERMITS

Mechanical permits are required for "The installation, extension, alteration or general repair of any heating or cooling system;"

- **Mechanical permits are issued to a properly licensed North Carolina Mechanical Contractor
OR**
- To the owner of the building that occupies the building provided that the permit holder performs the work themselves (no rental property or commercial projects). Volume I-A, G.S. 87-21(a)(5)(ii).

NOTE: Mechanical change-outs and/or relocation of mechanical units require an electrical permit as described above.

Permits will be issued personally to the license holder of record only. A bona fide employee of the licensee will be allowed to purchase permits upon submittal of the Authorization for Permit Application by Employee of Licensed Contractor Form.

Grease Canopy Hoods do not require a licensed contractor.

MANUFACTURED HOME PERMITS

A licensed Dealer or Setup Contractor must obtain Manufactured Home Permits. The owner is allowed to obtain a manufactured home permit only if they are actually setting up the home themselves.

Any manufactured home moved to the site prior to issuance of the necessary permits required will be removed from the site until such time that the proper permits are approved and issued.

Manufactured home plumbing permits are required for setup contractors who will complete the plumbing connections underneath the home only. A North Carolina licensed plumbing contractor will be required to obtain a separate permit to make utility connections (water/sewer).

MODULAR PERMITS

A building permit is required for modular homes.

In accordance with G.S. 87-1 and G.S. 143-139.1, any person, firm or corporation that undertakes to erect a modular building must have either a valid North Carolina General Contractors License or provide a five thousand dollar (\$5,000) surety bond for each modular building to be erected.

The permit fee is for the modular setup (footing, foundation, and final). Additional building permits shall be obtained for porches, basements, garages, and additional structural alterations to the modular unit in accordance with the permit fee schedule. A separate permit is required for electrical, mechanical and plumbing permits.

NO TEMPORARY SERVICE WILL BE AUTHORIZED FOR ANY MODULAR CONSTRUCTION.

PLUMBING PERMITS

Plumbing permits are required for “The installation, extension, alteration or general repair of any plumbing system;”

- **Plumbing permits are issued to a properly licensed North Carolina Plumbing Contractor**
- OR**
- **To the owner of the building that occupies the building provided that the permit holder performs the work themselves (no rental property or commercial projects). G.S. 87-21(a)(5)(ii).**

Permits will be issued personally to the license holder of record only. A bona fide employee of the licensee will be allowed to purchase permits upon submittal of the “Authorization for Permit Application by Employee of Licensed Contractor Form”.

Manufactured home plumbing permits are required for setup contractors who will complete the plumbing connections underneath the home only. A North Carolina licensed plumbing contractor will be required to obtain a separate permit to make utility connections (water/sewer).

RENTAL PROPERTY

Electrical, Mechanical and Plumbing Permits will not be issued to the owners of rental property.

- **Rental Property – Building Permits**

Building Permits will be issued to the owner or an unlicensed General Contractor where the cost of the undertaking is less than \$30,000. Projects valued at \$30,000 or more require that the permit be issued to a North Carolina Licensed General Contractor only. (G.S. § 87-1).

- **Rental Property – Electrical Permits**

Electrical Permits will be issued to North Carolina Licensed Electrical Contractors only. (G.S. § 87-43.1 (5a)).

- **Rental Property – Mechanical Permits**

Mechanical Permits will be issued to North Carolina Licensed Mechanical Contractors only. (G.S. § 87-21 (a)(5)(ii)).

- **Rental Property – Plumbing Permits**

Plumbing Permits will be issued to North Carolina Licensed Plumbing Contractors only. (G.S. § 87-21 (a)(5)(ii)).

RENEWING EXPIRED PERMITS:

If any permit expires or is revoked, or if any other permit issued by the inspection department becomes invalid because of no activity, the applicant must apply for a new permit to be issued and pay the appropriate fees.

In order for the requirement that additional fees be paid for re-issuance of an expired permit be waived, the owner/contractor must show proof of work being performed on the job (i.e., valid receipts for labor, materials etc., during the period in which no inspections were performed.) (G.S. § 153A-354, G.S. § 160A-414).

PERMIT REFUNDS

Permit fees are non-refundable, unless no work has been performed and no inspections have been made. (G.S. § 153A-354, G.S. § 160A-414).

POSTING BONDS

Bonds are required to be posted for moving permits and demolition permits for the City of Sanford. Bonds may be posted in the form of cash, certified check or money order, at the time that a Demolition or Moving Permit is issued. Bonds are non-transferable.

3. POSTING OF PERMIT CARDS:

Permit cards must be posted and building plans must be available at all times at the jobsite, or the inspection will not be performed and a \$50 re-inspection fee will be charged.

4. INSPECTIONS

The General Contractor or the person that the Building Permit was issued to must make all inspection requests. (Footings, Foundations, Rough-Ins, Insulation, and Final for C.O.). Electrical, Plumbing & Mechanical Contractors will be responsible to notify the General Contractor when ready for Rough-In, Final, and other inspections.

****NOTE:** When a construction project requires all four disciplines, i.e., Building, Electrical, Plumbing and Mechanical installations, each discipline will be inspected simultaneously, during one inspection trip. Inspection requests should not be made unless each discipline is ready for a rough-in inspection. A minimum of one (1) day notice is required for all inspections.

All inspections must be called in by the correct address and permit number.

Building Permit Cards must be posted and building plans must be available at the jobsite or the inspection will not be performed and a **\$50.00 PENALTY FEE WILL BE CHARGED.**

Inspection results will be provided at all jobsites. Passed inspections will be indicated with the appropriate section of the permit card posted on the jobsite. Failed inspections will be identified with the posting of a orange "NOTICE" card accompanied by a "NOTICE OF ADDITION OR CORRECTIONS" sheet. The Inspector will provide these two documents on the jobsite with the permit card. (G.S.§ 153A-352 and G.S.§ 160A-512).

Calls to the inspection department concerning the status of inspections are discouraged. Check permit card at jobsite for inspection results.

Priorities for daily inspections will be as follows:

1. Concrete pours. (i.e. footing and slabs).
2. Open ditches that are a potential danger to the public. (i.e. water & sewer lines and underground electrical)
3. Foundations.
4. Restoration of Electrical Service to existing buildings.
5. Mechanical Change-Outs / Repairs during extreme weather conditions.

RE-INSPECTION FEES

The Inspections Department will perform one follow-up inspection to ensure that corrections have been made. Additional inspections shall be termed "re-inspections". A fee of \$50.00 shall be paid prior to any re-inspection trip. Temporary service poles not inspected in conjunction with footing or foundation inspections will be considered a re-inspection. There will be a \$50.00 re-inspection fee charge if a scheduled inspection is not ready when the inspector arrives on the jobsite.

Any inspection that requires that the owner provide access (i.e. Building, Electrical, Mechanical and Plumbing) the re-inspection fees will be as follows:

- **1st Inspection Trip – No Charge.** Door Hanger will be left instructing owner to schedule an inspection.
- **2nd Inspection Trip, and subsequent trip will result in a \$50 Re-Inspection Fees per Re-Inspection Trip until Inspection is approved.** Contractor will be responsible for paying Re-Inspection Fees prior to any Re-Inspections.

FEE SCHEDULE, PLANNING & DEVELOPMENT

City Planning Board

Petition for Zoning Text Amendment	\$150
Petition for Zoning Map Amendment	\$200
Petition for Conditional Zoning Map Amendment	\$300

City Board of Adjustment

Variance Application	\$200
Special Use Application	\$200
Appeals	\$200

Ordinances

Unified Development Ordinance	\$40
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Site Plan Review

\$50.00 for the first 10,000 sq. ft. or thirty (30) dwelling units, plus \$2.00 for every additional 1,000 sq. ft. or dwelling unit.

Subdivision Plats

Preliminary Plat (Major Subdivision)	\$100 plus \$2.00 per lot/dwelling unit
Final Plat (Major Subdivision)	No Charge
Minor Subdivision Plat	\$50.00

Annexations and Street Closings

For annexation and street closing petitions, property owners are responsible for costs associated with advertising, recording fees, and required mail notifications. The property owners, or their agent, for newly petitioned annexed areas shall be responsible for paying the rezoning fee, as set forth in this schedule, to assign zoning to the annexed area.

**Compost Facility Fee Schedule
FY 2010-2011**

Material	Price Per Pickup Load	Price per 2 ½ Cu. Yd. Loader Bucket for Larger Truck Loads
Woodchips	\$10.00*	\$20.00*
Leaf Compost	\$10.00	\$20.00
Screened Leaf Compost	\$20.00 when available	\$40.00 when available

Delivery by the City of Sanford will be \$35.00 per truckload within the city limits and \$60.00 per truckload outside the city limits but within the county. These charges are in addition to material cost.

*Special volume pricing periodically to decrease stockpile. \$1.75 per cubic yard on purchases of 500 cubic yards or more.

Septage Hauler Policy

Domestic Waste – waste that is domestic in character and comes from a residence

Commercial Waste – waste that is domestic in character and comes from a location other than a residence

Industrial Waste – waste that contains processed water and may include domestic waste

The City will not accept industrial waste except under special circumstances as approved by the wastewater plant superintendent and after the wastewater has been extensively tested at the industry's cost.

Note: The City of Sanford does not take any septage from outside the County of Lee.

The following are the septage hauler prices for the 2010-2011 fiscal year:

Domestic	\$30 / 1,000 gallons
Commercial	\$65 / 1,000 gallons
Industrial	Minimum \$130 / 1,000 gallons (actual cost may vary)

**Municipal Golf Course
FY 2010-2011 Fee Schedule**

Daily Rates

	<u>Ride</u>	<u>Walk</u>
Daily Rates:		
Monday – Friday	\$22.75	\$13
Saturday and Sunday	\$27.75	\$15
Afternoon Special:		
Monday – Friday	\$20.75	\$13
Saturday and Sunday	\$24.75	\$15
9 Hole Rates:		
Monday – Friday	\$13.50	\$6.50
Saturday and Sunday	\$16.50	\$9.50
Winter Rates (December 1 – February 28)		
Monday – Friday	\$20.75	
Saturday and Sunday	\$26.75	
Senior Rates (Ages 55 and up)		
Monday and Thursday	\$17.75	
Junior Rates		
Monday – Friday		\$5.50
Saturday and Sunday		\$8.50

Annual Membership Rates

	<u>Fee</u>
1 Person	\$450
2 Persons	\$570
Full Family	\$640
Single LTD	\$380
Double LTD	\$495
Junior	\$165
Payment #1	One-third due in July
Payment #2	One-third due in September
Payment #3	One-third due in November

LTD – Limited Play - Monday – Friday – excluding Holidays

Corporate Membership Rates

	<u>Fee</u>
1 Person	\$380
2 Persons	\$480
Full Family	\$600
Optional Guest Fee	\$200

**City of Sanford FY 10-11 Rates for the
Installation of Hydrant Meters for Contractors**

Hydrant Meter Size	Deposit Fee	Plus Daily Rental Fee
¾"	\$200.00	\$1.00 per day (per calendar year)
1"	\$400.00	\$1.00 per day (per calendar year)
2 ½"	\$1,500.00	\$2.00 per day (per calendar year)

Contractor is to notify the City of Sanford when hydrant meter is to be installed and removed. There will be a \$70.00 setup / relocation fee for the initial hydrant meter installation and for each additional relocation of the meter. Water usage as well as any applicable rental fees or setup / relocation fees will be deducted from deposit fees. Deposit will be forfeited if the City does not retrieve meter.

**City of Sanford FY 2010-2011
Water and Sewer Tap Rates**

Residential	Tap Size	Rate
<i>Inside and Outside</i>		
Water	¾"	\$950
Water Meter	¾"	\$125
Sewer	4"	\$1,250
Sewer Retaps (must have cleanout installed)		\$750
Commercial and Industrial		
<i>Inside and Outside</i>		
Water		At Cost \$950 Minimum
Sewer		At Cost \$1,250 Minimum
Meter Set	¾"	At Cost \$125 Minimum
Meter Adjustment		At Cost \$75 Minimum

Anything other than residential is classified as a business. Example: Churches, Offices and Industries.

Property being served may be subject to additional fees based on location and "prevailing front footage rate". Contact the City Engineer for particulars.

CITY OF SANFORD FINANCIAL POLICIES

The City of Sanford's budgetary and financial policies set forth basic guidance for the fiscal management of the City. Most of the policies represent long standing principles and traditions with its legal framework outlined in both the General Statutes of N. C. and the City Code of Ordinances. These policies though general in statement are the controlling element in the City's financial stability. Summarized below are major financial policy strategies.

Operating Budget Policies

Pursuant to the North Carolina General Statutes Article 159-11 the City will adopt a balanced budget, which provides a work program and an operational plan for the ensuing year. The City will maintain a program of budgetary controls to ensure adherence to the budget. Monthly financial statements will be prepared for department heads and management with quarterly reports prepared for the City Council to assist in the monitoring of actual revenues, expenditures and budgeted amounts. Comprehensive financial data will be compiled to include user rate studies, capital improvement programs and forecasting or projections of financial status. These reports are imperative for long-term financial planning.

The City will retain an independent accounting firm to perform an annual financial and compliance audit in accordance with general accepted accounting practices as outlined by the Governmental Accounting, Auditing, and Financial Reporting (GAAFR). In conjunction with the independent audit an internal audit will be conducted to determine if the City is managing and utilizing its resources in an economical and efficient manner. The internal audit will also determine if the desired program goals are being achieved and if the objectives established by the City Council are being met.

Revenue Policy

The City will maintain a diversified and stable revenue program to protect it from short-term fluctuations of any one-revenue source. As a part of the normal budget process, the City will review and estimate revenues in an objective and realistic manner. Attempts will be made to secure additional revenue sources to offset any reductions of federal or local funding. The City will re-evaluate annually all user charges at a level related to the cost of providing these services. The Enterprise Fund will adhere to the full utility concept, which allows each user to contribute revenues proportional to the level of service received. This concept requires that income be sufficient to maintain a self-supporting financial status. The General Fund will be compensated by the Utility Fund for general and administrative services provided such as finance, personnel as well as repairs to city streets.

Investment Policy

The City will continue to monitor the cash flow of all funds on a regular basis to insure maximum investment of idle cash. The criteria for selecting an investment will include safety, liquidity and yield. The City will invest only in quality issues that comply with the North Carolina Budget and Fiscal Control Act and the City's Investment Policy adopted by the Governing Body. A copy of the City's Investment Policy can be found in the supplementary section of this document. Each month an investment report will be prepared for review by the finance director and administration.

Reserve Policy

The City will maintain operating reserves categorized as appropriated contingency and revenue reserve. The appropriated contingency will not exceed five percent of all other appropriations within the same fund. General Fund contingency appropriation totals \$100,000 and Utility Fund is \$300,000. The revenue reserve is established to provide for any unforeseen revenue losses and allows flexibility in the balanced budget process. The General Fund balance effective June 30, 2009 was \$13,880,861. General Fund balance available for appropriation was \$10,956,925 or 47.3% of General Fund expenditures. Management has recommended that General fund balance be held to an amount equal to twenty-five percent of General Fund expenditures.

As the City looks to upgrade and expand the wastewater treatment plant, rate adjustments will be necessary. A water rate increase of 4% and a wastewater rate increase of 6% has been implemented. Future rate increases may be minimized due to the City receiving American Recovery and Reinvestment Act funding of up to \$2,500,000 for a clearwell rehabilitation project at the water treatment plant. The Utility Fund shows a net income before capital contributions and transfers of \$3,072,732 for the year compared with a net income before capital contributions of \$2,325,039 for the prior year. The Utility Fund continues to operate profitably. Bulk water contracts with surrounding local governments and the purchase of the Lee County water system in 2004-05 have strengthened the financial position of this fund.

Debt Policy

The City takes a planned approach to the management of its long-term outstanding debt and makes an effort toward funding from internally generated capital, when appropriate. The City will consider the use of long-term debt financing only when it meets the following criteria:

- The financing period is no longer than the estimated life of the improvement.
- The cost of the improvement including the interest is positive.
- The improvement will benefit both current and future citizens of the City.

The City will limit the total of all general obligation bonds issued to no more than eight percent of the total assessed valuation. The City will follow a policy of full disclosure on every financial report and bond prospectus.

The City may utilize the authority granted within the General Statutes for lease or installment purchases when deemed appropriate. Specific procedures and policies will be adhered to.

Capital Improvement Policy

The City will maintain a Capital Improvement Program, which will be reviewed and updated annually. Since capital improvements involve large sums of capital and long-term commitments, each capital project will be carefully analyzed before it becomes a component of the program. The City takes a systematic approach to capital improvement programming to ensure that any personnel services or operating costs affected by capital spending decisions are included in the appropriate operating budget. The City will protect and maintain its capital investments in order to reduce replacement cost.

Other Post Employment Benefits (OPEB) Funding Policy

The City has established an OPEB funding policy with an initial investment of \$1,175,500 into the State Treasurer's OPEB trust fund. This funding is based on the annual required contribution (ARC) normal cost provided by the actuary for fiscal year ended June 30, 2009. In subsequent fiscal years the city plans to fund 10% of the ARC normal cost but no less than \$75,000 annually, in addition to the pay-as-you-go amount for current retirees as of June 30, 2009. Funding for the OPEB trust will occur from the general and utility funds based on the number of employees (per budgeted positions) in each fund for the year of funding.

BUDGET PROCESS

The budget is the single most important document presented to the City Council. The budget is primarily intended to establish policy determination but it also serves the citizens by providing an understanding of the City's operating fiscal programs. It reflects the City's commitment to maintain necessary services, improving quality of service and keeping the impact of taxes to the citizens at a minimum.

The City operates under an annual budget ordinance adopted in accordance with the provisions of the Local Government Budget and Fiscal Control Act. The budget ordinance is the legal basis of the budgetary accounting system and the standard by which proposed expenditures are measured. The balanced budget ordinance must be adopted prior to the beginning of the fiscal year. The ordinance is subjected to public inspection and a public hearing prior to adoption. The budget is considered balanced when estimated net revenue equals appropriations.

The budget is prepared using the modified accrual method of accounting for all funds. This accounting approach recognizes revenues when they become measurable and expenditures at the time liabilities are incurred. The general, special tax, and capital project funds are presented in the financial statements on this same basis. The utility fund is presented in the financial statements on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized in the accounting period when earned and expenses are recognized in the period they are incurred. All monies received and expended must be included in the annual operating budget ordinance and/or the appropriate capital or grant ordinances. Any operational appropriations that are not expended shall lapse at year-end.

The City Manager is authorized to transfer budgeted amounts within the departments but any revisions that alter total expenditures must be approved by the City Council through legislative action. All budget amendments must be reported in a public meeting of the City Council and made a matter of record in the minutes.

The preparation of the budget not only requires structured guidelines but also the participation and cooperation of many participants and a carefully scheduled series of events. The City in the formulation of the budget follows the following summarized budget cycle.

FORMULATE HISTORICAL DATA

During the first phase of the budget process the accumulation of past financial information is prepared by the Finance staff. The data concerning expenditures is segregated by operational departments to be used by department heads and management for performance evaluation and projection of resources required to meet departmental objectives.

CAPITAL IMPROVEMENT BUDGET

Departments are required to submit capital improvement project(s) requests in amounts greater than \$50,000. These requests are compiled in one document and reviewed with Finance and the requesting department head. Departments discuss these requests in detail with Council at the annual retreat. Long term city goals and/or projects are formulated by the City Council.

PREPARATION OF DEPARTMENTAL REQUEST

Estimating departmental expenditures is the primary responsibility of the department head. When budgeting expenditures the basic requirements are to request sufficient funding to adequately operate the department and to request funding at the lowest reasonable level in order to achieve the departmental goals and objectives.

CONSOLIDATE PRELIMINARY BUDGET

The departmental requests are submitted to the Finance Department in order to consolidate the individual departmental requests and the revenue projections into an overall budget. At this point the focus of attention shifts from the departmental basis to the fund basis. Departmental capital outlay requests are analyzed in coordination with the Capital Improvements Program and the formal budget reviews begin.

EVALUATE SERVICE PRIORITIES AND OBJECTIVES

The evaluation of service priorities and objectives is an important step in developing a fiscal plan, which will achieve the City's program of service for the ensuing year. The budget document should reflect the service priorities of the Governing Body and Citizens of Sanford. The service needs of the community are determined by the citizens' opinion surveys, public hearings and feedback through the City Council. A comprehensive review of service needs compared to departmental goals and objectives will be analyzed by the City Manager.

BALANCE PROPOSED BUDGET

After the City's program of service priorities have been established, a balanced plan for funding must be formulated. Through careful assessment of funding requirements and financing elements a proposed budget document is organized into final format and submitted to the City Council for legislative review.

LEGISLATIVE REVIEW

The City Council reviews the budget thoroughly with the City Manager and Finance Director during special work sessions. The legislative board reviews departmental goals and objectives at this time to ensure their adherence to City goals and policies. A copy of the proposed budget with recommended legislative changes will be filed with the City Clerk for public inspection and a public hearing will be scheduled prior to the formal adoption of the budget.

BUDGET ADOPTION

The adoption of the annual operating budget is the culmination of exhaustive reviews of budget proposals by Department Heads, Administration, and the Governing Body. Adoption of the budget by the Governing Body establishes the legal authority to incur expenditures in the ensuing fiscal year.

AMENDING ADOPTED BUDGET

Any revisions that alter total expenditures / revenues of the adopted budget must be approved by the City Council through legislative action. All budget amendments must be reported in a public meeting of the City Council and made a matter of record in the minutes. The City Manager has the authority to transfer budgeted amounts within the department as long as the total departmental budget does not exceed the Council approved budget.

City of Sanford Budget Preparation Calendar

December 22, 2009	CIP	Memo/instructions and CIP form transmitted to departments
January, 2010	Retreat	Prepare and finalize retreat informational packets
January 6, 2010	Year End Estimates	Year end revenue estimates consolidated and reviewed
January 19, 2010	Year End Estimates	Memo/MUNIS budget worksheet program transmitted to departments
January 25, 2010	CIP	CIP request forms due from department managers
January 29, 2010	Year End Estimates	Year end estimates due from department managers (year end expenditure estimates entered into the MUNIS worksheet program by departments)
February 5, 2010	CIP	Begin review of CIP with manager; prioritize goals for the city
February 10, 2010	Year End Estimates	Year end departmental expenditure estimates consolidated and reviewed
February 15, 2010	FY 10-11 Budget	Prepare and transmit FY 10-11 departmental request information to department heads
February 15, 2010	CIP	Finalize prioritization of projects and city goals as well as assignment of revenues
March 2, 2010	FY 09-10 Budget	Present cleanup amendment to council for FY 09-10
March 15, 2010	FY 10-11 Budget	Departmental budget requests for FY 10-11 due from departments
March 31, 2010	FY 10-11 Budget	Finalize 10-11 revenue projections
April 1, 2010	FY 10-11 Budget	Need insurance estimate numbers from HR
April 8, 2010	FY 10-11 Budget	City manager and department heads begin review of department requests
April 12, 2010	FY 10-11 Budget	Need final insurance numbers from HR
April 19, 2010	FY 10-11 Budget	Budget must be balanced by this date to allow finance staff time to prepare presentation at May 12 th meeting
May 12, 2010	FY 10-11 Budget	Present to council at regular law and finance meeting and publish public hearing notice (publish at least ten days prior to public hearing)
May 18, 2010	FY 10-11 Budget	Regular Council Meeting
May 19, 2010	FY 10-11 Budget	Special Meeting - May 18, 2010 council meeting recessed and reconvened to hold budget work session
May 28, 2010	FY 10-11 Budget	Special Meeting - May 18, 2010 council meeting recessed and reconvened to hold budget work session
June 9, 2010	FY 10-11 Budget	Regular Law and Finance – budget work session
June 15, 2010	FY 10-11 Budget	Public hearing and adopt budget
June 15, 2010	Year End Estimates	Present FY 09-10 year end cleanup budget amendment to council
June 30, 2010	Year End Estimates	Alternate date to present cleanup budget amendment to council (regular L & F meeting)
July 1, 2010	FY 10-11 Budget	Present adopted budget to departments prior to this date
July 12, 2010	FY 10-11 Budget	Finalize input and/or transfer of new budgets in the MUNIS System

BUDGET FORMAT

The accounts of the City are organized on the basis of funds or account groups of which each is considered a separate accounting entity. Government resources are allocated in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. This segregation of revenues and costs allows close monitoring of attributable accounts to provide insurability that certain funds are self-supporting and that revenues, which are earmarked by law for specific purposes, are identifiable. The City of Sanford's Operating Budget consists of three funds: General Fund, Enterprise Fund and Special Tax District Fund.

The General Fund accounts for the revenues and expenditures of all City departments except those required to be accounted for in other funds.

The Enterprise Fund accounts for the operations of the water treatment and distribution systems, the wastewater treatment systems, and warehouse operations.

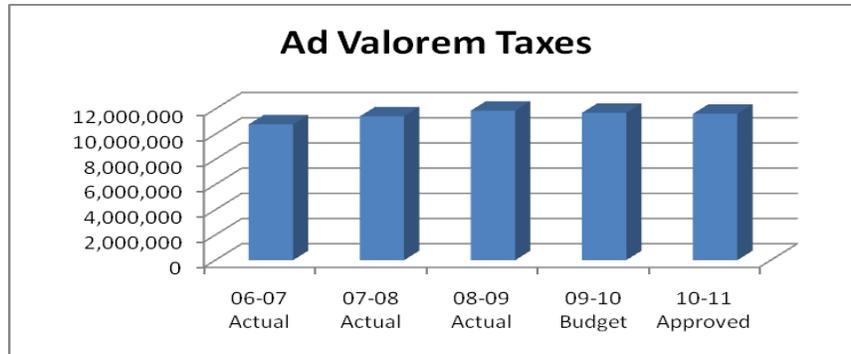
The Special Tax District Fund accounts for the activities of the Central Business Tax District set up to assist in revitalization of the Downtown area.

REVENUES

Revenues are shown by sources and by funds. Accurate revenue estimates are dependent upon correct classification because factors, which affect individual revenues, do not affect each source uniformly. Revenue projections can be made more accurately when revenues are segregated by source and controlled accordingly. The economy, weather, and other factors play a part in revenues received. Management reviews historical data and projects revenues based on facts, however, some factors are unpredictable.

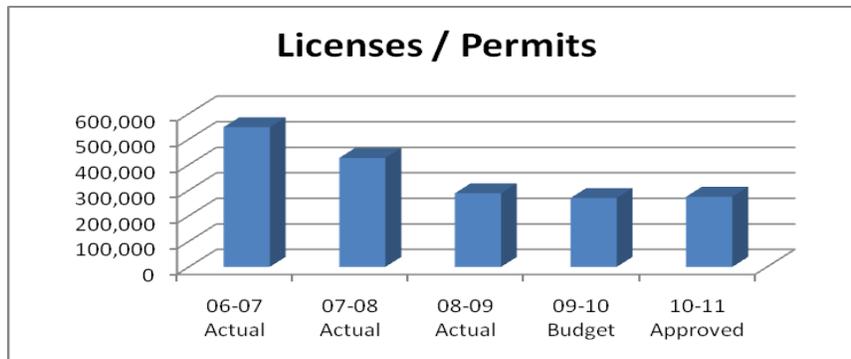
The major revenues by source are as follows:

Ad Valorem Taxes - Collections of current year and prior year tax levies; and payment in lieu of taxes.

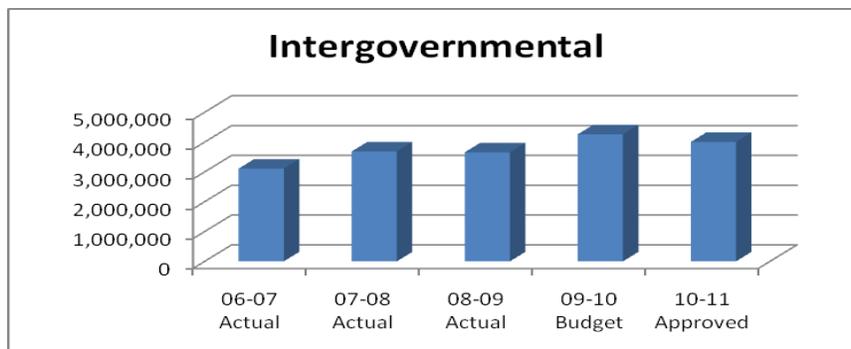


Penalties Less Discounts – Interest on delinquent taxes; late listing penalties; and other costs of collecting delinquent taxes.

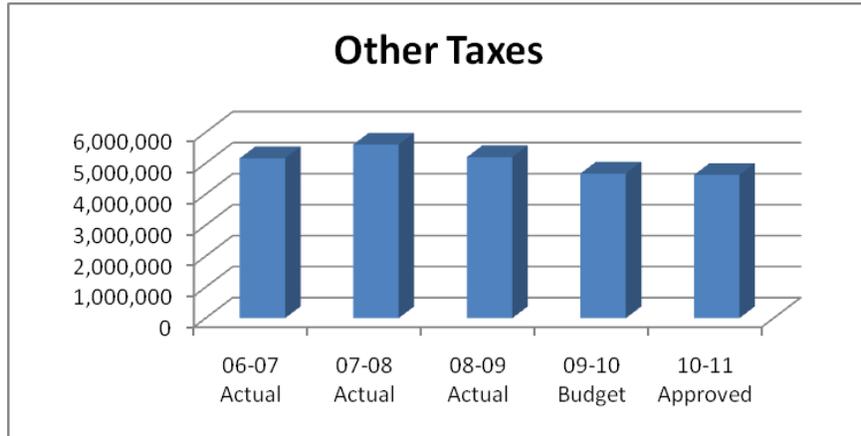
Licenses and Permits – Building permits; inspection penalties; inspection fees; and code enforcement.



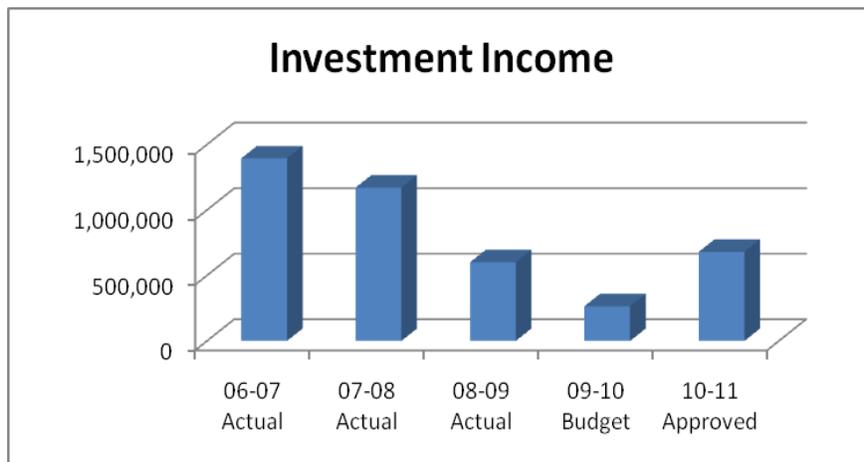
Intergovernmental - Federal, State, and local financial assistance; retail inventory taxes; utility franchise tax; beer & wine tax; and Powell Bill funds.



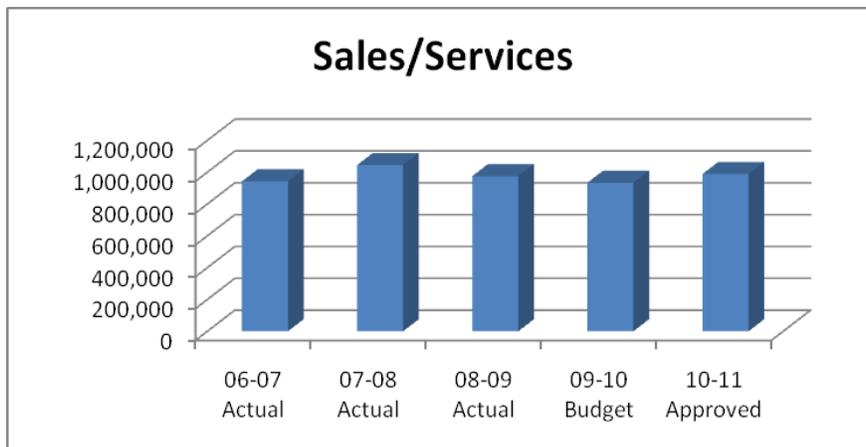
Other Taxes - Collections of the one percent local options sales tax and the one-half of one percent local option sales taxes (Articles 39, 40, 42, and 44); privilege license; and cable franchise tax.



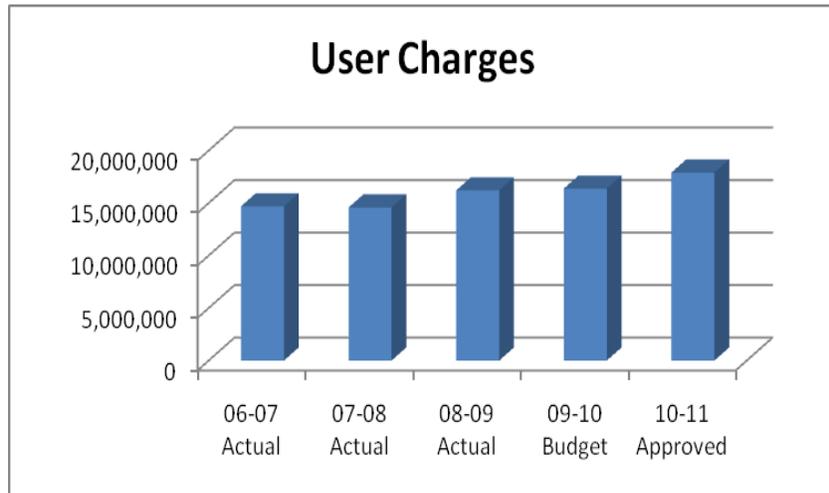
Investment Income – Interest earned; market gains in Other Post Employment Benefit (OPEB) Trust Fund.



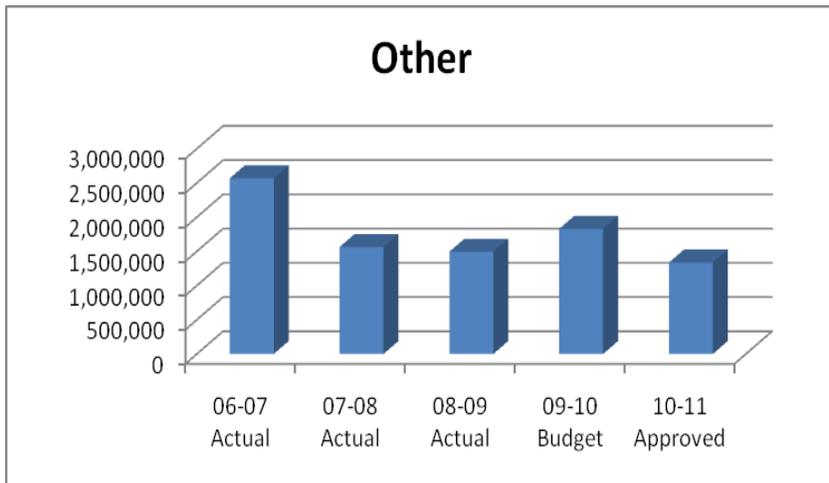
Sales and Service – Sale of materials; sale of compost; sale of fixed assets; sale of land; and waste management fees.



User Charges - Water and sewer charges; annual green fees; daily green fees; cart fees; and driving range fees.



Other Revenue - ABC Board distributions; civil violations; transfer from other funds; parking revenue; special assessments; contributions; reimbursements; rental income; Brick Tournament fees, clubhouse rental; court cost fees; installment purchase proceeds; sewer surcharge; sludge charges; monitoring fees; taps and connections; oil and grease fees; interfund services provided; animal control; relay for life; golf concession; pro shop sales; non-compliance fines; charges on past due accounts; sales other funds; and other miscellaneous revenue.

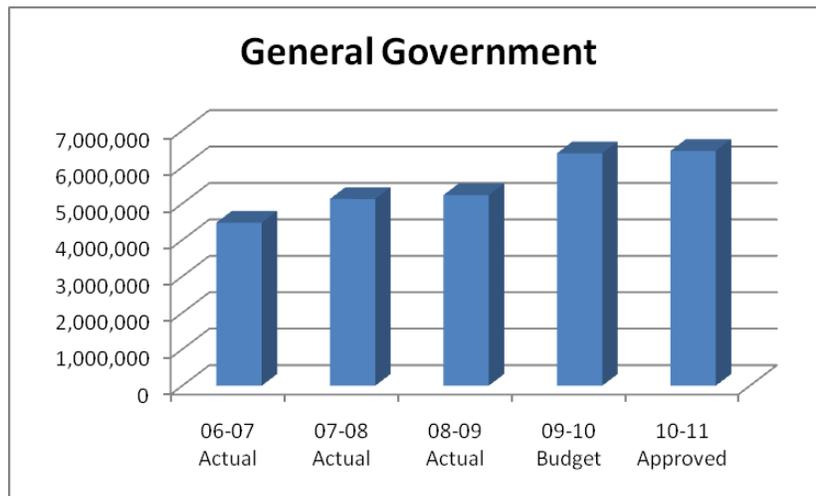


EXPENDITURES BY FUNCTION

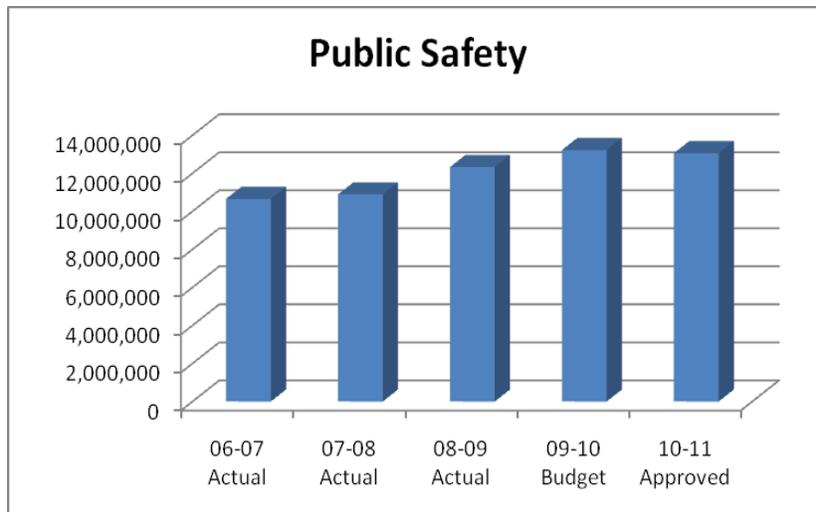
Expenditures are shown in the budget classified by funds from which they are paid, by departments spending the money, by the functions for which the expenditures are made and by the object of expenditures, which provides greater detail for controlling expenditures. Funds are appropriated at adequate levels in order to maintain or improve the quality and the level of service, which has been provided in the past.

The major expenditures by function are shown as follows:

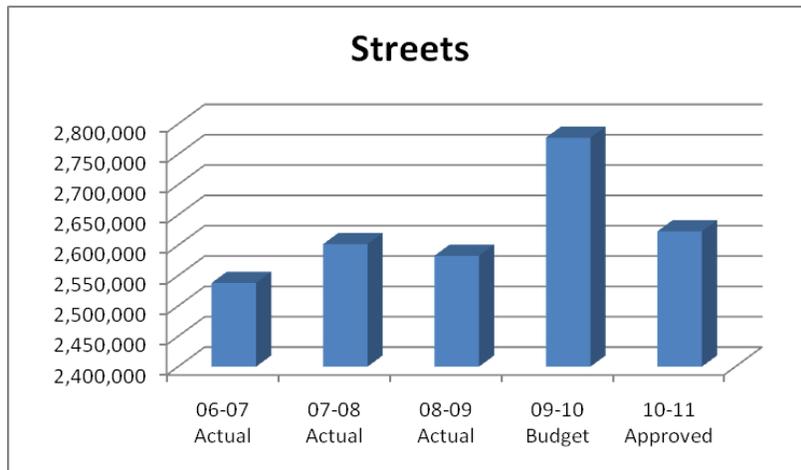
General Government - Expenditures for the Governing Body, Administration, Human Resources, Risk Management, Elections, Finance, Information Systems, Legal, Public Building, General Services, Central Office, GF Contributions, Golf, Shop, and Horticulture.



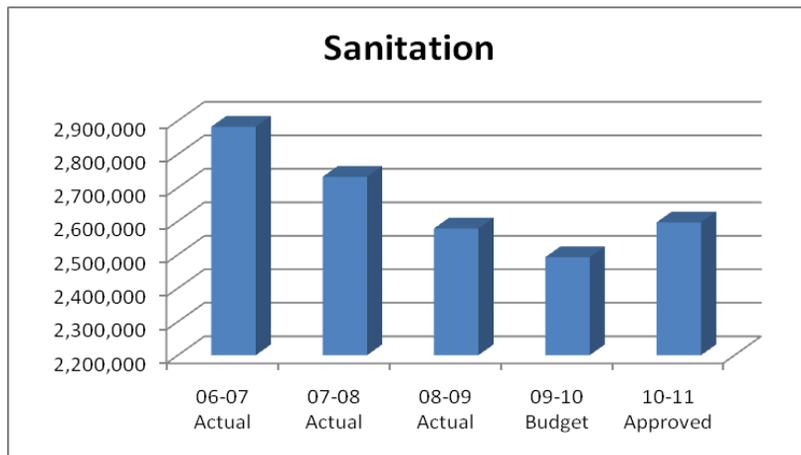
Public Safety - Expenditures for Police, Fire, and Inspections.



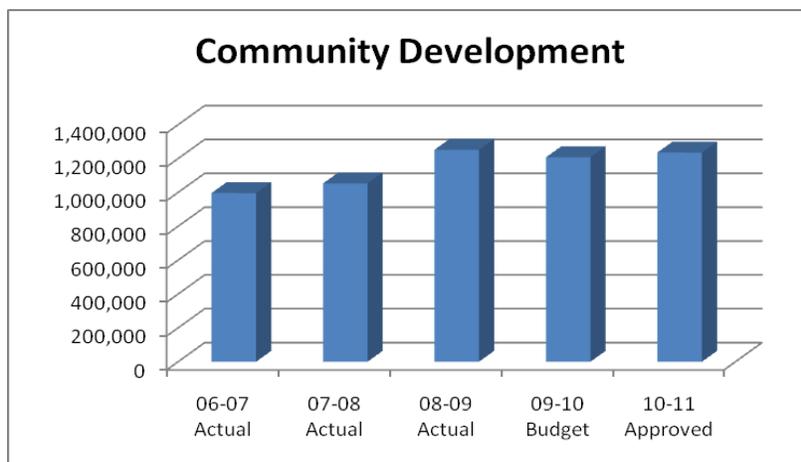
Streets - Expenditures for Street Maintenance and Street Capital Improvements.



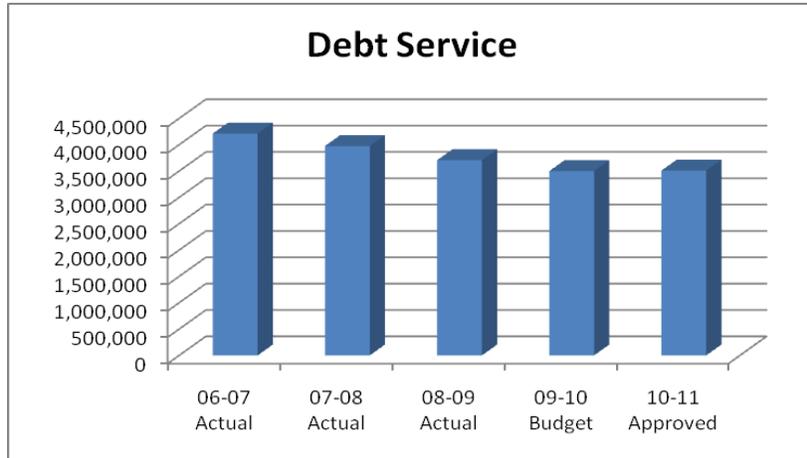
Sanitation - Expenditures for Solid Waste and Sanitation.



