



GOVERNING BODY

THE HONORABLE CORNELIA P. OLIVE, MAYOR

MAYOR PRO TEM SAMUEL GASKINS

COUNCIL MEMBER WALTER H. MCNEIL, JR.

COUNCIL MEMBER BOB BROWN

COUNCIL MEMBER JAMES G. WILLIAMS

COUNCIL MEMBER CHARLES TAYLOR

COUNCIL MEMBER LINWOOD S. MANN, SR.

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**



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Sanford

North Carolina

For the Fiscal Year Beginning

July 1, 2010

Two handwritten signatures in black ink, one on the left and one on the right.

President

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, 2010. 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.

TABLE OF CONTENTS

INTRODUCTORY OVERVIEW		PUBLIC SAFETY	
Table of Contents	i	Police	111
History	ii	Fire	113
Community Profile	iii	Inspections	116
Organizational Chart	vi	STREETS	
Program Policies	vii	Street	118
City Goals and Accomplishments	vii	Street Capital Improvements	120
TRANSMITTAL LETTER	1	SANITATION	
Changes to Budget Ordinance	9	Solid Waste	121
BUDGET ORDINANCE	11	Sanitation	123
BUDGET GUIDE		COMMUNITY DEVELOPMENT	
Financial Policies	41	Community Development	125
Budget Process	43	Code Enforcement	128
Budget Calendar	45	Downtown / HPC	130
Budget Format	46	UTILITY FUND	133
Revenue Assumptions	55	DEBT SERVICE	
EXECUTIVE SUMMARY		Debt Service	135
Consolidated Budget	63	OTHER	
Revenue Summaries	64	Utility Fund Contributions	136
Expenditure Summaries	65	PUBLIC UTILITIES	
General Fund Revenue	67	Store	137
General Fund Expenditures	69	Utility Fund Administration	139
Utility Fund Revenue	70	Utility Billing	141
Utility Fund Expenses	71	Engineering	143
Special Tax Revenue / Expenditures	72	UF Public Works Administration	145
Staffing Comparison	73	Sewer Construction and Maintenance	147
Capital Outlay Sort – General Fund	75	Water Construction and Maintenance	149
Capital Outlay Sort – Enterprise Fund	76	Water Treatment Plant	151
Debt Service	77	Wastewater Treatment Plant	153
GENERAL FUND	79	Water Capital Improvements	155
Fund Balance – General Fund	81	Sewer Capital Improvements	156
GENERAL GOVERNMENT		SPECIAL TAX FUND	157
Governing Body	82	Fund Balance – Special Tax	159
Administration	85	CAPITAL IMPROVEMENT PROGRAMS	
Human Resources	87	Program Summary	161
Risk Management	90	Capital Improvements Schedule	162
Elections	92	Project Descriptions	163
Financial Services	93	Capital / Grant Budgets	166
Information Systems	95	SUPPLEMENTARY INFORMATION	
Legal	97	Departmental Employee Classification	167
Public Building	99	Employee Wage and Salary Program	174
General Services	101	Employee Performance Appraisal	178
Central Office	103	Investment Policy	180
General Fund Contributions	104	Demographic Statistics	182
Golf	105	Assessed Value / Est. Actual Value of Tax. Prop.	183
Shop	107	Principal Taxpayers	184
Horticulture	109	Principal Employers	185
		GLOSSARY	187
		INDEX	195

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 was in excess of 23,000. Lee County as well as the City of Sanford have seen direct growth resulting from staff changes at Fort Bragg, a military base located in Fayetteville, North Carolina just southeast of Lee County. The city's current population is over 29,000 residents.

During fiscal year 2004-05 the city purchased the county water system from Lee County. The city now provides water to more than 18,000 city and county residents as well as sewer service to approximately 9,100 city residents. The city is currently expanding the Wastewater Treatment Plant which will boost capacity from the current 6.8 to 12 million gallons daily by 2014.

Community Profile

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

Official as of 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

▪ Fitch	AA-
▪ Moody's	Aa3
▪ 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.

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

Water System Daily Capacity

Sanford 12,000,000 gallons per day

Waste Water System Capacity

Sanford 6,800,000 gallons per day

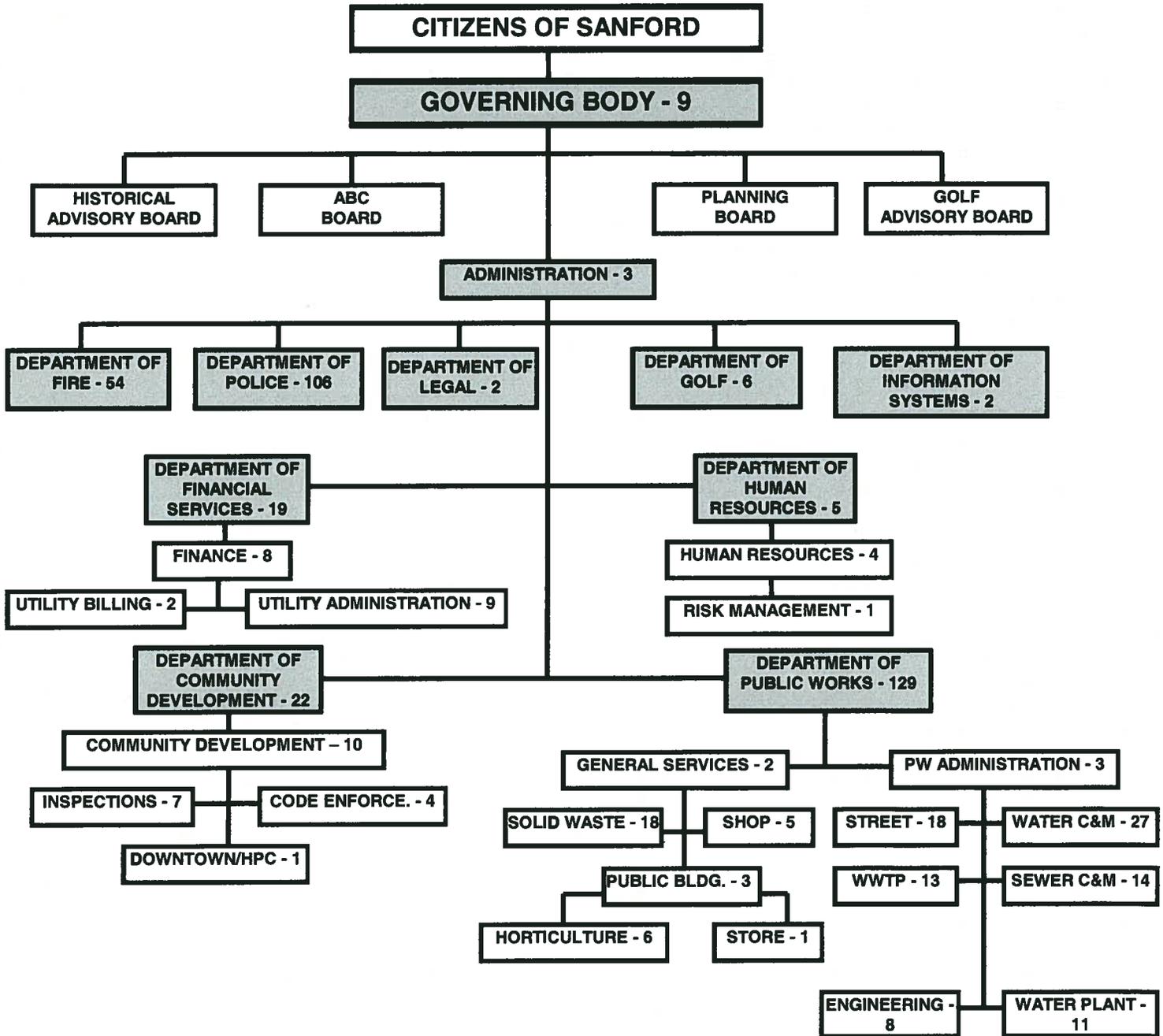
Broadway 145,000 gallons per day

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 2011-2012 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.