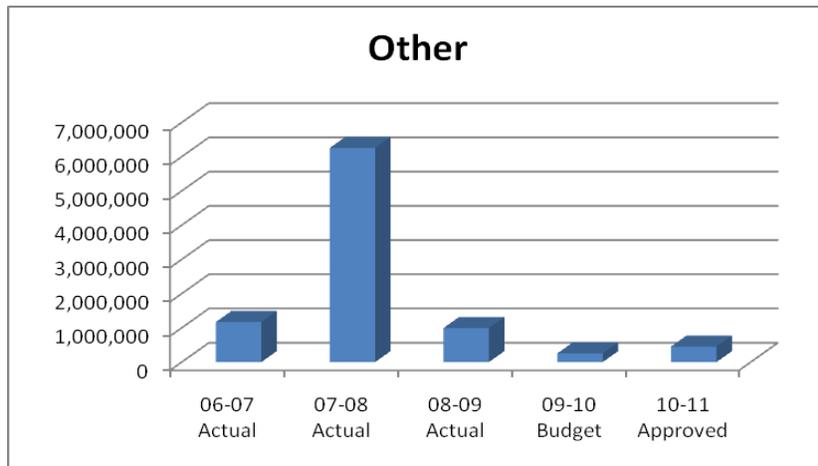
Community Development – Expenditures for Community Development, Community Enhancement – Code Enforcement, and Community Enhancement – Downtown / HPC.



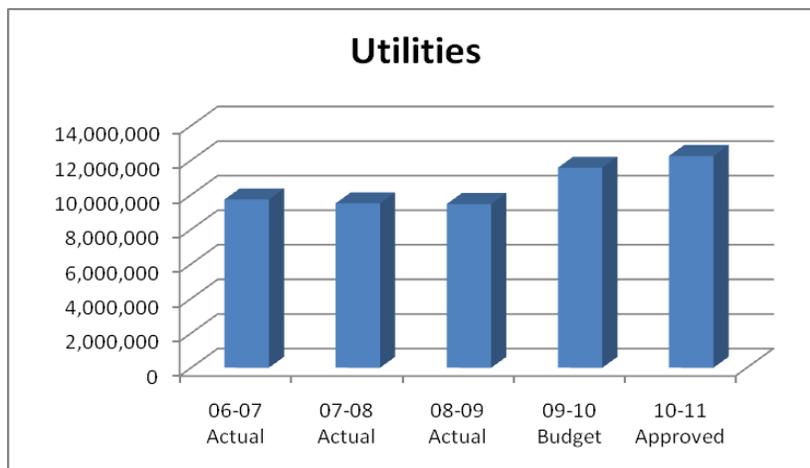
Debt Service - Principal; interest; and fees paid or accrued on bonds and notes.



Other - Expenditures for Operating Transfers and Special Tax Fund.



Public Utilities – Expenditures for Store, UF Administration, UF Public Works Administration, Utility Billing, Engineering, Sewer Construction and Maintenance, Water Construction and Maintenance, Water Plant, Wastewater Treatment Plant, Water Capital Improvements and Sewer Capital Improvements.

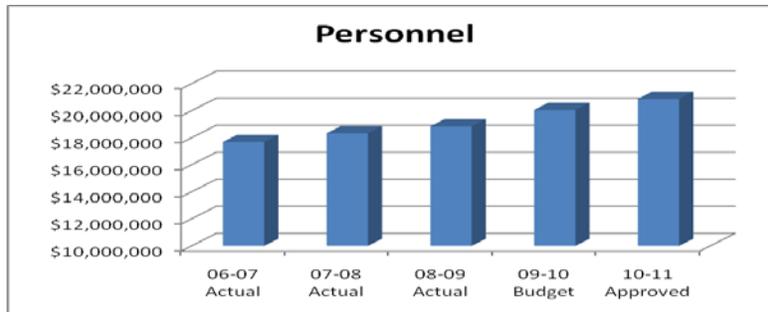


EXPENDITURES BY CATEGORY

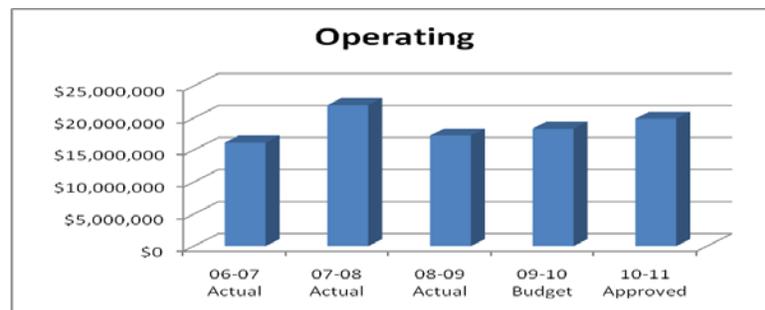
Expenditures by object are divided into three major categories - personnel services, operating expenses and capital outlays.

These categories are summarized below:

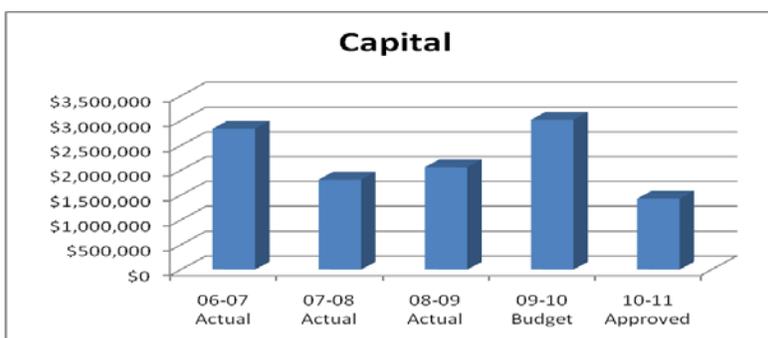
Personnel Services - Expenses, which can be directly attributed to the individual employee. These expenses would include salaries, group insurance, retirement, 401K expense and FICA. The cost of group insurance, retirement, 401K expenses and FICA has been budgeted within each operating department, which gives a more accurate cost of departmental operations.



Operating Expenses - Costs other than personnel and capital outlay that are required for the operations of the City. Operational line item expenditures are directly affected by inflationary trends, increased service demands and enforcement of governmental regulations.



Capital Outlay - Expenditures for the purchase of land, machinery, equipment, furniture, and fixtures which are too permanent a nature to be considered expendable at the time of purchase. The capital items should have a value of \$2,500 or more with an expendable life of one year or more. Budgeting of capital equipment and capital improvements are funded in accordance with the City's Capital Improvement Program and contingent on availability of funds.



CITY OF SANFORD

REVENUE ASSUMPTIONS

Certain methods, techniques and approaches have been used to aid the City in estimating future revenues. By analyzing current trends and the forces that underline them, the City can make realistic projections of revenues.

The following are some assumptions concerning revenues, which were forecast in the City of Sanford 2010-2011 Budget.

REVENUE	FORECAST RATIONALE
ABC Revenue	The City receives a portion of the net operating revenue derived from the operation of the local liquor stores and a contractual agreement with the ABC Board to provide certain regulatory officer support. Appropriation--General Fund \$160,000
Ad Valorem Taxes	Property valuations are established by the Lee County Tax Assessor from which the tax rate is set. The General Fund tax rate is fifty-four cents per one hundred dollars of valuation. Projections of assessed valuations are based on preliminary tax information received from the County of Lee. The Special Tax District rate is set at thirteen cents per one hundred dollars of valuation. Projections of assessed valuations are based on information provided by the County of Lee. Prior year taxes are based on accounts receivable balances as they relate to anticipated collections. Appropriation--General Fund \$11,571,843 Special Tax \$51,716
After Hours	Fees charged to customers for after hour service calls. Appropriation—Utility Fund \$2,500
Animal Control	Revenue received for animal violations. Appropriation—General Fund \$2,000
Appropriated Fund Balance	The source of this revenue is fund balance. The amount appropriated is dependent on current reserve limitations and requirements of funds to balance projected revenues to expenditures as well as funding needed for capital items. Appropriation--General Fund \$2,146,148 Utility Fund (\$2,175,848) Special Tax \$2,364
Beer & Wine Tax	The state levies a tax shared by the City on wholesale sales of both beer and wine. Revenue estimates were established based on information received from the NC League of Municipalities. Appropriation--General Fund \$61,840
Brick Tournament Fees	Fees are collected and segregated for this annual tournament event. Appropriation--General Fund \$10,000

REVENUE

FORECAST RATIONALE

Build American Bonds Rebate

Revenue received from the Internal Revenue Service for a 35% interest rebate pertaining to the Build American Bonds loan the city received to purchase the 911 communication console system. This loan originated in November of 2009; the city will receive this rebate for five years. **Appropriation--General Fund \$5,840**

Building Permits and Inspection Fees-City of Sanford

Buildings which undergo structural changes or new construction within the city limits require a building permit and inspection fees. Estimates are based on data supplied by the Inspection Department with emphasis on the condition of the local economy and historical trends. The fees can be found within the budget ordinance section of the budget. A technology fee was implemented to support technical upgrades, however, this fee is scheduled to expire in two years. **Appropriation--General Fund \$180,818**

Building Permits and Inspection Fees-Lee County

Buildings which undergo structural changes or new construction outside the city limits require a building permit and inspection fees. Estimates are based on data supplied by the Inspection Department with emphasis on the condition of the local economy and historical trends. The fees can be found within the budget ordinance section of the budget. **Appropriation--General Fund \$87,000**

Building Permits and Inspection Fees-Town of Broadway

Buildings which undergo structural changes or new construction within the city limits of Broadway require a building permit and inspection fees. Estimates are based on data supplied by the Inspection Department with emphasis on the condition of the local economy and historical trends. The fees can be found within the budget ordinance section of the budget. **Appropriation--General Fund \$7,000**

Cable Franchise

The state distributes part of the state sales tax collected on video programming and telecommunication services on a quarterly basis. **Appropriation--General Fund \$232,830**

Cart Fees

Fees are collected for rental of golf carts with projections based on trend analysis. **Appropriation--General Fund \$189,000**

Charges on Past Due Accts.

Charges assessed against accounts that are paid after the due date. **Appropriation—General Fund \$0; Utility Fund \$130,000**

REVENUE

FORECAST RATIONALE

Civil Violations

Fines are levied by the City for violations of the City's ordinances. Projections are based on historical trends. **Appropriation--General Fund \$8,000**

Code Enforcement Fees

Fines and fees were established to ensure enforcement related to the City Code of Ordinances. **Appropriation--General Fund \$5,000**

Concessions

Revenue received for sale of concessions at the golf course. Projections are based on historical trends. **Appropriation--General Fund \$35,000**

Contribution - General Fund

This contribution represents the general fund support of downtown revitalization efforts for the downtown district. **Appropriation—Special Tax \$20,000**

Court Cost Fees

The City receives a portion of the local court costs based on number of arrests performed by City. Revenues are based on historical trends. **Appropriation--General Fund \$8,000**

Disposal Tax

The state levies a tax on disposal of waste. The city's portion is based on per capita share. **Appropriation—General Fund \$20,300**

Driving Range

Fees are collected for use of golf course driving range. Revenues are estimates based on anticipated use. **Appropriation—General Fund \$15,000**

Green Fees Annual

An annual fee is available for unlimited play at the Municipal Golf Course. Revenues are projected based on historical trends. **Appropriation--General Fund \$74,500**

Green Fees Daily

Fees are collected for daily play at the Municipal Golf Course. Estimates are based on historical data. **Appropriation--General Fund \$150,000**

Installment Purchase Proceeds

Installment purchase proceeds, which result from issuing debt, will not be used to purchase items this year. Items will be paid with cash. **Appropriation--General Fund \$0 Utility Fund \$0**

Interest Income

Funds received for the investment of idol cash as well as anticipated market gains from the Other Post Employment Benefit (OPEB) Trust Fund. Interest income revenues are projected on the basis of estimated average available cash balances at an anticipated rate of return. **Appropriation--General Fund \$100,000 Utility Fund \$90,000 Special Tax \$300**

REVENUE

FORECAST RATIONALE

Interest on Assessments

Interest received is based on special assessments past due. Projections are computed from actual accounts receivable data and additions for new projects. **Appropriation-- General Fund \$2,000 Utility Fund \$6,600**

Local Option Sales Tax

The State collects and distributes the proceeds from the locally levied tax on retail sales. Revenue projections are based on anticipated retail sales and historical trends. G.S.105, Article 39 or 1% rate was established whereby Counties and Municipalities receive the net proceeds of the tax collections within the county less the cost to the state of collecting and administering the tax (point of sale). The net proceeds are distributed based on a per capita basis according to the total population of the taxing county and municipalities. G.S. 105, Article 40 or 1/2 of 1% rate and G.S.105, Article 42 or 1/2 of 1% was established with net proceeds placed in a statewide pool. Net proceeds are distributed on a per capita basis. Utilizing information provided by the State for estimating this revenue source, a 6 percent overall decrease is projected over current year budget. Lee County adopted a ¼ cent additional tax effective July 2010. Also, as part of the swap of reimbursements for new sales tax, the state will honor a hold harmless guarantee. **Appropriation--General Fund \$4,622,500**

Miscellaneous

This revenue includes revenue sources not otherwise classified. Projections are based on comparisons of past operating data. **Appropriation--General Fund \$75,408 Utility Fund \$15,000**

Non-Compliance Fines

Fees are assessed for sewer not in compliance with discharge permits. **Appropriation--Utility Fund \$2,000**

NSF Charges

Charges assessed against customers for non-sufficient funds of returned checks. **Appropriation--Utility Fund \$4,000**

Oil and Grease Fees

The City has initiated an oil and grease trap control program per mandate of the State. The program should assist in the prevention of water and sewer system contamination. The fee was established to offset such program costs. **Appropriation--Utility Fund \$18,500**

OPEB Distribution

Anticipated market gains from Other Post Employment Benefit (OPEB) Trust fund. The city began making contributions into this fund in 2008 and continues to contribute annually as funds are available. **Appropriation—General Fund \$354,493 Utility Fund \$127,378**

Parking Revenues

Proceeds projected for parking fines and parking space rentals. **Appropriation—General Fund \$20,000 Special Tax \$1,425**

REVENUE

FORECAST RATIONALE

Payment in Lieu of Taxes

The Sanford Housing Authority makes an annual payment in lieu of taxes for housing projects located within the corporate limits. Projections are based on historical data, which reflects no significant change in receipts over the last several years. **Appropriation included within Ad Valorem Taxes**

Penalties Less Discounts

The revenues attained from Penalties Less Discounts are estimated based on trend analysis and increases in tax levies. Discounts are not planned during this fiscal year. Penalties are assessed on payments made after January 5. For the period from January 6 to February 1 interest accrues at the rate of 2%. Thereafter, interest accrues at the rate of 3/4% per month or fraction thereof until outstanding balances are paid in full. **Appropriation included within Ad Valorem Taxes**

Police Grant

Revenue received from the COPS Hiring Recovery Grant to fund the second year of four new patrol positions. **Appropriation--General Fund \$210,678**

Powell Bill

1 ¾ cent per gallon of the state gasoline tax is distributed to municipalities to be earmarked for street construction and maintenance. Seventy five percent of the distribution is based on per capita and the remaining twenty five percent is based on number of miles of streets maintained. The state provides the estimated value to place on each: 132.99 miles of street times \$1,465.82 and population 27,806 times \$18.79. **Appropriation--General Fund \$717,415**

Pre-Treatment Monitoring Fee

The industrial monitoring fee was established to recover monitoring costs for the City's pre-treatment and enforcement management program. Revenues are based on actual planned occurrences. **Appropriation--Utility Fund \$89,000**

Privilege License

Privilege licenses are levied by the City on certain businesses. Projections are based on actual establishments and the appropriate license schedule. COUNCIL REPEALED THE PRIVILEGE LICENSE TAX IN JANUARY, 2010. **Appropriation--General Fund \$2,300**

Pro Shop Sales

Revenue received thru sales at the golf course pro shop. **Appropriation--General Fund \$52,000**

Receipt Local Inspections Contract

The City and County Inspection Departments have merged their operations. The County's share of the merged departments is projected as follows. **Appropriation--General Fund \$65,983**

REVENUE

FORECAST RATIONALE

Receipt Other Governments-
State

The state will pay for mowing right-of-ways through negotiated contract. **Appropriation--General Fund \$28,626**

Receipt Other Local Governments-
Lee County and Broadway

The City provides certain services for the County of Lee and Broadway for which it is reimbursed. The total cost for 911 dispatching is shared on a 20.05% calls ratio (\$208,548). The county's cost of the merged community development department is projected to be \$377,108. The contract with the Town of Broadway for planning and inspection services rendered equals \$8,000. The City also provides financial services to the Town of Broadway which is reimbursed in the amount of \$4,000. Telephone surcharge revenues earmarked for expenditures relative to the 911 services total \$523,979. A \$35,000 Lee County contribution was included to fund one-half of the fire trench rescue equipment **Appropriation--General Fund \$377,108, \$523,979, \$208,548, \$35,000, \$8,000, \$4,000**

Rental Income

To account for rental of office spaces at the Federal Building by county agencies and cell tower rental on the city's water tanks. **Appropriation--General Fund \$30,510 Utility Fund \$83,642**

Sale of Compost Materials

Proceeds are received for the sale of compost materials. Revenue projections are based on historical patterns, rate fees as shown within the budget ordinance, and anticipation of availability of materials. **Appropriation--General Fund \$40,200**

Sale of Fixed Property

Funds are generated from the sale of surplus properties and/or equipment. **Appropriation--General Fund \$65,000 Utility Fund \$50,000**

Sale of Materials

Funds are generated from the sale of surplus materials. Projection rationales are derived by using historical trend analysis. **Appropriation--General Fund \$3,500**

Sales Other Funds

To record revenue from Other funds due the Utility fund for items received from internal store. **Appropriation--Utility Fund \$36,000**

Sales Tax Refund

Per G.S. 105-164.14(c), revenue received for governmental entity claim for refund of state and county sales and use tax. **Appropriation--General Fund \$6,100**

Sewer Charges

Proceeds are received for the collection and treatment of wastewater. Projections are based on historical user trends. **Appropriation--Utility Fund \$7,242,884**

REVENUE

FORECAST RATIONALE

Sewer Surcharges

Charges are placed on all users who discharge wastewater having characteristics in excess of standards set by local sewer use ordinance. Revenues are based on historical trend models. **Appropriation--Utility Fund \$20,000**

Sludge Charges

Fees are charged for discharge of wastewater by means other than the City's collection system. Projections are based on past year's actual revenues. **Appropriation--Utility Fund \$30,000**

Special Assessments

Charges are levied against particular properties to pay for public improvements that specifically benefit those properties. Revenues are derived from accounts receivable data and additions for new projects. **Appropriation—General Fund \$5,000 Utility Fund \$0**

State Drug Enforce. Proceeds

State funds received for drug forfeiture. **Appropriation--General Fund \$28,000**

State Grant

Revenue received from the State of NC to partially fund the purchase of a vehicle required for the new state mandated recycling policy (i.e. computers, televisions). **Appropriation--General Fund \$20,000**

Street Charges

Charges for asphalt repairs that the street department performs after utility work has been completed by the water or sewer departments. **Appropriation--General Fund \$260,000**

Taps and Connections

Fees are charged to customers for connections to the City's water or wastewater system. Revenues are based on historical trends. **Appropriation--Utility Fund \$142,000**

Tower Rental

Revenue received for special use permits to review telecommunication tower applications. **Appropriation—General Fund \$8,000**

Utility Franchise Tax

The City shares in the franchise tax levied by the State on various utilities. Revenues are based on estimated receipts from the N.C. Dept. of Revenue and historical models. Each city's share is based on the actual receipts from electric, telephone, and natural gas services within their municipal boundaries, as a proportion of total statewide receipts. Any significant local rate increases or decreases approved during the year will cause receipts to change. The weather also plays an important part in revenue received. **Appropriation--General Fund \$1,475,730**

REVENUE

FORECAST RATIONALE

Waste Management Fees

Proceeds are received for landfill disposal. These charges are based on actual needs. Fees are assessed uniformly (\$100 annually) to all residential property owners on the tax bill.
Appropriation--General Fund \$880,000

Water Charges

Proceeds are from the sale of treated water through the distribution system. Revenue estimates are based on historical user trends adjusted to reflect the existing rate structure.
Appropriation--Utility Fund \$10,222,362

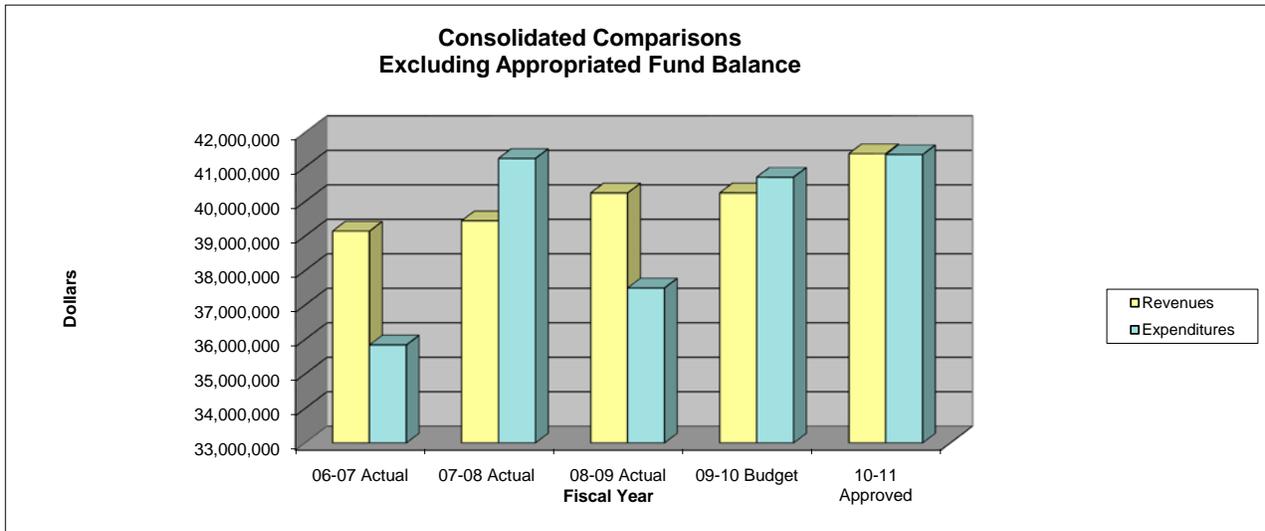
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**CONSOLIDATED BUDGET
FUND SUMMARIES**

	FY 06-07 ACTUAL	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 BUDGET	FY 10-11 REQUESTED	FY 10-11 APPROVED	VARIANCE	% CHG.
REVENUES								
General Fund	23,235,152	23,989,111	23,486,700	23,419,788	23,054,049	23,054,049	-365,739	-2%
Enterprise Fund	15,844,257	15,394,740	16,702,834	16,778,422	18,311,866	18,311,866	1,533,444	9%
Special Tax District	113,228	108,385	110,295	103,074	103,441	73,441	-29,633	-29%
SUB-TOTAL	39,192,637	39,492,235	40,299,830	40,301,284	41,469,356	41,439,356	1,138,072	3%
Appropriated Fund Balance	131,164	0	-13,595	456,881	-27,336	-27,336	-484,217	-106%
Less Interfund Activity	-50,000	-50,000	-50,000	-50,000	-50,000	-50,000	0	0%
TOTAL BUDGET	39,273,800	39,442,235	40,236,234	40,708,165	41,392,020	41,362,020	653,855	2%
EXPENDITURES								
General Fund	20,776,737	21,563,152	23,372,580	25,436,747	27,294,797	25,200,197	-236,550	-1%
Enterprise Fund	14,871,400	19,647,092	14,063,911	15,219,249	16,116,447	16,136,018	916,769	6%
Special Tax District	244,392	89,838	109,710	102,169	105,805	75,805	-26,364	-26%
SUB-TOTAL	35,892,528	41,300,082	37,546,201	40,758,165	43,517,049	41,412,020	653,855	2%
Less Interfund Activity	-50,000	-50,000	-50,000	-50,000	-50,000	-50,000	0	0%
TOTAL BUDGET	35,842,528	41,250,082	37,496,201	40,708,165	43,467,049	41,362,020	653,855	2%

GRAPHIC REPRESENTATION

Illustrated below are revenues as they relate to expenditures.

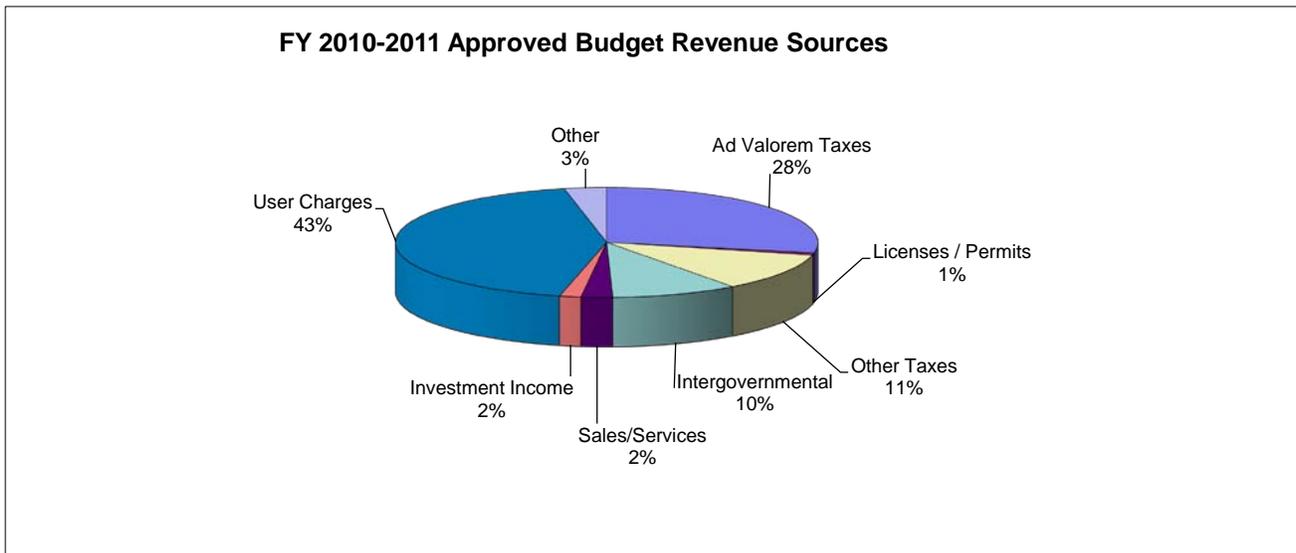


**CONSOLIDATED BUDGET
REVENUE SUMMARIES**

	FY 06-07 ACTUAL	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 BUDGET	FY 10-11 REQUESTED	FY 10-11 APPROVED	VARIANCE	% CHG.
REVENUES								
Ad Valorem Taxes	10,782,342	11,417,296	11,877,737	11,695,109	11,623,559	11,623,559	-71,550	-1%
Licenses / Permits	520,259	426,514	288,166	269,500	274,818	274,818	5,318	2%
Other Taxes	5,003,594	5,605,037	5,197,957	4,669,825	4,624,800	4,624,800	-45,025	-1%
Intergovernmental	3,182,176	3,685,392	3,657,733	4,260,857	4,005,977	4,005,977	-254,880	-6%
Sales/Services	942,546	1,044,365	975,060	933,500	988,700	988,700	55,200	6%
Investment Income	1,394,605	1,171,317	600,737	265,051	680,771	680,771	415,720	157%
User Charges	14,699,236	14,578,473	16,207,499	16,378,692	17,903,746	17,903,746	1,525,054	9%
Other	2,667,878	1,563,840	1,494,941	1,828,750	1,366,985	1,336,985	-491,765	-27%
SUB-TOTAL	39,192,637	39,492,235	40,299,830	40,301,284	41,469,356	41,439,356	1,138,072	3%
Appropriated Fund Balance	131,164	0	-13,595	456,881	-27,336	-27,336	-484,217	-106%
Less Interfund Activity	-50,000	-50,000	-50,000	-50,000	-50,000	-50,000	0	0%
TOTAL BUDGET	39,273,800	39,442,235	40,236,234	40,708,165	41,392,020	41,362,020	653,855	2%

GRAPHIC REPRESENTATION

The relative value of major revenue sources are shown below. Taxes Ad-Valorem and User Charges represent 71% of the revenues received by the city.

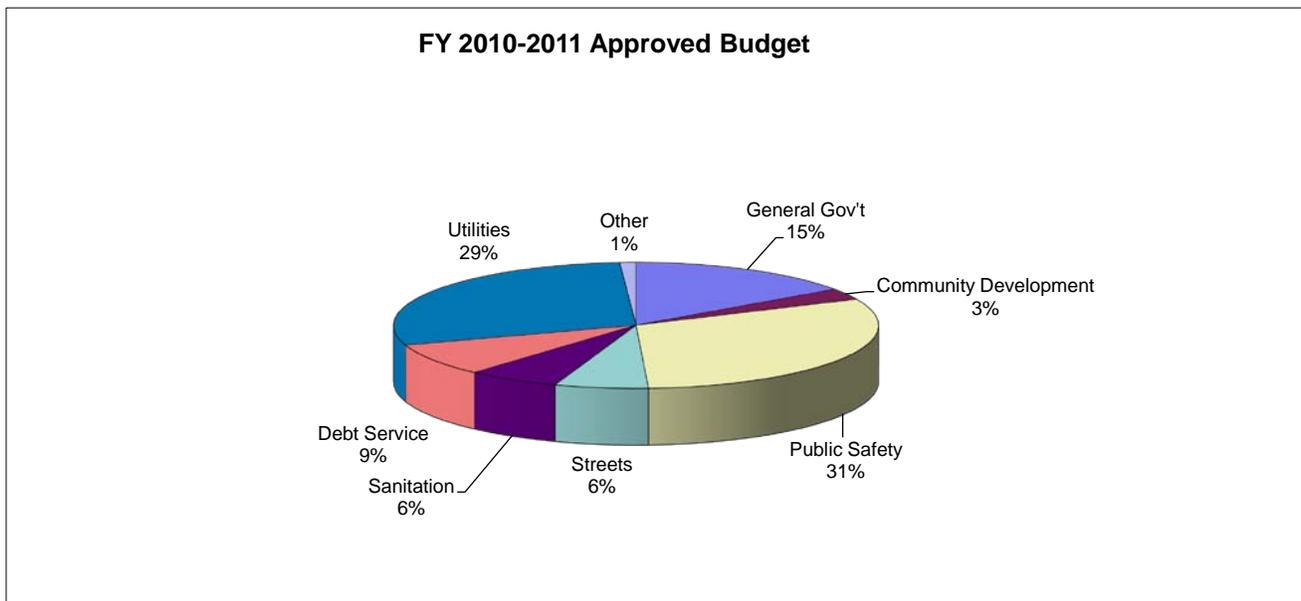


**CONSOLIDATED BUDGET
EXPENDITURE SUMMARIES**

	FY 06-07 ACTUAL	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 BUDGET	FY 10-11 REQUESTED	FY 10-11 APPROVED	VARIANCE	% CHG.
FUNCTIONS								
General Gov't	4,475,809	5,125,219	5,231,715	6,379,401	6,555,885	6,444,419	65,018	1%
Community Development	996,477	1,052,832	1,251,782	1,207,216	1,289,877	1,235,619	28,403	2%
Public Safety	10,658,092	10,888,532	12,328,727	13,223,656	14,329,574	13,059,982	-163,674	-1%
Streets	2,537,988	2,601,835	2,582,825	2,777,430	3,123,313	2,622,982	-154,448	-6%
Sanitation	2,882,281	2,732,563	2,578,442	2,492,564	2,755,645	2,596,692	104,128	4%
Debt Service	4,212,870	3,975,349	3,706,501	3,499,248	3,509,339	3,509,339	10,091	0%
Utilities	9,731,631	9,507,111	9,472,138	11,569,565	12,227,569	12,247,732	678,167	6%
Other	1,171,291	6,254,470	994,982	252,605	485,344	454,752	202,147	80%
SUB-TOTAL	36,666,439	42,137,911	38,147,112	41,401,685	44,276,546	42,171,517	769,832	2%
Less Interfund Activity	-50,000	-50,000	-50,000	-50,000	-50,000	-50,000	0	0%
Interfund Reimbursement	-773,911	-837,829	-600,911	-643,520	-759,497	-759,497	-115,977	18%
TOTAL BUDGET	35,842,528	41,250,082	37,496,201	40,708,165	43,467,049	41,362,020	653,855	2%

GRAPHIC REPRESENTATION

Expenditures classed by function reflect cost as it relates to total spending. Public safety and utilities represent 66% of the city's total appropriations.

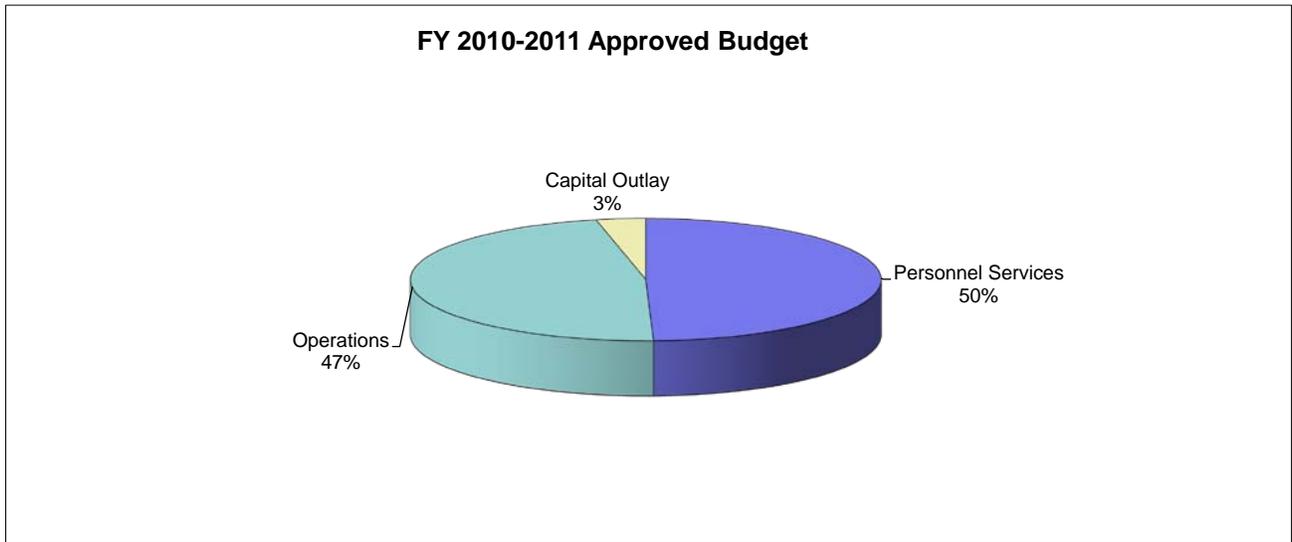


**CONSOLIDATED BUDGET
EXPENDITURE SUMMARIES**

	FY 06-07 ACTUAL	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 BUDGET	FY 10-11 REQUESTED	FY 10-11 APPROVED	VARIANCE	% CHG.
EXPENDITURES								
Personnel Services	17,678,674	18,325,475	18,842,386	20,048,609	20,648,784	20,866,802	818,193	4%
Operations	16,147,959	21,998,601	17,240,232	18,333,744	20,071,525	19,873,120	1,539,376	8%
Capital Outlay	2,839,806	1,813,835	2,064,494	3,019,332	3,556,237	1,431,595	-1,587,737	-53%
SUB-TOTAL	36,666,439	42,137,911	38,147,112	41,401,685	44,276,546	42,171,517	769,832	2%
Less Interfund Activity	-50,000	-50,000	-50,000	-50,000	-50,000	-50,000	0	0%
Interfund Reimbursement	-773,911	-837,829	-600,911	-643,520	-759,497	-759,497	-115,977	18%
TOTAL BUDGET	35,842,528	41,250,082	37,496,201	40,708,165	43,467,049	41,362,020	653,855	2%

GRAPHIC REPRESENTATION

As shown below personnel services represent a major percentage of the city's total expenditures. These expenditures include salary and benefit cost for 354 full time employees. Operating costs include major expenditures for utilities, debt service, chemicals, and contract services. Capital is shown in detail at the departmental level.



GENERAL FUND REVENUE

REVENUE SOURCES	FY 06-07 ACTUAL	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 BUDGET	FY 10-11 REQUESTED	FY 10-11 APPROVED	VARIANCE	% CHG.
Prior	258,094	336,844	300,157	275,000	270,000	270,000	-5,000	-2%
Current	10,383,527	10,925,668	11,412,358	11,304,060	11,202,313	11,202,313	-101,747	-1%
Payment in Lieu of Taxes	15,731	21,608	22,892	0	23,000	23,000	23,000	#DIV/0!
Penalties Less Discounts	66,971	76,183	84,033	65,000	76,530	76,530	11,530	18%
Tax Temporary	0	1,867	0	0	0	0	0	#DIV/0!
Total Ad Valorem Taxes	10,724,324	11,362,169	11,819,440	11,644,060	11,571,843	11,571,843	-72,217	-1%
Local Sales Tax - Article 39	2,031,894	2,291,169	2,057,646	1,831,500	1,975,000	1,975,000	143,500	8%
Local Sales Tax - Article 40	1,035,140	1,071,993	997,440	999,900	927,300	927,300	-72,600	-7%
Local Sales Tax - Article 44	901,917	967,628	869,408	845,125	797,400	797,400	-47,725	-6%
Local Sales Tax - Article 42	1,029,529	1,061,770	987,348	992,300	922,800	922,800	-69,500	-7%
Privilege License	5,115	212,473	284,339	0	2,300	2,300	2,300	#DIV/0!
Past Due	0	5	1,776	1,000	0	0	-1,000	-100%
Total Other Taxes	5,003,594	5,605,037	5,197,957	4,669,825	4,624,800	4,624,800	-45,025	-1%
City Permits	317,325	250,756	146,454	130,000	180,818	180,818	50,818	39%
County Permits	193,493	166,265	136,944	136,000	87,000	87,000	-49,000	-36%
Broadway Permits	9,441	9,493	4,767	3,500	7,000	7,000	3,500	100%
Total Licenses / Permits	520,259	426,514	288,166	269,500	274,818	274,818	5,318	2%
Interest Income	587,588	580,314	299,366	136,100	100,000	100,000	-36,100	-27%
Interest on Assessments	0	3,418	2,905	0	2,000	2,000	2,000	#DIV/0!
OPEB Distribution	0	0	0	0	354,493	354,493	354,493	#DIV/0!
Total Investment Income	587,588	583,731	302,271	136,100	456,493	456,493	320,393	235%
Green Fees Annual	78,469	80,324	74,517	70,000	74,500	74,500	4,500	6%
Green Fees Daily	142,751	181,813	157,904	155,000	150,000	150,000	-5,000	-3%
Cart Fees	165,718	224,496	205,910	205,000	189,000	189,000	-16,000	-8%
Tournament	11,230	11,580	8,905	10,000	10,000	10,000	0	0%
Driving Range	14,458	16,947	15,503	14,800	15,000	15,000	200	1%
Total Golf User Charges	412,625	515,160	462,739	454,800	438,500	438,500	-16,300	-4%
Intergovernmental Revenues								
United States of America								
Police Grants	7,632	54,934	44,150	389,258	210,678	210,678	-178,580	-46%
Build American Bonds Rebate	0	0	0	0	5,840	5,840	5,840	#DIV/0!
Federal Drug Enf. Proc.	0	5,696	11,649	11,570	0	0	-11,570	-100%
State of North Carolina								
Utility Franchise Tax	1,387,909	1,519,403	1,465,659	1,385,712	1,475,730	1,475,730	90,018	6%
Beer & Wine Tax	58,482	61,341	61,237	62,568	61,840	61,840	-728	-1%
Powell Bill	800,387	914,972	831,724	696,611	717,415	717,415	20,804	3%
State Drug Forfeiture	43,661	52,880	54,039	0	28,000	28,000	28,000	#DIV/0!
Rec. Other Gov.-State	0	20,590	21,619	0	28,626	28,626	28,626	#DIV/0!
Shared Cable	65,929	187,818	218,870	208,790	200,830	200,830	-7,960	-4%
Court Cost Fees	12,707	9,359	10,711	8,000	8,000	8,000	0	0%
Disposal Tax	0	0	12,508	15,520	20,300	20,300	4,780	31%
Police Grants	0	0	0	25,547	0	0	-25,547	-100%
State Grant	0	0	0	0	20,000	20,000	20,000	#DIV/0!
Safe Kids Grant	2,030	0	0	0	0	0	0	#DIV/0!
Sales Tax Refund	1,984	7,073	6,803	0	6,100	6,100	6,100	#DIV/0!
Other Local Governments								
Gas Tax Refund	2,648	0	0	0	0	0	0	#DIV/0!
Rec. Other Gov.-Local	0	0	2,617	0	0	0	0	#DIV/0!
Lee Co. Contrib.-Trench Rescue Equi	0	0	0	0	35,000	35,000	35,000	#DIV/0!
EMS Office Rental	2,400	5,952	0	0	0	0	0	#DIV/0!
Consolidated Planning Services	331,067	332,140	376,454	365,571	385,108	385,108	19,537	5%
911 Surcharge Reimbursement	324,167	312,696	304,784	728,444	523,979	523,979	-204,465	-28%
911 Dispatch	133,996	141,745	157,156	189,501	208,548	208,548	19,047	10%
Rec. Local Inspections Contract	0	53,992	71,716	59,454	65,983	65,983	6,529	11%
Financial Services - Broadway	4,871	4,800	4,800	4,000	4,000	4,000	0	0%
Total Intergovernmental	3,179,870	3,685,392	3,656,496	4,150,546	4,005,977	4,005,977	-144,569	-3%

GENERAL FUND REVENUE

REVENUE SOURCES	FY 06-07 ACTUAL	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 BUDGET	FY 10-11 REQUESTED	FY 10-11 APPROVED	VARIANCE	% CHG.
Sale of Materials	13,782	4,181	3,601	3,500	3,500	3,500	0	0%
Sale of Compost Materials	36,175	35,150	42,700	30,000	40,200	40,200	10,200	34%
Sale of Fixed Assets	54,602	59,709	44,173	40,000	65,000	65,000	25,000	63%
Sale of Land	800	0	0	0	0	0	0	#DIV/0!
Sale of Timber	0	98,539	0	0	0	0	0	#DIV/0!
Waste Mgmt. User Fees	837,187	846,786	884,586	860,000	880,000	880,000	20,000	2%
Total Sales and Service	942,546	1,044,365	975,060	933,500	988,700	988,700	55,200	6%
Concession	17,367	41,722	35,488	30,000	35,000	35,000	5,000	17%
Miscellaneous	130	255	-3,314	200	0	0	-200	-100%
Pro Shop Sales	20,305	61,352	52,782	45,000	52,000	52,000	7,000	16%
Club House Rental	1,200	0	0	0	0	0	0	#DIV/0!
Total Golf Other	39,001	103,329	84,956	75,200	87,000	87,000	11,800	16%
Installment Purchase Proceeds	1,138,000	0	0	397,000	0	0	-397,000	-100%
Transfer in Capital Projects	0	0	2,476	0	0	0	0	#DIV/0!
Sale of Car Seats	0	1,145	0	0	0	0	0	#DIV/0!
Youth Council	6,200	5,000	0	0	0	0	0	#DIV/0!
NC League of Municipalities Grant	0	1,500	0	0	0	0	0	#DIV/0!
ABC Revenue	140,000	160,000	165,000	140,000	160,000	160,000	20,000	14%
Street Charges	227,845	218,900	223,511	230,000	260,000	260,000	30,000	13%
Rental Income	26,633	30,510	30,510	30,510	30,510	30,510	0	0%
Parking Revenue	24,524	29,199	28,404	20,000	20,000	20,000	0	0%
Code Enforcement	26,575	0	92,797	0	5,000	5,000	5,000	#DIV/0!
Animal Control	925	1,420	3,391	1,500	2,000	2,000	500	33%
Cable Franchise Fees	91,130	33,462	41,508	35,000	32,000	32,000	-3,000	-9%
Miscellaneous	105,558	146,383	93,471	215,157	75,408	75,408	-139,749	-65%
Civil Violations	7,512	7,176	15,375	8,000	8,000	8,000	0	0%
Relay for Life Donations	5,029	0	0	0	0	0	0	#DIV/0!
Tower Rental	0	0	0	4,000	8,000	8,000	4,000	100%
License Tag	0	54	0	0	0	0	0	#DIV/0!
Special Assessments	25,414	25,831	3,174	0	5,000	5,000	5,000	#DIV/0!
Advertising Reimbursement	0	2,831	0	0	0	0	0	#DIV/0!
MLK Donations	0	0	0	5,090	0	0	-5,090	-100%
Total Other	1,825,345	663,412	699,616	1,086,257	605,918	605,918	-480,339	-44%
SUB-TOTAL GENERAL FUND	23,235,152	23,989,111	23,486,700	23,419,788	23,054,049	23,054,049	-365,739	-2%
Appropriated Fund Balance	0	0	-13,595	2,016,959	2,146,148	2,146,148	129,189	6%
TOTAL GENERAL FUND	23,235,152	23,989,111	23,473,105	25,436,747	25,200,197	25,200,197	-236,550	-1%