Long term goals involve expanding the city's tax base and creating new jobs by assisting private developers and economic development allies with difficulties that may occur in the development process.

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 11-12 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

Inspections

- ◇ Continued plan review and issuance of all building and trade permits as related to the state building codes
- ◇ Continued site inspections for all new construction projects to ensure compliance with state building codes and the Unified Development Ordinance
- ◇ Substantial inspection staff time dedicated to aftermath response relating to the April 2011 tornado
- ◇ Participated in a FEMA required community assistance visit in the fall of 2010 and followed up with required documentation and reports in the spring of 2011

Fire

- ◇ Replaced 17 self contained breathing apparatus cylinders and a thermal imaging camera
- ◇ Purchased a special mission tender – trench rescue trailer and equipment; this equipment fulfills our responsibility as a technical rescue team for the City of Sanford and Lee County
- ◇ Continued five year replacement of turnout gear (NFPA)
- ◇ Received a grant from the Office of State Fire Marshal for a permanent child safety seat checking station at Central Fire Station; this grant was for the replacement and repair of equipment that was received in a 2001 grant
- ◇ Continued training staff at the Emergency Services Training Center for more in depth and realistic training
- ◇ Replaced the bay floor at Central Fire Station
- ◇ Due to a change in the Fire Inspection Division, the number of fire inspections performed increased from approximately 900 to 1,800

Risk Management

- ◇ Conducted site safety committee meetings and job site and/or facility inspections
- ◇ Safety or risk management related classes coordinated and conducted with departments
- ◇ Maintained compliance with safety standards to include training, hearing conservation program, reporting, etc.
- ◇ Coordinated a disaster relief program with the City of Sanford, Lee County, and FEMA officials during recent tornado

MASTER PLANNING AND ZONING

Code Enforcement

- ◇ Assisted in emergency tornado response early spring of 2011 regarding 274 structures which were damaged or destroyed
- ◇ Inspected 100 tornado ravaged homes for compromised electrical systems which results in immediate power restoration to 60 to 80 dwellings
- ◇ Conducted 25 voluntary preoccupancy inspections with landlords on rental properties
- ◇ Assisted Lee County tax office with condemned property assessment in the city
- ◇ After inspection by code enforcement officials, nine dwellings were demolished either voluntarily or mandated by the city

Community Development

- ◇ Continued construction of Haven Domestic Abuse Shelter utilizing stimulus funding
- ◇ Start-up of Community Development Block Grant Projects-

- Housing Demonstration Infrastructure Project for Autumn Oaks multi-family tax credits complex
- Maple Avenue Community Revitalization Project
- ◇ Closeout of Lee County's Community Development Block Grant Scattered Site Housing Rehabilitation Project
- ◇ Completed NC Housing Finance Agency Single Family Housing Rehabilitation Project and 2010 Urgent Repair Project
- ◇ Assisted with the Mayor's Housing Task Force block party clean-up event along Charlotte Avenue
- ◇ Continued administration of the Unified Development Ordinance (UDO) and related land development activities, including issuance of all zoning clearances

Long Range and Strategic Planning

- ◇ Completed the City's first Pedestrian Plan and the Downtown Development Plan both adopted by Council
- ◇ Completed the first leg of the Endor Iron Furnace Trail funded by federal highway funds and American Recovery and Reinvestment Act grant; continued work on the Endor Iron Furnace restoration and efforts toward a skate park site
- ◇ Managed efforts toward widening of NC 42/Broadway Road to funding authorization by North Carolina Department of Transportation

GIS

- ◇ Rectified scanned historical aerial photos of Lee County for the years 1938, 1950, 1955, 1966, 1972, 1983, and 1991 and made them available to the public on the city/county interactive GIS site on the internet
- ◇ Created street centerlines from the above data to show growth patterns for 1938, 1950, 1955, 1966, 1972, 1983, 1991, 2000, 2005, and 2010
- ◇ Worked with Lee County Agriculture Extension to map volunteer agriculture districts
- ◇ Worked with Shearon Harris Nuclear Power Plant emergency response in creating new evacuation plans and notification network in Lee County's 10 mile emergency processing zone
- ◇ Completed a quality control overhaul of water surface features layer including 6,367 edits following Light Aerial Detection Radar (LIDAR) data, addition of stream and pond names, and classification of intermittent and perennial streams
- ◇ Created fourteen new fire zones for the City of Sanford
- ◇ Redistricting of City of Sanford council wards and acceptance of these wards from the US Department of Justice
- ◇ Rectifying tornado data of April 16, 2011 and aerial photos to the city/county interactive GIS site on the internet
- ◇ Completed 467 parcel splits and merges with 55% completed within ten working days
- ◇ Assigned 158 new addresses with 94% completed within three working days
- ◇ Produced 1,050 unique maps requested by the public and various city/county departments with 99% completed within three working days

Downtown / HPC

- ◇ Held 4th annual Fall Festival – Jubilee
- ◇ Held 10th annual Christmas Tree Lighting
- ◇ Held the Downtown Merchant Holiday Open House
- ◇ Held the Spring Fling Open House for downtown businesses
- ◇ Held a spring and fall "Screen on the Green" family movie series
- ◇ Continued the "Function at the Junction" Depot Park summer concert series
- ◇ Held in conjunction with the Chamber of Commerce the Third Annual Family Day, Fourth Festival Celebration
- ◇ Completed tree survey and tree ordinance for East Sanford Historic District designation

TRANSPORTATION AND PUBLIC WORKS

Solid Waste

- ◇ Hauled 885 loads of leaves to compost facility
- ◇ Hauled 1,105 loads of limbs to compost facility
- ◇ Hauled 484 loads of bulk trash
- ◇ Continued contract mowing of NC Department of Transportation right-of-ways and city right-of-ways
- ◇ Implemented the new state mandated recycling of electronics
- ◇ Entered into an inter-local agreement with Lee County to assist with the tornado cleanup

Street

- ◇ Sidewalk repair at Ryan Avenue, Charlotte Avenue, and Carthage Street
- ◇ Drainage repair at Maple Avenue and Ryan Avenue
- ◇ Catch basin rehabilitation at McIver Street
- ◇ Pipe repair on Rose Street
- ◇ Concrete repair at Gordon and Steele Street
- ◇ Striping downtown parking spaces and re-numbering

Shop

- ◇ Continued to buy compact trucks/cars to increase fuel mileage and lower initial costs
- ◇ Continued scrutiny of vehicular use in an attempt to maximize conformance of fleet vehicle replacement program

UTILITIES

Public Works

- ◇ In a continuous effort to increase Public Works' visibility within and around our community, Public Works employees set up and manned a booth at this year's Pottery Festival; the booth presented information and handouts to citizens pertaining to recycling, the City's mulch and compost sales, Leadership in Energy and Environmental Design (LEED) certification at the Wastewater Treatment Plant, treatment of water and wastewater, and reuse of biosolids from the city's wastewater plant
- ◇ Completed the annual wastewater report for North Carolina's Division of Water Quality; for the first time in eight years, the City of Sanford had only one wastewater spill in the report; a copy of this was provided to each city water customer
- ◇ Applied for and received State Energy Office stimulus funding totaling \$88,927 for Federal Building and Water Treatment Plant lighting retrofit, HVAC upgrade at the Federal Building, and lighting and HVAC upgrades for the Town of Broadway
- ◇ Worked closely with all city departments and FEMA representatives following the devastation of the F3 tornado that tore through our community on April 16, 2011; compiled necessary reports (overtime, equipment used, etc.) for reimbursement from state and federal agencies for clean-up and recovery efforts
- ◇ Promoted high Public Works employee moral through various events such as a chili cook-off and homemade ice cream social
- ◇ Visited local schools during National Public Works Week and provided demonstrations with the leaf vac, bucket truck, salt spreader, sewer vac and pothole patcher; employees discussed the importance of recycling with students; these visits helped raise awareness and understanding of Public Works functions within the city

Engineering

- ◇ Completed Gaster's Creek Sewer Rehabilitation Project which renewed 24,100 feet of sewer; this is part of the Wal-Mart Sewer System Improvement Capital Project
- ◇ Completed Dry Creek Sewer Rehabilitation Project which renewed 10,000 feet of sewer

- ◇ Completed the Endor Iron Furnace Trail Project, which was funded by the city, NC Department of Transportation, and American Recovery and Reinvestment Act funds
- ◇ Completed 5th Street water line replacement project which replaced 1" and 2" water lines on 5th Street and Linden Avenue; this project increased flow and pressure to the residents
- ◇ Installed a new generator at Patterson Creek lift station; the generator provides automatic on-site power backup in the event power is interrupted to the station
- ◇ Repainted the interior and exterior of the Harkey Road water tank; the paint acts as a protectant coating for the structure and typically lasts 10 years
- ◇ Replaced 2,400 linear feet of sidewalk in various areas throughout the city
- ◇ Started construction of the Big Buffalo Wastewater Treatment Plant Expansion; this will increase treatment capacity from 6.8 to 12 million gallons per day; anticipated completion is May of 2014
- ◇ Improved the city's ability to monitor water consumption by placing meters at city fire departments, lift stations, and the service center

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 throughout the year and assured compliance with all reporting
- ◇ Continued renovations at city hall
- ◇ Replaced Sanford Well-Centered welcome sign on Highway 87 South
- ◇ Continued design and plan of skate park

Water Treatment Plant (WTP)

- ◇ Exceeded all state / federal regulations for drinking water
- ◇ Continued education opportunities to enable staff to receive certifications of equipment allowing knowledge necessary to trouble shoot and resolve performance issues
- ◇ The Water Plant was recognized by the NC Department of Labor for fifteen consecutive years with no loss time accidents
- ◇ A study was performed to determine if the Water Plant could achieve enhanced treatment removing a greater amount of particulates by switching chemical additives; this study is complete and staff is in the process of evaluating the results
- ◇ The Water Plant completed a fluoride tracer study to determine the contact time of chlorine disinfectant in water to ensure that the water is adequately treated to remove bacteria and viruses; the tracer study will also aid in chemical dosing calculations, therefore maximizing efficiency and reducing harmful disinfection by products; this study will yield benefits well into the future by enabling the Water Plant to stay in compliance with the promulgation of the Stage II Disinfection By Products Rule in 2012

Wastewater Treatment Plant (WWTP)

- ◇ Updated Process Safety Management Procedures to ensure compliance with OSHA standards
- ◇ Installed new return activated sludge pump
- ◇ Repaired grit augers, pontoons for digester aerator, and buss bars on the motor control centers and replaced the main breakers for motor disconnects at the Wastewater Treatment Plant
- ◇ Reissued new permits for the Pretreatment Program
- ◇ Serviced all generators for the plant and lift stations to ensure proper operation when needed and certified the laboratory
- ◇ Hauled residual bio-solids from aeration tank number one to EarthTec, an environmental firm that handles non-hazardous contaminated soil; this process was necessary to begin construction of the Wastewater Treatment Plant expansion
- ◇ Land applied six million gallons of bio-solids to permitted farms to maintain the Land Application Program
- ◇ Awarded bids and began construction of the Wastewater Treatment Plant expansion to increase capacity from 6.8 to 12 million gallons daily
- ◇ Updated the Hazardous Energy Control Plan for the Wastewater Treatment Plant

Sewer Construction and Maintenance

- ◇ Improved right-of-way access points and creek crossings
- ◇ Removed trees from cross-country right-of-ways for better access
- ◇ Cleaned 27% of the city's collection system lines
- ◇ Staff responded to 318 stoppage complaints, jetted 53 miles of sewer main, mowed 44 miles of right-of-way easements, and inspected 129 miles of priority lines/collection system
- ◇ Treated 11,783 linear feet of sewer main with root control
- ◇ Vacuummed all wet wells and cleaned all build up and solids
- ◇ Televised 10,984 linear feet of sewer line
- ◇ Improved stock of spare parts to decrease downtime of lift stations

Water Construction and Maintenance

- ◇ Maintained 620 miles of distribution lines, and 1,872 of hydrants
- ◇ Repaired 163 major water lines and 63 minor water lines
- ◇ Made 91 new water taps and 217 water retaps
- ◇ Installed 42 new water meters and replaced 87 old meters
- ◇ Tested 23 large water meters and 12 small water meters
- ◇ Read 231,000 water meters
- ◇ Inspected 4 city owned backflow devices and 513 privately owned backflow devices
- ◇ Removed 444,925 gallons of grease containing fluids and inspected 106 grease traps
- ◇ Inspected 2,353 valves

FINANCIAL PLANNING

Utility Fund Administration

- ◇ Implemented the ability for customers to pay their utility bills online
- ◇ Software upgrades were implemented in utility billing; changes include the pending process and export/import of handheld files
- ◇ The city's Debt Set Off Program continues to be successful in the collection of delinquent accounts; \$33,000 was collected in outstanding bills

Finance

- ◇ Issued \$52.8 million in revenue bonds to fund the Wastewater Treatment Plant expansion, increasing the capacity from 6.8 to 12 million gallons daily
- ◇ Bids for independent audit services were reviewed and resulted in a change in auditors
- ◇ The ratings the city received on the revenue bonds issued in December of 2010 are as follows: Moody's Aa3 and Fitch AA-
- ◇ Received a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers' Association for the city's June 30, 2010 Comprehensive Annual Financial Report; this is the 30th straight year the city has received this honor
- ◇ Received a Distinguished Budget Presentation Award from the Government Finance Officers' Association for the city's Annual Operating Budget ending June 30, 2011; this is the 25th straight year the city has received this honor
- ◇ 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

Information Systems

- ◇ Installed a new domain controller server to minimize system downtime and expand capabilities
- ◇ Provided many updates on our social networking sites on Facebook and Twitter to keep citizens informed

- ◇ Managed a project with Official Payments Corporation to allow citizens to make water bill payments online
- ◇ Installed an employee intranet for employees to stay connected with Human Resources and Risk Management information while they are at work or home
- ◇ Created the video that helped the city win the 2010 National Night Out award as well as produced several informational videos for city services on Sanford TV11 and the website
- ◇ Installed new computer systems at City Hall, Wastewater Treatment Plant, Fire departments, Service Center, and Inspections building
- ◇ Upgraded network to allow mobile connections to the trucks used by the Inspections Department
- ◇ Maintained, repaired, and supported 180 computer systems / users on 9 local area networks at 10 remote sites with 40 networked printers
- ◇ Purchased 47 personal computers for the Employee Computer Purchase Program
- ◇ Upgraded financial and human resources network software with additional features
- ◇ Updated network managed anti-virus system and mail server software for more functionality
- ◇ Installed/managed new software packages, service pack upgrades, and security patches for personal computers and servers on the city's LAN and WAN networks

Human Resources

- ◇ Over \$2.7 million paid in medical claims/fixed costs under our BCBSNC group health care plan resulting in a loss ratio of 99%; down from 101% for plan year 2009-2010 and 117% for plan year 2008-2009; claims costs are down by approximately \$26,000 from prior year; a 9% rate increase was approved for FY 2011-2012 to cover expected medical claims, fixed and health care reform costs
- ◇ Successfully re-negotiated rates for life, accidental death and dismemberment, and short term disability resulting in an annual cost savings of \$4,500
- ◇ Changed dental carrier for FY 2011-2012 resulting in a 5% premium reduction for employees with no change in benefit plan design
- ◇ Initiated a request for proposal for employee benefits insurance broker and consulting services resulting in a broker fee savings of approximately \$22,500 per year
- ◇ Submitted Early Retiree Reinsurance Program (ERRP) application to Department of Health and Human Services (HHS); if funds continue to be available through the program, the city anticipates a refund of approximately \$100,000
- ◇ Added Prudential as a new 457 plan provider and conducted employee educational meetings; coordinated the account transfer/rollover for a number of employees currently in other plans
- ◇ Successfully coordinated and completed required wage reports for FEMA; reports support reimbursement request for work completed by city employees as a result of the April 16, 2011 tornado
- ◇ The Sanford Census, an all employee newsletter which was previously published and distributed to employees, is now available on-line resulting in an annual cost savings of approximately \$6,000
- ◇ Coordinated an employee opinion survey through the Employment Security Commission in October of 2010 and presented results to council
- ◇ Coordinated the successful introduction of a Human Resources intranet site; site provides user friendly information to employees regarding benefits, Human Resources related forms, employee savings program, newsletter, etc.
- ◇ Recruited, hired, conducted new employee orientation, and processed 18 new employees; 25 employees or board / commission members separated employment and were processed out; processed 6 new board / commission members and 1 new council member

THIS PAGE LEFT BLANK INTENTIONALLY.