GENERAL FUND EXPENDITURES

DEPARTMENT	FY 06-07 ACTUAL	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 BUDGET	FY 10-11 REQUESTED	FY 10-11 APPROVED	VARIANCE	% CHG.
Governing Body	259,377	256,808	258,390	303,088	302,788	323,099	20,011	7%
Administration	192,010	195,752	188,631	203,106	207,578	209,561	6,455	3%
Human Resources	249,900	239,481	261,140	291,043	333,613	288,709	-2,334	-1%
Risk Management	66,489	74,039	68,331	83,818	87,051	86,634	2,816	3%
Elections	0	22,781	0	31,307	0	0	-31,307	-100%
Finance	740,901	767,406	841,901	879,224	914,273	907,103	27,879	3%
Information Systems	241,665	231,496	226,737	316,974	317,962	318,442	1,468	0%
Legal	173,809	204,910	211,254	282,149	262,692	266,995	-15,154	-5%
Public Building	817,998	827,778	897,266	1,464,745	1,041,265	1,248,170	-216,575	-15%
Public Works Adm.	360,091	437,481	0	0	0	0	0	#DIV/0!
General Services	0	0	141,141	169,923	172,664	175,889	5,966	4%
Central Office	68,592	61,208	65,338	26,175	26,380	26,380	205	1%
GF Contributions	332,711	588,583	952,398	730,895	1,036,937	963,374	232,479	32%
Golf	625,242	793,611	659,164	721,693	707,243	731,411	9,718	1%
Shop	913,016	1,094,535	955,858	1,075,737	1,269,412	1,259,424	183,687	17%
Less Shop Charges	-876,310	-1,001,175	-899,859	-639,670	-639,670	-836,545	-196,875	31%
Horticulture	310,320	330,525	404,026	439,194	515,697	475,773	36,579	8%
General Government	4,475,809	5,125,219	5,231,715	6,379,401	6,555,885	6,444,419	65,018	1%
Police	6,605,758	6,493,565	7,511,257	6,509,326	7,396,122	7,232,950	723,624	11%
Police - 911 Surcharge	324,514	312,818	304,920	728,444	706,670	523,979	-204,465	-28%
Police - Dispatching	0	0	0	1,271,181	895,715	913,913	-357,268	-28%
Police Grants	5,453	68,635	68,401	435,372	0	0	-435,372	-100%
Fire	3,273,024	3,408,134	4,009,913	3,890,926	4,836,844	3,946,357	55,431	1%
Inspection	449,343	605,380	434,236	388,407	494,223	442,783	54,376	14%
Public Safety	10,658,092	10,888,532	12,328,727	13,223,656	14,329,574	13,059,982	-163,674	-1%
Street	2,375,159	2,389,319	2,046,179	2,138,168	2,335,068	2,115,705	-22,463	-1%
Street Capital Imp.	162,829	212,516	536,646	639,262	788,245	507,277	-131,985	-21%
Streets	2,537,988	2,601,835	2,582,825	2,777,430	3,123,313	2,622,982	-154,448	-6%
Solid Waste	1,685,525	1,499,948	1,356,706	1,233,214	1,474,273	1,320,820	87,606	7%
Sanitation	1,196,756	1,232,615	1,221,736	1,259,350	1,281,372	1,275,872	16,522	1%
Sanitation	2,882,281	2,732,563	2,578,442	2,492,564	2,755,645	2,596,692	104,128	4%
Community Development	678,994	708,478	775,513	817,000	834,285	848,417	31,417	4%
Comm. Enhance.-Code Enforce.	239,959	257,834	335,416	256,089	331,323	279,930	23,841	9%
Comm. Enhancement-Downtown	77,525	86,520	140,853	134,127	124,269	107,272	-26,855	-20%
Community Development	996,477	1,052,832	1,251,782	1,207,216	1,289,877	1,235,619	28,403	2%
SUB-TOTAL GENERAL FUND	21,550,648	22,400,981	23,973,491	26,080,267	28,054,294	25,959,694	-120,573	0%
Interfund Reimbursements	-773,911	-837,829	-600,911	-643,520	-759,497	-759,497	-115,977	18%
TOTAL GENERAL FUND	20,776,737	21,563,152	23,372,580	25,436,747	27,294,797	25,200,197	-236,550	-1%

UTILITY FUND REVENUE

REVENUE SOURCES	FY 06-07 ACTUAL	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 BUDGET	FY 10-11 REQUESTED	FY 10-11 APPROVED	VARIANCE	% CHG.
Water Charges	8,550,411	8,548,323	9,378,332	9,614,892	10,222,362	10,222,362	607,470	6%
Sewer Charges	5,736,201	5,514,990	6,366,428	6,309,000	7,242,884	7,242,884	933,884	15%
Total User Charges	14,286,612	14,063,313	15,744,760	15,923,892	17,465,246	17,465,246	1,541,354	10%
Interest Income	781,139	571,474	290,906	128,351	90,000	90,000	-38,351	-30%
Interest on Assessments	22,094	14,394	6,912	0	6,600	6,600	6,600	#DIV/0!
OPEB Distribution	0	0	0	0	127,378	127,378	127,378	#DIV/0!
Total Investment Income	803,232	585,868	297,818	128,351	223,978	223,978	95,627	75%
Taps and Connections	236,160	207,907	113,646	85,800	142,000	142,000	56,200	66%
Sewer Surcharge	17,138	26,520	45,767	25,000	20,000	20,000	-5,000	-20%
Meter Rental	0	2,356	1,845	0	0	0	0	#DIV/0!
Sludge Charge	44,875	37,075	32,490	30,000	30,000	30,000	0	0%
Non Compliance Fines	2,092	3,342	4,650	600	2,000	2,000	1,400	233%
Monitoring Fee	90,090	77,329	88,512	80,000	89,000	89,000	9,000	11%
Charges on Past Due Accounts	179,914	195,044	143,671	173,000	130,000	130,000	-43,000	-25%
Oil and Grease Fees	19,184	20,263	18,571	18,500	18,500	18,500	0	0%
Sales Other Funds	34,085	32,315	38,546	28,125	36,000	36,000	7,875	28%
Sale of Fixed Property	34,005	41,817	10,741	62,568	50,000	50,000	-12,568	-20%
Special Assessments	-6,346	0	72,359	12,500	0	0	-12,500	-100%
After Hours	0	4,275	4,800	0	2,500	2,500	2,500	#DIV/0!
NSF Charges	0	7,919	7,978	0	4,000	4,000	4,000	#DIV/0!
Miscellaneous	61,324	39,028	-5,685	19,775	15,000	15,000	-4,775	-24%
Bad Debt Recovery	485	0	0	0	0	0	0	#DIV/0!
Contribution - Caterpillar							0	#DIV/0!
Rental Income	39,100	50,368	81,127	80,000	83,642	83,642	3,642	5%
Total Other Revenue	752,107	745,558	659,019	615,868	622,642	622,642	6,774	1%
Sales Tax Refund	2,306	0	1,237	0	0	0	0	#DIV/0!
Contribu. Other	0	0	0	110,311	0	0	-110,311	-100%
Total Intergovernmental	2,306	0	1,237	110,311	0	0	-110,311	-100%
SUB-TOTAL UTILITY FUND	15,844,257	15,394,740	16,702,834	16,778,422	18,311,866	18,311,866	1,533,444	9%
Appropriated Fund Balance	0	0	0	-1,559,173	-2,175,848	-2,175,848	-616,675	40%
TOTAL UTILITY FUND	15,844,257	15,394,740	16,702,834	15,219,249	16,136,018	16,136,018	916,769	6%

UTILITY FUND EXPENSES

DEPARTMENT	FY 06-07 ACTUAL	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 BUDGET	FY 10-11 REQUESTED	FY 10-11 APPROVED	VARIANCE	% CHG.
Debt Service	4,212,870	3,975,349	3,706,501	3,499,248	3,509,339	3,509,339	10,091	0%
UF Contributions	926,899	6,164,632	885,272	150,436	379,539	378,947	228,511	152%
Other	926,899	6,164,632	885,272	150,436	379,539	378,947	228,511	152%
Store	371,249	329,551	244,430	305,796	323,619	308,998	3,202	1%
Less Store Charges	-356,841	-293,710	-184,576	-179,275	-196,775	-196,775	-17,500	10%
UF Administration	1,594,036	1,543,081	1,016,218	1,208,377	1,299,604	1,340,422	132,045	11%
Utility Billing	0	0	231,794	242,741	232,484	235,137	-7,604	-3%
Engineering	526,174	534,141	423,640	475,005	488,446	495,138	20,133	4%
UF Public Works Administration	0	0	261,387	252,362	260,816	266,546	14,184	6%
Sewer Const.	1,092,429	1,079,799	1,171,216	1,530,784	1,268,917	1,333,650	-197,134	-13%
Water Const.	2,583,117	2,642,084	2,305,281	2,626,283	2,665,044	2,579,732	-46,551	-2%
Water Plant	1,796,967	1,858,601	1,878,549	2,011,410	2,133,201	2,147,169	135,759	7%
Wastewater Plant	1,560,082	1,634,637	1,627,137	1,752,332	2,027,407	2,012,909	260,577	15%
Water Capital Imp.	273,930	94,280	37,438	345,311	917,806	917,806	572,495	166%
Sewer Capital Imp.	290,487	84,647	459,623	998,439	807,000	807,000	-191,439	-19%
Public Utilities	9,731,631	9,507,111	9,472,138	11,569,565	12,227,569	12,247,732	678,167	6%
TOTAL UTILITY FUND	14,871,400	19,647,092	14,063,911	15,219,249	16,116,447	16,136,018	916,769	6%

SPECIAL TAX FUND REVENUE

REVENUE SOURCES	FY 06-07 ACTUAL	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 BUDGET	FY 10-11 REQUESTED	FY 10-11 APPROVED	VARIANCE	% CHG.
Current Year Taxes	56,865	54,081	54,870	50,399	51,016	51,016	617	1%
Prior Year Taxes	891	817	2,694	500	550	550	50	10%
Penalties Less Discounts	262	229	733	150	150	150	0	0%
Total Ad Valorem Taxes	58,018	55,127	58,297	51,049	51,716	51,716	667	1%
Interest Income	3,785	1,718	648	600	300	300	-300	-50%
Total Investment Income	3,785	1,718	648	600	300	300	-300	-50%
Miscellaneous	0	0	0	0	0	0	0	#DIV/0!
Parking Revenues	1,425	1,540	1,350	1,425	1,425	1,425	0	0%
Contribu. From General	50,000	50,000	50,000	50,000	50,000	20,000	-30,000	-60%
Total Other	51,425	51,540	51,350	51,425	51,425	21,425	-30,000	-58%
SUB-TOTAL SPEC. TAX	113,228	108,385	110,295	103,074	103,441	73,441	-29,633	-29%
Appropriated Fund Balance	131,164	0	0	-905	2,364	2,364	3,269	-361%
TOTAL SPECIAL TAX	244,392	108,385	110,295	102,169	105,805	75,805	-26,364	-26%

SPECIAL TAX FUND EXPENDITURES

DEPARTMENT	FY 06-07 ACTUAL	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 BUDGET	FY 10-11 REQUESTED	FY 10-11 APPROVED	VARIANCE	% CHG.
Special Tax	244,392	89,838	109,710	102,169	105,805	75,805	-26,364	-26%
Total Other	244,392	89,838	109,710	102,169	105,805	75,805	-26,364	-26%
TOTAL SPECIAL TAX	244,392	89,838	109,710	102,169	105,805	75,805	-26,364	-26%

STAFFING COMPARISON

DEPARTMENT	FY 06-07 ACTUAL	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 ACTUAL	FY 10-11 APPROVED
Governing Body-Elected	9	9	9	9	9
Administration	2	2	2	2	2
Human Resources	3	3	**4	*4	*4
Risk Management	1	1	1	1	1
Finance	8	8	8	8	8
Information Systems	2	2	2	2	2
Legal	2	2	2	2	2
Public Building	3	3	3	3	3
General Services	5	5	2	2	2
Golf	6	6	6	6	6
Shop	5	5	5	5	5
Horticulture	6	6	6	6	6
TOTAL GENERAL GOV'T	52	52	50	50	50
Police	100	101	102	*106	106
Fire	52	52	53	53	53
Inspection	8	8	7	*7	*7
TOTAL PUBLIC SFTY.	160	161	162	166	166
Street	18	18	18	18	18
TOTAL STREET	18	18	18	18	18
Solid Waste	18	18	18	*18	*18
TOTAL SANITATION	18	18	18	18	18
Community Development	9	9	10	10	10
Comm. Enhance/Code Enforce.	4	4	4	4	4
Comm. Enhance/Downtown/HPC	1	1	1	1	1
TOTAL COMMUNITY DEV.	14	14	15	15	15
TOTAL GENERAL FUND	262	263	263	267	267

*Includes frozen positions

**Position funded for partial year

STAFFING COMPARISON

DEPARTMENT	FY 06-07 ACTUAL	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 ACTUAL	FY 10-11 APPROVED
PUBLIC UTILITIES					
Store	1	1	1	1	1
UF Administration	8	9	7	8	8
Utility Billing	-	-	2	2	2
Engineering	8	8	8	*8	*8
Public Works Administration	0	0	3	3	3
Sewer Const. & Maint.	13	13	13	*13	*14
Water Const. & Maint.	28	28	28	28	27
Water Plant	11	11	11	11	11
Wastewater Treat. Plant	13	13	13	13	13
TOTAL PUBLIC UTILITIES	82	83	86	87	87
<hr/>					
TOTAL UTILITY FUND	82	83	86	87	87
<hr/>					
TOTAL ENTERPRISE FUND	82	83	86	87	87
<hr/>					
GRAND TOTAL	344	346	349	354	354

*Includes frozen positions (total of 7)

CAPITAL OUTLAY - SORT

GENERAL FUND

QTY	ITEM	DEPARTMENT	REQUESTED		APPROVED
			REPLACE	NEW	
1	Data Server	Information Systems	17,000		17,000
1	Cartegraph Software	Street	6,500		0
	Subtotal Computers and Equipment		23,500	0	17,000
1	HVAC for Federal Building	Public Building	96,000		0
1	HVAC for Council Chambers	Public Building	50,250		0
	City Hall Improvements	Public Building	50,000		0
	Skate Park	Public Building			75,000
1	Four Bay Metal Storage Building	Fire		150,000	0
	Renovate #2 Fire Station	Fire		285,000	0
	Subtotal Major Capital Construction		196,250	435,000	75,000
1	Welcome sign on Highway 87 South	Public Building	6,000		6,000
1	Refurbish Golf Course sign	Public Building	4,000		0
	Relocate repeater from Colon Rd to Viper Site on Highway 78	Police	2,800		2,800
	Replace Tile Bedroom Floors @ Central	Fire	6,000		0
	Replace Concrete Apron @ Central	Fire	12,000		12,000
	Replace Bay Floor @ Central	Fire	38,500		38,500
	12 X 20 Storage Building	Horticulture		6,500	6,500
	Subtotal Other Construction		69,300	6,500	65,800
4	MDT	Police	24,500		24,500
	E-911 Equipment	Police	482,886		300,195
1	UHF Repeater	Fire	8,600		8,600
1	Thermal Imaging Camera	Fire	12,000		12,000
1	Video Conference Equipment	Fire		19,800	0
2	Snow Plows	Street	17,000		0
1	Greens Mower	Golf	25,000		25,000
1	Top Dressing Machine	Golf	15,000		15,000
1	Mower Lift	Horticulture		8,595	6,000
1	John Deer Gator / Utility Vehicle	Horticulture		10,000	0
1	Ven Trac Multipurpose Tractor	Horticulture		20,000	0
	Subtotal Other Equipment		584,986	58,395	391,295
1	Ford Fusion	Public Building	0		0
13	Patrol Vehicles	Police	318,500		318,500
1	Evidence Collection Vehicle	Police		130,000	0
2	Colorado Extended Cab Truck	Inspections	36,000		36,000
1	Ford Sedan	Code Enforcement	15,000		0
1	Flat Bed Dump Truck	Street	78,000		78,000
1	Dump Truck	Street	78,000		0
1	One Ton Dump Truck w/ Lift Gate	Solid Waste	45,500		45,500
2	Ford Fusion	Shop	31,000		31,000
1	3/4 Ton Standard Truck	Horticulture	17,000		17,000
	Subtotal Vehicles		619,000	130,000	526,000
1	Heavy Duty Equipment Truck	Fire	330,000		0
1	Special Mission Tender-Trench Rescue	Fire		70,000	70,000
1	Knuckleboom Truck	Solid Waste	135,000		135,000
1	Leaf Vac Truck	Solid Waste	128,000		0
	Subtotal Heavy Equipment		593,000	70,000	205,000
	Land Acquisition for #4 Fire Station	Fire		100,000	0
	Subtotal Land Acquisition		0	100,000	0
	Grand Total - General Fund Capital		2,086,036	799,895	1,280,095

CAPITAL OUTLAY - SORT

ENTERPRISE FUND

QTY	ITEM	DEPARTMENT	REQUESTED		APPROVED
			REPLACE	NEW	
	Remove and Rebuild 2800 GPM Pump	WTP	30,000		30,000
	Epoxy Injection to Repair Basins 3 & 4	WTP	22,000		22,000
	Subtotal Other Construction		52,000	0	52,000
2	Flocculator Motors and Gear Boxes	WTP	35,000		35,000
1	Ice Machine	WWTP	8,000		0
2	Hach Pretreatment Samplers	WWTP	7,000		0
1	Dry Sink Fecal Incubator	WWTP	3,000		0
	Subtotal Other Equipment		53,000	0	35,000
1	New Holland Tractor T4030	WWTP	30,000		30,000
	Subtotal Heavy Equipment		30,000	0	30,000
1	Ford Fusion	Store	15,500		0
1	1 Ton 4 X 4 Utility Truck	Sewer C & M	34,500		34,500
1	Ford Ranger	WWTP	12,500		0
	Subtotal Vehicles		62,500	0	34,500
	Grand Total - Utility Fund Capital		197,500	0	151,500

DEBT SERVICE

The City has outstanding general obligation bonds totaling \$2,176,110 which were issued for improvements in water and sanitary sewer system of the City. While these bonds are guaranteed by the general taxing power of the City, they are being paid from water and sewer revenue. Currently there are no bond issues paid out of the General Fund. The City is exploring the possibility of issuing general obligation bonds within the next year. Bonds would be issued to finance the expansion and upgrade of the City's wastewater treatment plant. The City's bond rating as listed below was updated during 95/96 for a February 1996 bond refunding. Standard and Poors upgraded the City's bond rating in November 1989, from an A rating to an A+. The Municipal Council upgraded the City's rating in 2007 from an 83 to an 84. Moody's Investment Service upgraded the City's rating in 1996 from A to A1.

Moody's Investment Service	A1
Standard and Poors	A+
NC Municipal Council, Inc. ¹	84

The North Carolina General Statutes are very specific about the amount of general long term debt that can be issued by local governments. The statutes state that long-term debt, net of debt issued for specific enterprise activities, cannot exceed eight percent of the assessed valuation of the governmental unit. The legal debt limit of the City as of June 30, 2009 is as shown in the following table.

Assessed Valuations	<u>\$ 2,149,137,318</u>
Debt limit 8% of assessed valuations	\$ 171,930,985
Amount of debt applicable to debt limit:	2,176,110
Outstanding debt not evidenced by bonds:	
Notes	1,267,500
Installment purchase contracts	16,633,417
Capital leases	-
Annexation liability for fire protection	<u>11,122</u>
	20,088,149
Less deduction allowed by G.S. 159.55(a)(2) and G.S. 159.55(b)-Utility debt	<u>2,176,110</u>
Net Debt	<u>17,912,039</u>
LEGAL DEBT MARGIN	<u>\$ 154,018,946</u>

¹ The NC Municipal Council works closely with the Local Government Commission, a division of the North Carolina State Treasurer's office, which has statutory responsibility for debt issued by local governments in North Carolina. This council assists the local issuers in improving their credit quality and to improve their access to capital for essential municipal projects.

SCHEDULE OF DEBT SERVICE

DESCRIPTIONS	FY 10-11 REQ.	FY 11-12 REQ.	FY 12-13 REQ.	FY 13-14 REQ.
Interfund Loan				
Golf; Golf Course Improvements; 4.76% interest; 2/13/02; due quarterly; outstanding \$105,000	63,927	46,071	0	0
	63,927	46,071	0	0
General Obligation				
Water & Sewer Refunding; 4.4% to 4.9% interest; 1996; due serially to 2011; outstanding \$1,165,000	1,222,085	0	0	0
	1,222,085	0	0	0
State Revolving Loans				
Water Imp.; 2.6% interest; issued 11/1/00; due annually to 2022; outstanding \$1,170,000	127,920	125,385	122,850	120,315
	127,920	125,385	122,850	120,315
Federal Revolving Loans (ARRA)				
Water Plant; Clearwell Rehabilitation 0% interest; issued 1/29/10; due annually to 2030; outstanding \$903,583	45,179	45,179	45,179	45,179
	45,179	45,179	45,179	45,179
Installment Purchases				
Service Center/Parking Lot; 5.26% interest; dated 12/7/99; 15 years; outstanding \$405,000	437,903	0	0	0
Water Plant; Raw Water Pump Loan; 3.67% interest; dated 5/13/04; 15 years; outstanding \$4,647,259	611,006	611,006	611,006	611,006
Sewer Rehabilitation; 3.81% interest; 11/15/06; semi-annual; outstanding \$2,076,606	362,180	362,180	362,180	362,180
Street repair; 3.14% interest; dated 4/3/03; 15 years; outstanding \$300,000	307,277	0	0	0
Water and Sewer; 3.52% interest; modified 5/13/04; 13 years; quarterly; outstanding \$1,617,750	293,448	285,012	276,575	268,139
Water and Sewer Imp.; 4.61% interest; 10/13/98; 15 years; outstanding \$472,152	146,850	146,850	146,850	73,425

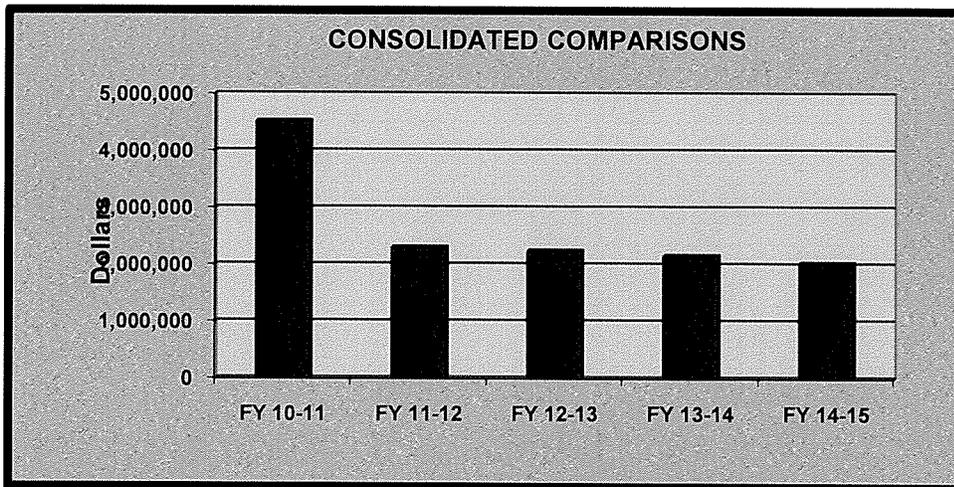
SCHEDULE OF DEBT SERVICE

FY 14-15 REQ.	FY 15-16 REQ.	FY 16-17 REQ.	FY 17-18 REQ.	FY 18-19 REQ.	FY 19-23 REQ.	TOTAL
0	0	0	0	0	0	109,998
<hr/>						
0	0	0	0	0	0	109,998
0	0	0	0	0	0	1,222,085
<hr/>						
0	0	0	0	0	0	1,222,085
117,780	115,245	112,710	110,175	107,640	307,710	1,367,730
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117,780	115,245	112,710	110,175	107,640	307,710	1,367,730
45,179	45,179	45,179	45,179	45,179	496,972	903,583
<hr/>						
45,179	45,179	45,179	45,179	45,179	496,972	903,583
0	0	0	0	0	0	437,903
611,006	611,006	611,006	611,006	611,006	0	5,499,057
362,180	362,180	181,090	0	0	0	2,354,168
0	0	0	0	0	0	307,277
259,703	251,267	182,914	0	0	0	1,817,058
0	0	0	0	0	0	513,975

SCHEDULE OF DEBT SERVICE

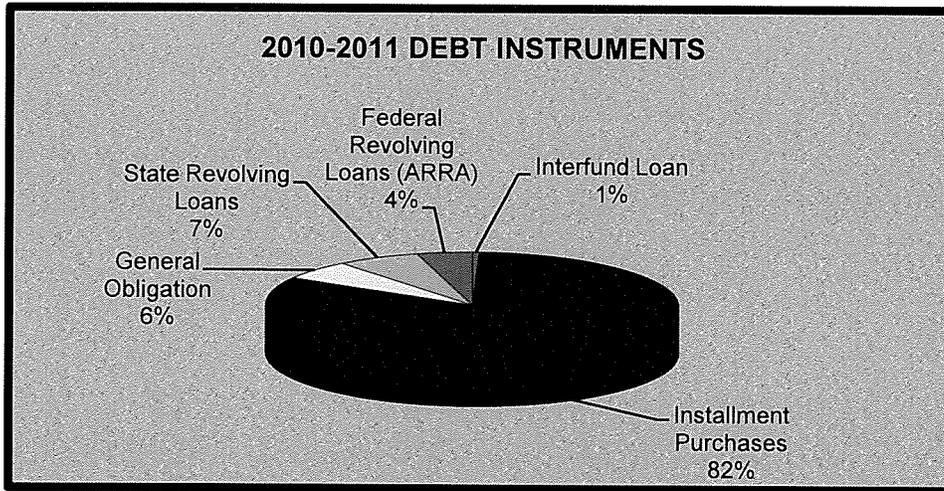
DESCRIPTIONS	FY 10-11 REQ.	FY 11-12 REQ.	FY 12-13 REQ.	FY 13-14 REQ.
Lee Co. Water System Purchase; 3.47% interest; adjusted 3/10/2006; 15 yrs; quarterly; outstanding \$4,845,999	587,968	587,968	587,968	587,968
Fire Dept.; fire pumper; 3.83% interest; dated 9/22/06; 15 years; outstanding \$223,886	225,210	0	0	0
Police Dept.; 911 Communications Console; dated 11/03/09; 5 years; outstanding \$361,010	88,666	88,666	88,666	88,666
	3,060,508	2,081,682	2,073,245	1,991,384
TOTAL DEBT SERVICE	4,519,619	2,298,317	2,241,274	2,156,878

Note: Principle and interest included with annual requirements.



SCHEDULE OF DEBT SERVICE

FY 14-15 REQ.	FY 15-16 REQ.	FY 16-17 REQ.	FY 17-18 REQ.	FY 18-19 REQ.	FY 19-23 REQ.	TOTAL
587,968	587,968	587,968	587,968	587,968	440,976	5,732,687
0	0	0	0	0	0	225,210
44,331	0	0	0	0	0	398,995
<hr/>						
1,865,188	1,812,421	1,562,978	1,198,974	1,198,974	440,976	17,286,330
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2,028,147	1,972,845	1,720,867	1,354,328	1,351,793	1,245,658	20,889,726



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GENERAL FUND

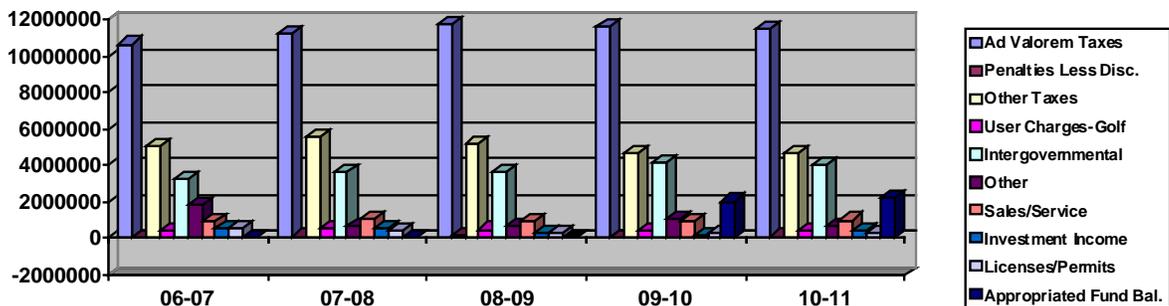
Goal: To account for the revenues of all city departments except those required to be accounted for in other funds.

REVENUE SUMMARIES

Revenue Sources	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Ad Valorem Taxes	10,657,353	11,285,986	11,735,407	11,579,060	11,495,313	11,495,313
Penalties Less Disc.	66,971	76,183	84,033	65,000	76,530	76,530
Other Taxes	5,003,594	5,605,037	5,197,957	4,669,825	4,624,800	4,624,800
User Charges-Golf	412,625	515,160	462,739	454,800	438,500	438,500
Intergovernmental	3,179,870	3,685,392	3,656,496	4,150,546	4,005,977	4,005,977
Other	1,864,346	766,743	784,571	1,161,457	692,918	692,918
Sales/Service	942,546	1,044,365	975,060	933,500	988,700	988,700
Investment Income	587,588	583,731	302,271	136,100	456,493	456,493
Licenses/Permits	520,259	426,514	288,166	269,500	274,818	274,818
Appropriated Fund Balance	0	0	(13,595)	2,016,959	2,146,148	2,146,148
Total	23,235,152	23,989,111	23,473,105	25,436,747	25,200,197	25,200,197

GRAPHIC REPRESENTATION

FY 10-11 revenues reflect a decrease of \$236,550 or one (1%) percent compared to the FY 09-10 budget. Ad valorem taxes and penalties less discounts are showing a combined one (1%) percent decrease or \$72,217. Other tax revenue shows a decrease in the amount of \$45,025 or one percent (1%) due to a decline in sales tax. Intergovernmental reflects a \$144,569 or three percent (3%) decrease mainly due to a reduction in 911 surcharge reimbursement. Other revenue decreased substantially due to a \$397,000 installment purchase for city hall renovations and communications console budgeted within prior year. Investment income reflects a substantial increase in the amount of \$320,393 or 235% compared to prior year. This increase is due to anticipated market gains in the Other Post Employment Benefits (OPEB) Trust Fund. Licenses and permits show a \$5,318 increase or two percent (2%) compared to prior year. Golf user charges decreased by \$16,300 or four percent (4%) and is directly related to the economy as well as weather closures. **FY 09-10** reflects a substantial increase from FY 08-09 mainly due to fund balance appropriation. Penalties, ad valorem taxes, other taxes, golf user charges, sales and service, licenses and permits, and investment income all reflect a decrease in revenue while intergovernmental and other revenue shows an increase. 911 surcharge reimbursement attributes to the intergovernmental revenue increase. Council repealed the privilege license tax in January of 2010 which is shown within other taxes. **FY 08-09** shows a \$516,004 decrease throughout all revenue sources from prior year mainly due to economic conditions. **FY 07-08** reflects an increase within ad valorem, other taxes, and intergovernmental revenue. This year reflects the most revenue recorded for privilege license. Golf user charges are also up due to an increase in play. Intergovernmental revenue shows an increase within utility franchise tax and powell bill.



GENERAL FUND

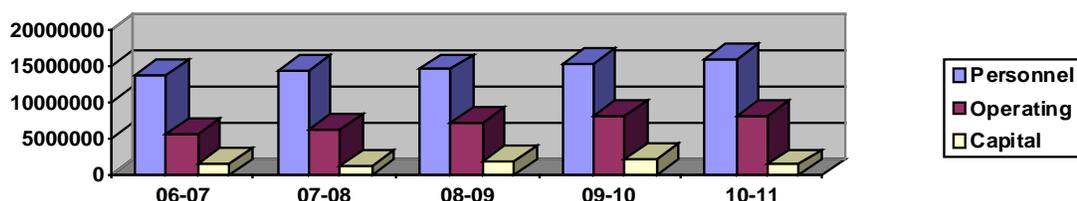
Goal: To account for the expenditures of all city departments except those required to be accounted for in other funds.

EXPENDITURE SUMMARIES

Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	13,718,577	14,208,273	14,487,044	15,355,735	15,842,632	15,991,258
Operating	5,615,882	6,278,197	7,211,260	8,078,234	8,566,234	7,928,844
Capital Outlay	1,442,278	1,076,682	1,674,276	2,002,778	2,885,931	1,280,095
Total	20,776,737	21,563,152	23,372,580	25,436,747	27,294,797	25,200,197
Budgeted Employees	262	263	263	267	267	267

GRAPHIC REPRESENTATION

FY 10-11 expenditures reflect a decrease of \$236,550 or one (1%) percent compared to the FY 09-10 budget. Personnel costs represent fifty-eight (58%) percent of the total general fund budget. Increases in personnel costs total \$635,523 which includes a 2.5% cost of living adjustment for employees, an additional 1.55% state mandated employer retirement contribution, and also a 2.8% health insurance premium adjustment. A total of four (4) positions have been frozen to help offset the revenue deficit. They are included within the Human Resources, Solid Waste, and Inspections departments. Four (4) new police officers have been added with grant funds. Operating decreased \$149,390 or two (2%) percent compared to prior year. Operating shows a \$30,000 contribution reduction to the Central Business Tax District. These funds were used to pay off a loan for Depot Park improvements and this debt will retire this year. Interfund reimbursements are shown as reductions to expenses for services provided and charged to other funds. Capital outlay is showing a reduction of \$722,683 or fifty-six (56%) percent compared to prior year. Capital appropriations reflect items such as a youth skate park (\$75,000), knuckleboom truck (\$135,000), thirteen (13) patrol vehicles (\$318,500), and E911 equipment (\$300,195). Capital also includes fire trench rescue equipment (\$70,000) which is 50% funded by Lee County and a dump truck (\$45,500) required for the state mandated recycling of televisions and computers. The city received a \$20,000 grant to assist with funding this new dump truck. Historically, personnel increases are reflective of cost of living and merit adjustments, however, these adjustments were not funded in **FY 09-10** due to economic conditions. Health insurance increases this fund annually. A total of six (6) positions were frozen in **FY 09-10** to help offset the revenue deficit. They are included within the Human Resources, Police, Solid Waste, and Inspections departments. Operating increased \$866,974 mainly due to the funding of OPEB and loan to the airport authority. **FY 08-09** included funding for three new positions within the Police, Fire, and Human Resources departments. Three employees were transferred into the Utility Fund mid-year for the creation of a new Public Works Administration department. Other personnel increases include a 3% cost of living and merit adjustments and a 4% health insurance premium adjustment. The number of budgeted employees remain level as these changes offset each other. The Public Works Administration department previously in the General Fund has been renamed General Services. Operating increases are due to OPEB funding and a loan to the airport authority. Capital funding reflects a fire pumper. **FY 07-08** reflects a 2.5% cost of living adjustment and funding for merit pay. One new position was added within the police department. A substantial increase is shown within the operating budget mainly due to funding of capital projects as well as increase in fuel costs.



FUND BALANCE GOVERNMENTAL FUNDS

	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10 Unaudited	BUDGET 10-11
GENERAL FUND					
BEGINNING BALANCE	\$ 9,591,024	\$ 12,027,240	\$ 14,453,199	\$ 13,543,784	\$ 13,240,143
REVENUES					
AD VALOREM TAXES	10,662,665	11,285,987	11,819,439	11,771,316	11,571,843
INTERGOVERNMENTAL	3,105,432	3,678,318	3,656,494	3,775,308	4,005,977
SALES TAX	4,998,479	5,638,500	5,197,958	4,644,952	4,624,800
OTHER	4,468,576	3,386,306	2,799,214	3,154,213	2,851,429
TOTAL	<u>23,235,152</u>	<u>23,989,111</u>	<u>23,473,105</u>	<u>23,345,789</u>	<u>23,054,049</u>
EXPENDITURES					
GENERAL GOVERNMENT	3,649,998	3,983,590	5,524,204	5,247,207	6,444,419
PUBLIC SAFETY	10,658,092	10,888,532	12,328,727	12,335,939	13,059,982
STREETS	2,537,988	2,601,835	2,582,825	2,503,096	2,622,982
SANITATION	2,882,281	2,732,562	2,578,442	2,398,121	2,596,692
COMMUNITY DEV.	1,070,577	1,052,833	1,251,782	1,165,067	1,235,619
TOTAL	<u>20,798,936</u>	<u>21,259,352</u>	<u>24,265,980</u>	<u>23,649,430</u>	<u>25,959,694</u>
TRANSFER TO OTHER FUNDS	0	303,800	116,540	0	0
ADJ. TO FUND BALANCE FOR GOLF LOAN	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
ENDING BALANCE	<u>\$ 12,027,240</u>	<u>\$ 14,453,199</u>	<u>\$ 13,543,784</u>	<u>\$ 13,240,143</u>	<u>\$ 10,334,498</u>

GOVERNING BODY

Fund: General

Function: General Government

Goal: To maintain a safe, pleasant environment within the community by providing effective government through the efficient delivery of public services.

DEPARTMENTAL SUMMARIES

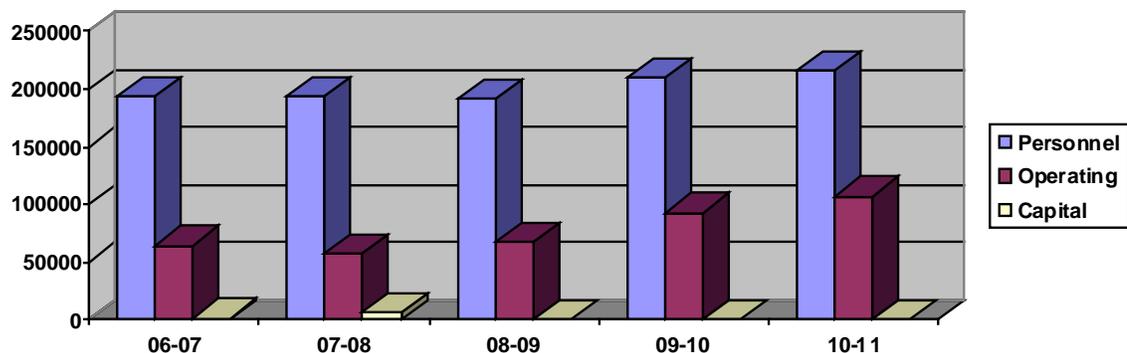
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	193,894	192,981	191,001	210,186	210,761	216,072
Operating	64,583	57,890	67,388	92,902	92,027	107,027
Capital	900	5,937	0	0	0	0
Subtotal	259,377	256,808	258,389	303,088	302,788	323,099
Less Interfund Reimbursement	(51,445)	(55,628)	(55,507)	(49,659)	(55,279)	(55,279)
Total	207,932	201,180	202,882	253,429	247,509	267,820
Budgeted Employees	9	9	9	9	9	9

2010-2011 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect an increase of \$20,011 or seven percent (7%) compared to FY 09-10 budget prior to interfund reimbursements. Personnel costs reflect a 2.5% cost of living adjustment as well as a state mandated retirement contribution rate increase of 1.55%. Upon council direction, monies (\$15,000) were added within operating to fund brochures to market the City of Sanford. **FY 09-10** reflects increases within the operating cost center related to professional services, advertising for National Night Out, and workers compensation and liability insurance. Personnel increases were attributed to additional council members electing group insurance coverage.



GOVERNING BODY

The Governing Body is the legislative and policy making body of the City. It is composed of a mayor and seven council members, five of whom are elected from individual wards and two who are elected at-large. The Mayor is elected for a four-year term of office and the council members are elected for staggered terms of four years. The Mayor presides at meetings and serves as the ceremonial head of government. The Mayor Pro Tem serves in the absence of the Mayor and is appointed by fellow council members for a period of four years. The council members are all members of the Law and Finance Committee. Special meetings are held when necessary to include budget work sessions. The City Clerk prepares the agenda and minutes for Board and Committee meetings; attests to and maintains files of certified minutes; indexes minutes for easy reference; maintains resolutions and ordinances and administers Oaths of Office.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
Goal: To maintain and expand the governing body's knowledge of new programs and initiatives which will assist in the development of sound policy-making decisions on behalf of the citizens of our community			
Objective: Council members will attend pertinent national, state, and local meetings which will help them stay abreast of important local issues			
Measures:			
Congressional Action Committee Meetings Attended	12	12	12
Town Hall Day (Members attending)	5	5	5
National League of Cities Conferences (Members attending)	6	6	6
NC League of Municipalities Conferences (Members attending)	4	4	6
Committee of 100 Meetings	12	12	12
Chamber of Commerce Meetings	13	13	13
Lee County Economic Development Meetings	18	18	18

Goal: To maximize the benefit of the National Night Out program which seeks to bring the city officials, the law enforcement community, and neighborhoods together to be aware of crime and its impact on our community

Objective: 1) Council will continue strengthening the program by visiting as many community events as possible to communicate with the citizens as they listen to their concerns and ideas; 2) to serve as coordinator for special events sponsored by the City held jointly with the public; 3) Installation of Elected Officials, City Employee's Golf Tournament, Participates in City Awards Banquet and gives tours of City Hall to elementary classes; overall coordinator for National Night Out

Measures:			
National Night Out Events	26	32	32
National Night Out Awards Received	12	14	15
Coordinate National Night Out Events	26	29	32

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: City Clerk – To provide for and ensure the accurate compilation and maintenance of the legislative history of the official actions and documents of the City of Sanford

Objective: 1) To compile and distribute all agenda documents for City Council and Law and Finance Committee meetings; 2) To attend meetings and transcribe accurate, unbiased minutes of proceedings in accordance with established procedures and time frames; accurate documentation of ordinances, resolutions, and proclamations; 3) Advertise and prepare applications for boards and commissions appointments

Measures:

Law and Finance Committee Meetings	18	24	24
Work Sessions	2	6	6
City Council Meetings	26	24	24
Prepare agendas and attend commission meetings	50	50	50
Adopted City Ordinances and Resolutions	120	63	75
Prepare applications for Boards and Commissions appointments	18	18	20

Goal: To serve as a principal contact for citizens inquiries; inform the residents of the actions of the City using the most current means and methods; advise and process Itinerant Merchant License

Objective: To provide effective and courteous customer service to the public; answer telephone inquiries within 24 hours and to urgent requests immediately

Measures:

Telephone inquiries responded to within 24 hours	99%	99%	99%
Advise and Process Itinerant Merchant Licenses	99%	99%	99%

ADMINISTRATION

Fund: General

Function: General Government

Goal: To see that all the laws of the state, and ordinances, resolutions, rules and regulations of the City Council are faithfully executed and enforced within the jurisdiction of the City.