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 17, 2011

SUBJECT: Fiscal Year 2011-2012 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 2011-2012. The last few years have been challenging due to the lingering effects of the recession. Our ability to successfully weather such a significant major economic downturn is a direct result of our financial resiliency. We had healthy reserves at the onset of the recession and took progressive steps to reign in recurring expenditures while continuing to provide high quality services for our citizens. We slowed the pace of projects, delayed some indefinitely, froze positions, and significantly minimized additional levels of compensation to our employees. The downturn presented us with a plethora of unimaginable opportunities for federal and state funding that required matching funds for projects that were shovel ready. Because of our healthy fund balance, we were able to provide the matching funds necessary without enduring additional fiscal stress. We also capitalized on the availability of low-interest loans and historically low construction prices.

Much of the work that began years ago is now complete or is near fruition. We have enhanced the water quality from our water treatment facility and improved the functionality of our delivery capabilities. The expansion and upgrade of our wastewater treatment facility began this spring and will enable us to embrace growth well into the year 2035. We have also added additional police officers enabling us to provide enhanced protection and have all enjoyed the

tremendous popularity of the Endor Iron Trail Greenway. Inevitably, the investments we made during such a difficult time will provide tremendous benefits for our citizens to enjoy for many years to come.

This budget year is unique in that it presents us with a new array of unknown challenges. The North Carolina General Assembly is rapidly proposing legislation that substantially alters the authority of municipalities in multiple areas. Ultimately, legislative changes will have financial implications that we will begin to realize later this year and into the future. The one obvious outcome is that federal and state grant funding will be significantly scaled back over the next several years.

In this year's budget, we are facing substantial increases in the cost of healthcare and fuel. Healthcare costs will increase approximately 9 percent or \$192,362 in both the General Fund and Utility Fund. This increase is not inconsistent with healthcare increases nationally. In addition to the 328 active employees, we also provide healthcare for approximately 200 dependents. Unfortunately, the cost to employees for dependent coverage remains unaffordable for many. A concerted effort will be made this year to investigate available alternatives to assist in making dependent coverage more affordable. Fuel continues to be a major expense this year and is budgeted 45 percent higher than last year for an increase of \$233,273 over the Fiscal Year 2010-2011 Budget.

GENERAL FUND OVERVIEW

The General Fund is beginning to experience increases in our revenues that are helping to offset much of the increase in the expenditures this year. Even with this optimism, we must continue to keep additional costs down in the General Fund by not adding any new employees. We are continuing to freeze four positions: two positions in the Inspections Department, one in Solid Waste, and one in the Human Resources Department.

There are four major projects which are under consideration for funding that are not in this proposed budget. These projects include Downtown Streetscape Enhancement, Third Street Skateboard Park, Endor Iron Furnace Greenway, and the Jonesboro parking lot. These projects can range in size, scope, and type depending upon the direction that Council wishes to proceed. Discussions will need to be held during budget workshops in order to make these determinations.

During Fiscal Year 2010-2011, we were unable to fund our street repair and maintenance at historic levels. Our revenues have shown some increases this year; however, there is still not sufficient revenue to accommodate funding for our street resurfacing program in this year's budget, let alone enough to make up for the work not performed last year. The only palatable way to fund such an

expense without substantially reducing our fund balance levels is to borrow approximately \$1.1 million. This loan would be used to perform street maintenance activities such as resurfacing and patching. In addition, a portion of the loan proceeds will be used to rehabilitate the golf course cart paths. This will enable us to realize savings due to economies of scale.

GENERAL FUND REVENUES

General Fund revenues are budgeted to be \$25,055,156 for Fiscal Year 2011-2012. A fund balance appropriation of approximately \$739,034 is included for the purpose of funding capital expenditures. The available fund balance on June 30, 2010 was \$10,756,923 or 44.77 percent of General Fund expenditures. It should be noted that, with the projected use of fund balance in the current Fiscal Year 2010-2011 Budget, the anticipated available fund balance on June 30, 2011 would be approximately \$9,700,000 or 38.79 percent. Positive trends are evident in our ad valorem tax which is projected to increase by \$263,370 or 2.3 percent. Sales tax revenues are projected to increase \$456,480 from the Fiscal Year 2010-2011 Budget or 9.7 percent. I am recommending an increase of \$25 per residence in the sanitation fee that is imposed on all residential waste accounts. Currently, all residences pay a fee of \$100 per year that generates revenues of approximately \$860,000. This user fee, first imposed in Fiscal Year 1991-1992, was created to offset tipping fees and other related waste disposal costs associated with the compost facility. User fees are typically utilized by local governments to charge for a service that directly benefits the user. Only residential accounts benefit from the waste services, which include residential garbage, recycling, leaf, limb, bulk trash, collection and disposal. The current fee collected covers approximately 41 percent of the cost to provide the service. After the increase, the fee will cover approximately 52 percent of the cost of the service. The last sanitation fee increase was in the Fiscal Year 2003-2004 Budget, eight years ago, raising the fee from \$75 to \$100 per year.

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 – This category of expenditures includes Governing Body, Administration, Human Resources, Risk Management, Elections, Finance, Information Systems, Legal, Public Building, General Services, Golf, Central Office, Other Contributions, Shop, and Horticulture. This category of expenditures includes a decrease of approximately 11.8 percent or \$717,537 from Fiscal Year 2010-2011 Budget. The majority of this reduction is in the

Public Building budget that is significantly reduced due to the completion of the Martin Luther King Park; purchase of land for Jonesboro parking lot; and retirement of debt associated with payoff of the Service Center expansion.

There are several operating transfers and contributions to specific organizations included in the General Fund. These contributions include \$20,000 to the Temple Theatre; \$3,000 to the Lee County Arts Council; and \$3,000 to the Railroad House Association. Our budget continues to include the funding of interlocal contracts with Lee County regarding Sanford/Lee County Economic Development Corporation, Strategic Services, Animal Control, and Tax Collection. During Fiscal Year 2010-2011, the Lee County Board of Commissioners transferred animal control responsibilities to the Sheriff's Department from the Health Department. Lee County is requesting additional funding to cover half the increase in their budget as a result of the change. The additional funding request is a direct result of the cost associated with law enforcement officers performing duties that were once performed by animal control officers.

In planning for this year's budget, it was determined that approximately \$35,000 will be required for maintenance of the existing golf cart fleet. The fleet is four years old and has reached the end of its useful life. It is more prudent to move forward with the replacement of our fleet this year with new carts at a net capital cost of \$145,000.

In General Government, one position that remains open will continue to be frozen in the Human Resources Department to minimize recurring expenditures.

Public Safety – This category of expenditures includes the Police, Fire, and Building Inspection budgets. The Public Safety category is projected to increase by \$290,412 or 2.2 percent compared to the prior year's budget. This increase is primarily attributed to the purchase of replacement capital and technological enhancements.

In the Police Department, there is a major reduction in capital expenditures of 84.4 percent due to the purchase of patrol vehicles in Fiscal Year 2010-2011 Budget. There is an increase in operating expenditures of 11.8 percent for the replacement of mobile radios and sirens, radar systems, and the purchase of new software to allow for citizen access to police records. The new software will utilize the internet to host a portal for citizens to retrieve and print records. This enhancement tremendously improves our citizens' access to the Police Department records and saves both the department and citizen's valuable time and resources. The budget includes an appropriation of \$953,345 for the operation of the existing 911 center and capital purchase of phone and radio equipment to fund a new 911 backup center. All expenses for the existing 911 center operation and backup center equipment will be paid for out of the 911 funds collected by the state and remitted for use by the City. Lee County has

expressed an interest in having the backup center constructed in the basement area of the Sheriff's Department. The system would be purchased and operated by the City of Sanford who is the Public Safety Answering Point (PSAP) for the entire county. Lee County plans to use additional 911 funds to pay for the building construction necessary to house the backup center, emergency operation center, and the other required office space.

Public Safety also includes the replacement of capital totaling \$371,797 in the Fire Department. A new, heavy-duty equipment truck is recommended to replace an existing 1977 truck that has long passed its useful life. The size and weight capacity of the current unit is not sufficient to meet today's needs for the department. The current weight limits of the unit prohibit the department from carrying all the equipment that is necessary to be utilized on the scene. Technological upgrades in the Fire Department include the replacement of 39 portable radios at a cost of approximately \$89,000. In January 2013, a new Federal Communications Commission rule goes into effect that changes the band width on our radios. In order to comply with the regulation, one-half of the cost of the band width upgrades will be accomplished this year and the remaining related equipment will be updated and replaced in the next budget year. It is also necessary to replace data circuits at a recurring cost of \$6,600 that will increase the transfer speed from City servers to our fire stations. Data is transferred daily from the Fire Department to servers at City Hall for applications that include fire incidence reporting, financial reporting, and email.

The Inspections Department budget will decrease 11.9 percent this year due to laptops and software purchased in the Fiscal Year 2010-2011 Budget. Additional inspection workload created from the recent tornado event will be handled through the use of temporary employees. I recommend leaving two positions vacant in the Inspections Department - one clerical and one field inspector until significant construction activity increases.

Community Development – This category includes Community Development, Code Enforcement, and Downtown/Historic Preservation. The overall increase in this category is approximately 0.4 percent versus the Fiscal Year 2010-2011 Budget. There are no significant capital expenditures included in the budget for this category.

Transportation – This category includes Street Maintenance and Street Capital Improvements and its overall decrease in expenditures is approximately \$371,626 from last year's budget. This decrease is primarily attributed to a significant decrease in capital and operating expenses. I am recommending postponing the enhanced street lighting program again this year until such time that our revenues improve. It is not prudent to continue to add recurring expenditures when we are finding it difficult to fund current expenditures in the street system.

Due to continued deterioration of cart paths at the golf course, it is prudent to set aside \$100,000 to \$150,000 of borrowed funds for their rehabilitation. In Fiscal Year 2008-2009, we set aside \$40,000 to resurface cart paths, but we put it on hold indefinitely due to the sluggish economy.

Sanitation – This category of expenditures includes our Solid Waste Division, curbside garbage collection, recycling, and disposal, and its overall decrease of 3.1 percent or \$80,493 is attributed to less capital required this year. This will be the first full year that our new electronics recycling program will be in effect, and it is anticipated that this new program will add minimal operational costs. Our contract with Waste Management requires a 2.2 percent increase over the prior year. There is also one frozen position in the Solid Waste Department.

UTILITY FUND OVERVIEWS

This is the fourth year of rate adjustments necessary to accommodate the debt service for our planned capital improvements in the Utility Fund. We anticipate water and wastewater revenues to increase this year due to minimal rate adjustments that have been calculated through our utility rate model. The financing of the wastewater treatment plant is complete, and we have the information necessary to better predict impacts on our future rates. Our rate adjustment includes measures that would continue to merge the district rates to the outside City rates.

UTILITY FUND REVENUES

Utility Fund revenues are estimated at \$18,553,150 which reflects a decrease of approximately 40.4 percent or \$12,578,424 over the Fiscal Year 2010-2011 Budget. This revenue decrease is a result of \$16,408,725 budgeted to refinance debt associated with selling bonds for the wastewater treatment plant. This budget includes a water rate increase of 2 percent and a wastewater rate increase of 3 percent effective with the first bill date in Fiscal Year 2011-2012. The rate model previously forecasted an increase of 3 percent for water and 5 percent for sewer. The average monthly impact on a City residential water and sewer account will be \$1.79 per month.

UTILITY FUND EXPENSES

Utility Fund expenses will decrease \$12,587,424 or approximately 40.4 percent from last year's budget due to bond debt refinancing. Over the last several years, we have primarily concentrated our utility system rehabilitation efforts by appropriating approximately \$750,000 each year for wastewater

infrastructure improvements. We have made significant improvements toward the reduction of infiltration and sanitary sewer overflows. This year we recommend reducing our wastewater system rehabilitation efforts so that we can direct funds toward water system rehabilitation needs. The water rehabilitation effort will renew our assets, improve delivery, and help avoid future costs. Our plan is to commit \$1,000,000 for both water and wastewater system improvements. Approximately \$348,000 is scheduled for all Utility Fund capital outlay including one diesel engine at the water treatment facility totaling \$151,000. Repayment on waterline utility relocation projects for construction of the 421 Bypass total \$472,806. Utility Fund revenues are projected to cover all operating and capital expenses. There are two positions in the Engineering Department and one position in the Sewer Construction and Maintenance Department that will remain frozen to achieve additional savings next year.

SPECIAL TAX DISTRICT

The proposed Special Tax District budget for Fiscal Year 2011-2012 is \$59,805 which reflects a 25.2 percent decrease compared to last year's budget. This decrease is attributable to debt service being fully retired for Depot Park. The current year tax rate is \$.13 for \$100 assessed valuation, and it is recommended that this tax rate remain the same.

SUMMARY

We have made substantial investments in our infrastructure, maintained quality levels of service, and actually enhanced other services during a time when many local governments across the country had to take drastic actions in an effort to survive. This serves as a real compliment to our Mayor, City Council, and financial staff for making sound decisions in the past to position the City of Sanford in the strong financial shape that it is in today.

The recession has officially ended and our future looks more optimistic than it has for the last three years. The budget I am proposing is a spending plan that commits us to holding down our expenditures where possible while continuing to improve the services that we provide. I am recommending that our tax rate remain unchanged at \$.54 per \$100 assessed valuation, a sanitation fee increase of \$25 per residential household, and a minimal adjustment to our utility rate structure of 2 percent for water and 3 percent for sewer. I am also recommending that we provide a cost-of-living adjustment of 2 percent effective with the first pay date in the 2011-2012 Fiscal Year.

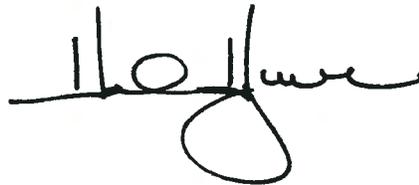
I ask that when you examine this budget, you do not consider it for just one fiscal year. Consider the budget as a small snapshot of the City at this point in time and realize that decisions made will have repercussions that will last for

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 2011-2012 Budget.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Hal Hegwer". The signature is written in a cursive style with a large loop at the end.