DEPARTMENTAL SUMMARIES

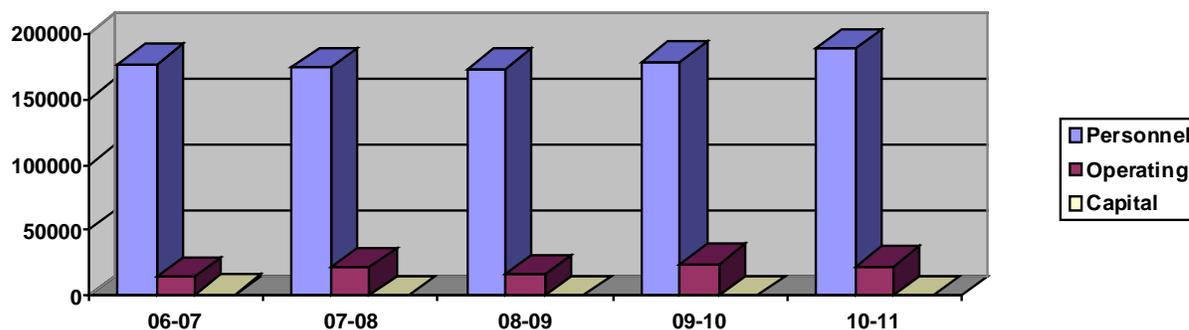
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	176,632	174,187	172,533	178,555	183,027	187,810
Operating	14,589	21,565	16,097	24,551	24,551	21,751
Capital	789	0	0	0	0	0
Subtotal	192,010	195,752	188,630	203,106	207,578	209,561
Less Interfund Reimbursement	(39,606)	(41,356)	(40,921)	(38,748)	(40,355)	(40,355)
Total	152,404	154,396	147,709	164,358	167,223	169,206
Budgeted Employees	2	2	2	2	2	2

2010-2011 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect an increase of \$6,455 or three percent (3%) compared to FY 09-10 budget prior to interfund reimbursements. Increases are shown within personnel cost center for a 2.5% cost of living adjustment and state mandated retirement contribution increase of 1.55%. Cost of living and merit adjustments were not funded during **FY 09-10** due to economic conditions. **FY 07-08** and **FY 08-09** reflect retirement / change in personnel.



ADMINISTRATION

The City Manager, appointed by the City Council, is the Chief Executive Officer of the City. The Manager administers the policies adopted by the Council and supervises the daily operation of the City through department heads. Other responsibilities include the development of the annual budget, preparation of Council meeting agendas, development of staff recommendations, supporting information on all matters to be considered by the Council, responding to citizen complaints and service requests, conducting disciplinary hearings, approving purchases, and preparing and reviewing special reports.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To provide professional administration of policies and programs established by the City Council as well as provide leadership in the daily administration of City government

Objective: 1) Review all agenda items being presented to the City Council and attend all Council meetings;
2) To represent the City at all meetings and provide policy guidance for the Council

Measures:

Conduct Department Head Meetings	6	6	8
Congressional Action Committee meetings attended	12	12	12
Town Hall Day (Members attending)	7	7	5
National League of Cities Conferences (Members attending)	6	4	6
NC League of Municipalities Conferences (Members attending)	4	1	6
Committee of 100 Meetings	12	12	12
Chamber of Commerce Meetings	13	13	13
Lee County Economic Development Meetings	18	18	18

HUMAN RESOURCES

Fund: General

Function: General Government

Goal: To organize a comprehensive personnel program that will facilitate the hiring and retention of well-qualified employees.

DEPARTMENTAL SUMMARIES

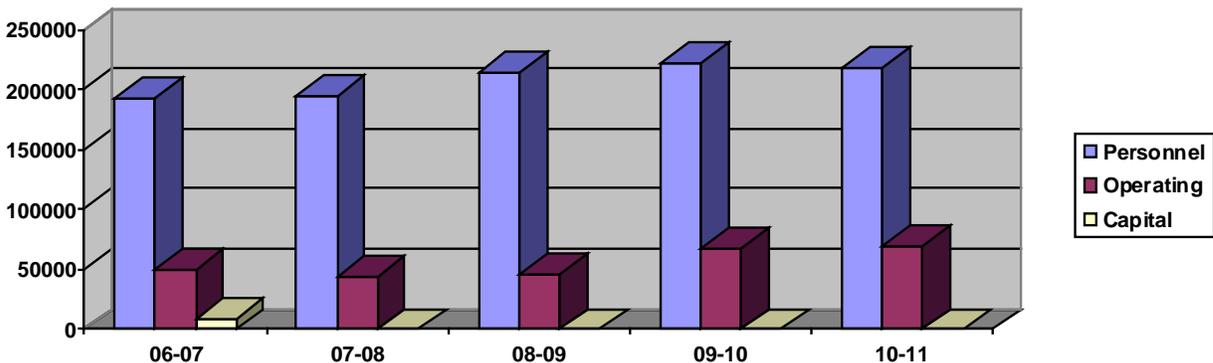
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	192,328	195,223	215,055	223,238	255,716	219,276
Operating	49,020	44,258	46,085	67,805	77,897	69,433
Capital	8,552	0	0	0	0	0
Subtotal	249,900	239,481	261,140	291,043	333,613	288,709
Less Interfund Reimbursement	(45,196)	(48,745)	(51,649)	(47,404)	(55,867)	(55,867)
Total	204,704	190,736	209,491	243,639	277,746	232,842
Budgeted Employees	3	3	4	4	4	4

2010-2011 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect a decrease of \$2,334 or one percent (1%) compared to **FY 09-10** budget prior to interfund reimbursement. Personnel decreases are shown due to one frozen position resulting in a savings of \$33,835; however, council funded a 2.5% cost of living adjustment for employees. Cost of living or merit adjustments were not funded during **FY 09-10** due to economic conditions; however, one receptionist position was funded for ½ of the year. The operating cost center for **FY 09-10** reflects increases for additional funding within advertising and employee benefits. Retirement celebrations previously budgeted within user departments were transferred into this operating cost center. **FY 08-09** increased due to change in personnel and outsourcing a newly implemented flex spending debit card program. **FY 07-08** shows a decrease within capital funding. **FY 06-07** funded a pay class study.



HUMAN RESOURCES

The Department of Human Resources exists as a support department to all other city departments and provides a wide range of services to employees. The most prominent functions that the department performs include recruitment and selection; new employee orientation; benefits review and administration; wage & salary administration; position evaluation; employee development, training and education; performance management; employee relations (reward and disciplinary procedures and programs); human resource policy development, interpretation and administration; leave management (short-term disability, family medical leave, leave without pay, etc.), tracking and trending; personnel database development and administration; reporting; record retention and management; and compliance with Federal laws affecting human resources such as FLSA, Equal Pay Act, Title VII Discrimination, FMLA, ADA, Sexual Harassment, HIPPA, COBRA, USERRA, etc.; NC State laws and court decisions such as employee records privacy and applicant privacy; and local City of Sanford Policies and Procedures. A growing workforce, coupled with increasingly complex state and federal regulations, continues to expand the scope and responsibility of the department.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To continue to provide effective Human Resources Management by developing and implementing programs and services which contribute to the attainment of City and employee goals

Objective: To provide general administration of Human Resources activities that balance the needs of the employee and the needs of the Company

Measures:

Service Award employees honored (calendar year)	55	55	55
Wellness Program / Lunch-n-Learn sessions	26	30	30

Objective: To provide a communication resource to share general business information, improve employee understanding of programs, etc., and improve employee morale

Measures:

Human Resources focal point meetings / visits	15	20	20
Newsletter Publications	6	6	6
Update Human Resources City webpage	1	n/a	n/a

Goal: To maintain organizational development and employee effectiveness through Human Resource programs

Objective: To provide monthly cost effective technical, interpersonal, and career development training and coaching for employees

Measures:

Management Educational Sessions	2	2	1
Employee Educational Sessions	5	3	3

Objective: To hire the most qualified employees by pre-planning staffing needs, ensuring an effective interview process, increasing company visibility in the employment marketplace, identifying the best and most cost effective recruitment sources, conducting thorough reference checks, and monitoring recruitment and retention efforts for all City positions.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
Measures:			
US DOL / ESC Monthly Employment Statistics Report	12	12	12
Personnel hired – full time regular	17	10	10
Personnel hired – temporary	2	3	2
Personnel changes – promotions	33	30	30
Personnel changes – promotions / transfers	1	1	1
Personnel changes – demotions	2	0	0
Personnel changes – demotions / transfers	0	0	0
Personnel changes – transfers	0	2	2
Personnel separated – all personnel	15	14	14
Personnel separated – excluding retirees	9	10	10
Turnover rate – all personnel	4.57%	4.26%	4.26%
Turnover rate – excluding retirees	2.74%	3.04%	3.04%

Goal: To ensure that the City remains compliant with all applicable Federal, State, and local laws and City policies

Objective: To ensure compliance with COBRA regulations

Measures:

COBRA notices to new employees	17	10	10
COBRA election forms to eligible employees / dependents	18	20	20

Objective: To update City of Sanford personnel policies and procedures in an effort to ensure compliance with Federal, State, and local laws and City practice and assure fair and equitable treatment

Measures:

Review and revise City of Sanford Personnel Policy	3	3	3
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RISK MANAGEMENT

Fund: General

Function: General Government

Goal: To organize and administer a comprehensive safety program that will insure a safe working environment for all city employees.

DEPARTMENTAL SUMMARIES

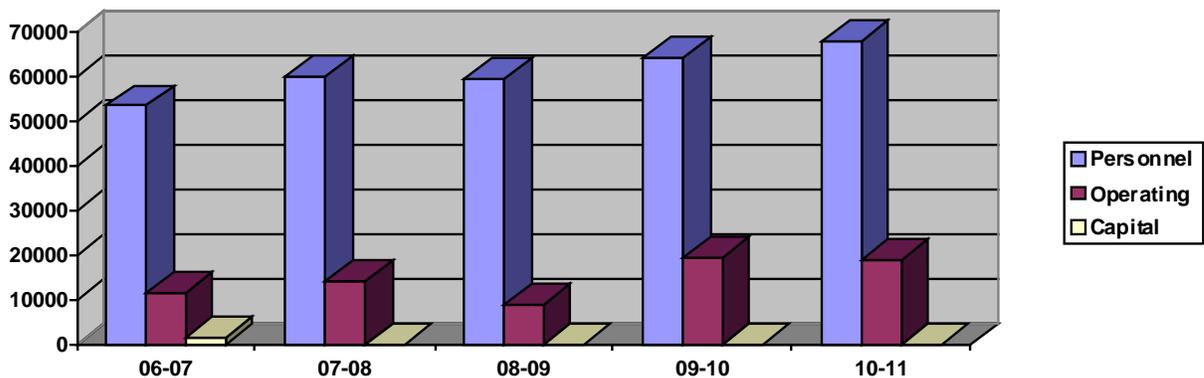
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	53,313	59,952	59,303	64,324	66,297	67,880
Operating	11,476	14,087	9,028	19,494	20,754	18,754
Capital	1,700	0	0	0	0	0
Subtotal	66,489	74,039	68,331	83,818	87,051	86,634
Less Interfund Reimbursement	(5,691)	(14,625)	(28,885)	(30,533)	(29,237)	(29,237)
Total	60,798	59,414	39,446	53,285	57,814	57,397
Budgeted Employees	1	1	1	1	1	1

2010-2011 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect an increase of \$2,816 or three percent (3%) compared to FY 09-10 budget prior to interfund reimbursement. Personnel costs reflect a 2.5% cost of living adjustment as well as a state mandated employer retirement contribution rate increase of 1.55%. **FY 09-10** reflects funding of pre-employment drug testing. Cost of living and merit adjustments were not funded as a result of current economic conditions. **FY 07-08** shows increases for personnel adjustments. **FY 06-07** reflects funding of the risk management officer for a full year.



RISK MANAGEMENT

The Risk Management Office is responsible for coordinating and administering the City of Sanford's health & safety, workers' compensation, and property & liability programs. These responsibilities include conducting necessary compliance and general training sessions, developing and updating policies and procedures, investigating accidents/injuries/claims, monitoring and advising on loss control and safety matters, negotiating claim settlements, communicating with all departments on insurance matters to minimize the overall risk of loss to the City, and preparing reports.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To provide a safe employee and public work environment intending to minimize injury, property damage and related claims costs

Objective: To provide general administration of the City's workers' compensation, property and liability, and health and safety programs

Measures:

Formal safety training at the department / division level	16	16	16
Field inspections related to employee and public safety	30	30	36
Workers' comp claims administered (to include FYI's)	24	20	22
Recordable cases	9	10	9
Lost Work Days (LWD)	490	425	457
Medical and indemnity annual loss incurred	\$63,502	\$187,045	\$125,274
Auto / general liability claims administered	19	38	29
Auto / general liability annual loss incurred	\$34,334	\$135,000	\$169,334

ELECTIONS

Fund: General

Function: General Government

Goal: To account for expenditures incurred for the municipal elections.

DEPARTMENTAL SUMMARIES

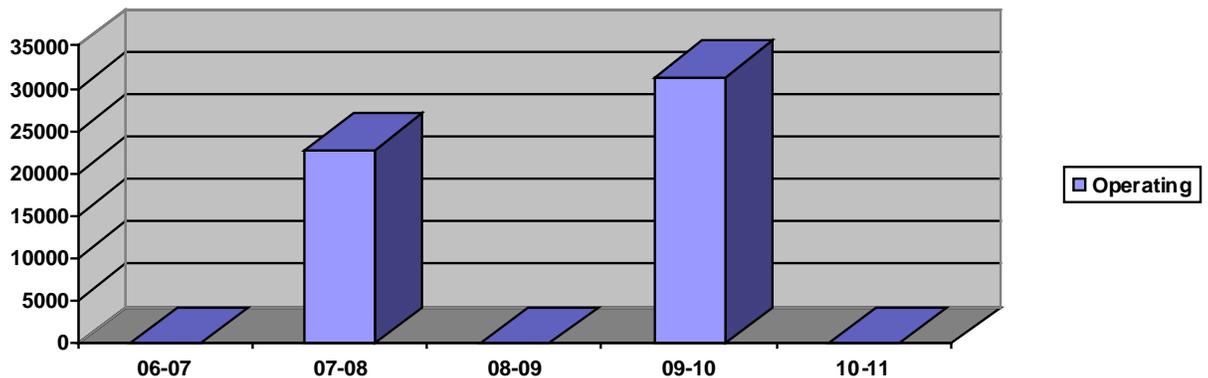
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	0	0	0	0	0	0
Operating	0	22,781	0	31,307	0	0
Capital	0	0	0	0	0	0
Total	0	22,781	0	31,307	0	0
Budgeted Employees	0	0	0	0	0	0

2010-2011 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

Elections reflect costs associated with the city election held bi-annually. **FY 09-10** reflects an \$8,526 increase or thirty-seven (37%) percent compared to FY 07-08. Increase is mainly due to additional workers required for early voting polls. **FY 07-08** increased substantially compared to FY 05-06 due to placement of new machines and additional workers required at the polls.



FINANCIAL SERVICES

Fund: General

Function: General Government

Goal: To plan, organize, and coordinate the administration of all fiscal functions in a fiscally responsible manner, resulting in a financially strong City.

DEPARTMENTAL SUMMARIES

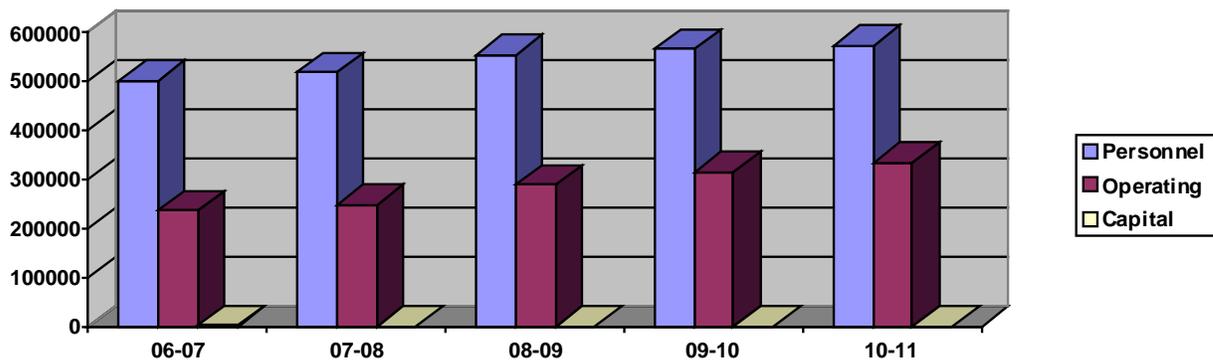
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	502,504	518,465	553,692	565,107	571,241	574,621
Operating	236,569	248,941	288,209	314,117	343,032	332,482
Capital	1,828	0	0	0	0	0
Subtotal	740,901	767,406	841,901	879,224	914,273	907,103
Less Interfund Reimbursement	(136,636)	(146,422)	(158,162)	(151,904)	(180,113)	(180,113)
Total	604,265	620,984	683,739	727,320	734,160	726,990
Budgeted Employees	8	8	8	8	8	8

2010-2011 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect an increase of \$27,879 or three percent (3%) compared to **FY 09-10** budget prior to interfund reimbursement. Personnel costs reflect a 2.5% cost of living adjustment as well as a state mandated employer retirement contribution rate increase of 1.55%. Increases within the operating cost center are related to Lee County collection fees. Economic conditions resulted in the lack of cost of living or merit adjustments for **FY 09-10**. **FY 08-09** reflects a 3% cost of living and 2.5% merit adjustments for qualified employees. **FY 08-09** shows increases within operating mainly due to the transfer of the employee computer purchase program into this department.



FINANCIAL SERVICES

Financial Services is responsible for managing all the financial operations of the City which include: accounts payable, accounts receivable, annual audit process, annual budget preparation and monitoring, capital project accounting, capital asset reporting, cash and investment management, debt administration, financial analysis, financial reporting, and payroll.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To insure accountability of public funds, the department will have an annual independent audit conducted and issue a comprehensive annual financial report (CAFR)

Objective: Prepare the annual financial report according to State requirements and submit to the Government Finance Officer's Association's (GFOA) for consideration in the Certificate of Achievement for Excellence in Financial Reporting Awards Program

Measures:

Submit CAFR to State Treasurer no later than October 31	100%	100%	100%
Number of GFOA Certificate of Achievement for Excellence in Financial Reporting Awards received	29	30	31
Publish financial statements within 10 days of month end	100%	100%	100%

Goal: To insure accountability of public funds, the finance department will prepare and monitor the annual budget

Objective: Provide ongoing monitoring of the budget and submit the budget to GFOA for consideration in the Distinguished Budget Presentation Awards Program

Measures:

Provide quarterly budget reports within 20 days of quarter end	100%	100%	100%
Submit the budget to GFOA no later than 90 days after adoption date	100%	100%	100%
Number of GFOA Distinguished Budget Presentation Awards received	23	24	25

Goal: Monitor compliance with internal control policies and procedures to assist in safeguarding public funds

Objective: Conduct at least four policy and procedure audits each fiscal year and at least two inventory counts

Measures:

Audit of cash drawers	100%	100%	100%
Physical inventory counts	100%	100%	100%

INFORMATION SYSTEMS

Fund: General

Function: General Government

Goal: To develop system strategy plans as well as computer network implementation for city systems operating in compliance with state and federal licensing.

DEPARTMENTAL SUMMARIES

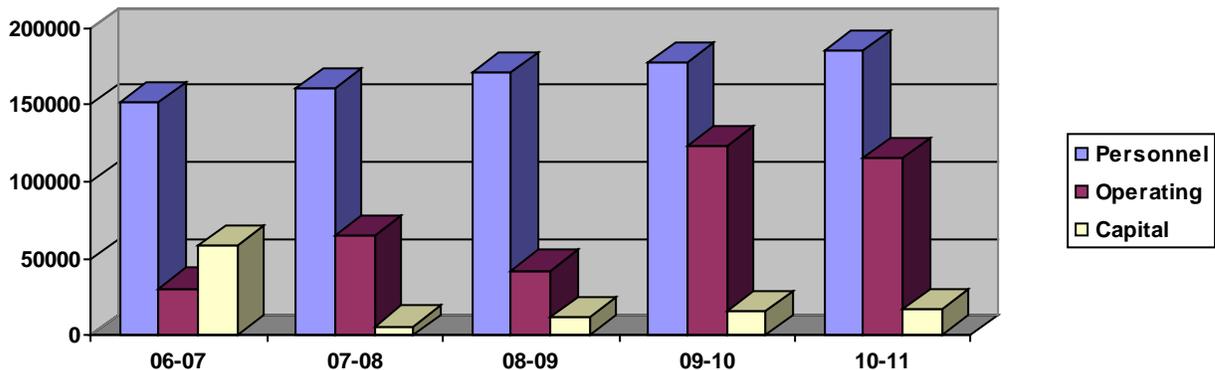
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	151,742	160,563	171,432	177,691	181,179	185,559
Operating	30,938	64,683	42,624	122,798	119,783	115,883
Capital	58,985	6,250	12,681	16,485	17,000	17,000
Subtotal	241,665	231,496	226,737	316,974	317,962	318,442
Less Interfund Reimbursements	(35,340)	(39,646)	(39,094)	(45,823)	(45,794)	(45,794)
Total	206,325	191,850	187,643	271,151	272,168	272,648
Budgeted Employees	2	2	2	2	2	2

2010-2011 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) domain controller server package, \$17,000.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect an increase of \$1,468 compared to the FY 09-11 budget prior to interfund reimbursement. Personnel increases relate to a 2.5% cost of living adjustment for employees and also a 1.55% state mandated employer retirement contribution increase. Decreases shown within operating cost center are related to professional service fees, departmental supplies, and public access television. **FY 09-10** shows an increase within operating attributed to the transfer of the copier contract into this department. Historically personnel adjustments contribute to increases shown within the cost center, however cost of living and merit adjustments were not funded during **FY 09-10** due to economic conditions. **FY 08-09** reflects a 3% cost of living adjustment and a 2.5% merit adjustment for qualified employees. **FY 07-08** shows increases within operating for additional items required pertaining to the new computer software conversion as well as the cable television channel.



INFORMATION SYSTEMS

The Information Systems Department is responsible for computers, servers, and software at City Hall and eleven satellite locations. Our systems include: fiber optics, transceivers, network switches, routers, networked line printers, networked laser printers, fax devices, programs, tape devices, disk arrays, PCs, servers, and network operating systems. The department upgrades software and hardware systems to all areas of city government with necessary support to perform and accomplish job functions more efficiently. Information Systems will continue to upgrade software and hardware systems where as to provide all areas of city government with necessary support to perform and accomplish job functions more efficiently. Another major accomplishment, in addition to building the computer and fiber network, is the completion of the enhanced city website (www.sanfordnc.net) for citizens and city employees to use for job postings, applications, meeting minutes, schedules, downloadable forms, departmental information, the UDO and much more. The department continues to maintain the local access channel services to televise council meetings, public service announcements, visitor information, local events, schedules, and more.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To reduce the number of network downtime hours to an absolute minimum that will allow users more time for productivity throughout the entire work year

Objective: To choose reliable computer hardware / software, do all preventive maintenance of systems, fix problems as quickly as possible to provide maximum computer network uptime

Measures:

Hours of network downtime	5	4	4
Respond to help desk problems in a timely manner	100%	100%	100%

Goal: For the city to operate in the most technologically efficient methods possible

Objective: To expand the use of technology throughout all departments to maximize employee efficiency

Measures:

Number of computer users	177	178	181
Number of computer systems in place	167	174	178
Number of network servers in place	17	17	17
Number of databases being utilized	34	34	35

LEGAL

Fund: General

Function: General Government

Goal: To provide legal assistance to the City of Sanford's Administrative staff when needed and to assist and advise the City Council on any legal matters in the performance of their duties.

DEPARTMENTAL SUMMARIES

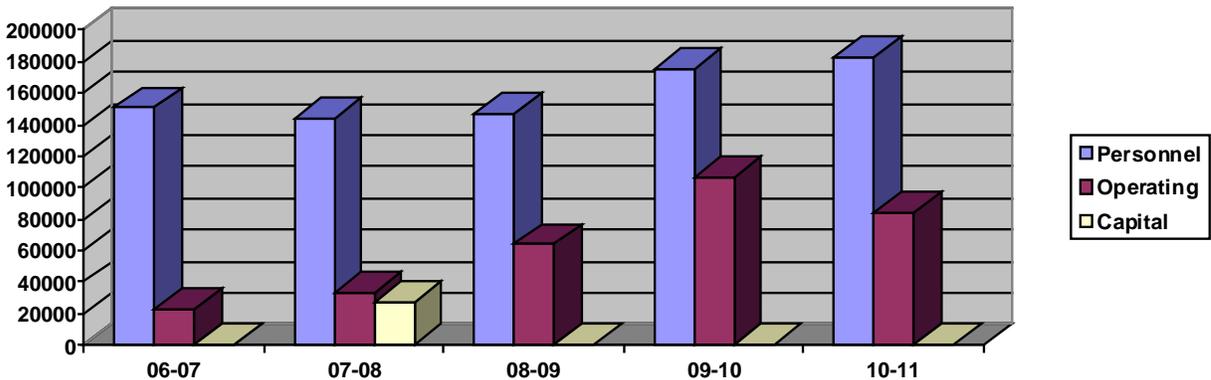
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	150,514	143,714	147,286	175,761	178,079	182,382
Operating	22,510	33,401	63,968	106,388	84,613	84,613
Capital	785	27,795	0	0	0	0
Subtotal	173,809	204,910	211,254	282,149	262,692	266,995
Less Interfund Reimbursement	(67,954)	(73,490)	(77,140)	(73,040)	(90,390)	(90,390)
Total	105,855	131,420	134,114	209,109	172,302	176,605
Budgeted Employees	2	2	2	2	2	2

2010-2011 CAPITAL OUTLAY DETAIL

No capital outlay funding was requested.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect a decrease of \$15,154 or five percent (5%) compared to **FY 09-10** budget prior to interfund reimbursement. Personnel cost center shows a 2.5% cost of living adjustment for employees and a 1.55% state mandated employer retirement increase. Outside fees budgeted in prior year drive the operating cost center down. **FY 09-10** reflects increase within personnel for the hiring of a new more experienced employee. Historically personnel adjustments contribute to increases shown within the cost center, however cost of living and merit adjustments were not funded during **FY 09-10** due to economic conditions. A substantial increase is reflected within the operating cost center due to additional legal fees. **FY 07-08** reflects a slight decrease within personnel due to the transfer of an employee to another department. Operating reflects a substantial increase for training and additional legal fees. Capital reflects funding for acquisition of property.



LEGAL

A City Attorney and Paralegal manage the legal affairs of the City and give advice and counsel to the City Council, the City Manager, staff, and Advisory Boards.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To insure City Council business is conducted in accordance with requirements of law, the City Attorney will furnish legal support at meetings of the council

Objective: To insure proper procedures are followed at meetings

Measures:

Attend Council workshops and retreats	100%	100%	100%
City Council meetings	100%	100%	100%
Board of Adjustment meetings	100%	100%	100%
Housing Board of Appeals meetings	100%	100%	100%

Goal: Render advice to staff, management, and City Council and insure legal documents meet requirements of law

Objective: To assist with interpreting the law

Measures:

Review ordinances, minutes, resolutions	99%	99%	99%
Review contracts, documents, easements	100%	100%	100%
Provide guidance on statutes, ordinances and regulations	Daily	Daily	Daily

Goal: To insure the City is properly represented in litigation and prepares the best defense or prosecution of legal claims

Objective: To minimize tax dollars spent on claims

Measures:

Manage Insurance Defense Counsel, provide assistance at trial, prepare staff for court actions	100%	100%	100%
Collect debts owed the City of Sanford, parking tickets, computer purchase program, water bills, etc.	97%	97%	97%

PUBLIC BUILDING

Fund: General

Function: General Government

Goal: To maintain all public buildings and grounds in the most efficient and economical manner.

DEPARTMENTAL SUMMARIES

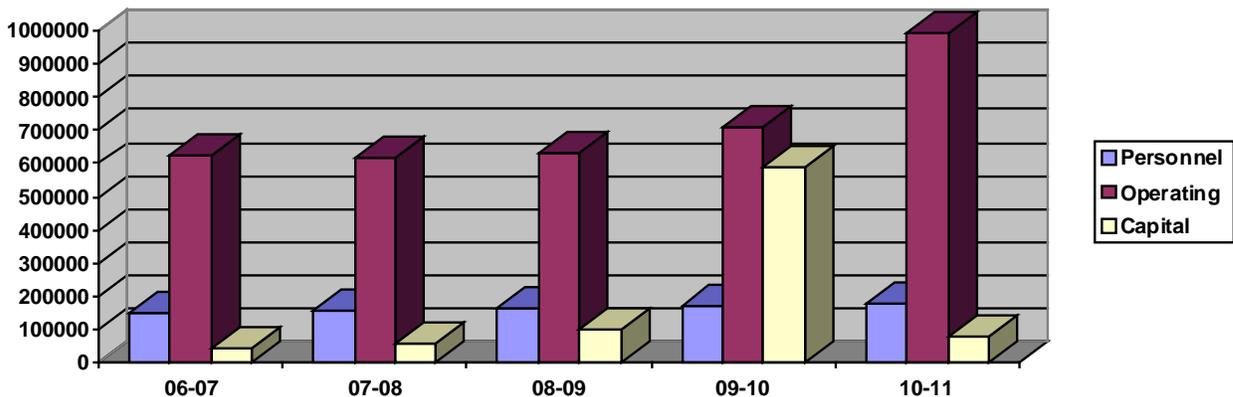
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	148,057	157,226	166,203	170,687	172,196	176,277
Operating	623,681	614,923	632,631	707,873	662,819	990,893
Capital	46,260	55,629	98,432	586,185	206,250	81,000
Subtotal	817,998	827,778	897,266	1,464,745	1,041,265	1,248,170
Less Interfund Reimbursements	(156,419)	(155,976)	(131,679)	(121,968)	(170,900)	(170,900)
Total	661,579	671,802	765,587	1,342,777	870,365	1,077,270
Budgeted Employees	3	3	3	3	3	3

2010-2011 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) Sanford welcome sign, \$6,000; and one (1) skate park, \$75,000.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect a decrease of \$216,575 or fifteen (15%) percent compared to FY 09-10 budget prior to interfund reimbursement. A 2.5% cost of living adjustment and a 1.55% state mandated employer retirement contribution increase are shown within the personnel cost center. The majority of operating increases are attributed to outstanding debt payoff. Historically personnel adjustments contribute to increases shown within the cost center, however cost of living and merit adjustments were not funded during **FY 09-10** due to economic conditions. **FY 09-10** shows increases within operating mainly attributed to preliminary analysis of public safety facility (\$25,000); and installment purchase payment for remodel of city hall (\$58,333). Increases within capital reflect a \$350,000 installment purchase to remodel city hall and \$75,000 for neighborhood / MLK parks. **FY 08-09** and **FY 07-08** increases are related to capital funding as well.



PUBLIC BUILDING

Building maintenance is responsible for the routine and preventive maintenance of City buildings (approximately 150,000 square feet) in order to maintain all City facilities in a safe, structurally sound, and aesthetically pleasing condition for public and employee occupancy in compliance with all City codes. Special jobs are also performed as requested by departments that include: plumbing, carpentry, electrical, painting, relocation of equipment or furniture, and roofing. Other responsibilities include: performing general preventive maintenance, responding to emergency calls pertaining to vandalism, power outages, plumbing leaks or electrical malfunctions. Provide electrical repair work for buildings and downtown lighting, assisting departments in obtaining contract maintenance and construction services and monitoring contract services for air conditioning, plumbing, electrical work, and janitorial services.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To maintain all City buildings in a safe, structurally sound, and aesthetically pleasing condition for public and employee occupancy, in compliance with all City codes, through preventive maintenance and repairs

Objective: To complete a comprehensive inspection of all City buildings at least once every quarter; to provide technical support for special events

Measures:

Number of City buildings maintained	7	7	7
Facilities inspected quarterly	7	7	7
Preventive maintenance service on A/C units			
Change filters every 3 months	100%	100%	100%
Clean A/C coils, drain and check belts every 6 months	100%	100%	100%
Respond to emergencies within 4 hours	100%	100%	100%
Work order response time			
Schedule within 2 days of receipt	100%	100%	100%
Complete within 2 weeks	95%	95%	95%

Objective: To ensure all City departments are kept informed on the status of work orders and project recommendations

Measures:

Provide monthly project status reports to departments	12	12	12
Provide project recommendations within 72 hours of receipt	95%	95%	95%

GENERAL SERVICES

Fund: General

Function: General Government

Goal: To increase the effectiveness of all divisions within the Public Works Department.

DEPARTMENTAL SUMMARIES

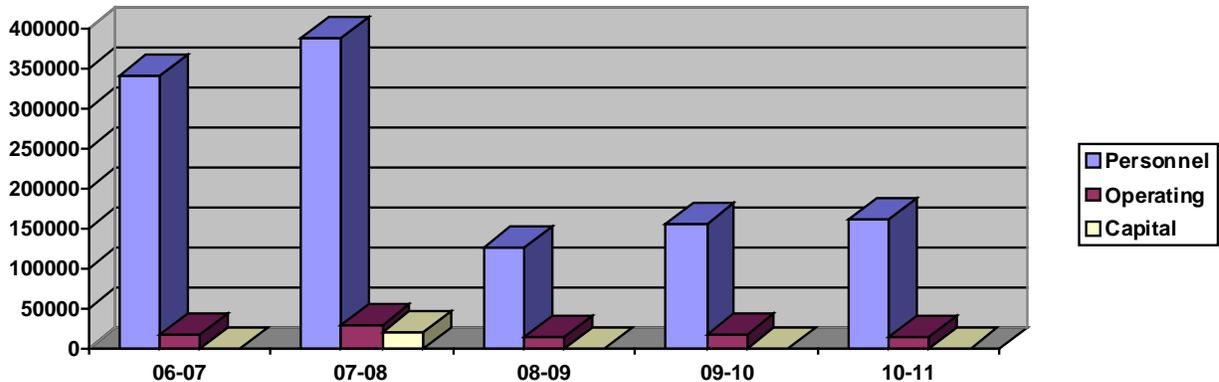
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	341,987	387,373	127,151	154,158	156,599	160,362
Operating	18,104	28,957	13,990	15,765	16,065	15,527
Capital	0	21,151	0	0	0	0
Subtotal	360,091	437,481	141,141	169,923	172,664	175,889
Less Interfund Reimbursement	(231,842)	(257,158)	(13,158)	(12,078)	(12,078)	(12,078)
Total	128,249	180,323	127,983	157,845	160,586	163,811
Budgeted Employees	5	5	2	2	2	2

2010-2011 CAPITAL OUTLAY DETAIL

No capital outlay funding was requested.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect an increase of \$5,966 or four percent (4%) compared to FY 09-10 budget prior to interfund reimbursement. A 2.5% cost of living adjustment and a 1.55% state mandated employer retirement contribution increase are shown within the personnel cost center. **FY 09-10** shows an increase for the first full year of the department transfer made in prior year. **FY 08-09** reflects the transfer of three employees into a new public works administration department within the utility fund. **FY 07-08** shows increases within personnel due to the retirement of an employee; operating reflects increases within training, auto maintenance and fuel cost. Capital funding also contributes to the increases within FY 07-08.



GENERAL SERVICES

The General Services Division is responsible for the effective management of the General Services Department. Formal departmental staff meetings are held in order to enhance open, productive communication. Discussions are held concerning each division's activities and any actions or decisions made by administration. The General Services director meets informally with division heads on a daily basis to promote communication and problem solving. Safety training is provided on a continuous basis for prevention of accidents and compliance to OSHA standards. The division is also responsible for administrative work including routine record keeping, implementation of written policies, information literature for in-house and public use, special projects and public relations.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: General Services maintains a productive department through strong leadership and teamwork; services essential to the quality of life in Sanford are provided to citizens and user departments in the most cost effective, efficient, and courteous manner possible

Objective: To provide constructive leadership to the General Services Department by projecting a clear vision for the future, developing effective divisions within the department, and planning, directing and coordinating the efficient use of these divisions while serving the citizens of Sanford and user departments

Measures:

Contact citizens that have a complaint within 24 hours	95%	100%	100%
Attend special meetings	100%	100%	100%
Provide competent, timely repair / service to user departments	n/a	95%	95%
Manage special projects of the city in such a manner as to produce quality products in a timely manner	n/a	95%	95%

CENTRAL OFFICE

Fund: General

Function: General Government

Goal: To provide office supplies at the most economical prices through bulk purchasing.

DEPARTMENTAL SUMMARIES

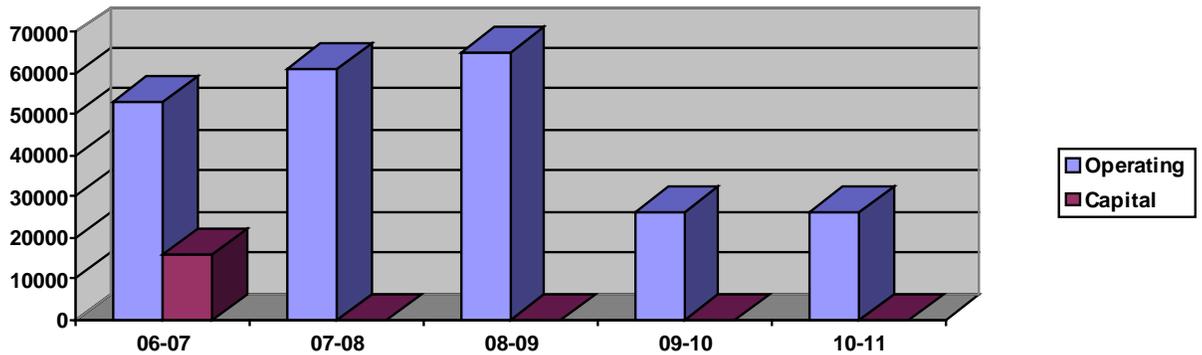
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	0	0	0	0	0	0
Operating	52,889	61,208	65,338	26,175	26,380	26,380
Capital	15,703	0	0	0	0	0
Subtotal	68,592	61,208	65,338	26,175	26,380	26,380
Less Interfund Reimbursement	(3,782)	(4,783)	(4,716)	(5,048)	(5,591)	(5,591)
Total	64,810	56,425	60,622	21,127	20,789	20,789
Budgeted Employees	0	0	0	0	0	0

2010-2011 CAPITAL OUTLAY DETAIL

No capital outlay funding was requested.

GRAPHIC REPRESENTATION

FY 10-11 remained relatively level compared to FY 09-10 budget prior to interfund reimbursement. **FY 09-10** reflects decreases compared to prior year due to the transfer of the copier contract into another department. **FY 08-09** reflects increases due to additional copy paper required since the computer software conversion in FY 06-07. A new mail machine was funded in **FY 06-07**.



GENERAL FUND CONTRIBUTIONS

Fund: General

Function: General Government

Goal: To account for transfer appropriation, agency support funding, and contingency appropriation.

DEPARTMENTAL SUMMARIES

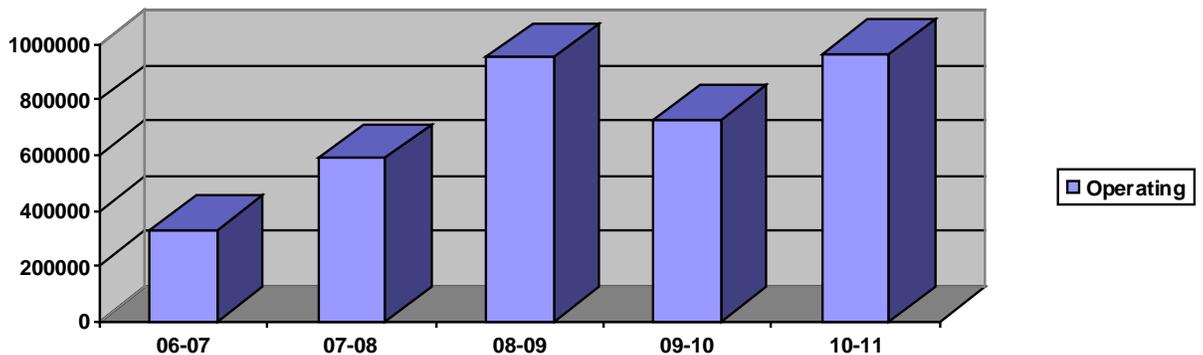
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	0	0	0	0	0	0
Operating	332,711	588,583	952,398	730,895	1,036,937	963,374
Capital	0	0	0	0	0	0
Total	332,711	588,583	952,398	730,895	1,036,937	963,374
Budgeted Employees	0	0	0	0	0	0

2010-2011 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect an increase of \$232,479 or thirty-two percent (32%) compared to FY 09-10 budget. The majority of this increase is due to a \$100,000 contribution made to the OPEB Trust Fund. Council also requested the addition of a new \$20,000 contribution to Boys and Girls Club. A contribution to the OPEB Trust Fund was not funded in **FY 09-10** due to economic constraints; also contingency funds were reduced by \$50,000. **FY 08-09** shows increases for Other Post Employment Benefits (OPEB) funding and loan to airport. **FY 07-08** reflects the first year of Other Post Employment Benefits (OPEB) funding. Appropriations include funding for the Strategic Information System contract with Lee County. Other annual expenditures include support for the League of Municipalities, Region, J, Institute of Government, Chamber of Commerce, Temple Theatre, the Arts Council, the Central Business Special Tax District, Lee County Economic Development Corporation, Boys and Girls Club, and Animal Control with Lee County.



GOLF

Fund: General

Function: General Government

Goal: To provide an enjoyable, quality golf course for the general public.

DEPARTMENTAL SUMMARIES

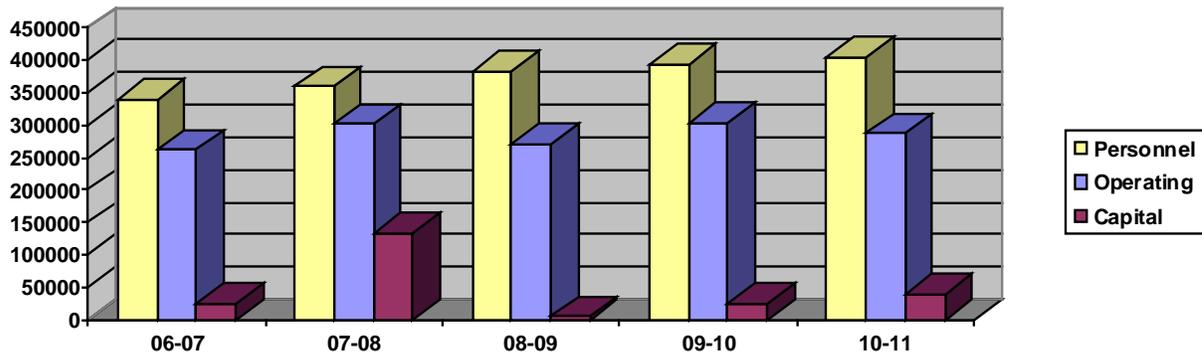
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	339,539	359,450	383,485	393,662	394,442	404,010
Operating	261,686	301,706	270,065	303,031	272,801	287,401
Capital	24,017	132,455	5,614	25,000	40,000	40,000
Total	625,242	793,611	659,164	721,693	707,243	731,411
Budgeted Employees	6	6	6	6	6	6

2010-2011 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) greens mower, \$25,000; and one (1) top dressing machine, \$15,000.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect an increase of \$9,718 or one (1%) percent compared to FY 09-10 budget. Personnel cost including a 2.5% cost of living adjustment and a 1.55% state mandated employer retirement contribution and additional capital attribute to this increase. Operating shows decreases within pro shop inventory. **Historically**, personnel increases are reflective of cost of living and merit adjustments, however, these adjustments were not funded in **FY 09-10** due to current economic conditions. Health insurance increases this cost center annually. **FY 08-09** decreases are mainly shown within capital outlay funding. **FY 07-08** reflects increases within capital for the purchase of new golf carts; operating shows increases for installment purchase expense as well as the first budget year which includes the concession and pro shop inventory. **FY 06-07** the Sanford Municipal Golf Course was transferred into the General Fund. City Council felt the public building and beautification departments could assist the golf course, therefore staffing was reduced by two employees.



GOLF

The Sanford Municipal Golf Course is an 18 hole public golf course, a pro shop, and a complete practice facility on 155 acres of city property. The golf course serves the general public by offering a facility that caters to men, women, children, churches, industries, civic organizations, and to public and private schools in the community and surrounding areas.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To maintain the golf course at optimum level in order to provide an enjoyable, quality golf experience for all golfers

Objective: Keep a highly motivated and well trained maintenance crew that will take on the responsibility of keeping a first class Municipal facility

Measures:

Aerate greens	2	2	2
Aerate fairways	2	3	3
Aerate tees	2	3	3
Fertilize fairways	2	3	3
Fertilize greens	20	20	25
Top dress greens	10	12	10
Spray for foreign grass	3	3	3
Overseed tees	2	2	2
Edge Sand Traps	3	3	3
Paint Greens (winter)	1	1	1

Goal: To maintain a rate schedule that is both beneficial to the City and to the patrons who choose to play golf at the course

Objective: To maintain a clean and appealing course and clubhouse while providing superior customer service

Measures:

Rounds of golf	29,255	27,500	32,000
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SHOP

Fund: General

Function: General Government

Goal: To provide for general repairs and maintenance of all City/County vehicles and equipment.

DEPARTMENTAL SUMMARIES

Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	260,010	271,371	274,807	285,635	289,180	296,035
Operating	652,106	823,164	672,141	770,302	949,232	932,389
Capital	900	0	8,910	19,800	31,000	31,000
Subtotal	913,016	1,094,535	955,858	1,075,737	1,269,412	1,259,424
Less Interfund Reimbursement	(0)	(0)	(0)	(65,436)	(73,893)	(73,893)
Total	913,016	1,094,535	955,858	1,010,301	1,195,519	1,185,531
Budgeted Employees	5	5	5	5	5	5

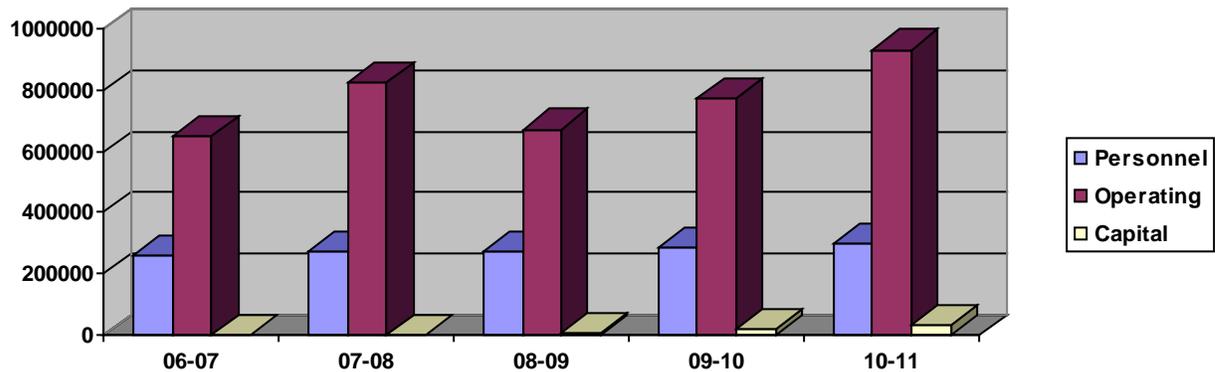
2010-2011 CAPITAL OUTLAY DETAIL

Capital outlay funding includes two (2) Ford Fusions, \$31,000.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect an increase of \$183,687 or seventeen percent (17%) compared to FY 09-10 budget prior to interfund reimbursement. A 2.5% cost of living adjustment and a 1.55% state mandated employer retirement contribution increases are shown within the personnel cost center. The city discontinued charging user departments for labor and markup on parts in **FY 09-10**. Cost of living and merit adjustments were not funded during **FY 09-10** due to the economic conditions. **FY 08-09** and **FY 07-08** reflect salary and benefit adjustments as well as fluctuation in fuel costs.

It should be noted that operating costs mainly represent costs for inventory items and gasoline. Fluctuation in fuel prices drive this cost center.



SHOP

Shop is responsible for maintaining, in a safe and reliable manner, all assigned fleet assets which includes: 70 trucks, 74 cars, 10 dump trucks, 9 tractors, 6 backhoes, 12 fire trucks, 3 knucklebooms, and 64 pieces of specialty equipment. Services include a comprehensive preventive maintenance inspection program, oil and filter changes, as well as emergency repairs. Contract maintenance will be utilized as required to enhance in-house resources and for warranty requirements. Management will provide for the rehabilitation of equipment when economically feasible and develop specifications and recommendations, based on user operational requirements, for replacement vehicles.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To provide maintenance and repair to the City's vehicle and equipment fleet in a timely manner so as to ensure adequate fleet availability

Objective: Reduce vehicle down time by ensuring that 95% of vehicle repairs are completed within 24 hours

Measures:

Total number of vehicles and equipment	250	250	250
Average percent of fleet in service	95%	95%	97%
Complete minor repairs in house within 24 hours	95%	95%	97%
Complete major repairs in house within 3 days	95%	95%	97%
Complete major repairs assigned to outside contractor within 7 days of delivery to vendor	95%	95%	95%
Respond to emergency callout within 30 minutes	100%	100%	100%

Goal: To ensure that the fleet is mechanically safe, in good repair, and meets or exceeds forecasted life

Objective: To complete 95% of Preventative Maintenance Inspections (PMI) by scheduled due date

Measures:

Number of PMI's scheduled	550	550	580
PMI's for Fire Rescue Emergency Response 2 times per year	100%	100%	100%
PMI's for Police Patrol every 3,000 miles	95%	95%	95%
PMI's for non-emergency vehicles every 3,000 miles	95%	95%	95%
PMI's for support equipment minimum 1 time per year	95%	95%	98%

HORTICULTURE

Fund: General

Function: General Government

Goal: To maintain a citywide beautification program, which will be enjoyed by all citizens.

DEPARTMENTAL SUMMARIES

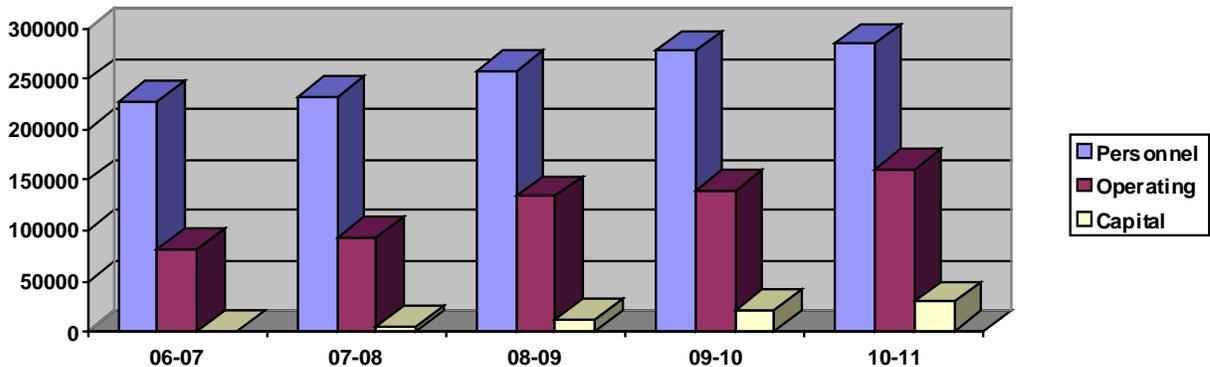
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	228,272	232,559	257,941	277,789	278,397	284,907
Operating	82,048	92,666	134,119	139,105	175,205	161,366
Capital	0	5,300	11,966	22,300	62,095	29,500
Total	310,320	330,525	404,026	439,194	515,697	475,773
Budgeted Employees	6	6	6	6	6	6

2010-2011 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) ¾ ton standard truck, \$17,000; one (1) mower lift, \$6,000; and one (1) storage building, \$6,500.

GRAPHIC REPRESENTATION

FY 10-11 appropriation reflects an increase of \$36,579 or eight (8%) percent compared to FY 09-10 budget. Personnel increases are attributed to a 2.5% cost of living adjustment and a 1.55% state mandated employer retirement contribution increase. Operating shows a substantial increase for additional mowing and planting areas to be maintained. Historically, personnel increases are reflective of cost of living and merit adjustments, however, these adjustments were not funded in **FY 09-10** due to economic conditions. **FY 08-09** includes additional funds for contractual services at Depot Park (\$80,000). The use of inmate labor continues to assist in the accomplishments of this department.



HORTICULTURE

The major functions of the Horticulture Department include landscape and maintenance of traffic islands and other city properties; landscape, installation and maintenance of horticultural areas and fine turf areas around and adjacent to governmental buildings; assist the Downtown Revitalization Committee and various merchants with the landscape and projects of joint interest to both business and local government; remove litter; responsible for erection of Christmas decorations; maintain an ongoing public speaking program to civic groups, garden clubs, and other governmental organizations concerning horticulture; work with the Chamber of Commerce Beautification Committee to assist in further beautification of the Sanford area; and installation and maintenance of tropical plants within City Hall and Public Works Service Center.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To maintain, beautify and improve appearances of traffic islands as well as interior / exterior scapes at municipal buildings and parking areas

Objective: 1) Continue to maintain areas through routine maintenance such as mowing, trimming, edging, proper pruning, fertilization applications, and litter removal; 2) Appearance will also improve by adding a splash of color with annual plantings of flowers as well as start to incorporate perennials on some islands

Measures:

Sites maintained	63	65	67
Plant beds installed / renovated	3	3	3
Annuals grown and planted	78,000	56,000	50,000
Acres mowed	22	19	21
Litter removal	65,000	60,000	50,000
Interior plants maintained	200	150	150

POLICE

Fund: General

Function: Public Safety

Goal: The goal of the Police Department is a continuous one aimed at reducing crimes, drug traffic, juvenile delinquency, and promoting safety on our streets.

DEPARTMENTAL SUMMARIES

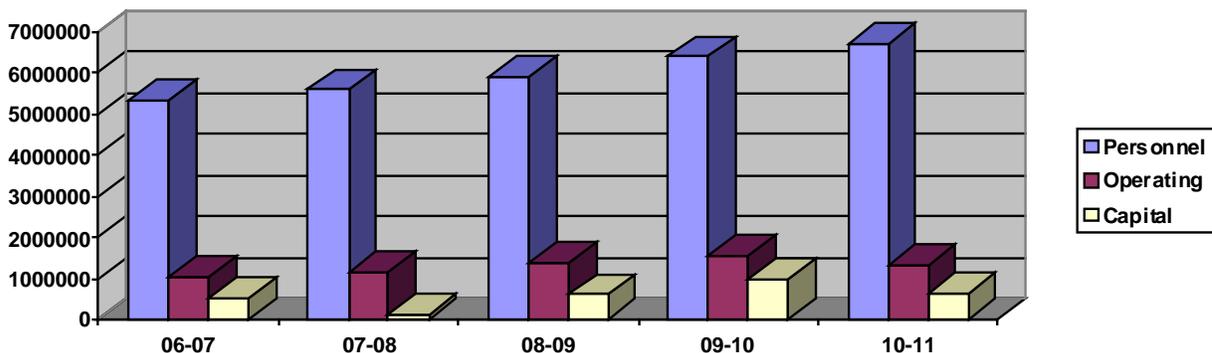
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	5,350,785	5,597,542	5,896,082	6,399,001	6,644,295	6,691,871
Operating	1,053,530	1,171,203	1,377,326	1,544,458	1,395,526	1,332,976
Capital	531,410	106,273	611,170	1,000,864	958,686	645,995
Total	6,935,725	6,875,018	7,884,578	8,944,323	8,998,507	8,670,842
Budgeted Employees	100	101	102	106	106	106

2010-2011 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) repeater, \$2,800; thirteen (13) patrol vehicles, \$318,500; four (4) mobile data terminals, \$24,500; upgrade E-911 communication system, \$300,195;

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect a decrease of \$273,481 or three (3%) percent compared to **FY 09-10** budget. This decrease is shown for reduced capital spending; operating decreases are reflected within E-911 surcharge contractual services. Personnel adjustments, including a 1.55% state mandated employer retirement contribution increase, are shown within the personnel cost center. Four new patrol officers were also funded through the COPS Hiring Recovery Grant. **FY 09-10** personnel increases are the result of health insurance cost. Historically, personnel increases are reflective of cost of living and merit adjustments, however, these were not funded during **FY 09-10** due to economic constraints. Capital funding included 911 communication console and fiber optic installation. Included within **FY 08-09** is a new gang officer funded through a Governor's Crime Commission grant as well as mobile field reporting software, mobile dispatch software, gang tracking software, and mobile message switch software which will allow officers easy access to information while on patrol. The rise in fuel costs also contribute to the operating increase. Patrol vehicles were funded which contributes to the capital increase. **FY 07-08** shows increases related to personnel costs. Capital shows substantial decrease due to funding patrol vehicles in prior year.



POLICE

The Police department provides an array of police services including administration, uniform patrol, criminal investigations, selective enforcement unit, drug enforcement unit, community policing and communications. The administration arm of the department is responsible for managing all divisions. Central to the department is the uniform patrol division which provides traffic control, protection and detection of crimes, apprehension of criminal offenders and all other calls for service. The department also provides investigations on criminal cases, identification and arrests of suspects, targets high crime areas with a specialized enforcement unit, promotes community involvement and problem oriented policing strategies, as well as targeting the illegal use of drugs and drug traffic in the city and county.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To protect and detect criminal activity and apprehend criminal offenders

Objective: To protect life and property in the City of Sanford, strive to provide a feeling of safety and security of all citizens and provide the fastest response time possible to any location within the City

Measures:

Average response time (minutes)	4	4	4
Number of calls for service	35,000	33,127	35,000
Number of accident investigations	1,600	1,406	1,385

Goal: To combat the illegal use of drugs and drug traffic in Sanford and Lee County

Objective: 1) The drug enforcement unit will provide drug awareness programs in schools, civic clubs and churches to create public awareness of drug problems; 2) The unit will also expand drug enforcement efforts throughout the City

Measures:

Number of drug arrests	320	364	370
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Goal: Through the investigative division, the department will conduct follow up investigation on criminal cases and identify and arrest suspects

Objective: Assign cases for investigative follow up within 24 hours of their receipt in the investigative division

Measures:

Part I offenses	1,271	1,234	1,230
Property damage	\$5,200,000	\$4,308,231	\$5,200,000

FIRE

Fund: General

Function: Public Safety

Goal: To protect life and property by preventing fires from starting and to maintain a construction and fire loading system that will keep potential fire problems within the manageable limits of the fire control system.

DEPARTMENTAL SUMMARIES

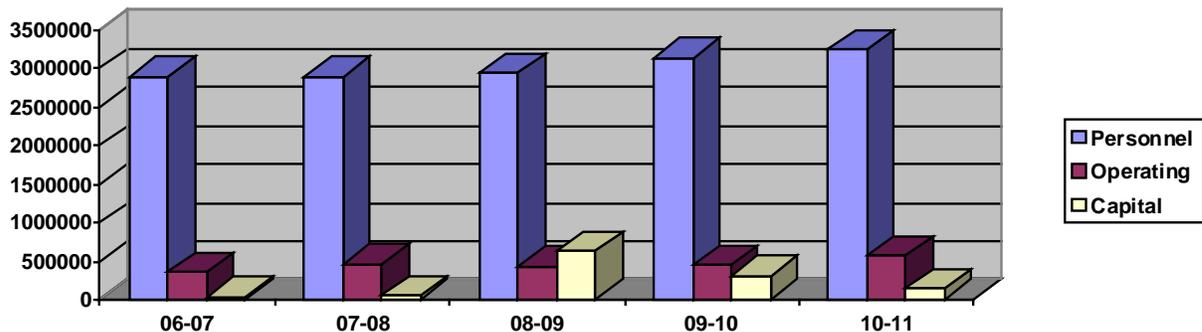
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	2,881,991	2,891,751	2,938,851	3,130,008	3,184,789	3,239,843
Operating	358,365	459,948	436,587	447,015	620,155	565,414
Capital	32,668	56,435	634,475	313,903	1,031,900	141,100
Total	3,273,024	3,408,134	4,009,913	3,890,926	4,836,844	3,946,357
Budgeted Employees	52	52	53	53	53	53

2010-2011 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) UHF repeater, \$8,600; one (1) thermal imaging camera, \$12,000; special mission trench rescue equipment, \$70,000 (1/2 funded by Lee County); replace concrete apron, \$12,000; and replace bay floor, \$38,500.

GRAPHIC REPRESENTATION

FY 10-11 appropriations increased \$55,431 or one percent (1%) compared to the **FY 09-10** budget. Personnel increases are reflective of a 2.5% cost of living adjustment and an additional 1.55% state mandated employer retirement contribution. Pay off of outstanding debt contributes to the increase shown within operating. **Historically**, personnel increases are reflective of cost of living and merit adjustments, however, these adjustments were not funded in **FY 09-10** due to economic constraints. Health insurance increases this cost center annually. **FY 08-09** personnel cost show a slight increase due to salary and benefit adjustments. Four part-time trainee firefighter positions have been converted into one full-time trainee position. No additional costs are associated with that position. Shown within capital is funding for two pumper apparatus. Fuel prices contribute to the increases shown within **FY 07-08** operating budget. A policy change was implemented during **FY 07-08** to increase the capital threshold from \$500 to \$2,500. Items that were originally budgeted within capital have been moved into operating. This transfer contributes to the increase shown with operating.



FIRE

To protect life and property by preventing fires from starting through education and inspections, and to reduce human suffering and property loss by responding to every incident as quickly, professionally, and safely as possible with the training, equipment and determination to do our job effectively with optimum results. To maintain a good working relationship with all customers, the citizens of our city.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
Goal: Reduce loss of life and property			
Objective: To reduce the amount of property loss and injury caused by fire and other forces			
Measures:			
Total number of fire department responses	924	950	970
Number of structure fires	37	50	40
Number of vehicle fires	26	22	30
Number of motor vehicle accident responses	165	250	250
All other responses	696	700	700

Goal: Gain knowledge of facilities and their characteristics for preparation of incidents

Objective: To accumulate vital information concerning industrial complexes and business occupancies and to keep owners and operators updated on safety aspects of their respective businesses, fire inspections (according to NC Fire Prevention code) and pre-incident planning will continue

Measures:

Number of fire safety inspections performed	711	900	950
Number of logged pre-incident plans	225	250	275
Number of State Certified Fire Inspectors (Current: 2-Level III / 1-Level II / 5-Level I)	8	5	5

Goal: Maintain the highest level of knowledge and capabilities of our personnel

Objective: 1) To promote the effectiveness of the individual firefighter, an in-depth training program is continuing for the full-time and part-time personnel; 2) While training is still brought to our personnel from our in-house State Certified Instructors, outside sources are utilized from North Carolina Emergency Management, North Carolina Forestry Service, FEMA, and Central Carolina Community College; 3) As part of our continuing effort to provide diverse services to our citizenry, all full-time suppression personnel continue to average over 200 hours of training in all aspects of fire and emergency response; this, with our training in confined space rescue, hazardous materials training, and pre-planning programs, continues to sharpen our abilities to serve the citizens of Sanford

Measures:

Number of training hours per certified firefighters	237	240	240
Total number of training hours for department	12,800	12,000	12,800
Number of state certified firefighters (including part-time)	54	52	52
Number of state certified fire instructors	18	20	23

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: Identify factors of origin and cause of unintentional and intentional fires

Objective: To investigate origin and cause of fires, and to help with prosecution of those who intentionally set fires to structures and other objects, by maintaining knowledgeable and capable investigators and engine company officers

Measures:

Number of investigations conducted (structural)	36	40	40
Number of fires deemed incendiary or still under investigation	6	-	-
Number of certified fire / arson investigators	1	2	4

Goal: Be responsive to citizens' needs by providing proactive service to prevent injury due to fire and other factors

Objective: Provide presentations to school age children, senior citizens, and others that will explain the need for proactive preventive efforts on everyone's part to prevent fires, and injuries due to fires, motor vehicle accidents, and other incidents; this includes continuation of our smoke detector program, the SAFE KIDS Coalition, operation of child protective seat check points, and maintaining designation as a "Safe Place" for our youth

Measures:

Number of smoke detectors installed – free service	20	35	35
Number of fire and life-safety education programs	67	80	85
Number reached by programs (school age > senior citizen)	6,602	6,800	6,800
Number of state certified fire and life safety educators	4	4	4
Number of child passenger safety seats installed or checked	30*	100	105

*Program was down for six months

INSPECTIONS

Fund: General

Function: Public Safety

Goal: To enforce the North Carolina State Building Code and related codes and ordinances.

DEPARTMENTAL SUMMARIES

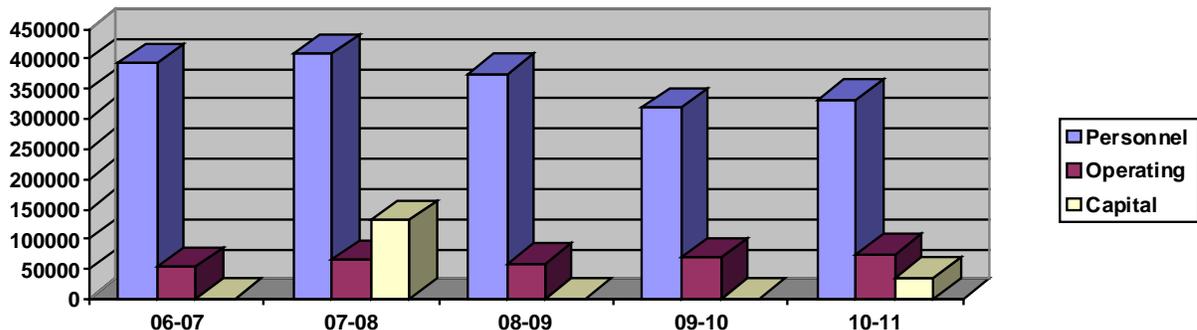
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	393,708	407,892	375,254	318,624	341,665	332,178
Operating	53,935	65,355	58,982	69,783	116,558	74,605
Capital	1,700	132,133	0	0	36,000	36,000
Total	449,343	605,380	434,236	388,407	494,223	442,783
Budgeted Employees	8	8	7	7	7	7

2010-2011 CAPITAL OUTLAY DETAIL

Capital outlay funding includes two (2) Colorado extended cab trucks, \$36,000.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect an increase of \$54,376 or fourteen percent (14%) compared to the **FY 09-10** budget. Due to current economic conditions, two vacant positions have been frozen resulting in a savings of \$95,518; however, personnel cost center shows an increase for 2.5% cost of living adjustments, 1.55% state mandated employer retirement contribution increase, and insurance adjustments. Other increases are shown within capital. **FY 09-10** shows decreases within personnel for two frozen positions and salary adjustments were not funded. Vehicular laptops were budgeted within **FY 08-09**, however, were not purchased when the economy started a downturn and revenues were not received as expected. **FY 08-09** personnel costs reflect a decrease for the transfer of an employee into the Community Development Department. Decreases within capital are shown. **FY 07-08** shows increases mainly due to the purchase of new permitting software and personnel adjustments.



INSPECTIONS

The purpose of the Inspections Division of the Community Development Department is to provide protection, safety, and general welfare of the citizens of Sanford, Lee County, and the Town of Broadway by enforcing the North Carolina State building, plumbing, and mechanical codes, and the international electrical code, which serves as a comprehensive regulatory document to guide decisions aimed at public protection. Protection is accomplished through the process of performing inspections on all new construction, alterations, repairs, equipment installations, use and occupancy, building location, structures moved to another site, removal or demolition, or any appurtenances connected or attached to every building or structure, for compliance with the North Carolina State Building Codes, and related codes and ordinances. Certificates of Occupancy are issued as required by the technical codes. Establishments are inspected prior to the sale of alcoholic beverages to insure that the fire requirements are met and occupancy loads are evaluated. Daycare facilities are inspected for compliance with code requirements. The Inspections Division also conducts fire inspections and minimum housing inspections for the Town of Broadway. Policy direction and administrative support for the department's overall activities and functions are centralized in the Administrative Division of Community Development.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
Goal: To provide safety, health, and welfare to the citizens of the City of Sanford, Lee County and the Town of Broadway by enforcing the North Carolina State building codes, and related codes and ordinances while maintaining a superior level of customer service			
Objective: To review and approve all building, electrical, plumbing, mechanical, and other permits within established timeframes			
Measures:			
Number of building permits issued	463	439	417
Number of electrical permits issued	1,016	1,119	1,063
Number of mechanical permits issued	731	807	767
Number of plumbing permits issued	393	406	386
Other permits issued	244	227	216
Revenue generated from permits	\$303,604	\$261,731	\$274,818

Goal: To provide prompt inspections on all requests within the City of Sanford, Lee County, and the Town of Broadway

Objective: Schedule and facilitate inspections as promptly as possible

Measures:

Number of inspections conducted	6,301	7,329	7,696
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STREET

Fund: General

Function: Streets

Goal: To maintain an effective street system, which will promote the safety and free flow of pedestrian and vehicular traffic.

DEPARTMENTAL SUMMARIES

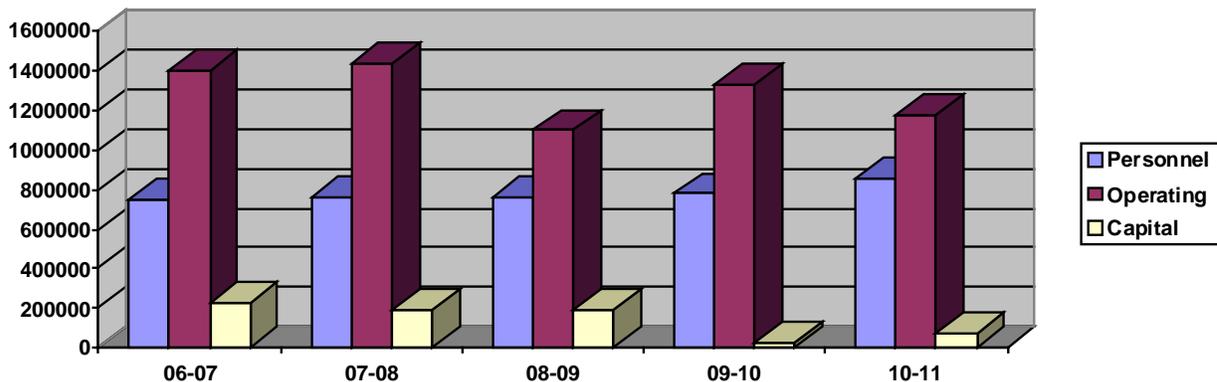
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	752,249	764,169	758,771	776,981	829,336	859,723
Operating	1,392,714	1,437,282	1,096,704	1,331,187	1,326,232	1,177,982
Capital	230,196	187,868	190,704	30,000	179,500	78,000
Total	2,375,159	2,389,319	2,046,179	2,138,168	2,335,068	2,115,705
Budgeted Employees	18	18	18	18	18	18

2010-2011 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) flatbed dump truck, \$78,000.

GRAPHIC REPRESENTATION

FY 10-11 appropriations decreased \$22,463 or one (1%) percent compared to **FY 09-10** budget. Personnel adjustments, state mandated retirement contribution, and insurance all attribute to the increase shown within the personnel cost center. Decreases shown within operating are related to the retirement of debt, and Jonesboro streetscape budgeted in prior year. Council has put a hold on street lighting upgrades until further notice. Increased landfill charges for hauling street sweeping debris are reflected within the operating cost center. Personnel increases shown in **FY 09-10** are the result of health insurance cost. Historically, personnel increases are reflective of cost of living and merit adjustments, however, these adjustments were not funded in **FY 09-10** due to economic constraints. A reduction in capital outlay funding is shown. Funded within this year is \$75,000 for Jonesboro streetscape and \$30,000 for the second year of street lighting enhancement. **FY 08-09** shows decreases mainly within the operating budget and is the result of 1) prior year (FY 07-08) funding of a study to rate the pavement condition of city streets; 2) lighting enhancements at Carbondon Road, Charlotte Avenue, Chatham Street and in Jonesboro; 3) installment purchase payment for new equipment; and 4) continued price increases for asphalt and concrete. Street resurfacing costs (\$550,000) have been transferred into the Street Capital department and contribute to the decrease shown within **FY 08-09**. Implemented during **FY 08-09** is a city wide street lighting enhancement program that will take place over a ten year period. \$72,000 has been appropriated for the program this year with \$27,000 of that for ongoing utility expenses. **FY 06-07** shows capital funding for a street sweeper, flusher truck, and a bucket truck.



STREET

The Street Division is primarily responsible for the maintenance of Sanford's streets, associated street right-of-ways, curb and guttering, traffic services, and snow removal. The following are additional responsibilities: grading dirt streets; cutbacks for site distance; repainting street markings and hand rails; maintaining and upgrading traffic signals; fabrication, repair, and installation of street name signs (both regular and historic); rodent control; graffiti removal; installing Christmas decorations; and providing signage and barricade placement for special events. The Street Division also maintains sidewalks, curb and gutter, and catch basins. There are also responsibilities that are completed on a scheduled basis: the division sweeps curb and gutter streets, streets are resurfaced every twelve years, and potholes and utility cuts are patched within one week of notification. The Street Division also coordinates efforts with Progress Energy to operate and maintain the existing system of street lights within the City, including decorative lighting and responsible for Powell Bill.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To ensure all streets, sidewalks, and curbs within the City are properly maintained

Objective: 1) To ensure we promptly respond to all notifications of deterioration and damage to sidewalks and roadways to guarantee a pleasant, safe, and adequate means of travel; 2) To continue a program of street maintenance that will ensure that all city streets are paved or resurfaced every twelve years; 3) Maintain a comprehensive program of open drainage and appropriate street cleaning that will aid in proper drainage for the street system

Measures:

Tonnage of patching	2,111	2,327	2,433
Feet of curb and gutter installed / repaired	903	975	910
Feet of sidewalk installed / repaired	2,315	2,285	1,981
Cutbacks for site distance	777	335	450
Feet of on-street ditches cleaned	11,401	12,557	13,345
Hours of street cleaning	1,414	1,301	1,300
Catch basins cleaned	8,913	8,442	8,742

Goal: To maintain adequate signage, replace damaged and faded signs, markings, and striping on all City streets and parking areas so as to maintain an effective and efficient flow of traffic for pedestrians and vehicles and enhance the safety for motorists and pedestrians

Objective: 1) To continue maintaining adequate signage on all City streets through repair and replacement activities and provide specialty signs as needed; 2) To maintain and enhance markings and striping on streets and parking areas throughout the City

Measures:

Feet of lines painted	2,963	1,011	1,900
Traffic sign installation	250	213	200
Street markers installed / replaced / repaired	300	288	300

Goal: To maintain adequate street lighting on all City streets and City parking areas and to determine the adequate number of lights required to light new areas of residential development to maintain a safe lighting plan for traffic of pedestrians and vehicles; to maintain the City's 5 signalized intersections

Objective: 1) To ensure we promptly correspond with Progress Energy with all notifications of lighting repairs to guarantee a pleasant, safe, and adequate means of travel; 2) To maintain a comprehensive program of standard and decorative street lighting within the City limits

Measures:

Number of lights within City	2,729	2,925	3,125
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STREET CAPITAL IMPROVEMENTS

Fund: General

Function: Streets

Goal: To provide funding for Street Capital Improvements such as paving sidewalks and catch basin improvements as detailed in the Five Year Capital Improvements Program.

DEPARTMENTAL SUMMARIES

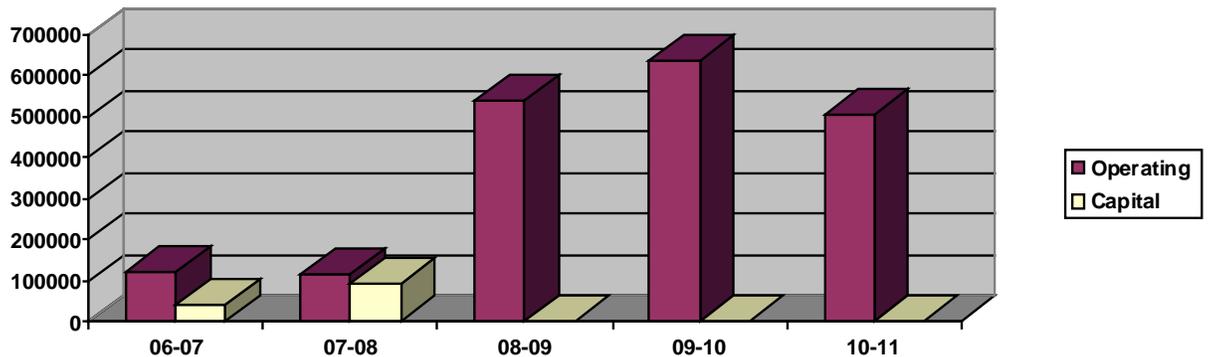
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	0	0	0	0	0	0
Operating	120,802	117,663	536,646	639,262	788,245	507,277
Capital	42,027	94,853	0	0	0	0
Total	162,829	212,516	536,646	639,262	788,245	507,277
Budgeted Employees	0	0	0	0	0	0

2010-2011 CAPITAL OUTLAY DETAIL

No capital outlay funding was requested.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect a decrease of \$131,985 or twenty-one (21%) percent compared to FY 09-10 budget. Street resurfacing funds were not included and also retirement of debt contributes to this decrease. **FY 09-10** shows a \$350,000 decrease in funding for paving and sidewalks. **FY 08-09** shows increases for a transfer from the Street Department for street resurfacing. Capital reflects a decrease due to a policy change increasing the capital threshold, therefore the requests have been moved into contractual services shown within operating.



SOLID WASTE

Fund: General

Function: Sanitation

Goal: To provide to the city residents a cost effective and comprehensive system of yard waste (leaf and limb) removal, bulk trash as well as right-of-way mowing, sidewalk cleaning, curb cutting, ditch cleaning and correcting sight distance problems.

DEPARTMENTAL SUMMARIES

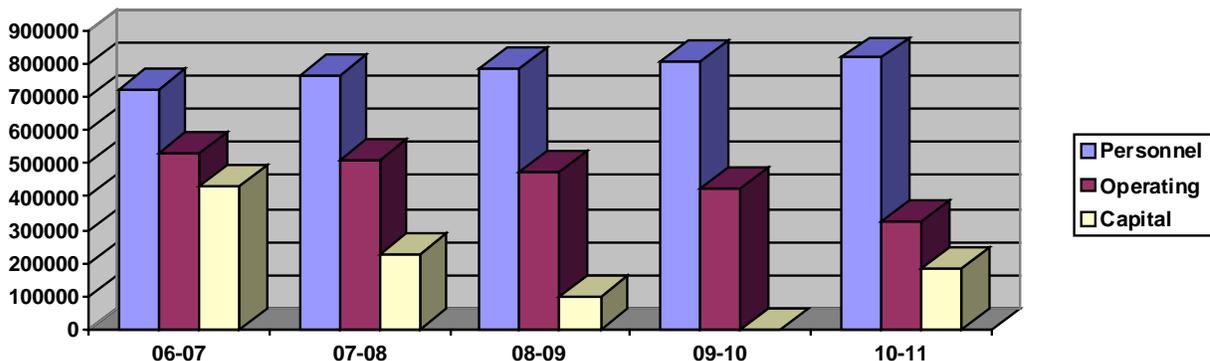
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	720,380	764,064	783,488	806,373	836,673	818,058
Operating	532,637	508,096	472,894	426,841	329,100	322,262
Capital	432,508	227,788	100,325	0	308,500	180,500
Total	1,685,525	1,499,948	1,356,707	1,233,214	1,474,273	1,320,820
Budgeted Employees	18	18	18	18	18	18

2010-2011 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) one ton truck with dump bed and lift gate, \$45,500 (grant funded \$20,000); and one (1) knuckleboom truck, \$135,000.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect an increase of \$87,606 or seven percent (7%) compared to FY 09-10 budget. Increases are shown within capital. The purchase of the one ton dump truck is required for the state mandate placed on recycling of televisions and computers. The city received a \$20,000 grant to assist in funding this vehicle. The personnel cost center reflects a 2.5% cost of living adjustment, 1.55% state mandated employer retirement contribution, and one frozen position with a savings of \$37,109. The decrease within the operating cost center reflects retirement of debt. **FY 09-10** shows decreases in capital outlay; one frozen position within personnel; and operating reduction in installment purchase expense (\$46,620) as well as declining fuel prices. **Historically**, personnel increases are reflective of cost of living and merit adjustments, however, these adjustments were not funded in FY 09-10 due to economic constraints. Health insurance increases this cost center annually. Included within **FY 08-09** are funds (\$33,902) to expand the inmate litter crew program. **FY 07-08** reflects a decrease within operating for the elimination of a mowing contract. Capital decreases are shown. **FY 06-07** reflects increases for installment purchase payments for the knuckle boom, compost turner, and the leaf vac unit as well as capital outlay. The operating cost center shows substantial fuel increases as well. **FY 06-07** also reflects the addition of one position hired for graffiti removal.



SOLID WASTE

The Solid Waste Department provides weekly collection of yard waste (leaves and limbs) as well as bulk trash from city residents at the curbside. The material from yard waste is either composted or ground into woodchips at the City's compost facility as a recycling process. The material is then sold back to the public. The division also maintains approximately 20 acres of City lots, mows approximately 115 miles of city right-of-ways and approximately 75 miles of Department of Transportation right-of-ways, as well as sidewalk cleaning, curb cutting, and spraying.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To develop and provide residents of the City of Sanford with the cost-effective debris collection program consisting of yard waste and bulk trash pick-up that will insure a better appearance within our city

Objective: Maintain a comprehensive yard waste collection program as well as scheduled bulk trash collection insuring a better appearance to our city

Measures:

Number of loads of limbs and leaves hauled	2,045	1,910	2,000
Number of loads of bulk trash hauled	546	400	450

Goal: Increase appearance of residential areas through the monitoring of mowing needs as well as cleaning of sidewalks and curb cutting

Objective: Increase time allotted for maintaining the aesthetics of our residential areas

Measures:

Equipment hours cutting curb	453	500	510
Equipment hours mowing	650	675	600
Equipment hours cleaning sidewalk	265	300	325

SANITATION

Fund: General

Function: Sanitation

Goal: To assure the citizens of the City of Sanford the most effective delivery of sanitation services including the addition of year around service for bulk trash collections.

DEPARTMENTAL SUMMARIES

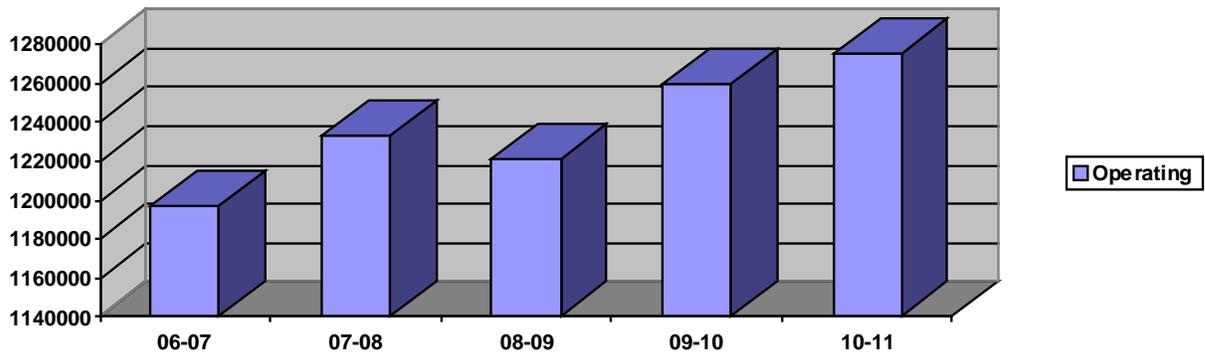
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	0	0	0	0	0	0
Operating	1,196,756	1,232,615	1,221,736	1,259,350	1,281,372	1,275,872
Capital	0	0	0	0	0	0
Total	1,196,756	1,232,615	1,221,736	1,259,350	1,281,372	1,275,872
Budgeted Employees	0	0	0	0	0	0

2010-2011 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect an increase of \$16,522 or one percent (1%) compared to FY 09-10 budget. This is the result of a 2.3% C.P.I. contract adjustment with Waste Management and an increase in the number of customers. **FY 09-10** reflects a 0.1% C.P.I. adjustment. **FY 08-09** reflects a contract adjustment as well. **FY 07-08** reflects a 2.6% C.P.I. contract adjustment and change in the number of customers.



SANITATION

The Sanitation program is under the direction of the City's Public Works Department. Services are contracted to Waste Management, Inc. for one pickup weekly of both regular garbage and recyclables. The Public Works Director, City Manager, and Solid Waste Superintendent monitor the waste collector's performance to promote and encourage the prevention of litter throughout the City.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: Provide timely, efficient, and cost effective services to all residential customers being responsive to residents concerns and desired level of performance

Objective: To track the level of services provided by accurately accounting for the billing of solid waste fees associated with the garbage services for all residential customers

Measures:

Number of units	8,713	8,781	8,850
Solid waste fees collected	\$884,585	\$886,057	\$880,000

Goal: To protect the environment and encourage the prevention of litter throughout the City

Objective: Determine the effectiveness of recycling and monitor tonnage of garbage from residential collection

Measures:

Number of tons of recycling collected	623	635	650
Number of tons of residential waste	7,965	8,055	8,100

COMMUNITY DEVELOPMENT

Fund: General

Function: Community Development

Goal: To be responsive to the needs of Sanford and Lee County's citizens and provide an unparalleled level of customer service and assistance; to execute specialized guidance in the facilitation of planning issues, building inspections, historic preservation, and community revitalization projects; to respond to every challenge as quickly and professionally as possible.

DEPARTMENTAL SUMMARIES

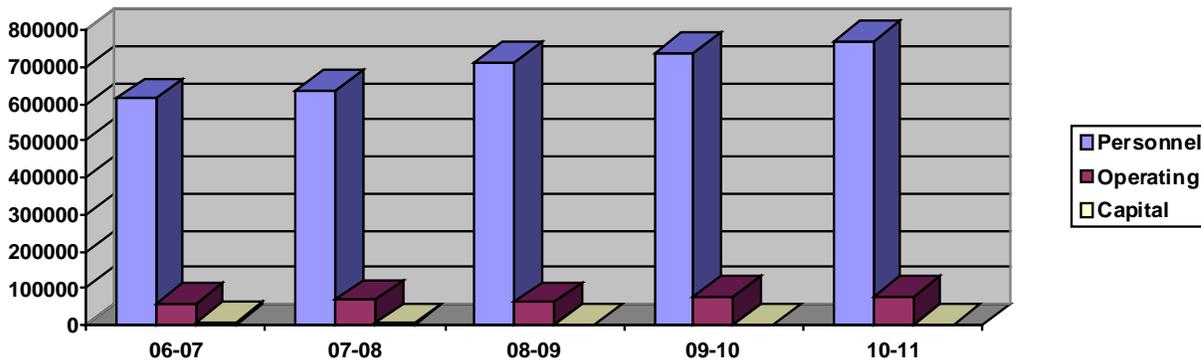
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	613,004	637,421	713,778	739,450	753,205	771,437
Operating	58,037	67,555	61,735	77,550	81,080	76,980
Capital	7,953	3,502	0	0	0	0
Total	678,994	708,478	775,513	817,000	834,285	848,417
*Budgeted Employees	9	9	10	10	10	10

2010-2011 CAPITAL OUTLAY DETAIL

No capital outlay funding was requested.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect an increase of \$31,417 or four percent (4%) compared to the FY 09-10 budget. Personnel cost center includes a 2.5% cost of living adjustment, a 1.55% state mandated employer retirement contribution increase, and health insurance adjustments. **FY 09-10** shows increases within personnel due to Board of Adjustment and Planning Board members fees transferred from operating expense. **Historically**, personnel increases are reflective of cost of living and merit adjustments, however, these adjustments were not funded in **FY 09-10** due to economic constraints. Health insurance increases this cost center annually. **FY 08-09** personnel increases are due to salary and benefit adjustments and the transfer of an employee from the Inspections Department. A telecommunication tower master plan is included within operating in the amount of \$40,000. **FY 08-09** and **FY 07-08** operating budgets include an appropriation each year in the amount of \$24,000 for a third party consultant to review applications for telecommunication towers.



COMMUNITY DEVELOPMENT

The Community Development Department provides services with respect to land use, zoning and development issues; overseeing the land use review and approval process; providing professional advice and direction with respect to the physical development and redevelopment to the City and Lee County; developing, maintaining and providing compliance review of the City's Comprehensive Plan; preparation and maintenance of the City's base map; providing technical assistance and staff support to the City of Sanford and County of Lee Planning and Zoning Boards, Lee County Environmental Board, and the Planning Commission.