Hal Hegwer, City Manager

Changes To Budget Ordinance from Originally Presented to Council

	AMOUNT PRESENTED TO COUNCIL	COUNCIL APPROVED	NET CHANGE	DESCRIPTION
GENERAL FUND				
REVENUES				
Cable Franchise	\$ 32,000	\$ 52,000	\$ 20,000	Additional PEG revenue anticipated
Fund Balance Appropriation	739,034	1,373,706	634,672	Items paid with fund balance
E911 Surcharge Reimbursement	953,345	276,345	<u>(677,000)</u>	Lee County did not fund 911 backup system
TOTAL REVENUE ADJUSTMENTS			\$ (22,328)	
EXPENDITURES				
Risk Management	\$ 63,479	\$ 61,479	\$ (2,000)	Cut one defibulator
Human Resources	229,547	237,647	8,100	BCBS ERRP Contract
Information Systems	265,596	260,596	(5,000)	Adjustments made by staff
Public Building	621,753	621,389	(364)	Adjustments made by staff
Horticulture	515,787	513,397	(2,390)	Staff would like to purchase gator rather than mower and trailer
Police	7,319,093	7,279,093	(40,000)	Adjustments made by staff
Street	2,016,521	1,972,721	(43,800)	Adjustments made by staff
Street Capital	167,000	197,000	30,000	Jonesboro Parking Lot
E911 Surcharge	953,345	276,345	(677,000)	Lee County did not fund 911 backup system
Personnel Cost	-	143,117	143,117	1% increase in COLA
Administration	167,213	192,213	25,000	Part-time Public Information Officer
Community Development	862,790	912,790	50,000	Greenway Design
Public Building	621,753	756,103	134,350	Skate Park - \$34,350 is re-appropriation from FY 10-11
Contributions	919,084	876,743	(42,341)	EDC funded for 1/2 year
Contributions	919,084	1,319,084	<u>400,000</u>	Downtown Improvements
TOTAL EXPENDITURE ADJUSTMENTS			\$ (22,328)	
UTILITY FUND				
REVENUES				
Water Charges	\$ 10,477,422	\$ 10,467,422	\$ (10,000)	Rate adjustments effective August 1, 2011
Sewer Charges	7,097,932	7,082,932	(15,000)	Rate adjustments effective August 1, 2011
Retained Earnings	(674,142)	(694,742)	<u>(20,600)</u>	Additional retained earnings anticipated
TOTAL REVENUE ADJUSTMENTS			\$ (45,600)	
EXPENSES				
Store	\$ 119,900	\$ 124,900	\$ 5,000	Adjustment in store sales
Water Treatment Plant	2,214,270	2,209,770	(4,500)	Cut computers; already funded
Waste Water Treatment Plant	1,710,426	1,620,726	(89,700)	Cut stream mitigation; completed in FY 10-11
Personnel Cost	-	43,600	<u>43,600</u>	1% increase in COLA
TOTAL EXPENSE ADJUSTMENTS			\$ (45,600)	

Note: Water and sewer rate adjustments will be effective August 1, 2011 rather than July 1, 2011

Note: Staff or Council recommended column is not going to match the numbers shown in the budget ordinance as personnel costs are spread throughout all departments while this spreadsheet reflects COLA increase by fund

THIS PAGE LEFT BLANK INTENTIONALLY.

**ANNUAL BUDGET ORDINANCE
FOR FISCAL YEAR 2011-2012**

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, 2011 and ending June 30, 2012 according to the following summary and schedules.

<u>SUMMARY</u>	<u>REVENUES</u>	<u>APPROPRIATIONS</u>
General Fund	\$25,032,828	\$25,032,828
Enterprise Fund	18,507,550	18,507,550
Special Tax District	<u>59,805</u>	<u>59,805</u>
TOTAL BUDGET	<u>\$43,600,183</u>	<u>\$43,600,183</u>

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	264,420
Administration	193,989
Human Resources	239,635
Risk Management	62,094
Elections	35,058
Finance	738,497
Information Systems	262,328
Legal	144,441
Public Building	757,314
General Services	166,438
Central Office	35,908
GF Contributions	1,276,743
Golf	849,186
Shop	1,332,001
Horticulture	515,831

PUBLIC SAFETY

Police	7,332,632
Dispatching Services	928,645
Police – 911 Surcharge	276,345
Fire	4,192,510
Inspections	412,569

STREET

Street	1,980,159
Street Capital Imp.	197,000

SANITATION

Solid Waste	1,241,985
Sanitation	1,281,335

COMMUNITY DEVELOPMENT

Community Development	919,805
Code Enforcement	278,102
Downtown / Historic Preservation	103,337

SUBTOTAL GENERAL FUND	26,018,307
Less Departmental Charges (Shop)	(985,479)
TOTAL GENERAL FUND	25,032,828

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

Debt Service	5,740,068
--------------	-----------

OTHER

Utility Fund Contributions	364,544
----------------------------	---------

PUBLIC UTILITIES

UF Administration	1,456,179
Utility Billing	244,945
Engineering	523,919
UF PW Administration	275,305
Sewer Const. & Maint.	1,635,365
Water Const. & Maint.	2,825,590
Water Plant	2,215,659
Wastewater Plant	1,627,850
Water Capital Imp.	972,806
Sewer Capital Imp.	500,000
Store	310,320

SUBTOTAL UTILITY FUND	18,692,550
Less Departmental Charges (Store)	(185,000)
TOTAL UTILITY FUND	18,507,550
TOTAL ENTERPRISE FUND	18,507,550

SCHEDULE C: SPECIAL TAX DISTRICT FUND

OTHER

Special Tax District Fund 59,805

TOTAL SPECIAL TAX DISTRICT FUND 59,805

TOTAL ALL FUNDS 43,600,183

SCHEDULE A: GENERAL FUND

TAXES- AD VALOREM

Current Year Taxes 11,535,683
Prior Year Taxes 200,000
Penalties Less Discounts 50,000
Payments in Lieu of Taxes 22,000

OTHER TAXES

Privilege License 2,300
Cable Franchise – Video Programming 213,400
Cable Franchise - Public Education Channel 52,000
Disposal Tax 18,830
Local Sales Tax – Article 39 2,232,563
Local Sales Tax – Article 40 1,000,073
Local Sales Tax – Article 44 837,339
Local Sales Tax – Article 42 1,116,282

LICENSE AND PERMITS

City Permits 198,050
County Permits 100,480
Broadway Permits 7,000

INVESTMENT INCOME

Interest Income 75,000
Interest on Assessments 2,000
OPEB Distribution 0

GOLF USER CHARGES

Green Fees Annual 73,000
Green Fees Daily 170,000
Cart Fees 220,000
Driving Range 16,000
Brick Tournament Fees 11,000

INTERGOVERNMENTAL REVENUES

UNITED STATES OF AMERICA

Build America Bonds Rebate	3,696
U.S. Department of Justice Grant	206,800

STATE OF NORTH CAROLINA

Utility Franchise Tax	1,523,880
Beer and Wine Tax	59,880
Drug Forfeiture	30,000
N.C. DOT Mowing Agreement	28,911
Powell Bill	759,843

OTHER LOCAL GOVERNMENTS

Consolidated Planning Services	397,798
911 Surcharge Reimbursement	276,345
911 Dispatch	209,279
Lee County Inspection Contract	74,390
Financial Services – Broadway	4,000

SALES AND SERVICE

Sale of Materials	3,500
Sale of Compost Materials	45,000
Sale of Fixed Assets	70,000
Waste Mgmt. User Fees	1,075,000
Golf Concession	35,000
Golf Pro Shop Sales	52,000

OTHER

Court Cost Fees	7,000
ABC Revenue	140,000
Street Charges	350,000
Rental Income	15,000
Parking Revenue	20,000
Miscellaneous	100,000
Civil Violations	4,600
Sales Tax Refund	0
Animal Control	1,200
Assessments	5,000
Tower Consultant Fee	8,000

APPROPRIATED FUND BALANCE	1,373,706
----------------------------------	------------------

TOTAL GENERAL FUND **25,032,828**

SCHEDULE B: ENTERPRISE FUND

UTILITY FUND

USER CHARGES

Water Charges	10,467,422
Sewer Charges	7,082,932

INVESTMENT INCOME

Interest Income	80,000
Interest on Assessments	5,000
OPEB Distribution	0

OTHER

Taps and Connections	140,000
Sewer Surcharge	8,100
Sludge Charge	30,000
Monitoring Fee	85,000
Charges on Past Due Accounts	150,000
Oil and Grease Fees	18,500
Sales Other Funds	40,000
Sale of Fixed Property	25,000
Miscellaneous	15,000
Rental Income	84,200
Non-Compliance Fees	2,000
After Hours Fees	3,000
NSF Charges	4,000