The Community Development Department is responsible for the administration, management, and implementation of various Federal, State, and Local grant-funded programs that benefit the low, very low, and moderate income households within the City. Emphasis has been directed at the preservation of existing housing units, increasing home ownership opportunities, and residential landscape and exterior improvements. Community Development staff encourage and develop public / private partnerships with organizations.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To develop administrative programs and procedures designed to provide efficient customer service in all functions of the department

Objective: Respond to all correspondence items and / or requests for information within established timeframes

Measures:

Respond to all correspondence within five working days	98%	98%	98%
Return all phone calls same day	99%	99%	99%

Goal: To encourage and educate citizens on issues affecting zoning procedures and quality of life issues

Objective: Plan, schedule, and facilitate community wide meetings directed at enhancing citizen input and participation in the decision making process

Measures:

Community wide meetings	3	4	4
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Goal: To provide opportunities for low-to-moderate income households by rehabilitating existing homes

Objective: Complete rehabilitation to owner occupied units in order to provide decent, safe, and standard housing units (funded via CDBG Programs)

Measures:

Historic preservation – Wicker School	80%	100%	100%
Residential rehabilitation	3	4	4
Youth Council Grant	-	-	50%

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To provide comprehensive land development growth management policies for development, redevelopment and preservation of Sanford and Lee County's land resources

Objective: To enforce the Watershed Protection Ordinance and the Unified Development Ordinance, which are compatible for Sanford, Lee County and Broadway, and all other related codes and ordinances

Measures:

Number of zoning changes	18	15	18
Number of final plats approved	3	2	3
Number of site plans approved	160	189	190

COMMUNITY ENHANCEMENT – CODE ENFORCEMENT

Fund: General

Function: Community Development

Goal: To enforce the provisions of the Sanford City Code of Ordinances and to ensure fitness for human habitation, and safeguard the interest of the general public by investigating and bringing into compliance all nuisance violations.

DEPARTMENTAL SUMMARIES

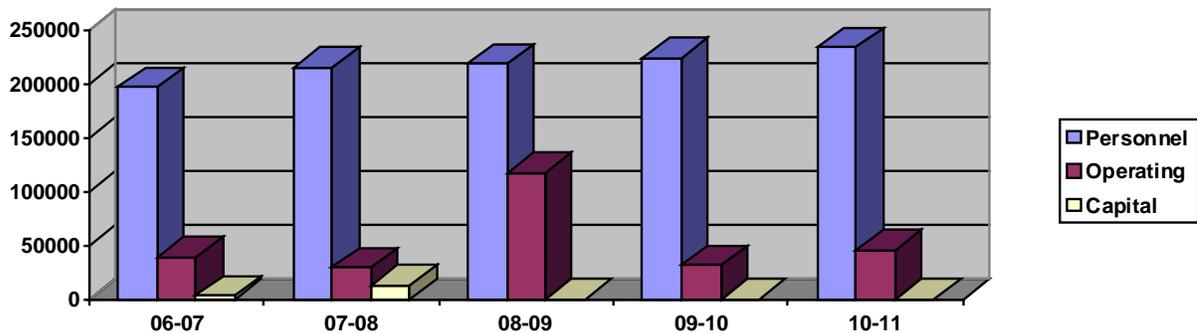
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	196,512	214,977	217,923	224,206	227,973	233,372
Operating	40,050	29,543	117,493	31,883	88,350	46,558
Capital	3,397	13,314	0	0	15,000	0
Total	239,959	257,834	335,416	256,089	331,323	279,930
Budgeted Employees	4	4	4	4	4	4

2010-2011 CAPITAL OUTLAY DETAIL

No funding for capital outlay was approved.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect an increase of \$23,841 or nine percent (9%) compared to FY 09-10 budget. Personnel increases are attributed to 2.5% cost of living adjustment, 1.55% state mandated employer retirement contribution increase as well as insurance adjustments. Increases within the operating cost center are reflected in contractual services for demolition cost related to asbestos enforcement. **FY 09-10** shows a substantial decrease due to prior year demolition expenses. Personnel costs are showing an increase for board salaries which were previously included within operating cost center. **Historically**, personnel increases are reflective of cost of living and merit adjustments, however, these adjustments were not funded in **FY 09-10** due to economic conditions. Health insurance increases this cost center annually. **FY 07-08** shows increase for capital outlay funding.



COMMUNITY ENHANCEMENT – CODE ENFORCEMENT

The purpose of the Community Enhancement section of the Community Development Department is to provide protection, safety, and general welfare of the citizens of the City of Sanford by enforcing the Code of Ordinances. Security is accomplished through the process of performing inspections on nuisance violations (i.e. rodent, overgrown lots, trash / junk, health / fire hazard, junked / nuisance vehicles, animals). Inspections are conducted on structures that are substandard to insure that they are fit for human habitation. Community Enhancement is responsible for pre-occupancy inspections and field zoning enforcement.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To provide a comprehensive program of service to the citizens of Sanford by enforcing the provisions of the Code of Ordinances, and related General Statutes, and to ensure fitness for human habitation, and safeguard the interest of the general public by investigating and bringing into compliance all nuisance violations

Objective: Investigate complaints of overgrown lots, trash / junk, junk / nuisance vehicles, rodents, animals, health / safety, and minimum housing within the City of Sanford

Measures:

Overgrown lot complaints	944	1,420	1,500
Trash / junk complaints	319	568	450
Abandoned vehicle complaints	127	204	400
Minimum housing complaints	55	162	125
Sewer / health / safety complaints	40	46	50
Other / animals	37	187	150

Objective: To investigate zoning violation complaints pertaining to illegal signage within the City of Sanford

Measures:

Illegal banner sign complaints	1,517	536	575
Illegal pennant, flag and temporary sign complaints	10	45	250
UDO complaints	30	750	1,500

Objective: To conduct pre-occupancy inspections for home buyers within the City of Sanford to insure minimum housing standards are met

Measures:

Pre-occupancy inspections	35	15	100
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COMMUNITY ENHANCEMENT – DOWNTOWN / HPC

Fund: General

Function: Community Development

Goal: To restore, preserve, and protect historic landmarks and historic properties that are deemed to be of special significance in terms of historic, pre-historic, architectural, or cultural importance.

DEPARTMENTAL SUMMARIES

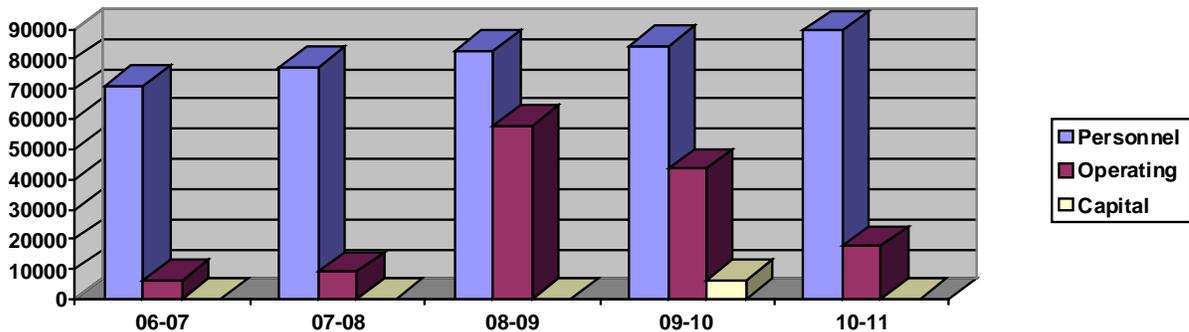
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	71,158	77,393	83,007	84,299	87,582	89,585
Operating	6,367	9,127	57,846	43,587	36,687	17,687
Capital	0	0	0	6,241	0	0
Total	77,525	86,520	140,853	134,127	124,269	107,272
Budgeted Employees	1	1	1	1	1	1

2010-2011 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect a decrease of \$26,855 or twenty percent (20%) compared to FY 09-10 budget. This decrease is the result of prior year funding within operating for the Sanford / Downtown / Jonesboro Historic District Plan. Capital outlay shows a decrease for prior year funding of historic district entrance signs. The personnel cost center reflects an increase for a 2.5% cost of living adjustment, a 1.55% state mandated employer retirement contribution increase, and a 2.8% insurance adjustment. **Historically**, personnel increases are reflective of cost of living and merit adjustments, however, these adjustments were not funded in **FY 09-10** due to current economic conditions. Health insurance increases this cost center annually. **FY 08-09** shows a substantial increase within the operating cost center for the Sanford / Downtown / Jonesboro Historic District Plan and East Sanford Historic nomination.



COMMUNITY ENHANCEMENT – DOWNTOWN / HPC

Historic Preservation – The purpose of the Historic Preservation is to oversee the inventory of properties of historic, pre-historic, architectural and / or cultural significance, and make recommendations to the City Council to designate by ordinance “historical districts.” Historic Preservation staff offers assistance to property owners of buildings, structures, sites, or areas when considering the restoration, preservation, and operation of historic matters.

Annexation – Studies are conducted to determine the feasibility of all proposed voluntary and involuntary annexations, which include cost analysis for delivery of services and corresponding revenues.

Progressive Neighborhood Program – The City’s Progressive Neighborhood program encourages public / private, community oriented partnerships that are neighborhood driven, and designed to improve the quality of life throughout the City. The program is designed to preserve neighborhoods by dealing with issues that affect long-term livability.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To restore, preserve, and protect historic landmarks and historic properties that are deemed to be of special significance in terms of historic, prehistoric, architectural, or cultural importance

Objective: To take the necessary action to insure construction, re-construction, alteration, restoration, moving, or demolition of buildings, structures, appurtenant features, outdoor advertising signs, or other significant features, that would be incongruous with the special character of historic districts and landmarks

Measures:

Investigate and approve applications for minor works that do not interfere with the integrity of the property	56	60	63
Prepare formal applications for major works to the Historic Preservation Commission	19	15	16
Investigate design guideline violations	25	40	45
Number of National Registered Historic Districts	4	4	5

Goal: Ensure that voluntary and involuntary annexation applications are processed in a timely manner and that they comply with the General Statutes of the State of North Carolina

Objective: Conduct feasibility studies, and cost analysis for delivery of services on all annexations, and process applications within the time frames specified in the general statutes

Measures:

Processed annexation applications	7	13	15
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Goal: To assist neighborhood driven partnerships through the City’s Progressive Neighborhood program that encourages improvement of quality of life throughout the City

Objective: Strive to be an All American City through hard work, commitment of resources, and caring people working together

Measures:

Review plans and make suggestions to the neighborhood committees	-	100%	100%
Evaluation of infrastructure within neighborhood	-	100%	100%

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UTILITY FUND

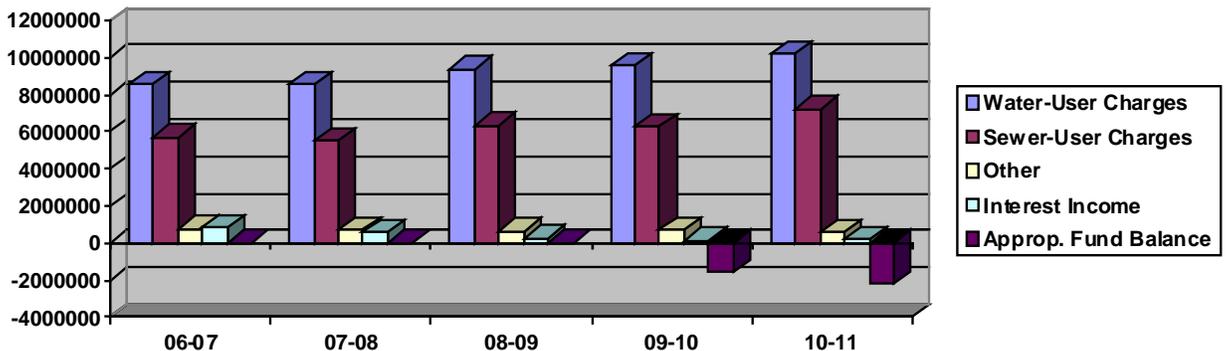
Goal: To account for the operations of the water treatment, wastewater treatment, and distribution systems.

REVENUE SUMMARIES

Revenue Sources	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Water-User Charges	8,550,411	8,548,323	9,378,332	9,614,892	10,222,362	10,222,362
Sewer-User Charges	5,736,201	5,514,990	6,366,428	6,309,000	7,242,884	7,242,884
Other	754,413	745,559	660,256	726,179	622,642	622,642
Interest Income	803,232	585,868	297,818	128,351	223,978	223,978
Appropriated Fund Balance	0	0	0	(1,559,173)	(2,175,848)	(2,175,848)
Total	15,844,257	15,394,740	16,702,834	15,219,249	16,136,018	16,136,018

GRAPHIC REPRESENTATION

FY 10-11 revenues increased \$916,769 or six (6%) percent compared to FY 09-10 budget. Water and sewer revenues show a net increase of \$1,541,354 mainly due to a third consecutive year of rate increases. Water rates increased four (4%) percent and sewer rates increased six (6%) percent. The city has also added a new bulk water customer with anticipated additional revenue of \$55,000 per year. These revenues are projected conservatively and based on historical data. The decrease within other revenue is due to anticipated reduction in charges on past due revenue as well as a contribution made to a capital project in the prior year. Investment income reflects an increase for anticipated market gains in the Other Post Employment Benefit (OPEB) Trust Fund. There is a \$2.1 million dollar swing in the fund balance appropriation since water and sewer rates were increased to accommodate funding the expansion at the wastewater treatment plant. **FY 09-10** also reflects a swing in the fund balance due to a water and sewer rate increase. **FY 08-09** reflects a mid-year rate increase in water and sewer charges. Interest income reflects a decline in interest rates. **FY 07-08** reflects a slight decrease in water and sewer revenue. This decrease is related to customer usage which is directly related to the weather.



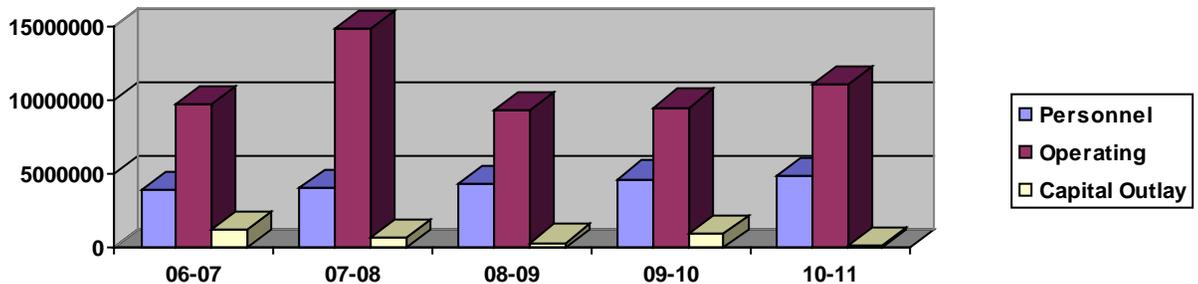
UTILITY FUND

EXPENDITURE SUMMARIES

Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	3,960,098	4,117,202	4,355,342	4,692,874	4,806,152	4,875,544
Operating	9,661,402	14,792,737	9,318,351	9,509,821	10,639,989	11,108,974
Capital Outlay	1,249,900	737,153	390,218	1,016,554	670,306	151,500
Total	14,871,400	19,647,092	14,063,911	15,219,249	16,116,447	16,136,018
Budgeted Employees	82	83	86	87	87	87

GRAPHIC REPRESENTATION

FY 10-11 appropriation reflects an increase of \$916,769 or six percent (6%) compared to FY 09-10 budget. Personnel costs represent thirty-one (31%) percent of the total utility fund budget. Increases in personnel costs total \$182,670 and are reflective of a 2.5% cost of living adjustment, an additional 1.55% state mandated employer retirement contribution, and a 2.8% health insurance adjustment. A total of three (3) positions have been frozen to help offset the revenue deficit. They are included within the Engineering and Sewer Construction and Maintenance departments. Operating costs increased \$1,599,153 from prior year and represent forty-five (45%) percent of the total utility fund budget. A new emergency assistance fund (\$30,000) has been established to assist citizens with their water and sewer bills facing financial hardships. Plans are underway for the wastewater treatment plant expansion. \$89,700 is included for the compensatory stream mitigation fee related to this expansion. Also included are funds for Patterson's Creek water quality monitoring (\$76,800) and odor control at Gaster's Creek lift station (\$55,000). NCDOT payments for utility relocates to accommodate the 421 bypass begin this year (\$472,806). The budget includes \$750,000 for sewer line rehabilitation. A substantial decrease in capital is shown due to the installation of a new bar screen at the WWTP, and 421 Bypass and Highway 78 utility relocates all budgeted in prior year. Historically, personnel increases are reflective of cost of living and merit adjustments, however, these adjustments were not funded in **FY 09-10** due to economic conditions. Health insurance increases this fund annually. **FY 08-09** reflects a 3% cost of living adjustment, funding for a merit pay plan, and a 4% health insurance premium adjustment increase. Decreases within operating are the result of fuel prices and other cost saving measures as well as the funding of several large capital projects in the prior year. Decreases are shown for capital funding. **FY 07-08** includes a 2.5% cost of living adjustment, funding for the merit pay plan, and a 3.1% health insurance premium adjustment increase. Operating and capital cost centers reflect funding of several capital projects including clearwell rehabilitation / baffling (\$1,500,000 IP), completion of Little Buffalo / Northview lift station project (\$1,719,547), and design and upgrade / expansion the wastewater treatment plant (\$3,573,000). Council also approved the first year of OPEB funding in the amount of \$282,100. **Historical** increases are mainly attributed to government mandates, debt service, additional personnel costs and usage patterns. It should be noted that an amount equal to \$112,223 has been included to offset administrative cost deficits within the Store service operations.



UTILITY FUND DEBT SERVICE

Fund: Utility

Function: Debt Service

Goal: To account for the operations of debt service.

DEPARTMENTAL SUMMARIES

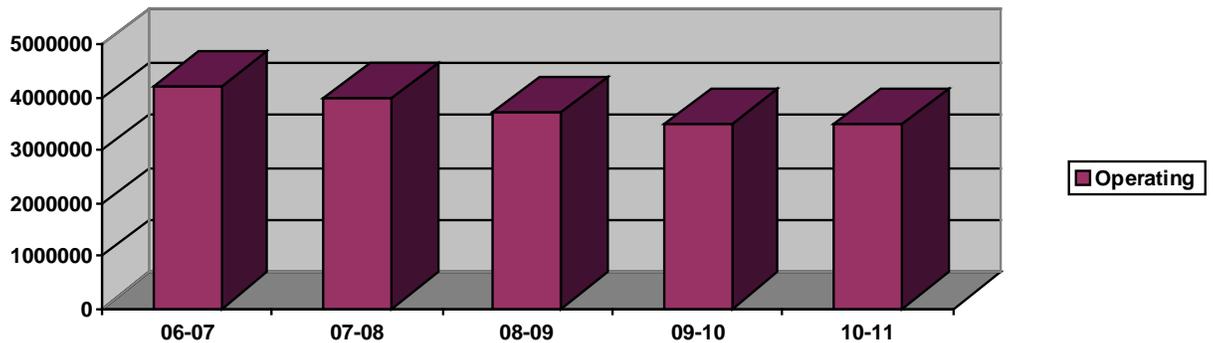
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	0	0	0	0	0	0
Operating	4,212,870	3,975,349	3,706,501	3,499,248	3,509,339	3,509,339
Capital	0	0	0	0	0	0
Total	4,212,870	3,975,349	3,706,501	3,499,248	3,509,339	3,509,339
Budgeted Employees	0	0	0	0	0	0

2010-2011 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 10-11 appropriations remained relatively level showing only a \$10,091 increase compared to FY 09-10 budget. **Historical** shifts in spending are related to the net change in approved new debt and retirement of old debt.



UTILITY FUND CONTRIBUTIONS

Fund: Utility

Function: Other

Goal: To account for contingency appropriations, transfer to general fund, capital projects and capital reserve fund.

DEPARTMENTAL SUMMARIES

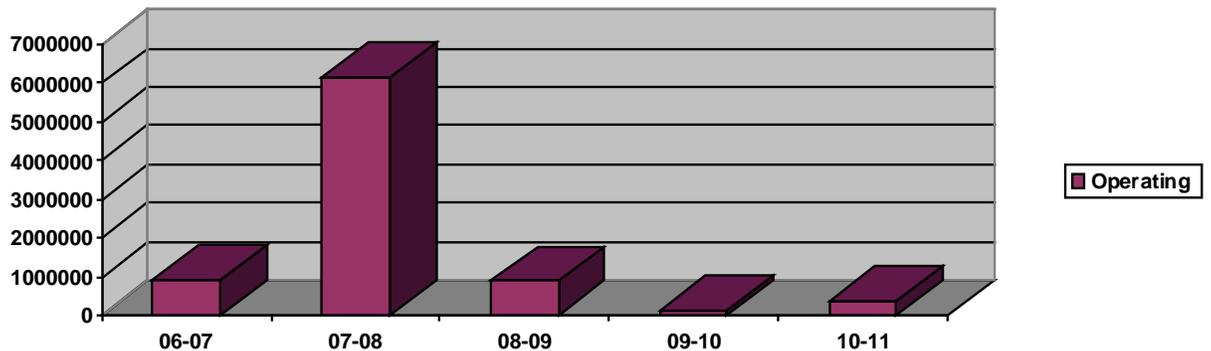
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	0	0	0	0	0	0
Operating	926,899	6,164,632	885,272	150,436	379,539	378,947
Capital	0	0	0	0	0	0
Total	926,899	6,164,632	885,272	150,436	379,539	378,947
Budgeted Employees	0	0	0	0	0	0

2010-2011 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect an increase of \$228,511 or one hundred and fifty-two (152%) percent compared to FY 09-10 budget. The contingency appropriation remained at \$300,000. These funds are used for emergency needs within the fund relative to infrastructure. The contingency budget is transferred each year to departments utilizing funds; therefore the actual expenditures are not shown in this cost center. A contribution in the amount of \$18,750 was made to the Other Post Employment Benefit (OPEB) Trust Fund. The OPEB contribution was not funded in **FY 09-10** due to budget constraints. **FY 08-09** reflects the second year of OPEB funding. **FY 07-08** increased due to the design and upgrade of the wastewater treatment plant, Little Buffalo / Northview lift station improvements, and the first year of OPEB funding.



STORE

Fund: Utility

Function: Public Utilities

Goal: To maintain a sufficient inventory of parts/supplies for all operational departments.

DEPARTMENTAL SUMMARIES

Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	40,560	41,901	30,995	45,244	47,162	48,265
Operating	330,689	287,650	213,435	260,552	260,957	260,733
Capital	0	0	0	0	15,500	0
Total	371,249	329,551	244,430	305,796	323,619	308,998
Budgeted Employees	1	1	1	1	1	1

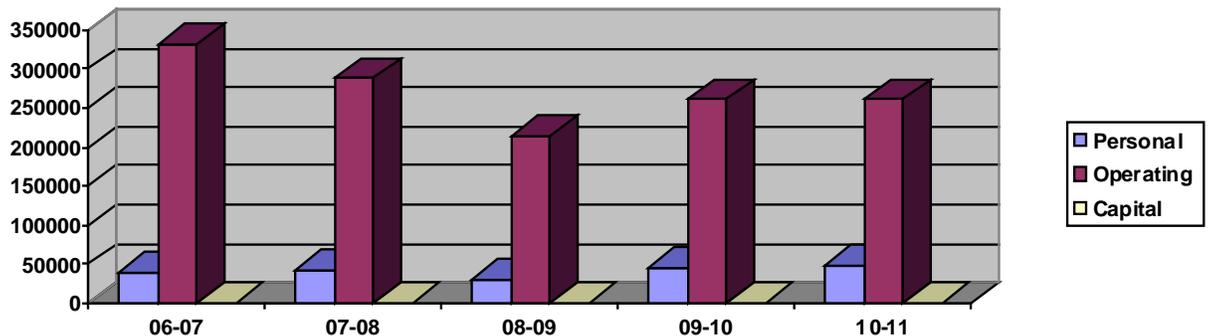
2010-2011 CAPITAL OUTLAY DETAIL

No funding for capital outlay was approved.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect an increase of \$3,202 or one percent (1%) compared to FY 09-10 budget. Personnel adjustments shown within **FY 10-11** include a 2.5% cost of living adjustment, a 1.55% state mandated employer retirement contribution increase, and a 2.8% health insurance adjustment. **Historically**, personnel increases are reflective of cost of living and merit adjustments, however, these adjustments were not funded in **FY 09-10** due to economic conditions. Health insurance increases this cost center annually.

Costs within this center are relative to inventory requirements.



STORE

The Store is responsible for maintaining inventory control of materials and supplies which are used by operational departments. The department's inventory control system, which is a completely automated system, provides accurate inventory records but also assists in controlling inventory cost. Monthly reports are prepared charging the user departments for goods used and identifies items falling below established reorder quantities. The department is responsible for securing competitive bids on supplies and materials using guidelines established by NC General Statutes 143-129. To control inventory loss and provide for departmental accountability, inventories are taken periodically.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To provide user departments with materials which are required for departmental operations, a complete inventory program is established

Objective: Working with department personnel in identifying additional items that need to be added to storeroom inventory for departmental operational use

Measures:

Additional materials added to actual storeroom inventory	7	8	9
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Goal: To maintain accurate inventory records, a comprehensive computerized inventory system will be continued

Objective: To ensure accountability and accuracy in the inventory records, a monthly physical inventory will be performed, not to exceed a 2% discrepancy of physical inventory to actual inventory records reported

Measures:

Monthly average accuracy of physical inventory versus inventory reporting records for fiscal year	99%	98%	99%
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Goal: To ensure that all materials are purchased at the most economical cost, a process of acquiring competitive bids on supplies and materials will be maintained

Objective: Secure competitive bids on purchases for water and sewer department's brass and copper parts, which consist of approximately 80% of actual storeroom inventory; these bid quotes should not exceed more than 10% of purchasing the same materials from previous fiscal year

Measures:

Bid quotes obtained for water and sewer store materials by approved vendors on a yearly basis	3	3	3
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UTILITY FUND ADMINISTRATION

Fund: Utility

Function: Public Utilities

Goal: To organize a systematic procedure of collecting and record keeping for water and sewer user charges.

DEPARTMENTAL SUMMARIES

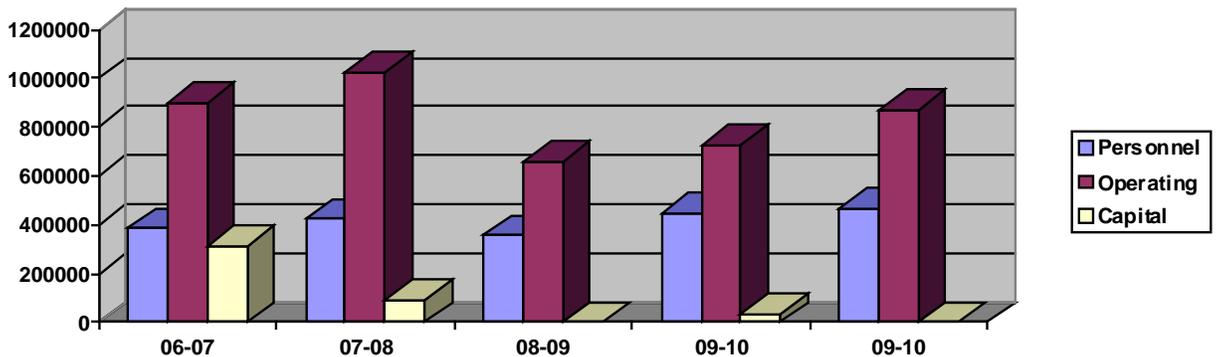
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	385,854	423,988	357,461	448,400	456,686	467,504
Operating	896,628	1,026,116	658,757	725,695	842,918	872,918
Capital	311,554	92,977	0	34,282	0	0
Total	1,594,036	1,543,081	1,016,218	1,208,377	1,299,604	1,340,422
Budgeted Employees	8	9	7	8	8	8

2010-2011 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect an increase of \$132,045 or eleven (11%) percent compared to FY 09-10 budget. The personnel cost center reflects a 2.5% cost of living adjustment, a 1.55% state mandated employer retirement contribution increase, and a 2.8% health insurance adjustment. Shown within the operating cost center is the addition of an Emergency Assistance Fund (\$30,000). This program was created to assist citizens facing financial hardship. Also reflecting a substantial increase within the operating cost center is the general fund reimbursement in the amount of \$115,978 or eighteen (18%) percent. **FY 09-10** reflects personnel increases for the addition of a new accountant position. Operating reflects increases within professional services, training, supplies, and GF reimbursement. **FY 08-09** shows a reduction in General Fund indirect cost pertaining to the transfer of the Public Works Administration department from the General Fund to the Utility Fund. A separate Billing Department was established in FY 08-09 and two employees previously included within this cost center were transferred along with the operating costs associated with billing notices. The contract for the water and sewer rate structure analysis formerly charged to the Water Capital department has been transferred into the UF Administration department. Reduced capital funding is shown. **FY 07-08** operating cost center includes postage for late notices and increase of the General Fund indirect cost. The addition of a collections clerk attributes to the increase within personnel along with salary and benefit adjustments. **FY 07-08** includes capital cost pertaining to new computer software. **FY 06-07** reflects the addition of a new utility accountant position.



UTILITY FUND ADMINISTRATION

Utility Fund Administration is responsible for the accurate and timely collection of water and sewer charges.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To insure accurate posting of collections to customer accounts and insure correct receivable balances

Objective: To achieve a minimum cash drawer accuracy of at least 95% department wide

Measures:

Accuracy of payments versus receivable reports	85%	93%	93%
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Goal: To insure all billed accounts are collected promptly, reducing the age of receivables

Objective: Reduce the outstanding receivables for utility bills and assessment bills

Measures:

Utility bill accounts receivable – 91+ days overdue	\$812,217	\$810,328	\$840,000
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UTILITY BILLING

Fund: Utility

Function: Public Utilities

Goal: To invoice water and sewer customers monthly in an accurate and timely manner. To insure all businesses operating within the city limits obtain a valid privilege license.

DEPARTMENTAL SUMMARIES

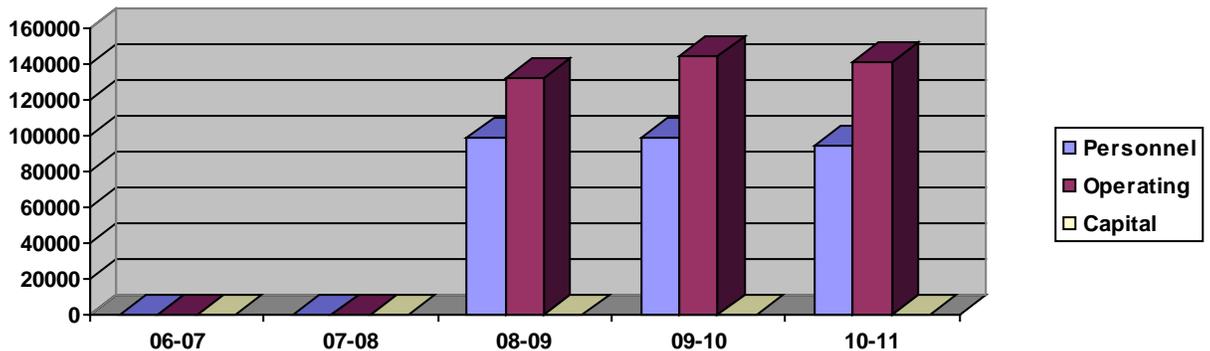
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	0	0	99,165	98,742	92,124	94,277
Operating	0	0	132,629	143,999	140,360	140,860
Capital	0	0	0	0	0	0
Total	0	0	231,794	242,741	232,484	235,137
Budgeted Employees	0	0	2	2	2	2

2010-2011 CAPITAL OUTLAY DETAIL

No capital outlay funding was requested.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect a decrease of \$7,604 or three (3%) percent compared to **FY 09-10** budget. This decrease is due to the accounting of salary and vacation accrual in prior year. Personnel cost center reflects a 2.5% cost of living adjustment, a 1.55% state mandated employer retirement contribution increase, and a 2.8% health insurance adjustment. **FY 08-09** reflects the first year this department was established. Previously included in the UF Administration department, two employees as well as the costs associated with invoicing water and sewer customers are included within this new Utility Billing department. Operating cost center includes postage and printing for second notices and privilege licenses and contractual services for outsource billing.



UTILITY BILLING

The Utility Billing Department is responsible for the accurate monthly billing of water and sewer charges as well as any other fees generated in the utility function. This department is also responsible for insuring all businesses operating within the city limits obtain a valid privilege license and issuing business license renewals annually.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To bill customers accurately and promptly to insure the financial stability of the Utility Fund

Objective: Bill customer no later than the applicable bill date and insure all accounts are billed

Measures:

Water and sewer bills – monthly	16,846	16,936	17,200
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Goal: To invoice business license customers accurately and promptly

Objective: Bill customer before May 31st of each year

Measures:

Privilege license – annually	880	626	300
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ENGINEERING

Fund: Utility

Function: Public Utilities

Goal: To administer engineering and construction contracts and assure that work proceeds in an efficient and timely manner.

DEPARTMENTAL SUMMARIES

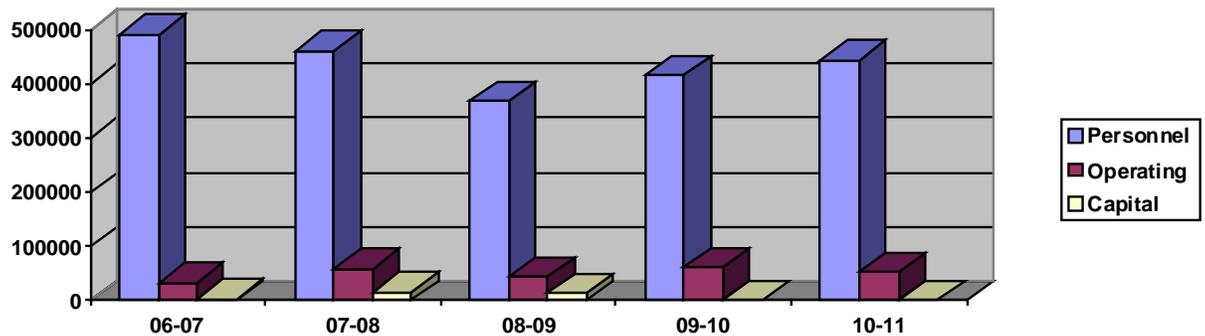
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	491,550	459,950	367,512	414,425	431,657	441,999
Operating	32,905	57,876	43,344	60,580	56,789	53,139
Capital	1,719	16,315	12,784	0	0	0
Total	526,174	534,141	423,640	475,005	488,446	495,138
Budgeted Employees	8	8	8	8	8	8

2010-2011 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect an increase of \$20,133 or four percent (4%) compared to FY 09-10 budget. Personnel cost center reflects a 2.5% cost of living adjustment, a 1.55% state mandated employer retirement contribution increase, and a 2.8% health insurance adjustment. There are two frozen positions within this department for a total savings of \$122,070. **Historically**, personnel increases are reflective of cost of living and merit adjustments, however, these adjustments were not funded in **FY 09-10** due to current economic conditions. Health insurance increases this cost center annually. **FY 08-09** operating shows a reduction due to part time employees hired in prior year to assist with water rate study. **FY 06-07** shows a substantial increase within the personnel cost center, however, the actual amount in **FY 07-08** is much less due to vacancies.



ENGINEERING

The department provides technical support to all division of public works and the City. Additionally, we interface with developers and the public to ensure managed growth of the City's infrastructure. We manage capital projects undertaken by the City to provide for timely completion and efficient use of funds.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To provide competent, timely advice for departments within the City

Objective: To provide technical advice to City departments and the public by returning phone calls and performing field and office investigations

Measures:

Return phone calls within 24 hours	95%	95%	100%
Provide technical advice within 5 days	95%	95%	100%
Attend special meetings	100%	100%	100%

Goal: Communicate with developers, engineers, etc. to provide quality developments that are constructed to City standards

Objective: To provide construction and engineering support that results in products of the highest possible quality

Measures:

Provide construction inspection daily and within 24 hours of special requests	95%	100%	100%
Provide technical specifications to consulting engineers within 3 days	90%	95%	100%

Goal: Manage capital projects of the City in such a manner as to produce quality products in a timely manner

Objective: To provide project administration of capital projects such that projects remain in budget and meet milestone dates

Measures:

Review and process pay requests such that payments can be made on time	100%	100%	100%
Attend design and construction progress meetings	95%	100%	100%
Make contact with citizens that have a complaint within 24 hours of first contact	95%	95%	100%

UF PUBLIC WORKS ADMINISTRATION

Fund: Utility

Function: Public Utilities

Goal: To administer engineering and construction contracts and assure that work proceeds in an efficient and timely manner.

DEPARTMENTAL SUMMARIES

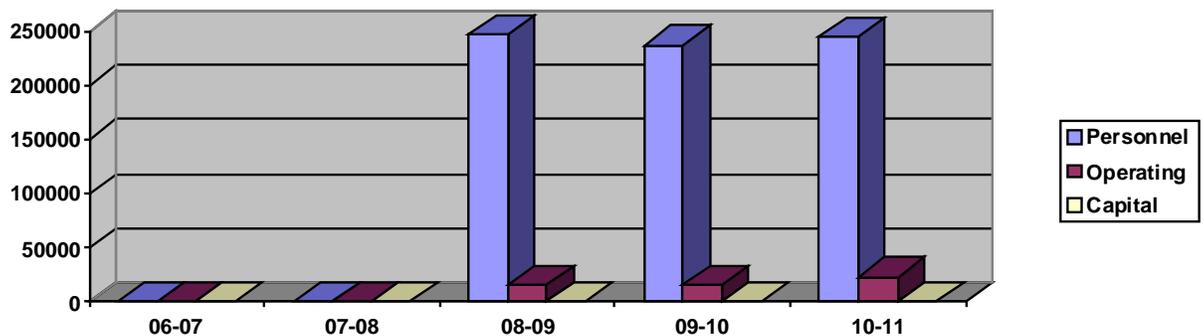
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	0	0	246,560	237,202	238,156	243,886
Operating	0	0	14,827	15,160	22,660	22,660
Capital	0	0	0	0	0	0
Total	0	0	261,387	252,362	260,816	266,546
Budgeted Employees	0	0	3	3	3	3

2010-2011 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect an increase of \$14,184 or six percent (6%) compared to FY 09-10 budget. Shown within personnel is a 2.5% cost of living adjustment, a 1.55% state mandated employer retirement contribution increase, and a 2.8% health insurance adjustment. Operating reflects a \$7,500 increase for the Jordan Lake Partnership dues. **FY 09-10** shows a decrease within personnel for prior year salary and vacation accruals. **FY 08-09** reflects the year this department was transferred from the General Fund. Three employees as well as the costs associated with maintaining this department were included within this new Utility Fund Public Works Administration department.



UF PUBLIC WORKS ADMINISTRATION

Public Works Administration is responsible for the effective management of the Public Works Department which consists of Engineering, Water Construction and Maintenance, Sewer Construction and Maintenance, Water Treatment Plant, Wastewater Treatment Plant, and Street. Formal departmental staff meetings are held in order to enhance open, productive communication. Discussions are held concerning each division's activities and any actions or decisions made by administration. The Public Works Director meets informally with division heads on a daily basis to promote communication and problem solving. Safety training is provided on a continuous basis for prevention of accidents and compliance to OSHA standards. The division is also responsible for administrative work including routing record keeping, project funding through grant and loan applications, implementation of written policies, information literature for in-house and public use, special projects and public relations.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To maintain a productive department through strong leadership and teamwork; services essential to the quality of life in Sanford are provided to citizens and user departments in the most cost effective, and courteous manner possible

Objective: To provide constructive leadership to the department by projecting a clear vision for the future, developing effective divisions within the department, and planning, directing and coordinating the efficient use of these divisions while serving the citizens of Sanford

Measures:

Respond to customers' contacts within 24 hours	97%	99%	100%
Attend special meetings	96%	98%	100%
Schedule meetings to provide adequate communication	97%	99%	100%
Training opportunities to ensure staff is adequately trained	97%	99%	100%

SEWER CONSTRUCTION AND MAINTENANCE

Fund: Utility

Function: Public Utilities

Goal: To expand and maintain a sewer system which will be safe, sanitary, and adequate through an effective construction and maintenance program.

DEPARTMENTAL SUMMARIES

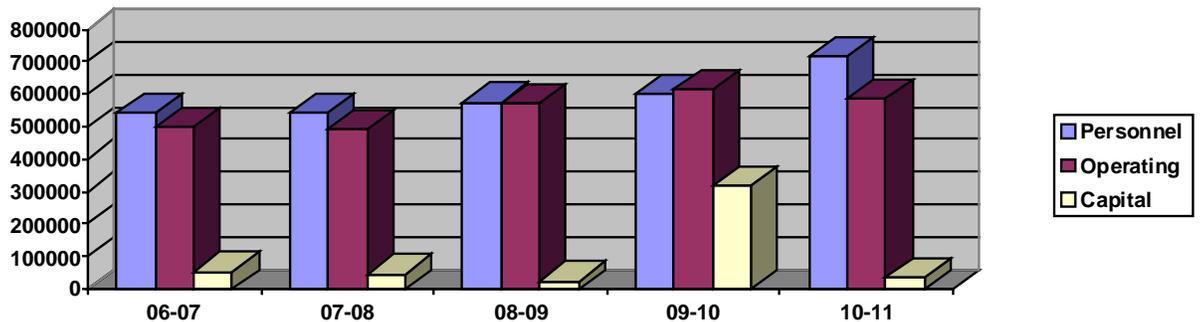
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	542,946	540,392	573,825	598,023	642,747	715,862
Operating	497,428	491,916	571,828	614,889	591,670	583,288
Capital	52,055	47,491	25,562	317,872	34,500	34,500
Total	1,092,429	1,079,799	1,171,215	1,530,784	1,268,917	1,333,650
Budgeted Employees	13	13	13	13	14	14

2010-2011 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) one ton 4X4 utility truck, \$34,500.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect a decrease of \$197,134 or thirteen percent (13%) compared to FY 09-10. Personnel cost center reflects a 2.5% cost of living adjustment, a 1.55% state mandated employer retirement contribution increase, and a 2.8% health insurance adjustment. One position is frozen resulting in a savings of \$34,210. One position has been transferred from the Water Construction and Maintenance department due to a shift in duties and one position has been reclassified. The operating cost center shows a \$31,601 decrease mainly due to a reduction within maintenance auto and miscellaneous. Also within operating is the addition of odor control at Patterson's Creek lift station in the amount of \$8,500. A jet vac was purchased in prior year resulting in the capital decrease. Historically, personnel increases are reflective of cost of living and merit adjustments, however, these adjustments were not funded in **FY 09-10** due to economic conditions. One position was frozen. Health insurance increases this cost center annually. The operating cost center reflects an additional \$50,000 appropriation for street patching resulting from major sewer line repairs. Capital reflects the purchase of a jet vac. **FY 08-09** personnel increases are related to cost of living and merit adjustments. Paving charges were increased by \$35,000 within **FY 08-09** due to the increase in asphalt and concrete prices pertaining to fuel. The reduction in capital funding helps offset these increases. **FY 07-08** personnel decreases are attributed to vacancies.



SEWER CONSTRUCTION AND MAINTENANCE

The Sewer Construction and Maintenance Department is responsible for the operation and maintenance of the underground gravity piping systems, force main piping systems, wastewater lift stations and a potable water booster station. Facilities include 190.4 miles of gravity wastewater lines, 17 miles of pressurized force mains, 10,000 service laterals, 4,436 manholes, 8 wastewater lift stations, and 1 potable water booster station. The system serves a residential population of approximately 20,000 residents as well as 1,500 commercial and industrial customers. Programs include sewer line cleaning, smoke testing, sewer line rehabilitation, manhole rehabilitation and repairs, sewer lift station maintenance, easement clearing, root control, closed circuit televised inspections, and sewer line construction.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: To provide a safe and environmentally sound wastewater collection system that will accommodate peak demands without interruption while continuing efforts to improve and upgrade facilities to allow growth and expansion as economic development dictates; and to be environmentally sensitive and in compliance with all state and federal regulations

Objective: 1) To provide proper maintenance of sanitary sewer systems; 2) to continue TV inspection and smoke testing programs; 3) to continue manhole rehabilitation and inflow / infiltration efforts to reduce flow and cost at the treatment plant; 4) repair and replace sanitary sewer lines to reduce inflow and infiltration

Measures:

Stoppage complaints	180	210	200
New taps installed	40	23	16
Manhole adjustments	162	59	80
Rights-of-Way mowed (feet)	235,000	176,600	200,000
Sewer line jetted (feet)	450,000	553,768	500,000
Sewer retaps	100	51	50
Priority outfall line inspection (feet)	125,000	436,701	145,000
Collections system line inspection (feet)	450,000	531,878	475,000

WATER CONSTRUCTION AND MAINTENANCE

Fund: Utility

Function: Public Utilities

Goal: To expand and maintain a water system which will be safe, sanitary, and adequate through an effective construction and maintenance program.