INTERGOVERNMENTAL REVENUES

UNITED STATES OF AMERICA

Build America Bonds Rebate	962,138
----------------------------	---------

APPROPRIATED FUND BALANCE	(694,742)
----------------------------------	------------------

TOTAL UTILITY FUND 18,507,550

TOTAL ENTERPRISE FUND 18,507,550

SCHEDULE C: SPECIAL TAX DISTRICT FUND

TAXES AD VALOREM

Current Year Taxes	53,298
Prior Year Taxes	550
Penalties Less Discounts	150

INVESTMENT INCOME

Interest Income	120
-----------------	-----

OTHER

Parking Revenues	1,900
Contribution from General	0

APPROPRIATED FUND BALANCE	3,787
----------------------------------	--------------

TOTAL SPECIAL TAX DISTRICT FUND 59,805

TOTAL ALL FUNDS 43,600,183

Section 4: There is hereby levied for the fiscal year ending June 30, 2012, the following rate of taxes on each \$100 assessed valuation of taxable property as listed as of January 1, 2011 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, 2012, 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, 2011 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. Water and wastewater rates are effective August 1, 2011. All other fees and rates are effective July 1, 2011.

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 21st day of June, 2011.



Cornelia P. Olive, Mayor

ATTEST:



Bonnie D. White, City Clerk



Susan C. Patterson, City Attorney

CITY OF SANFORD

RATE SCHEDULE FOR FISCAL YEARS 2011-2012

RATES EFFECTIVE AUGUST 1, 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)	\$13.77	\$27.54	\$27.54	\$13.77	\$27.54	\$27.54
3 ccf to 8 ccf (\$ / ccf)	\$4.16	\$8.32	\$9.15	\$4.16	\$8.32	\$9.15
8 ccf to 20 ccf (\$ / ccf)	\$4.16	\$8.32	\$9.15	\$2.71	\$5.41	\$6.80
Over 20 ccf (\$ / ccf)	\$4.16	\$8.32	\$9.15	\$2.71	\$5.41	\$5.41

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)	\$14.70	\$22.05
Over 3 ccf (\$ / ccf)	\$4.90	\$7.35

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 2011-2012

RATES EFFECTIVE JULY 1, 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	\$125.00

CITY OF SANFORD

BEER AND WINE FEES FOR FISCAL YEARS 2011-2012

RATES EFFECTIVE JULY 1, 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**

2011-2012

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)	<p>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.</p> <p>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.</p>
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:	<p>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.</p>

OTHER RESIDENTIAL CONSTRUCTION	Includes all Residential Renovations, Repairs, and Other Residential 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: \$2.50 per \$1,000 of Applicants Estimated Cost of Construction. Minimum Building Permit Fee is \$40.00.</p>

**BUILDING PERMIT FEES
COMMERCIAL**

COMMERCIAL (New)	50,000 Square Feet and Less.	
Building Permit Fee:	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; Permit Fee = Estimated Cost of Construction (from above) divided by \$1,000, multiplied by \$2	
	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:	Estimated Cost of Construction shall be determined by: 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. 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.	
	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).</p> <p>Building permit fee shall be calculated by: \$2.00 per \$1,000 of Applicants Estimated Cost of Construction.</p> <p>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
---	---------

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. § 160A-417, 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
-------------------------------	------

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 2011-2012**

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 **2011-2012 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 2011-2012 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 11-12 Rates for the
Installation of Hydrant Meters for Contractors**

Hydrant Meter Size	Deposit Fee	Plus Daily Rental Fee
3/4"	\$200.00	\$1.00 per day (per calendar year)
1"	\$400.00	\$1.00 per day (per calendar year)
2 1/2"	\$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 2011-2012
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	Tap Size	Rate
<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. The city discourages the use of one-time revenue for ongoing expenditures. 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, 2010 was \$13,583,649. General Fund balance available for appropriation was \$10,756,923 or 44.7% 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 continues with the expansion of the Wastewater Treatment Plant, rate adjustments will be necessary. A water rate increase of 2% and a wastewater rate increase of 3% will be implemented August 1, 2011. 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 \$3,373,568 for the year compared with a net income before capital contributions of \$3,072,732 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. Revenue bonds were issued in December of 2010 to expand the Wastewater Treatment Plant capacity from 6.8 to 12 million gallons daily. The anticipated completion date of this project is 2014.

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, 2010. 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, 2010. 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, 2010	CIP	Memo/instructions and CIP form transmitted to departments
January, 2011	Retreat	Prepare and finalize retreat informational packets
January 6, 2011	Year End Estimates	Year end revenue estimates consolidated and reviewed
January 19, 2011	Year End Estimates	Memo/MUNIS budget worksheet program transmitted to departments
January 25, 2011	CIP	CIP request forms due from department managers
January 28, 2011	Year End Estimates	Year end estimates due from department managers (year end expenditure estimates entered into the MUNIS worksheet program by departments)
February 4, 2011	CIP	Begin review of CIP with manager; prioritize goals for the city
February 10, 2011	Year End Estimates	Year end departmental expenditure estimates consolidated and reviewed
February 11, 2011	FY 11-12 Budget	Prepare and transmit FY 11-12 departmental request information to department heads
February 15, 2011	CIP	Finalize prioritization of projects and assignment of revenues
March 11, 2011	FY 11-12 Budget	Departmental budget requests for FY 11-12 due from departments
March 31, 2011	FY 11-12 Budget	Finalize 11-12 revenue projections
April 1, 2011	FY 11-12 Budget	Need insurance estimate numbers from HR
April 5, 2011	FY 10-11 Budget	Present cleanup amendment to council for FY 10-11
April 8, 2011	FY 11-12 Budget	City manager and department heads begin review of department requests
April 12, 2011	FY 11-12 Budget	Need final insurance numbers from HR
April 19, 2011	FY 11-12 Budget	Budget must be balanced by this date to allow finance staff time to prepare presentation at May 17 th L & F meeting
May 17, 2011	FY 11-12 Budget	Present to council at regular meeting and publish public hearing notice (publish at least ten days prior to public hearing)
May 25, 2011	FY 11-12 Budget	Special Meeting - May 17, 2011 council meeting recessed and reconvened at 1 PM to hold budget work session (if necessary)
June 1, 2011	FY 11-12 Budget	Regular Law & Finance - May 17, 2011 council meeting recessed and reconvened at 1 PM to hold budget work session (if necessary)
June 7, 2011	FY 11-12 Budget	Public hearing and adopt budget (first scheduled meeting in June)
June 15, 2011	Year End Estimates	Present FY 10-11 year end cleanup budget amendment to council
June 29, 2011	Year End Estimates	Alternate date to present cleanup budget amendment to council (regular L & F meeting)
July 1, 2011	FY 11-12 Budget	Present adopted budget to departments prior to this date
July 11, 2011	FY 11-12 Budget	Finalize input and/or transfer of new budgets in the MUNIS System

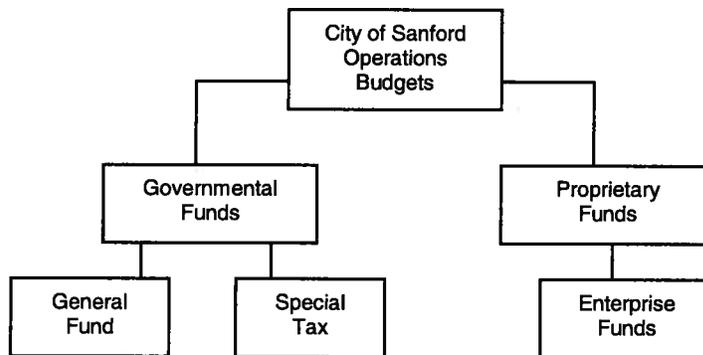
BUDGET FORMAT

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. It includes most tax revenues and such services as public safety, general government, streets, sanitation, and community development.