DEPARTMENTAL SUMMARIES

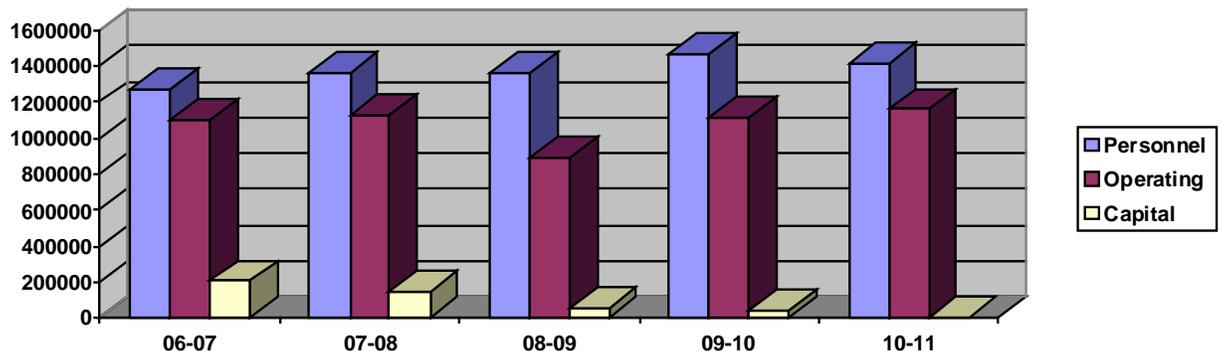
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	1,271,640	1,368,342	1,362,047	1,466,587	1,487,237	1,419,907
Operating	1,106,391	1,129,878	887,643	1,119,026	1,177,807	1,159,825
Capital	205,086	143,864	55,591	40,670	0	0
Total	2,583,117	2,642,084	2,305,281	2,626,283	2,665,044	2,579,732
Budgeted Employees	28	28	28	28	27	27

2010-2011 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect a decrease of \$46,551 or two percent (2%) compared to FY 09-10 budget. Personnel cost center reflects a 2.5% cost of living adjustment, a 1.55% state mandated retirement contribution increase, and health insurance adjustments. However, one position has been transferred into the Sewer Construction and Maintenance department due to a shift in duties and one position has been reclassified. Capital reduction is shown. Historically, personnel increases are reflective of cost of living and merit adjustments, however, these adjustments were not funded in **FY 09-10** due to economic conditions. One position was frozen. Health insurance increases this cost center annually. Operating shows a substantial increase for unexpected water main repairs. **FY 08-09** decreases are attributed to a reduction of capital purchases as well as a reduction in fuel costs and installment payments. **FY 07-08** reflects an increase mainly attributed to personnel cost adjustments.



WATER CONSTRUCTION AND MAINTENANCE

The basic function of the Water Construction and Maintenance Department is to distribute adequate, clean and safe water to residential, commercial and industrial users. This includes the monthly reading of meters, performing cut-on, cut-offs, taps and replacement of still meters. A comprehensive maintenance program is performed by departmental personnel which includes cutting all right-of-ways, prompt repairing of broken lines with immediate notification to the public on service interruptions, maintenance of water tanks and operation of a meter repair shop. This department inspects all water lines installed by contractors, raises covered valve boxes and checks and maintains all fire hydrants and valves. This department also has a Backflow Prevention Program to ensure water quality and eliminate cross connections as well as a Fats, Oils and Grease Program to help minimize entry of fats, oils and grease into the City's sanitary sewer system.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: Ensure the reliable distribution of drinking water to the residents of the City and Lee County compliant with all current and future Federal, State, and Local requirements of system pressure, integrity, and water quality

Objective: 1) Perform leak investigations and respond to water main failures; 2) Install new taps and retaps and perform utility locates

Measures:

Miles of distribution lines maintained	575	585	580
Leak investigations	175	217	191
Major water line repairs (6" or greater)	160	94	79
Minor water line repairs (4" or smaller)	50	43	49
New water taps made	160	108	92
Water retaps	475	123	304

Objective: To install new meters, read existing meters, test meters, replace old meters and ensure optimum levels of customer service

Measures:

New meters installed	300	67	90
Water meters read	221,900	222,696	226,800
Large water meters tested (3" or greater)	40	40	40
Small meters tested (2" or smaller)	9	10	8
Replace old meters	1,637	44	89

Objective: Ensure consistent operational reliability of water distribution system through routine operation and maintenance of system components i.e. fire hydrants and isolation valves

Measures:

Hydrants inspected / maintained	2,900	1,783	3,100
Valves inspected / exercised	7,200	2,454	7,400

Objective: Prevent water system contamination through administration of City's Backflow Prevention Program and minimize entry of fats, oils and grease in City's sanitary sewer system through City's Fats, Oils, and Grease Program

Measures:

City owned backflow devices inspected	25	25	25
Privately owned backflow devices inspected	375	375	375
Grease containing fluids removed (gallons)	822,000	569,197	887,967

WATER TREATMENT PLANT

Fund: Utility

Function: Public Utilities

Goal: To treat and maintain an adequate and safe supply of water for our citizens.

DEPARTMENTAL SUMMARIES

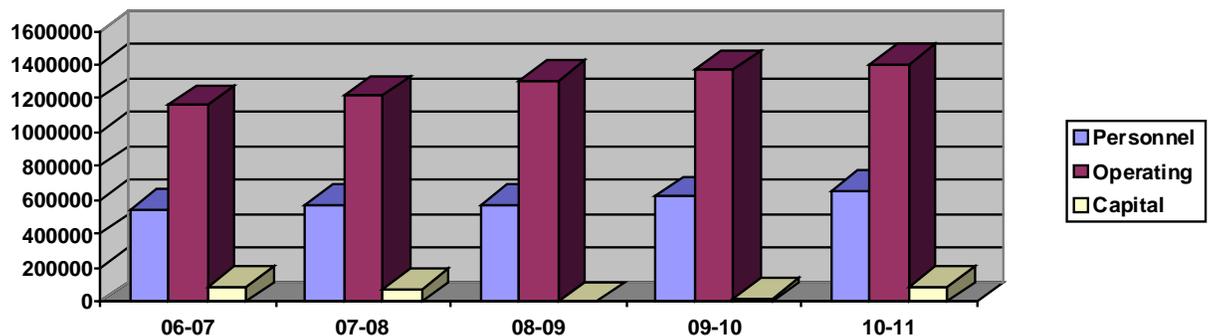
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	545,892	571,714	575,956	622,991	640,166	655,346
Operating	1,161,178	1,216,210	1,302,593	1,370,179	1,406,035	1,404,823
Capital	89,897	70,677	0	18,240	87,000	87,000
Total	1,796,967	1,858,601	1,878,549	2,011,410	2,133,201	2,147,169
Budgeted Employees	11	11	11	11	11	11

2010-2011 CAPITAL OUTLAY DETAIL

Capital outlay funding includes two (2) flocculator motors and gear boxes, \$35,000; remove and rebuild 2800 GPM pump, \$30,000; and epoxy injection to repair basins three and four, \$22,000.

GRAPHIC REPRESENTATION

FY 10-11 appropriations increased \$135,759 or seven percent (7%) compared to FY 09-10 budget. Personnel cost center reflects a 2.5% cost of living adjustment, a 1.55% state mandated employer retirement contribution increase, and a 2.8% health insurance adjustment. New to the operating cost center this year is a bench test (\$12,000) to analyze the effectiveness of chemicals to remove contaminants. Capital increases are shown. Historically, personnel increases are reflective of cost of living and merit adjustments, however, these adjustments were not funded in **FY 09-10** due to economic conditions. **FY 08-09** and **FY 07-08** show increases resulting from personnel benefit adjustments and increased fuel and chemical costs.



WATER TREATMENT PLANT

The Water Treatment Plant provides the citizens of Sanford, Lee County, the Town of Broadway and Chatham County Utilities with potable drinking water through chemical treatment and distribution.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
Goal: To provide a safe, reliable, uninterrupted supply of potable water to our customers			
Objective: Maintain elevated tank levels above 50% and maintain system pressure above 100% psi			
Measures:			
SCADA computer records of tank levels	100%	100%	100%
SCADA computer records of system pressure	100%	100%	100%
Goal: To exceed state and federal regulations on bacteriological water quality			
Objective: Collecting and analyzing fifty distribution samples monthly for bacteriological quality			
Measures:			
Maintain a combined chlorine level above 2.0 mg/l	90%	92%	94%
Maintain a heterotrophic plate count below 500	99%	100%	100%
Goal: To thoroughly train, state certify, and retain operators for consistency and efficient operation of the plant			
Objective: Maintain state certified operators and laboratory staff			
Measures:			
Percent of certified operators of plant staff	100%	100%	100%
Reduce employee turnover	100%	100%	100%

WASTEWATER TREATMENT PLANT

Fund: Utility

Function: Public Utilities

Goal: To provide an effective recycling of domestic and industrial wastewater.

DEPARTMENTAL SUMMARIES

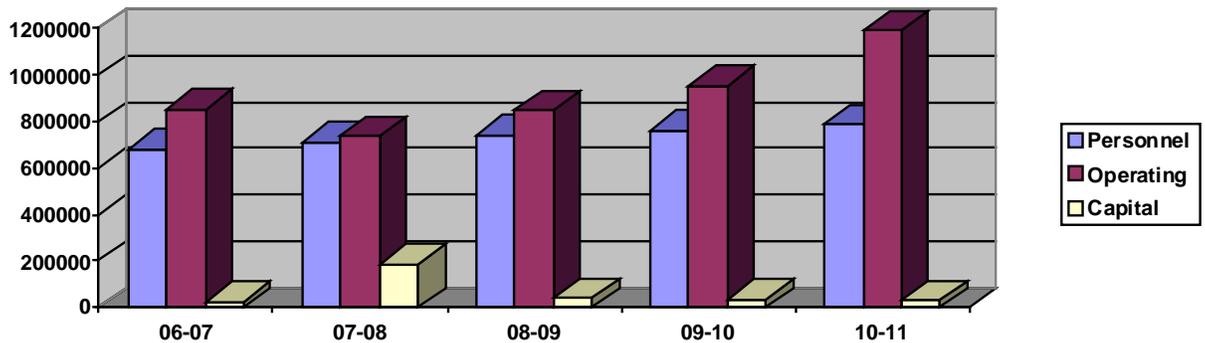
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	681,654	710,915	741,820	761,260	770,217	788,498
Operating	853,256	736,822	847,961	954,332	1,196,690	1,194,411
Capital	25,172	186,900	37,356	36,740	60,500	30,000
Total	1,560,082	1,634,637	1,627,137	1,752,332	2,027,407	2,012,909
Budgeted Employees	13	13	13	13	13	13

2010-2011 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) New Holland T4030 tractor, \$30,000.

GRAPHIC REPRESENTATION

FY 10-11 appropriations increased \$260,577 or fifteen (15%) percent compared to FY 09-10 budget. Personnel cost center reflects a 2.5% cost of living adjustment, a 1.55% state mandated employer retirement contribution increase, and a 2.8% health insurance adjustment. Increases shown within operating are as follows: 1) compensatory stream mitigation fee for WWTP expansion, \$89,700; 2) Patterson Creek water quality monitoring, \$76,800; and 3) additional chemicals for odor control at Gaster's Creek lift station, \$55,000. Historically, personnel increases are reflective of cost of living and merit adjustments, however, these adjustments were not funded in **FY 09-10** due to economic conditions. Chemicals and sludge removal increased substantially during **FY 08-09** and are reflected within operating. Upgrades to the WWTP were completed during **FY 07-08** and are shown within the capital cost center.



WASTEWATER TREATMENT PLANT

The Wastewater Treatment Plant is responsible for treating wastewater by residential, commercial, and industrial users to state and EPA requirements. The maintenance personnel are continually practicing preventive maintenance and repairing equipment in order to assure continued operations. The laboratory personnel constantly sample and test industrial discharges for surcharge data, to meet state requirements, and to protect the treatment plant. Current operations of the new bio-solids handling facility has enhanced efficiency and reduced operating cost.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
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Goal: Comply with state and EPA regulations for Industrial Pretreatment Program and Plant

Objective: Monitor industries with an aggressive sampling program to ensure compliance with their permits and test daily influent and effluent at the plant

Measures:

Number of samples taken from industries and at the plant	7,996	7,996	7,996
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Goal: Comply with state and EPA regulations for Land Application program

Objective: Permit additional acreage for application of bio-solids

Measures:

Number of acres permitted for land application program	1,200	1,200	1,200
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Goal: Operate the plant with skilled and certified personnel for efficient operation

Objective: Certify all personnel to NC Biological Operator Certification Grade I

Measures:

Percent of certified operators of plant staff	100%	100%	100%
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WATER CAPITAL IMPROVEMENTS

Fund: Utility

Function: Public Utilities

Goal: To account for the capital improvement costs which relates directly to the water treatment and distribution system.

DEPARTMENTAL SUMMARIES

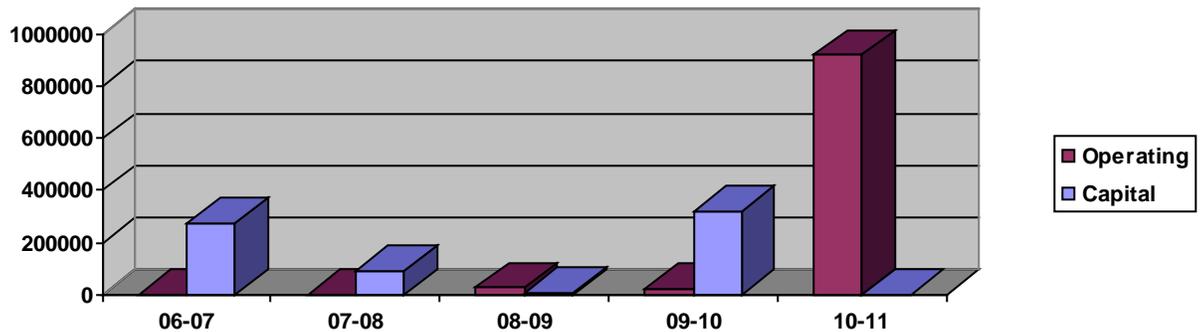
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	0	0	0	0	0	0
Operating	0	0	29,962	25,000	445,000	917,806
Capital	273,930	94,280	7,476	320,311	472,806	0
Total	273,930	94,280	37,438	345,311	917,806	917,806
Budgeted Employees	0	0	0	0	0	0

2010-2011 CAPITAL OUTLAY DETAIL

No funding for capital outlay was approved.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect an increase of \$572,495 or one hundred and sixty-six (166%) percent compared to FY 09-10 budget. Major projects approved within the operating cost center are 1) repaint water tank, \$305,000; 2) replace two inch galvanized water line, \$100,000; and 3) NCDOT payment for utility relocates, \$472,806. **FY 09-10** capital cost center reflects utility relocates in the amount of \$240,311 pertaining to the US 421 bypass. Items previously budgeted within the capital cost center have been moved to the operating cost center due to the threshold increase for capital requirements. Capital costs drive expenditures within this cost center. Specific projects are analyzed and recommended for funding within the Capital Improvements Program.



SEWER CAPITAL IMPROVEMENTS

Fund: Utility

Function: Public Utilities

Goal: To account for the capital improvement costs which relates directly to the wastewater system.

DEPARTMENTAL SUMMARIES

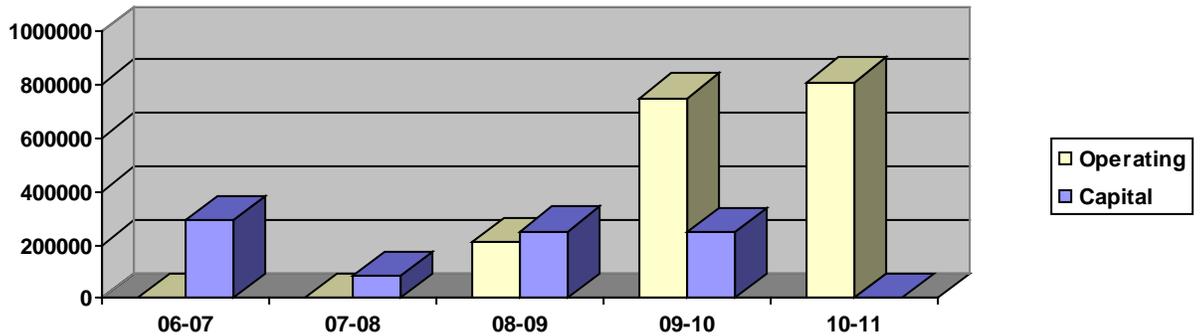
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	0	0	0	0	0	0
Operating	0	0	208,174	750,000	807,000	807,000
Capital	290,487	84,647	251,449	248,439	0	0
Total	290,487	84,647	459,623	998,439	807,000	807,000
Budgeted Employees	0	0	0	0	0	0

2010-2011 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 10-11 appropriations reflect a decrease of \$191,439 or nineteen percent (19%) compared to FY 09-10 budget. Major projects approved within the operating cost center are 1) installation of flow and monitoring at Patterson's Creek, \$57,000; and (2) sewer rehabilitation, \$750,000. **FY 09-10** reflects capital for a 24" steel encasement pipe related to the 421 bypass utility relocates. Items previously budgeted within the capital cost center have been moved to the operating cost center due to the city policy change in capital requirements. This increase is shown within capital costs as well as operating. Capital costs drive expenditures within this cost center. Specific projects are analyzed and recommended for funding within the Capital Improvements Program.



SPECIAL TAX DISTRICT FUND

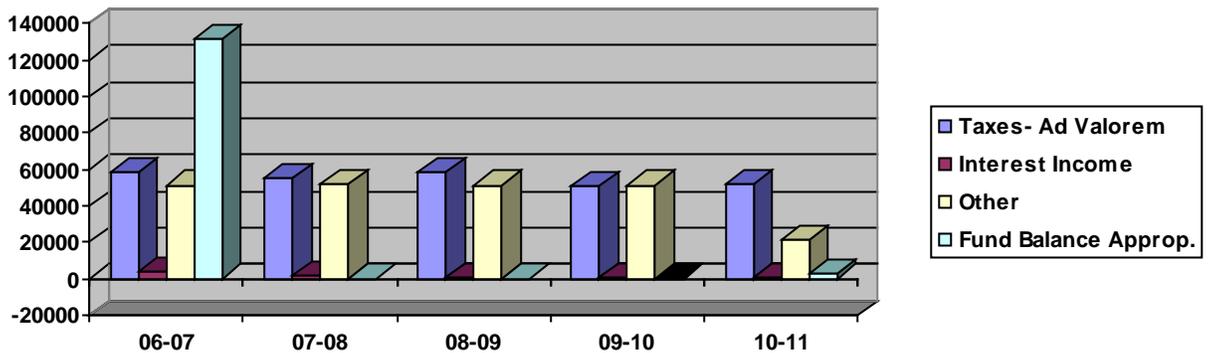
Goal: To account for the activities of the Central Business Tax District established to assist in revitalization of the downtown area.

REVENUE SUMMARIES

Revenue Sources	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Taxes- Ad Valorem	58,018	55,127	58,297	51,049	51,716	51,716
Interest Income	3,785	1,718	648	600	300	300
Other	51,425	51,540	51,350	51,425	51,425	21,425
Fund Balance Appropriation	131,164	0	0	(905)	2,364	2,364
Total	244,392	108,385	110,295	102,169	105,805	75,805

GRAPHIC REPRESENTATION

FY 10-11 Special Tax District revenue decreased \$26,364 or twenty-six percent (26%) compared to FY 09-10 budget. The tax rate remains level at 13 cents per \$100 valuation, however, the general fund contribution to downtown has been reduced from \$50,000 to \$20,000. This contribution was intended to assist downtown in paying off debt for a Depot Park loan. This debt will retire during FY 10-11. Interest rates continue to decline resulting in reduced interest income. **FY 08-09** shows an increase within ad valorem taxes. **FY 07-08** reflects a decrease due to the non-appropriation of fund balance. The tax rate was reduced to 13 cents per \$100 valuation but was considered revenue neutral since this was a re-valuation year. A substantial fund balance appropriation was used during **FY 06-07** to pave a parking lot. The tax rate was 15 cents per \$100 valuation.



SPECIAL TAX DISTRICT FUND

EXPENDITURE SUMMARIES

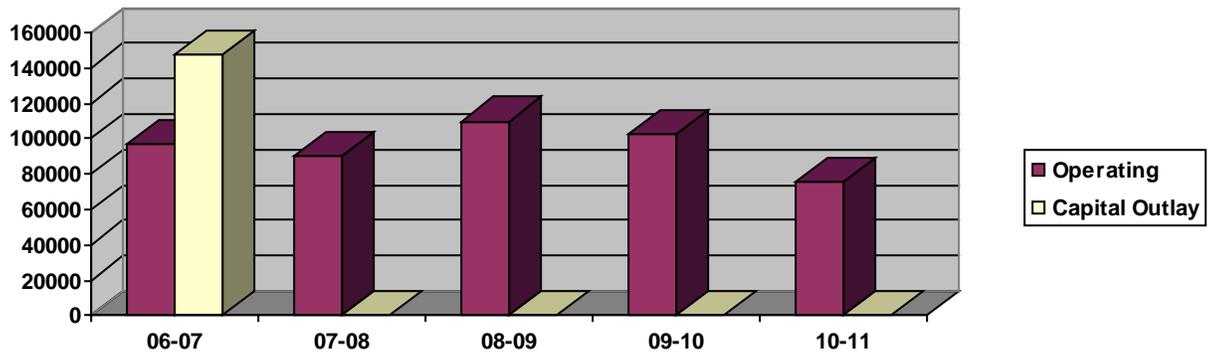
Object of Expenditure	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	BUDGET 09-10	REQUESTED 10-11	APPROVED 10-11
Personnel	0	0	0	0	0	0
Operating	96,764	89,838	109,710	102,169	105,805	75,805
Capital Outlay	147,628	0	0	0	0	0
Total	244,392	89,838	109,710	102,169	105,805	75,805

2010-2011 CAPITAL OUTLAY DETAIL

No capital outlay funding was requested.

GRAPHIC REPRESENTATION

FY 10-11 Special Tax District expenditures reflect decreases totaling \$26,364 or twenty-six percent (26%) compared to FY 09-10 budget. The debt service for Depot Park will expire during this fiscal year resulting in a reduction in the operating cost center. Debt service for downtown Christmas decorations are also included within this cost center. **FY 06-07** reflects a substantial increase within capital for the paving of the Cole / Steele Street parking lot.



FUND BALANCE GOVERNMENTAL FUNDS

	ACTUAL 06-07	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10 Unaudited	BUDGET 10-11
SPECIAL TAX					
BEGINNING BALANCE	\$ 160,142	\$ 28,979	\$ 47,526	\$ 48,111	\$ 63,081
REVENUES					
AD VALOREM TAXES	58,018	55,127	58,297	54,517	51,716
OTHER	<u>55,210</u>	<u>53,258</u>	<u>51,998</u>	<u>52,730</u>	<u>21,725</u>
TOTAL	<u>113,228</u>	<u>108,385</u>	<u>110,295</u>	<u>107,247</u>	<u>73,441</u>
EXPENDITURES					
DOWNTOWN REVITALIZATION	<u>244,391</u>	<u>89,838</u>	<u>109,710</u>	<u>92,277</u>	<u>75,805</u>
TOTAL	<u>244,391</u>	<u>89,838</u>	<u>109,710</u>	<u>92,277</u>	<u>75,805</u>
ENDING BALANCE	<u><u>\$ 28,979</u></u>	<u><u>\$ 47,526</u></u>	<u><u>\$ 48,111</u></u>	<u><u>\$ 63,081</u></u>	<u><u>\$ 60,717</u></u>

SPECIAL TAX

To manage the development of Downtown Sanford as the primary economic, cultural, and social center of the community; to educate the community on the unique assets and historical significance of the downtown area; and to promote and stimulate the improvement of these assets.

Performance Measures	08-09 Actual	09-10 Projected	10-11 Projected
Goal: To retain and develop downtown businesses			
Objective: Actively pursue federal and state grants and other local fundraising opportunities which will improve the downtown infrastructure conducive for economic retention and development			
Measures:			
Apply for federal and state grants	\$40,000	\$250,000	\$500,000
Private funds attained	\$1,300	\$12,059	\$15,000
Objective: Advocate on behalf of DSI to various civic groups and the general public to create a downtown awareness and solicit funding for various projects			
Measures:			
Conduct speaking engagements advocating DSI	6	6	6
Represent DSI on various local boards	3	3	3
Goal: To improve the district's overall appearance			
Objective: To fund projects to improve the district's overall appearance			
Measures:			
Streetscape implemented on a number of downtown blocks	3	0	0
Building improvement grants awarded	7	7	7
Art project	0	0	1
Goal: To add to the quality of life of local residents			
Objective: Sponsor events that add to the quality of life to local residents while at the same time exposing them to other opportunities that downtown has to offer			
Measures:			
Summer concert series	1	1	1
Holiday tree lighting	1	1	1
Fall movie series	0	1	1
Downtown festival	0	1	1

CITY OF SANFORD CAPITAL IMPROVEMENTS PROGRAM

The City of Sanford's Capital Improvements Plan is prepared as a compendium to the Annual Operating Budget. The plan is designed to provide a five year perspective of future capital needs for the City. The program is intended to coordinate financing, scheduling and planning of capital needs well in advance which will eliminate hasty decisions and provide well designed, orderly growth. Project prioritizing and funding resource availability are paramount in providing a successful program. Safeguarding the city's assets and meeting state and federal mandates are also critical components of the plan.

The City's Capital Improvements Plan contains projected revenue sources and cost estimates for each recommended capital project with a cost of \$50,000 or greater. Project descriptions detailing the specifics of each project along with visual aids are included when necessary. The projects are categorized by fund, department and type of improvement. The following improvement types are recommended.

1. Water Capital Projects
2. Sewer Capital Improvements
3. Street Capital Improvements
4. General Service Capital Improvements

Generally, the purchase of vehicles or heavy equipment is included in the annual operating budget, not the CIP, regardless of initial cost.

Useful Life Table

Utility plants, tanks, and system lines	40 – 50 years
Buildings, land improvements and streets	20 years
Equipment	3 - 15 years

The financial data for the ensuing fiscal year of the plan will be the same as the recommended capital outlays for major improvements within the ensuing operating budget and/or capital project ordinances. The remainder of the five year plan will be subject to annual revisions and authorizations. The acceptance of the plan is not binding on future budgets but will be used as a planning document.

The following pages are excerpts from the Capital Improvement Program. This information will provide the reader with more information concerning current year projects.

CAPITAL IMPROVEMENTS SCHEDULE

** FUNDING SOURCE	PROJECT DESCRIPTION	BUDGET YEAR 2010-2011	PLANNING YEAR 2011-2012	PLANNING YEAR 2012-2013	PLANNING YEAR 2013-2014	PLANNING YEAR 2014-2015
	GENERAL FUND					
	GENERAL SERVICES:					
4	Municipal Center Renovations	-	-	-	2,500,000	2,500,000
3	Streetscape	-	625,000	3,125,000	3,125,000	3,125,000
3,4	Parking Expansion at Service Center	-	-	-	135,000	-
3,5	Park Development	75,000	200,000	200,000	200,000	-
3	Greenway System Development	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
4	Vehicle, Salt, Sand, Rock Storage Bldg.	-	-	-	1,000,000	-
	TOTAL GENERAL SERVICES	1,575,000	2,325,000	4,825,000	8,460,000	7,125,000
	STREET:					
4	Sidewalk Installation	-	1,000,000	-	-	-
	TOTAL STREET	-	1,000,000	-	-	-
	PUBLIC SAFETY:					
4	No. 4 Fire Station	-	224,500	1,715,000	-	-
4	No. 5 Fire Station	-	-	-	100,000	1,840,000
4	Public Safety Facility	-	-	3,735,000	6,110,000	2,905,000
5	Equipment Storage Building	-	150,000	-	-	-
4	Renovation - #2 Fire Station	-	-	640,000	-	-
	TOTAL PUBLIC SAFETY	-	374,500	6,090,000	6,210,000	4,745,000
	TOTAL GENERAL FUND	1,575,000	3,699,500	10,915,000	14,670,000	11,870,000
	UTILITY FUND					
	WATER:					
3,4	Erection of Elevated Storage Facility for Potable Water	-	-	-	-	1,500,000
3	Hawkins Avenue Waterline	-	250,000	3,750,000	-	-
	TOTAL WATER	-	250,000	3,750,000	-	1,500,000
	SEWER:					
6	Pump Station Generator Installation	-	400,000	-	-	-
3,4	Replace Gum Fork Branch Forced Main	-	-	-	1,000,000	-
6	Replace Carr Creek Pump Station	-	-	1,000,000	-	-
2	Wastewater Plant Expansion 6.8 to 12 mgd	12,600,000	22,400,000	22,400,000	11,284,500	-
	TOTAL SEWER	12,600,000	22,800,000	23,400,000	12,284,500	-
	TOTAL UTILITY FUND	12,600,000	23,050,000	27,150,000	12,284,500	1,500,000
	TOTAL ALL FUNDS	14,175,000	26,749,500	38,065,000	26,954,500	13,370,000

****FUNDING SOURCE**

- 1 = ASSESSMENTS – Budgeted within Annual Operating Budget
- 2 = BONDS – Budgeted within Capital Projects Ordinances
- 3 = GRANTS – Budgeted within Capital Projects Ordinances
- 4 = LOAN PROCEEDS – Budgeted within Capital Projects Ordinances
- 5 = GENERAL FUND OPERATING REVENUES – Budgeted within Annual Operating Budget
- 6 = ENTERPRISE FUND OPERATING REVENUES – Budgeted within Annual Operating Budget
- 7 = SPECIAL TAX FUND OPERATING REVENUES – Budgeted within Annual Operating Budget
- 8 = STATE FUNDING – Budgeted within Annual Operating Budget
- 9 = GRANTS/LOAN FORGIVENESS – Budgeted within Capital Projects Ordinances

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2010-2015
PROJECT SUMMARY FORM**

Responsible Dept: General Services				Project Title: Park Development			
PROJECT DESCRIPTION: Development of approximately six neighborhood parks and one skateboard park within the City of Sanford.							
PROJECT JUSTIFICATION: Citizens of Sanford are continuing to demand more quality of life services be provided by the City. The development of these parks addresses this request.							
Externally Mandated:	No	Growth Related:	No	Service Related:	Yes		
IMPACT IF CANCELLED OR DELAYED: Frustration will develop with the leaders of the city if the people's demands aren't met.							
PROJECTED STATUS as of JUNE 30, 2010:				PROJECTED DATES:			
2010 Appropriation:		\$137,685		Projected Begin: July, 2009			
Current Budget Amt:	\$137,685			Est. Completion: June, 2015			
Total Expenditures:	\$85,052						
Projected Balance:	\$52,633						
Appro/Expenditure Plan	2010-11	2011-12	2012-13	2013-14	2014-15	Remaining Yrs	Total
Planning/Design	7,500	20,000	20,000	20,000	20,000		87,500
Acquisition							0
Construction	67,500	180,000	180,000	180,000	180,000		787,500
Other							0
Total	75,000	200,000	200,000	200,000	200,000	0	875,000
Financing Plan (to be completed by Finance Dept.)	2010-11	2011-12	2012-13	2013-14	2014-15	Remaining Yrs	Total
General Fund	75,000	200,000	200,000	200,000	200,000		875,000
Utility Fund							0
Revenue Bonds							0
GO Bonds							0
Installment Contracts							0
Other Local Gov't (Specify - Notes)							0
Grants (Specify - Notes)							0
Other (Specify - Notes)							0
Prior Year Balance							0
Total	75,000	200,000	200,000	200,000	200,000	0	875,000
Operating Budget Impact	2010-11	2011-12	2012-13	2013-14	2014-15	Remaining Yrs	Total
Personnel	5,000	10,000	15,000	20,000	25,000	30,000	105,000
Operating Expense	1,750	3,500	5,250	7,000	8,750	10,500	36,750
Capital Outlay (Minus Revenues)							0
Net Operating Effect	6,750	13,500	20,250	27,000	33,750	40,500	141,750
Operating Budget Impacts: Upon Completion, this Project may/will affect the following Department(s)/Division(s) (Note how & why).							
List							
Department/Division Impacted	Explanation: How & Why						
Public Building	Parks average 3/4 of an acre in size. It currently cost approximately \$9,000 an acre annually to maintain each park the city has. Total cost to maintain six city parks would cost approximately \$40,500 per year.						

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2010-2015
PROJECT SUMMARY FORM**

Responsible Dept: Public Works/ Engineering		Category: Water		Project Title: Greenway System Development			
PROJECT DESCRIPTION: Development of greenway system consisting of approximately 25 miles of trail along Little Buffalo / Big Buffalo Creeks and the Deep River connecting points of interest such as the Endor Iron Furnace and Kiwanis Park.							
PROJECT JUSTIFICATION: This trail system is part of the continuing effort to provide quality of life opportunities to the citizens of Sanford.							
Externally Mandated:	No	Growth Related:	No	Service Related:	Yes		
IMPACT IF CANCELLED OR DELAYED: N/A							
PROJECTED STATUS as of JUNE 30, 2010:				PROJECTED DATES:			
2010 Appropriation:		\$1,360,800		Projected Begin:		Fall 2009	
Current Budget Amt:	\$1,360,800			Est. Completion:		ongoing	
Total Expenditures:	\$738,630						
Projected Balance:	\$622,170						
Appro/Expenditure Plan	2010-11	2011-12	2012-13	2013-14	2014-15	Remaining Yrs	Total
Planning/Design	150,000	150,000	150,000	150,000	150,000	2,250,000	3,000,000
Acquisition							0
Construction	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000	19,391,000	26,141,000
Other							0
Total	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	21,641,000	29,141,000
Financing Plan (to be completed by Finance Dept.)	2010-11	2011-12	2012-13	2013-14	2014-15	Remaining Yrs	Total
General Fund							0
Utility Fund							0
Revenue Bonds							0
GO Bonds							0
Installment Contracts							0
Other Local Gov't (Specify - Notes)							0
Grants (Specify - Notes)	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	21,641,000	29,141,000
Other (Specify - Notes)							0
Prior Year Balance							0
Total	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	21,641,000	29,141,000
Operating Budget impact	2010-11	2011-12	2012-13	2013-14	2014-15	Remaining Yrs	Total
Personnel	10,000	10,000	10,000	10,000	10,000	140,000	190,000
Operating Expense	25,000	25,000	25,000	25,000	25,000	350,000	475,000
Capital Outlay	10,000						10,000
(Minus Revenues)							0
Net Operating Effect	45,000	35,000	35,000	35,000	35,000	490,000	675,000
Operating Budget Impacts: Upon Completion, this Project may/will affect the following Department(s)/Division(s) (Note how & why).							
List	Explanation: How & Why						
Department/Division Impacted							
City Public Works Departments	Departments will be required to maintain trails including mowing grass, trash pickup, weeding, inspections, resurfacing, bridge repair and other duties. Operating cost is anticipated to be approximately \$25,000 per year per mile.						

**CITY OF SANFORD
CAPITAL IMPROVEMENT PROGRAM 2010-2015
PROJECT SUMMARY FORM**

Responsible Dept: Engineering / Public Works				Project Title: Wastewater Treatment Facility Expansion			
PROJECT DESCRIPTION: Expansion of the existing WWTP facility from 6.8 mgd to 12 mgd.							
PROJECT JUSTIFICATION: At the current rate of growth, it is anticipated the existing facility will reach its capacity prior to 2015. State requirements demand that at 90% of permit capacity, construction be underway. It will take in excess of three ye							
Externally Mandated:	No	Growth Related:	Yes	Service Related:	No		
IMPACT IF CANCELLED OR DELAYED: The city would not be capable of providing wastewater service for anticipated growth. A moratorium would be applied.							
PROJECTED STATUS as of JUNE 30, 2010: 2010 Appropriation: \$3,573,000			PROJECTED DATES: Projected Begin: September, 2007				
Current Budget Amt: \$3,573,000			Est. Completion: January, 2013				
Total Expenditures: \$654,791							
Projected Balance: \$2,918,209							
Appro/Expenditure Plan							
	2010-11	2011-12	2012-13	2013-14	2014-15	Remaining Yrs	Total
Planning/Design	1,600,000	400,000	400,000	284,500			2,684,500
Acquisition							0
Construction	11,000,000	22,000,000	22,000,000	11,000,000			66,000,000
Other							0
Total	12,600,000	22,400,000	22,400,000	11,284,500	0	0	68,684,500
Financing Plan (to be completed by Finance Dept.)							
	2010-11	2011-12	2012-13	2013-14	2014-15	Remaining Yrs	Total
General Fund							0
Utility Fund							0
Revenue Bonds	12,600,000	22,400,000	22,400,000	11,284,500			68,684,500
GO Bonds							0
Installment Contracts							0
Other Local Gov't (Specify - Notes)							0
Grants (Specify - Notes)							0
Other (Specify - Notes)							0
Prior Year Balance							0
Total	12,600,000	22,400,000	22,400,000	11,284,500	0	0	68,684,500
Operating Budget Impact							
	2010-11	2011-12	2012-13	2013-14	2014-15	Remaining Yrs	Total
Personnel					56,000	168,000	224,000
Operating Expense					8,400	8,400	16,800
Capital Outlay							0
(Minus Revenues)							0
Net Operating Effect	0	0	0	0	64,400	176,400	240,800
Operating Budget Impacts: Upon Completion, this Project may/will affect the following Department(s)/Division(s) (Note how & why).							
List							
Department/Division Impacted	Explanation: How & Why						
WWTP	Expanded plant will require an additional mechanic in the first year, than two additional operators (depending on how quickly volumes increase). Operating expenses will increase with additional flows (unable to anticipate at this time). The operating ex						

CITY OF SANFORD CAPITAL/GRANT BUDGETS

The City of Sanford's Capital/Grant Budgets are authorized for appropriations through General Statutes 159-13.2 and are adopted separate from the annual operating budget. This authorization includes funding of "capital project" and "grant project" appropriations. The capital budget is used for projects financed totally or in part through bond proceeds, notes or other debt instruments which involve a capital asset. The grant budget refers to projects financed with revenues received from state or federal government for operation or capital purposes defined by the specific grant. The project ordinance authorizes the funding for the length of the project, therefore funds are cumulative for the life of the project. The City uses these ordinances to fund projects within the Capital Improvements Program and Community Development Grant Program. Each ordinance clearly identifies its purpose and authorization and identifies the revenues and appropriations (balanced). A project ordinance may be amended with City Council enactment in the same manner as the annual operating ordinance.

Following is a summary of ongoing project activity:

APPROPRIATION	PROJECT/ PROGRAM BUDGET	CURRENT YR. ACTIVITY	PRIOR YRS. ACTIVITY	TOTAL TO JUNE 30, 2009
SPECIAL REVENUES				
Community Development				
Revenues	3,997,360	450,904	1,925,917	2,376,821
Expenditures	3,997,360	431,964	1,386,376	1,818,340
Project Fund Balance				<u>\$ 558,481</u>
UTILITY CAPITAL PROJECTS				
Water & Sewer Capital Improvements				
Revenues	4,254,112	698,509	2,886,415	3,584,924
Other financing sources	17,404,142	500,000	16,904,142	17,404,142
Expenditures	21,658,254	5,165,332	13,336,281	18,501,613
Project Fund Balance				<u>\$ 2,487,453</u>

**2010-2011
DEPARTMENTAL EMPLOYEE CLASSIFICATION**

POSITION TITLES	BUDGETED POSITIONS	SALARY RANGE
GOVERNING BODY (9)		
Mayor	1	*
City Council Members	7	*
City Clerk/Asst. to City Manager	1	\$43,571 - \$66,298
DEPARTMENT OF ADMINISTRATION (2)		
City Manager	1	*
Staff Assistant	1	\$29,356 - \$44,669
DEPARTMENT OF HUMAN RESOURCES (5)		
<i>HUMAN RESOURCES</i>		
Human Resources Director	1	\$64,676 - \$98,413
Human Resources Analyst	1	\$39,468 - \$60,055
Human Resources Assistant	1	\$32,390 - \$49,287
Receptionist	1	\$24,086 - \$36,650
<i>RISK MANAGEMENT</i>		
Risk Management Officer	1	\$45,778 - \$69,656
DEPARTMENT OF LEGAL (2)		
City Attorney	1	\$71,410 - \$108,658
Paralegal	1	\$34,041 - \$51,797
DEPARTMENT OF COMMUNITY DEVELOPMENT (22)		
<i>COMMUNITY DEVELOPMENT</i>		
Comm. Development Director	1	\$71,410 - \$108,658
Asst. Comm. Dev. Director	1	\$55,787 - \$84,887
Administrative Services Coord.	1	\$35,772 - \$54,432
Planner II	4	\$45,778 - \$69,656
Planning Technician	2	\$35,772 - \$54,432
Staff Assistant	1	\$29,356 - \$44,669

* Amount is established and set by the City Council on a year to year basis.

**2010-2011
DEPARTMENTAL EMPLOYEE CLASSIFICATION**

POSITION TITLES	BUDGETED POSITIONS	SALARY RANGE
DEPARTMENT OF COMMUNITY DEVELOPMENT CON'T (22)		
<i>INSPECTIONS</i>		
Inspections Administrator	1	\$53,099 - \$80,795
Field Superintendent	1	\$48,096 - \$73,184
Building Inspector	3	\$39,468 - \$60,055
Permit Coordinator	2	\$26,589 - \$40,458
<i>COMMUNITY ENHANCEMENT – CODE ENFORCEMENT</i>		
Code Enforcement Supervisor	1	\$43,571 - \$66,298
Code Enforcement Officer	2	\$37,582 - \$57,185
Code Enforcement Clerk	1	\$26,589 - \$40,458
<i>COMMUNITY ENHANCEMENT – DOWNTOWN/HPC</i>		
Downtown Development Manager II	1	\$53,099 - \$80,795
DEPARTMENT OF INFORMATION SYSTEMS (2)		
Information Systems Director	1	\$64,676 - \$98,413
Program Analyst/Webmaster	1	\$45,778 - \$69,656
SANFORD GOLF COURSE (6)		
Golf Course Manager	1	\$55,787 - \$84,887
Golf Course Superintendent	1	\$45,778 - \$69,656
Asst. Golf Course Manager	1	\$37,582 - \$57,185
Lead Turfgrass Technician	1	\$29,356 - \$44,669
Turfgrass Technician	2	\$26,589 - \$40,458

**2010-2011
DEPARTMENTAL EMPLOYEE CLASSIFICATION**

POSITION TITLES	BUDGETED POSITIONS	SALARY RANGE
DEPARTMENT OF POLICE (106)		
Chief of Police	1	\$71,410 - \$108,658
Assistant Chief	1	\$58,609 - \$89,180
Administrative Support Asst.	1	\$32,390 - \$49,287
Staff Assistant	1	\$29,356 - \$44,669
Police Records Supervisor	1	\$35,772 - \$54,432
Police System Support Spec.	1	\$34,041 - \$51,797
Major	1	\$55,787 - \$84,887
Internal Affairs / Training Officer	1	\$50,543 - \$76,906
Patrol Captain	6	\$48,096 - \$73,184
Narcotics Sergeant	1	\$43,571 - \$66,298
Detective Sergeant	1	\$43,571 - \$66,298
Sergeant	4	\$41,467 - \$63,097
Detective Captain	1	\$50,543 - \$76,906
Narcotics Captain	1	\$50,543 - \$76,906
Detective	10	\$39,468 - \$60,055
Narcotics Agent	3	\$39,468 - \$60,055
Police Officer III	33	\$37,582 - \$57,185
Police Officer II	10	\$35,772 - \$54,432
Police Officer I	11	\$34,041 - \$51,797
Telecomm. Supervisor	1	\$37,582 - \$57,185
Telecommunicator	12	\$30,854 - \$46,948
Receptionist	4	\$24,086 - \$36,650
DEPARTMENT OF FIRE (53)		
Chief	1	\$67,950 - \$103,394
Division Commander / Fire Marshal	1	\$48,096 - \$73,184
Battalion Commander	3	\$48,096 - \$73,184
Staff Assistant	1	\$29,356 - \$44,669
Company Captain	10	\$41,467 - \$63,097
Firefighter III	16	\$35,772 - \$54,432
Firefighter III/Inspector	1	\$35,772 - \$54,432
Firefighter III/Driver Operator	9	\$35,772 - \$54,432
Firefighter II	6	\$34,041 - \$51,797
Firefighter I	3	\$32,390 - \$49,287
Firefighter Trainee	1	\$30,854 - \$46,948
Fire Field Assistant	1	\$30,854 - \$46,948

**2010-2011
DEPARTMENTAL EMPLOYEE CLASSIFICATION**

POSITION TITLES	BUDGETED POSITIONS	SALARY RANGE
DEPARTMENT OF FINANCIAL SERVICES (18)		
<i>FINANCE</i>		
Director of Financial Services	1	\$71,410 - \$108,658
Asst. Director of Financial Services	1	\$55,787 - \$84,887
Staff Assistant	1	\$29,356 - \$44,669
Senior Accountant	1	\$41,467 - \$63,097
Accountant II	1	\$37,582 - \$57,185
Accountant I	1	\$34,041 - \$51,797
Budget Analyst	1	\$39,468 - \$60,055
Accounting Technician	1	\$29,356 - \$44,669
<i>UTILITY FUND ADMINISTRATION</i>		
Collections Manager	1	\$48,096 - \$73,184
Revenue Supervisor	1	\$43,571 - \$66,298
Senior Accountant	1	\$41,467 - \$63,097
Collections Clerk	4	\$26,589 - \$40,458
Senior Collections Clerk	1	\$29,356 - \$44,669
<i>UTILITY BILLING</i>		
Utility Accountant I	1	\$34,041 - \$51,797
Billing Clerk	1	\$29,356 - \$44,669

**2010-2011
DEPARTMENTAL EMPLOYEE CLASSIFICATION**

POSITION TITLES	BUDGETED POSITIONS	SALARY RANGE
DEPARTMENT OF PUBLIC WORKS (129)		
<i>PUBLIC WORKS ADMINISTRATION</i>		
Public Works Director	1	\$75,002 - \$114,123
Public Works Administrator	1	\$43,571 - \$66,298
Administrative Support Asst.	1	\$32,390 - \$49,287
<i>STREET</i>		
Street Superintendent	1	\$48,096 - \$73,184
Crew Supervisor I	3	\$32,390 - \$49,287
Equipment Operator III	1	\$29,356 - \$44,669
Equipment Operator II	4	\$26,589 - \$40,458
Equipment Operator I	2	\$25,309 - \$38,511
Maintenance Worker II	5	\$25,309 - \$38,511
Lead Maintenance Worker	1	\$26,589 - \$40,458
Traffic Services Technician	1	\$30,854 - \$46,948
<i>SOLID WASTE</i>		
Solid Waste Superintendent	1	\$48,096 - \$73,184
Crew Supervisor I	3	\$32,390 - \$49,287
Equipment Operator II	8	\$26,589 - \$40,458
Equipment Operator I	1	\$25,309 - \$38,511
Lead Maintenance Worker	1	\$26,589 - \$40,458
Maintenance Worker II	3	\$25,309 - \$38,511
Maintenance Worker I	1	\$24,086 - \$36,650
<i>HORTICULTURE</i>		
Horticulturist	1	\$41,467 - \$63,097
Lead Groundskeeper	1	\$26,589 - \$40,458
Groundskeeper II	1	\$25,309 - \$38,511
Groundskeeper I	3	\$24,086 - \$36,650

**2010-2011
DEPARTMENTAL EMPLOYEE CLASSIFICATION**

POSITION TITLES	BUDGETED POSITIONS	SALARY RANGE
DEPARTMENT OF PUBLIC WORKS CON'T (129)		
<i>SHOP</i>		
Fleet Maint. Superintendent	1	\$48,096 - \$73,184
Mechanic II	3	\$32,390 - \$49,287
Garage Clerk	1	\$29,356 - \$44,669
<i>ENGINEERING</i>		
City Engineer	1	\$61,561 - \$93,672
Civil Engineer II	1	\$50,543 - \$76,906
Civil Engineer I	1	\$45,778 - \$69,656
Drafting Technician	2	\$30,854 - \$46,948
Engineering Technician	1	\$35,772 - \$54,432
Construction Inspector	2	\$35,772 - \$54,432
<i>SEWER CONST. & MAINT.</i>		
Sewer Utilities Superintendent	1	\$48,096 - \$73,184
Asst. Water Utilities Superintendent	1	\$41,467 - \$63,097
Utility Connection Coordinator	1	\$41,467 - \$63,097
Crew Supervisor I	1	\$32,390 - \$49,287
Utility Maint. Worker II	3	\$25,309 - \$38,511
Utility Maint. Worker I	4	\$24,086 - \$36,650
Lead Utility Maint. Worker	1	\$26,589 - \$40,458
Equipment Operator III	1	\$29,356 - \$44,669
Equipment Operator II	1	\$26,589 - \$40,458
<i>WATER CONST. & MAINT.</i>		
Water Utilities Superintendent	1	\$48,096 - \$73,184
Crew Supervisor I	4	\$32,390 - \$49,287
Lead Utility Maint. Worker	4	\$26,589 - \$40,458
Utility Maintenance Worker II	2	\$25,309 - \$38,511
Utility Maintenance Worker I	4	\$24,086 - \$36,650
Meter Reading Supervisor	1	\$32,390 - \$49,287
Meter Reader	8	\$26,589 - \$40,458
Equipment Operator II	3	\$26,589 - \$40,458

**2010-2011
DEPARTMENTAL EMPLOYEE CLASSIFICATION**

POSITION TITLES	BUDGETED POSITIONS	SALARY RANGE
DEPARTMENT OF PUBLIC WORKS CON'T (129)		
<i>WATER PLANT</i>		
WTP Superintendent	1	\$53,099 - \$80,795
Chief WTP Operator	1	\$37,582 - \$57,185
WTP Operator III	2	\$32,390 - \$49,287
WTP Operator II	2	\$29,356 - \$44,669
WTP Operator I	2	\$26,589 - \$40,458
Utility Mechanic I	1	\$32,390 - \$49,287
Lab Supervisor	1	\$43,571 - \$66,298
Lab Technician II	1	\$35,772 - \$54,432
<i>WASTEWATER TREATMENT PLANT</i>		
WWTP Superintendent	1	\$53,099 - \$80,795
Chief WWTP Operator	1	\$37,582 - \$57,185
Pretreatment Coordinator	1	\$39,468 - \$60,055
Lab Supervisor	1	\$43,571 - \$66,298
Lab Technician II	1	\$35,772 - \$54,432
Utility Mechanic I	2	\$32,390 - \$49,287
WWTP Operator III	2	\$32,390 - \$49,287
WWTP Operator II	3	\$29,356 - \$44,669
WWTP Operator I	1	\$26,589 - \$40,458
<i>STORE</i>		
Maintenance/Inventory Tech.	1	\$29,356 - \$44,669
<i>PUBLIC BUILDING</i>		
Bldg./Grounds Superintendent	1	\$48,096 - \$73,184
Maintenance/Inventory Tech.	1	\$29,356 - \$44,669
Staff Assistant	1	\$29,356 - \$44,669
<i>GENERAL SERVICES</i>		
General Services Director	1	\$64,676 - \$98,413
Staff Assistant	1	\$29,356 - \$44,669

CITY OF SANFORD, NC
PERSONNEL PROCEDURE

SUBJECT	EFFECTIVE DATE	NUMBER
Employee Wage and Salary Program	March 1, 2006	COS-PP-302

1.0 GENERAL

It is the City of Sanford's policy to fairly compensate each employee for the value of his contribution to the success of the city through his assigned work. The employee Wage and Salary Program will promote the goals of the City of Sanford and individual employees by optimizing employee performance and contributions. It is our intention to use a compensation system that will determine the current market value of a position based on the skills, knowledge and behaviors required of a fully competent incumbent. The system used will be objective and non-discriminatory in theory, application and practice.

2.0 RESPONSIBILITY AND AUTHORITY

The City Manager shall have overall responsibility for preparing position classification and pay plans for submission to the council based on recommendations from Human Resources management. The City Manager shall have overall responsibility for ensuring that the administration of the Wage and Salary Program is consistent with and promotes the attainment of the city's goals and objectives.

The City Manager shall have responsibility for approving the following salary actions for city employees:

1. All transactions outside established guidelines,
2. All equity adjustments,
3. All promotions,
4. All demotions,
5. All position reclassifications.

Salary adjustments for all city employees that are within the established percentage frequency guidelines will require approvals in accordance with COS-PP-303, Employee Performance Appraisal.

3.0 ADMINISTRATION

The City Manager shall ensure that salary ranges are reviewed and updated, that all individual jobs are market priced and that pay adjustments are administered in a fair and equitable manner.

Human Resources Department personnel shall be responsible for the development, implementation, and administration of the program.

Department heads shall be responsible for supporting policy objectives by fairly and objectively administering the program in their respective units.

4.0 POSITION DESCRIPTION AND RE-EVALUATION

Written position descriptions should be kept current and accurately reflect the responsibilities and requirements of the position. The Human Resources Department will maintain all position descriptions. Preparation of the position description is the responsibility of the employee's supervisor. Supervisors may request an analysis of a new position or re-evaluation of a current position description through Human Resources.

CITY OF SANFORD, NC
PERSONNEL PROCEDURE

SUBJECT	EFFECTIVE DATE	NUMBER
Employee Wage and Salary Program	March 1, 2006	COS-PP-302

When re-evaluation of a position results in a grade change, whether upward or downward, the change must be recommended by the department head and Human Resources and approved by the City Manager. The salary of all incumbent(s) affected by this re-evaluation will be reviewed and adjustments may be made as necessary. Adjustments require the approval of the City Manager. When an employee's current position is re-evaluated and results in a lower salary grade, the salary of the incumbent(s) will not be reduced.

5.0 SALARY SCHEDULE

The City of Sanford salary schedule listing all approved positions, salary grades and salary ranges will be prepared and issued annually by the Human Resources Department. Actual salaries will vary within a defined grade based on the level of experience and performance of the individual.

6.0 NEW EMPLOYEES

Under normal circumstances, a qualified but inexperienced new employee starts at the minimum rate of their grade level. Starting salaries for fully qualified and experienced new employees may approach, but not exceed, ten (10) percent above minimum salary. Any exception must be recommended by the Human Resources Director and approved by the City Manager.

New employees will be given performance appraisals as they complete milestone points following date of hire based on the following schedule:

- a. Six (6) months - performance appraisal with salary adjustment if approved;

Salary adjustments may be granted based on approvals, but in no case will an employee's salary advance past Step G of their assigned grade during their first year of employment. The Human Resources Director must recommend and the City Manager must approve any exception.

7.0 PERFORMANCE APPRAISALS

Performance appraisals will be conducted for all employees in accordance with COS-PP-303, Employee Performance Appraisal.

Performance appraisals for merit action must be completed and forwarded to the Human Resources Department at least fourteen (14) days prior to effective date.

8.0 SALARY REVIEW

Salary ranges are reviewed and may result in a revised salary schedule. This revision may result in a Cost of Living (COL) adjustment. COL adjustments for employees will be implemented in accordance with approved guidelines.

Probationary increases may be granted per established guidelines to probationary employees upon successful completion of the probationary period.

CITY OF SANFORD, NC
PERSONNEL PROCEDURE

SUBJECT	EFFECTIVE DATE	NUMBER
Employee Wage and Salary Program	March 1, 2006	COS-PP-302

Merit increases are given at the discretion of City Council. Merit increases are not guaranteed and the amount of the merit increase is based upon employee performance and available funds. When provided, a merit increase shall be given at the employee's anniversary/evaluation date, which is generally 12 months from the employee's probationary date, and shall accompany a written performance appraisal. The salary increase should be in accordance with approved guidelines. The City Manager must approve any exception. If the performance and salary review date for an employee occurs during a leave of absence, the employee should be reviewed within two (2) weeks of their return to work. If a salary adjustment is recommended and approved, the adjustment will be effective at the beginning of the payroll period following the employee's return to work.

Salary increases may be granted to incumbents after obtaining job-related certification or licensure in specialized areas. Salary increases will be granted according to established guidelines.

9.0 SALARY INCREASE GUIDE

A salary increase guide will be established and published prior to the beginning of each fiscal year and updated as conditions warrant. Merit increases will be based on performance and present salary position with the assigned salary grade. Department heads should consider the effect of each increase on the individual's opportunity to continue to receive meaningful annual increases.

Merit increases must follow these guidelines:

1. They shall be administered within the salary range for the established salary grade for the employee's position,
2. They should be effective on the first day of the payroll period containing the employee's review date,
3. They should be in accordance with approved salary guidelines for the fiscal year,
4. They should be within the department head's salary budget.

Normally, increases are not granted when the new salary is above the maximum for the assigned grade. Employees who are at the maximum of their salary range for their position classification are eligible to be considered for a performance bonus. Performance pay bonuses shall be awarded in a lump sum payment and do not become part of the employee's base salary. The performance appraisal rating required for bonus consideration and the amount of the performance pay bonus will be determined by the City Manager with recommendation from the department head and the Human Resources Department.

Employees should not be paid below the minimum of their assigned grade except as noted in COS-PP-301, 4.0. When the salary structure shifts, resulting in a below-minimum rate of pay, the employee shall receive an equity increase in pay to return to minimum of their grade.

The following guidelines apply to all promotions:

1. If the present salary is lower than the new minimum rate, but within the established increase guidelines for promotional increase, the employee's salary should be raised to the new minimum rate or to the salary step obtained in the new grade based on established salary increase guidelines,

CITY OF SANFORD, NC
PERSONNEL PROCEDURE

SUBJECT	EFFECTIVE DATE	NUMBER
Employee Wage and Salary Program	March 1, 2006	COS-PP-302

2. If the present salary is substantially lower than the new minimum rate (more than the increase guideline for a promotional increase), the employee's salary should be raised to the minimum of the new grade,
3. If the present salary is at or above the minimum rate, the employee's salary should be raised at the salary increase percent based on established increase guidelines.

At the discretion of the department head, a promoted employee may serve a six-month (6) probationary period in his/her new position. Upon satisfactory completion of the probationary period, the department head may recommend, within established guidelines, a salary increase for the employee. A written performance appraisal must accompany the request and be submitted to the Human Resources Department. The increase must be recommended by the department head and Human Resources Director and approved by the City Manager.

If an employee is reassigned by management, as a result of marginal or unacceptable performance or disciplinary reasons, to a position for which the maximum salary is below the rate the employee was receiving, a reduction of the employee's salary to the maximum of the new grade will be made. When the re-assignment of the employee by management is due to reasons other than inadequate performance or discipline, the employee's salary will not be reduced.

CITY OF SANFORD, NC
PERSONNEL PROCEDURE

SUBJECT	EFFECTIVE DATE	NUMBER
Employee Performance Appraisal	March 1, 2007	COS-PP-303

1.0 GENERAL

Performance management is an ongoing process that helps managers and employees plan performance expectations for the upcoming year, communicate about those expectations during the year and review the results at the end of the year. Our employees benefit from a greater understanding of what is expected of them and the ongoing feedback and support that they need to be successful. The City benefits by having a skilled and knowledgeable workforce focused on achieving results.

The purpose of the performance management program is to:

1. Provide for a formal method of communicating performance feedback to employees;
2. Provide information upon which management can base personnel decisions;
3. Provide a sound basis for compensation decisions;
4. Standardize records for documenting employee performance;
5. Provide for the establishment of specific job expectations and measurable and obtainable goals;
6. Provide annual appraisal of on-the-job performance;
7. Provide supervisors with a formal means of assessing what the employee accomplishes and how they accomplished it (i.e. customer focused, accountability, flexibility, collaboration, effective communication, etc.);
8. Assist managers in assessing employee potential;
9. Provide means for “raising the bar” on overall performance goals and expectations.

2.0 PERFORMANCE MANAGEMENT PROCESS

The Performance Management Process consists of the following steps:

- Performance Planning – establish specific goals and standards required to meet job responsibilities (SMART).
- Performance Monitoring – ongoing process of observing performance and behaviors.
- Providing Feedback – both positive and constructive.
- Performance Review and Appraisal – formal documented system that includes discussion with employee.

The following actions are required:

1. Within the first thirty (30) days of the new appraisal period, the supervisor must establish job expectations and performance standards, which should include measurable and obtainable goals. These will be discussed with the employee and recorded on the performance appraisal form.
2. Monitor performance progress throughout the year, observing both performance and behaviors.
3. Provide consistent feedback to employee (both positive and constructive).
4. At the end of the appraisal period or prior to a promotion, a performance review is conducted. This performance review will consist of the following:
 - a. Review of job expectations and measurable and obtainable goals by supervisor and employee;

CITY OF SANFORD, NC
PERSONNEL PROCEDURE

SUBJECT	EFFECTIVE DATE	NUMBER
Employee Performance Appraisal	March 1, 2007	COS-PP-303

- b. Preparation of appraisal form by supervisor
- c. Conducting of performance appraisal decision with employee;
- d. Forwarding of forms to Human Resources Department.

3.0 PERFORMANCE APPRAISAL GUIDELINES AND DISCUSSION

Performance appraisals must be completed on all:

- Full-time employees at the end of the probationary period and then every 12 months thereafter;
- Transferring or promoted employees if more than six months have elapsed since the last appraisal was conducted.

The appraisal of performance should be based upon performance of the specific job expectations and measurement of completion of goals. The overall performance rating is measured on a scale of one (1) to ten (10) as shown and described on the appraisal form.

An employee with a rating of one (1) or two (2) will be re-appraised in three (3) months. If at that time performance has not improved enough to warrant a rating of three (3) or above, transfer or termination will be considered.

4.0 APPROVALS

Levels of approval for a performance rating will be as follows:

- Appraisals with a rating of three (3) through eight (8) require two (2) levels of approval;
- Appraisals with a rating of one (1), two (2), nine (9), or ten (10) require three levels of approval, one of which must be the department head with budgetary responsibility for the employee's department and one of which must be the City Manager.

All approval signatures must be obtained prior to the performance appraisal discussion. Each department may expand the approval process as desired.

The City Manager's signature will be required on all performance appraisal forms for those actions requiring approval in accordance with COS-PP-302, 2.0 and 9.0.

The employee performance appraisal discussion must be conducted so that all forms will arrive in the Human Resources Office at least fourteen (14) days prior to the effective date. During the discussion, the supervisor and employee will review the completed appraisal form and discuss goals for the new appraisal period. The employee may enter personal comments and then should sign the form. The employee's signature indicates only that they have reviewed the form and does not indicate agreement with the appraisal.

The supervisor and the employee should retain copies of the completed appraisal form and the original will be placed in the employee's personnel folder.

CITY OF SANFORD, NC

FINANCE PROCEDURE

SUBJECT	EFFECTIVE DATE	NUMBER
Investment Policy	June 1, 2006	COS-FP-901

PURPOSE

Funds of the City will be invested in accordance with North Carolina General Statutes 159-30 and these policies and written administrative procedures. The City's investment portfolio shall be managed in a manner to attain a market rate of return while preserving and protecting capital in the overall portfolio.

RESPONSIBILITY

The Finance Director or his designee shall have the responsibility for the administration of the investment policy of the City of Sanford. The Finance Director will routinely monitor the contents of the portfolio, the available markets, and the relative values of competing instruments, and will adjust the portfolio accordingly.

PORTFOLIO DIVERSIFICATION

The City will diversify use of investment instruments to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions or maturities.

Diversification by Instrument:

Percent of Portfolio

U.S. Treasury obligations (bills, notes, bonds)	100%
U.S. Government Agencies (fully guaranteed)	100%
Bankers Acceptance (BAs)	40%
Commercial Paper	40%
Repurchase Agreements	25%
Certificates of Deposit (CDs) Commercial Banks	100%
North Carolina Cash Management Trust	95%
RBC Centura Public Fund Account	30%

Diversification by Financial Institution:

Bankers' Acceptance (BAs):

No more than 25% of the total BA portfolio with any one institution.

Commercial Paper:

No more than 30% of the total commercial paper portfolio with any one issuer.

Repurchase Agreements:

No more than 15% of the total repurchase agreement portfolio with any one institution.

Certificates of Deposit (CDs)

No more than 60% of the total CD portfolio with one institution.

Maturity Scheduling:

Investment maturities shall be scheduled to coincide with projected cash flow needs, taking into account large routine expenditures, as well as considering sizable blocks of anticipated revenue (tax receipts, etc.). Maturities shall be timed to comply with the following guidelines:

Under	1 year	80%
Under	2 years	100%

CITY OF SANFORD, NC

FINANCE PROCEDURE

SUBJECT	EFFECTIVE DATE	NUMBER
Investment Policy	June 1, 2006	COS-FP-901

A. Strategy

The City invests funds by using a specific, but flexible, investment strategy. The City formulates its investment strategy by monitoring the performance of current economic indicators and current economic projections. The criteria for selecting investments are ranked as to: legality, safety, liquidity, yield, ease and cost of handling. Obvious profit opportunities are taken when market conditions shift (swaps). Long-term investments (over one year) are limited to maturities of two years or less. Maturities are selected to coincide with the periods when funds will be needed to meet expenditures.

B. Market Trading Procedures

The City monitors the investment market daily. It is the city's policy to contact the banks in Sanford for bids and offerings to receive the best pricing/yield possible. Other North Carolina based financial institutions may also be contacted when appropriate. All purchases, sales, swaps, and commitments are verified and documented as to the settlement date, interest rate, maturity date, and price. All transactions are recorded in complete detail. Investments are frequently settled by a bank wire transfer.

C. Collateralization of Deposits

North Carolina General Statute 159-31 (b) requires that sufficient collateral be pledged for all public funds. For demand deposits and time deposits, FDIC and FSLIC protection is available for \$100,000. However, once the City's demand or time deposits exceed \$100,000, specific eligible securities must be pledged as collateral for the City's funds. The Finance Director or his designee will ensure that sufficient and proper collateral exists for all demand and time deposits in excess of \$100,000.

D. Third-Party Safekeeping

The City uses third-party safekeeping for all investments not covered by collateralization requirements. Third-party safekeeping arrangements will be bid as part of the banking services contract. Third-party safekeeping provides the City with the safest category of credit risk for these investments.

REPORTING REQUIREMENTS

The Finance Director shall generate monthly reports for management purposes. In addition, the Law and Finance Committee of the City Council will be provided quarterly reports which include data on investment instruments being held and a statement that the portfolio conforms to these policies.

Extracted from Comprehensive Annual Financial Report

CITY OF SANFORD, NORTH CAROLINA
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS

Calendar Year	Population	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2000	22,310	\$ 574,259,400	\$ 25,740	35.94	8,504	3.7%
2001	23,330	622,444,400	26,680	36.01	8,604	6.0%
2002	23,409	631,645,047	26,983	36.07	8,438	7.7%
2003	23,522	650,830,218	27,669	36.13	8,472	6.7%
2004	23,530	622,486,150	26,455	36.18	8,924	5.8%
2005	23,832	664,531,488	27,884	36.22	8,958	5.2%
2006	27,771	651,813,141	23,471	36.40	9,021	5.4%
2007	29,053	685,156,899	23,583	38.00	9,125	5.1%
2008	27,806	N/A	N/A	38.00	9,304	7.0%
2009	N/A	N/A	N/A	N/A	9,579	14.8%

Sources of Information:

Population information provided by Office of State Budget and Management

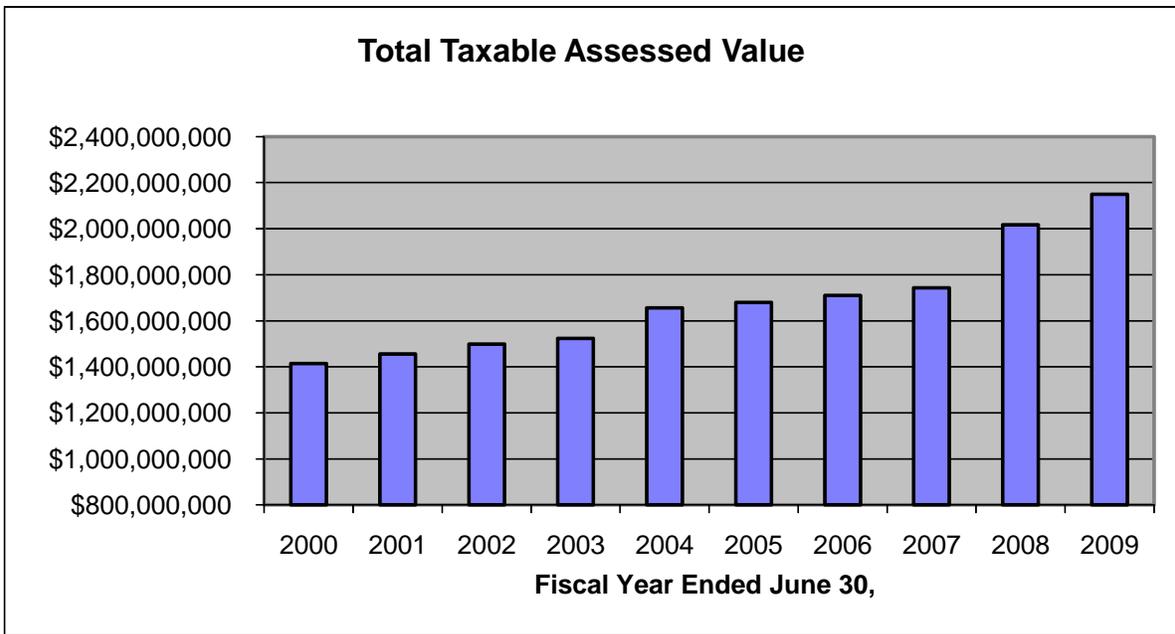
Personal income, median age and school enrollment all provided by North Carolina Department of Commerce

Unemployment rate provided by Employment Security Commission of North Carolina

Extracted from Comprehensive Annual Financial Report

CITY OF SANFORD, NORTH CAROLINA
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Real Property	Personal Property	Utilities	Total Taxable Assessed Value	Total Direct Tax Rate	Assessed Value as a Percentage of Actual Value
2000	\$ 894,016,733	\$ 484,591,937	\$ 34,834,946	\$ 1,413,443,616	0.55	N/A
2001	905,557,937	513,946,981	35,743,656	1,455,248,574	0.57	N/A
2002	939,174,794	518,906,756	39,988,251	1,498,069,801	0.57	N/A
2003	959,056,544	526,922,020	37,788,739	1,523,767,303	0.57	75.25%
2004	1,148,068,689	461,678,958	45,914,539	1,655,662,186	0.56	100.00%
2005	1,175,515,025	456,056,792	47,308,731	1,678,880,548	0.59	95.58%
2006	1,219,464,773	444,276,889	46,020,518	1,709,762,180	0.59	88.75%
2007	1,257,811,445	432,756,813	52,686,614	1,743,254,872	0.61	91.13%
2008	1,520,181,596	441,051,810	56,121,257	2,017,354,663	0.54	100.00%
2009	1,590,534,730	502,030,951	56,571,637	2,149,137,318	0.54	95.50%



Source: Lee County Tax Office

Extracted from Comprehensive Annual Financial Report

CITY OF SANFORD, NORTH CAROLINA
 PRINCIPAL PROPERTY TAX PAYERS
 JUNE 30, 2009 COMPARED TO JUNE 30, 2000

Taxpayer	2009			2000		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Coty, Inc.	\$ 70,204,443	1	3.27%	\$ 32,100,381	4	2.28%
Simpson & Simpson	64,563,683	2	3.00%			
Frontier Spinning Mills	38,670,484	3	1.80%	81,779,605	1	5.80%
Moen, Inc.	30,920,119	4	1.44%	36,116,538	3	2.56%
Magneti Marelli USA, INC.	30,755,939	5	1.43%	24,061,280	7	1.71%
AMI/Central Carolina Hospital	28,627,248	6	1.33%			
The Pantry	25,733,846	7	1.20%			
Windstream (formally Alltel Carolina)	25,622,830	8	1.19%	28,508,807	6	2.02%
Static Control	25,249,586	9	1.17%			
Pentair	21,248,786	10	0.99%			
Parkdale America LLC				31,004,710	5	2.20%
Wachovia Capital Markets				18,185,800	10	1.29%
Avondale Mills, Inc.				18,261,280	9	1.30%
Carolina Power & Light				21,760,238	8	1.54%
American Cyanamid				49,755,674	2	3.53%
Total	<u>\$ 361,596,964</u>		<u>16.82%</u>	<u>\$ 341,534,313</u>		<u>24.24%</u>

Source: Lee County Tax Office

Extracted from Comprehensive Annual Financial Report

CITY OF SANFORD, NORTH CAROLINA
 PRINCIPAL EMPLOYERS
 LAST FOUR FISCAL YEARS

Employer	2009			2008			2007			2006		
	Employees	Rank	Percentage of Total Lee County Employment	Employees	Rank	Percentage of Total Lee County Employment	Employees	Rank	Percentage of Total Lee County Employment	Employees	Rank	Percentage of Total Lee County Employment
Coty	900	1	3.86%	900	2	3.76%	750	2	2.97%	750	2	2.95%
Static Control	850	2	3.64%	1,400	1	5.86%	1,400	1	5.55%	1,400	1	5.51%
Pentair	683	3	2.93%	215	8	0.90%	420	6	1.66%	420	6	1.65%
Tyson	508	4	2.18%	560	4	2.34%	460	5	1.82%	460	5	1.81%
Moen	490	5	2.10%	490	5	2.05%	725	3	2.87%	725	3	2.85%
Frontier Spinning	425	6	1.82%	425	6	1.78%	345	9	1.37%	345	8	1.36%
Arden	360	7	1.54%			0.00%	384	7	1.52%	384	7	1.51%
J.T. Davenport	339	8	1.45%	347	7	1.45%	357	8	1.41%			0.00%
Magneti Marelli	220	9	0.94%	585	3	2.45%	585	4	2.32%	585	4	2.30%
Hanes Brands	150	10	0.64%	150	9	0.63%	165	10	0.65%			0.00%
Parkdale Mills				115	10	0.48%				220	9	0.87%
National Textiles										165	10	0.65%
Total	4,925		21.11%	5,187		21.70%	5,591		22.16%	5,454		21.47%

Source: Lee County Economic Development

Note: Information is only available for the past four years. Table will be comparative to 10 years of data as information becomes available.

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BUDGET GLOSSARY

ABC Revenues - Contributions from the local Alcoholic Beverage Control Board. The City is appropriated a portion of the net operating revenue derived from the operation of the local liquor stores.

ADA – American Disability Act

Accrual Accounting - A basis of accounting in which revenues and expenses are recorded at the time they are incurred, instead of when cash is actually received or disbursed. For example, in accrual accounting, revenue earned between June 1 and June 30, but for which payment was not received until July 12, is recorded as earned on June 30, rather than on July 12.

Activity – Departmental efforts which contribute to the achievement of a specific set of program objectives.

Ad Valorem Taxes - Revenue accounts showing taxes paid on real property, personal property to include property of public service companies allocated by the Ad Valorem Tax Division of the State Department of Revenue.

Annualize – Taking activities that occurred mid-year and calculating their cost for a full year.

Appropriation - An authorization made by the City Council which permits the City to incur obligations and to make expenditures of resources.

ARRA – American Recovery and Reinvestment Act (stimulus funds)

Assessed Valuation - A value that is established for real or personal property for use as a basis to levy property taxes.

Assessment Roll - An official list of real and personal property containing legal descriptions, ownerships and assessed values.

Attrition – A method to achieve a reduction in employees by not refilling the positions vacated through resignation, reassignment, transfer, retirement or other means excluding layoffs.

Authority (Airport)- A municipal or public agency which performs a specific function and is usually financed from fees or service charges. The agency could be independent from government, but rely on government for financial support.

Balanced Budget – North Carolina General Statute 159-8(a) states a budget is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations.

Basis of Accounting - A term used to refer to when revenues, expenditures, expenses, and transfers-- and the related assets and liabilities--are recognized in the accounts and reported in the financial statements; the City of Sanford uses the modified accrual basis of accounting for budget preparation, as required by the North Carolina Local Government Budget and Fiscal Control Act.

Basis of Budgeting – Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP), applicable to governmental units. Budget ordinances are adopted annually for all funds, except project ordinance budgets which are adopted on a multi-year basis. All annual appropriations lapse at fiscal year end, except for project ordinance budgets which continue the length of the project.

Bond - A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenue bonds. These are most frequently used for construction of large capital projects, such as buildings, streets and bridges.

Bond Anticipation Notes (BANs) - Short-term interest-bearing notes issued by the City in anticipation of bonds to be issued at a later date; the notes are retired from proceeds of the bond issue to which they are related.

Budget - A statement in dollar terms of the City's program of service delivery for the ensuing fiscal year.

Budget Amendment - A legal procedure utilized by the City staff and City Council to revise a budget appropriation.

Budget Calendar - The schedule of key dates which the City's departments follow in the preparation, adoption and administration of the budget.

Budget Document - The instrument used by the budget-making authority to present a comprehensive financial program to the City Council.

Budget Message - The opening section of the budget which provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and the views and recommendations of the City Manager.

Budget Ordinance - The official enactment by the City Council to establish legal authority for City officials to obligate and expend resources.

Budgetary Control - The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

Capital Outlays - Expenditures for the acquisition of capital assets. Includes the cost of land, buildings, permanent improvements, machinery, large tools, rolling and stationary equipment.

Capital Improvement Program (CIP) - A plan for major capital expenditures to provide long-lasting physical improvements to be incurred over a fixed period of several future years.

Cash Accounting - A basis of accounting in which transactions are recorded when cash is either received or expended for goods and services.

Cash Management - The management of cash necessary to pay for government services while investing temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships.

Classification - Assignment of a position title and an associated pay range based on the job skills required for a particular position.

COBRA – Consolidated Omnibus Budget Reconciliation Act

Consumer Price Index (CPI) – A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of increase in the cost of living (i.e., economic inflation).

Contingency Account - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted for.

Contractual Services – Services rendered to a government by private firms, individuals, or other governmental agencies. (Examples would be maintenance agreements, rent and/or profession consulting services)

Cost of Living Adjustment (COLA) - An increase in salaries to offset the adverse effect of inflation on compensation.

Debt Services - The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

Deficit - An excess of expenditures over revenues or expense over income.

Delinquent Taxes - Taxes that remain unpaid on and after the due date on which a penalty for non-payment is attached.

Department - An organizational unit responsible for carrying out a major governmental function.

DENR – Department of Environment and Natural Resources

Depreciation - The process of estimating and recording the lost usefulness, expired useful life or diminution of service from a fixed asset that cannot or will not be restored by repair and will be replaced. The cost of the fixed assets lost usefulness is the depreciation or the cost to reserve in order to replace the item at the end of its useful life.

Disbursement - Payment for goods and services in cash or by check.

Distinguished Budget Presentation Awards Program – A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

Downtown / HPC (Historic Preservation Commission) – A department established to restore, preserve, and protect historic landmarks and historic properties that are deemed to be of special significance in terms of historic, pre-historic, architectural, or cultural importance.

Downtown Sanford, Inc. (DSI) – A group of downtown businesses established to focus on revitalization efforts in Sanford's business tax district.

ESTC – Emergency Service Training Center

Employee (or Fringe) Benefits – Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included are the government's share of costs for social security, and the various pension, medical and life insurance plans.

Encumbrance - The commitment of appropriated funds to purchase an item or service. To encumber funds is to set aside or commit funds for future expenditures.

Enterprise Fund - A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for these services are established to insure that revenues are adequate to meet all necessary expenditures. Enterprise funds in Sanford are established for services such as water and sewer and golf course.

EPA – Environmental Protection Association

Estimated Revenue - The amount of projected revenue to be collected during the fiscal year. The amount of revenue appropriated is the amount approved by the City Council.

Expenditure - This term refers to the outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expense is actually paid. This term applies to all funds.

Expenses - Charges incurred (whether paid immediately or unpaid) for operation, maintenance, interest and other charges.

FLSA – Fair Labor Standards Act

Fiscal Policy – A government's policies with respect to revenues, spending, and debt management as they relate to government services, programs and capital investment. Fiscal policy provides an agreed-upon set of principles for the planning and programming of government budgets and their funding.

Fiscal Year - The time period designating the beginning and ending period for recording financial transactions. The City of Sanford's fiscal year begins July 1st and ends June 30th.

Fixed Assets - Assets of long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

FMLA – Family and Medical Leave Act

401K – Reference to Internal Revenue Code – Section 401, paragraph K which allows establishment of tax-deferred retirement savings plans for employees. Contributions can be made by an employee as well as their employer.

Full Faith and Credit – A pledge of a government's taxing power to repay debt obligations.

Function - A group of related programs crossing organizational (department) boundaries and aimed at accomplishing a broad goal or accomplishing a major service.

Fund - An accounting entity that has a set of self balancing accounts and that records all financial transactions for specific activities or government functions.

Fund Balance - Amounts shown as fund balance represent monies which remain unspent after all budgeted expenditures have been made. North Carolina statute declares that a portion of fund balance is not available for appropriation.

General Accepted Accounting Principles (GAAP) - Uniform minimum standards of and guidelines for financial accounting and reporting. GAAP encompasses the conventions, rules and procedures necessary to define accepted accounting practices.

General Fund - The largest fund within the City, the General Fund accounts for most of the financial resources of the government. General Fund revenue includes property taxes, licenses and permits, local taxes and other types of revenue. This fund usually includes most of the basic operating services, such as fire and police protection, finance, data processing, public works, and general administration.

General Ledger - A file that contains a listing of the various accounts necessary to reflect the financial position of the government.

General Obligation Bonds - Bonds that finance a variety of public projects such as streets, buildings and improvements; the repayment of these bonds is usually made from the General Fund and these bonds are backed by the full faith and credit of the issuing government.

Geographic Information System (GIS) - A project which will link the City to a county-wide database, including hardware, software, and added personnel. This system is to be utilized as a planning tool by the City departments.

Goal - A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless; that is, it is not concerned with a specific achievement in a given time period.

GFOA – Government Finance Officers Association

Governmental Accounting Standards Board (GASB) – A board created to establish and improve standards of state and local governmental accounting and financial reporting that will result in useful information for users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial reports.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year.

Grant - A contribution by a government or other organizations to support a particular function. Grants may be classified as either categorical or block depending upon the amount of discretion allowed by the grantee.

Indirect Cost – A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one department or one cost center.

Infrastructure – The basic facilities, equipment, and installations needed for the functioning of a system.

Interfund Activity - Amounts transferred from one fund to another. Transfer from General Fund to Special Tax District (\$50,000) in support of Streetscape.

Interfund Reimbursements – Funds due from one fund to another as a result of charges for services shared. (Sewer Const. \$65,000; Water Const. \$65,000; Utility Fund Administration \$269,500)

Intergovernmental Revenue - Revenue received from another government for a specified purpose.

Internal Service Fund - Funds used to account for the financing of goods or services provided by one department to another department on a cost reimbursement basis.

Inventory - A detailed listing of property currently held by the government.

Investment Revenue - Revenue earned on investments with a third party. The City uses a pooled cash system. We pool all funds' cash and invest it in total. The interest earned is then allocated back to individual funds by average cash balance in that fund.

Lapsing Appropriation – An appropriation made for a certain period of time generally for the budget year. At the end of the specified period, any unexpected or unencumbered balance lapses or ends, unless otherwise provided by law.

Lease-Purchase Agreement - An agreement that conveys the right to property or equipment for a stated period of item that allows the City to spread the cost of the acquisition over several budget years.

Levy - To impose taxes, special assessments, or service charges for the support of City activities.

Line Item Budget - A budget that lists each expenditure category (salaries, material, telephone, travel, etc.) separately, along with the dollar amount budgeted for each specified category.

Local Government Budget and Fiscal Control Act - This act governs all financial activities of local Governments within the State of North Carolina.

Long Term Debt - Debt with a maturity of more than one year after the date of issuance.

Mill – The property tax rate which is based on the valuation of property. A tax rate of one mill produces one dollar of taxes on each \$1,000 of assessed valuations.

Maturities - The dates on which the principal or stated values of investments or debt obligations mature and may be reclaimed.

Merit Program - An established system to recognize and financially reward employee performance that exceeds the City's standards for a classification.

Modified Accrual Accounting - The accounting approach under which revenues are recognized in the accounting period in which they become measurable and available to pay liabilities of the current period, and expenditures are recognized in the accounting period in which a fund liability is incurred, if measurable, except for unmatured principal and interest on general long-term debt, which is recognized when due.

NFPA – National Fire Protection Association

Objectives - A simply stated, readily measurable statement of aim or expected accomplishment within the fiscal year. A good statement of objective should imply a specific standard of performance for a given program.

Object Code - An expenditure category, such as salaries, supplies or vehicles.

Operations - The portion of the budget that pertains to daily operations that provide basic governmental services. The operating budget contains appropriations for such expenditures as supplies, utilities, materials and travel. Generally, all expenses that do not meet the personal services and capital outlay criteria.

Operating Revenue – Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, service fees, interest earnings and/or grant revenues. Operating revenues are used to pay for day to day services.

Operating Expenses – The cost for personnel, materials and equipment required for a department, function or cost center.

OSHA – Occupational Safety and Hazard Administration

Other Post Employment Benefits (OPEB) – Benefits that are provided to retired employees beyond those provided by their pension plans. Such benefits may include medical, prescription drug, life, dental, vision, disability, and long-term care insurance.

PASS – Personal Alert Safety System

Pay-as-you-go Basis – A term used to describe a financial policy by which capital outlays are financed from current revenues rather than through borrowing.

Performance Measures - Descriptions of a programs effectiveness or efficiency (i.e., response time to public requests, frequency of document updates).

Personal Services - General category that includes salaries and wages, pensions, health insurance and other fringe benefits.

PLC – Programmable logic controller

Powell Bill Funds - Funding from state-shared gasoline tax which is restricted for use on maintenance of local streets and roads.

Productivity - A measure of the increase of service output of City programs compared to the per unit of resource input invested.

Program - An organized set of related work activities which are directed toward accomplishing a common goal. Each City department is usually responsible for a number of related service programs.

Property Tax - Property taxes are levied on both real and personal property according to the property's valuation and tax rate.

RAS – Return activated sludge

Reappropriation - Appropriations which are not expended at the end of a fiscal year that were earmarked for a specific purpose and are funded in the subsequent year.

Reclassification - Change in a position title and /or the associated pay range based on changes in the job skills required for a given position.

Requisition - A written request from a department to the purchasing office for specific goods or services. This action precedes the authorization of a purchase order.

Restricted Reserve - An account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

Retained Earnings - An equity account reflecting the accumulated earnings of an Enterprise or Internal Service Fund.

Reserve - A portion of fund balance earmarked to indicate 1) that is not available for expenditure, or 2) is legally segregated for a specific future use.

Resources - Assets that can be used to fund expenditures. These can be such things as Property Taxes, Charges for Service, Beginning Fund Balance or Working Capital.

Revaluation - Assignment of value to properties, buildings, vehicles, and equipment used for business purposes by the Lee County Tax Assessor's Office; under State law, all property must be revalued no less frequently than once every eight years.

Revenue - Funds that the government receives as income. It includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues and interest income.

Revenue Bonds - Bonds whose principal and interest are payable exclusively from earnings of an Enterprise Funds. Such bonds sometimes also contain a mortgage on the fund's property.

RIT – Rapid Intervention Team

SCBA – Self Contained Breathing Apparatus

Service Level - Services(s) or product(s) which comprise actual or expected output of a given program. Focus is on results, not measures of workload.

Source of Revenue - Revenues are classified according to their source or point of origin.

Special Assessment - A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

Special Revenue Fund - A fund used to account for the revenues from specific sources which are to be used for legally specified expenditures.

TMA – Tax Management Associates – the firm hired by the County to audit business inventories as they relate to their tax assessments.

Tax Base - The assessed valuation of all taxable real and personal property within the City's corporate limits.

Transfers - All interfund transactions except loans or advances, quasi-external transactions and reimbursements.

URP – Urgent Repair Program

Unencumbered Balance - The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purposes.

User Charges – The payment of a fee for direct receipt of a public service by the party who benefits from the service.

USERRA – Uniform Services Employment and Re-employment Rights Act

WTP – Water Treatment Plant

WWTP – Waste Water Treatment Plant

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