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.



Departments by Fund

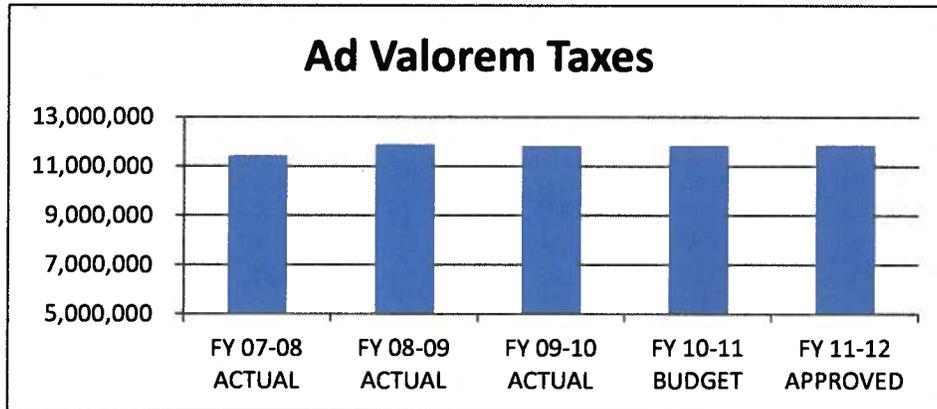
Department	Fund
Administration	General
Billing	Utility
Central Office	General
Code Enforcement	General
Community Development	General
Debt Service	Utility
Downtown/HPC	General
Elections	General
Engineering	Utility
Finance	General
Fire	General
General Fund Contributions	General
General Services	General
Golf	General
Governing Body	General
Horticulture	General
Human Resources	General
Information Systems	General
Inspections	General
Legal	General
Police	General
Public Building	General
Public Works Administration	Utility
Risk Management	General
Sanitation	General
Sewer Capital Improvements	Utility
Sewer Construction & Maintenance	Utility
Shop	General
Solid Waste	General
Special Tax	Special Tax
Store	Utility
Street	General
Street Capital	General
Utility Fund Administration	Utility
Utility Fund Contributions	Utility
Wastewater Treatment Plant	Utility
Water Capital Improvements	Utility
Water Construction & Maintenance	Utility
Water Plant	Utility

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.

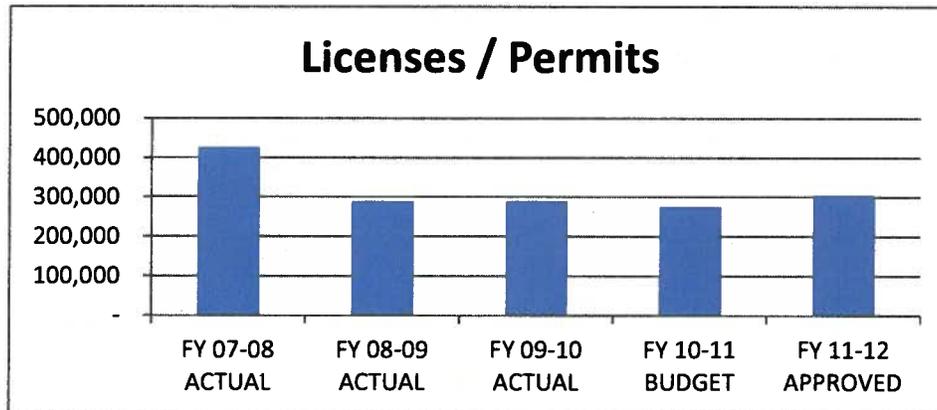
The major revenues by source are as follows:

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

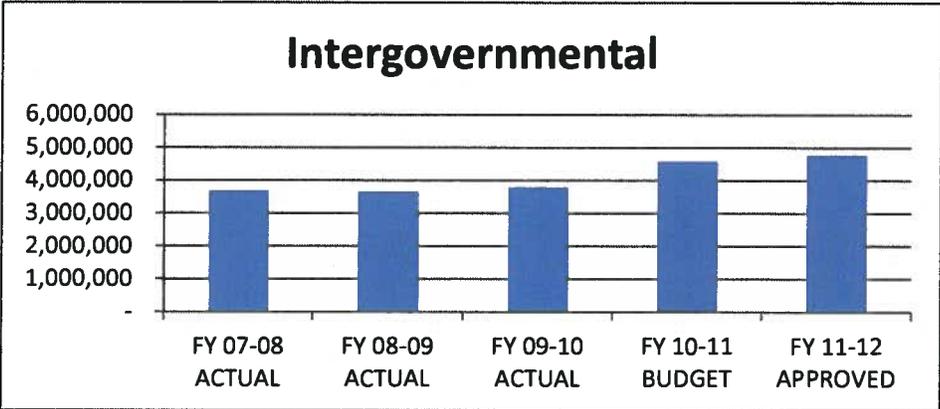


Penalties Less Discounts – Interest on delinquent taxes; late listing penalties; and other costs of collecting delinquent taxes.

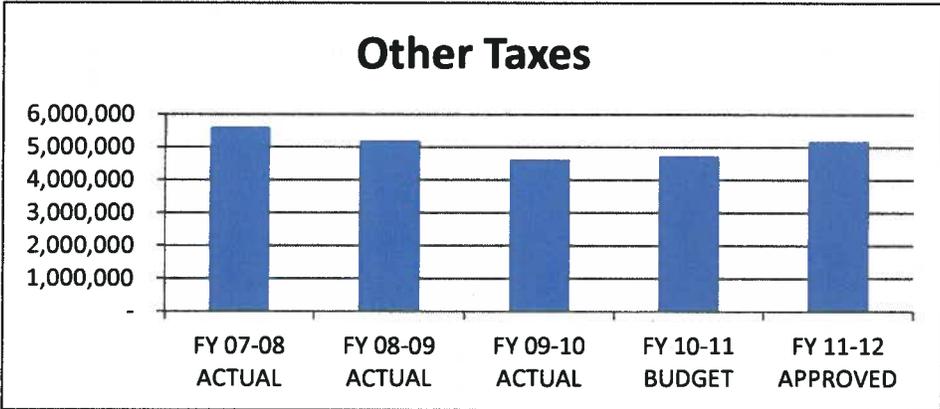
Licenses and Permits – Building permits; inspection penalties; inspection fees; and code enforcement.



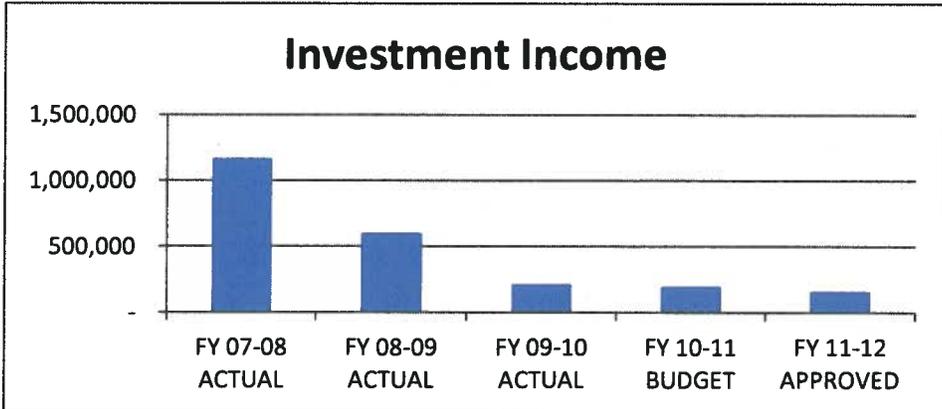
Intergovernmental - Federal, State, and local financial assistance; retail inventory taxes; utility franchise tax; beer & wine tax; and Powell Bill funds.



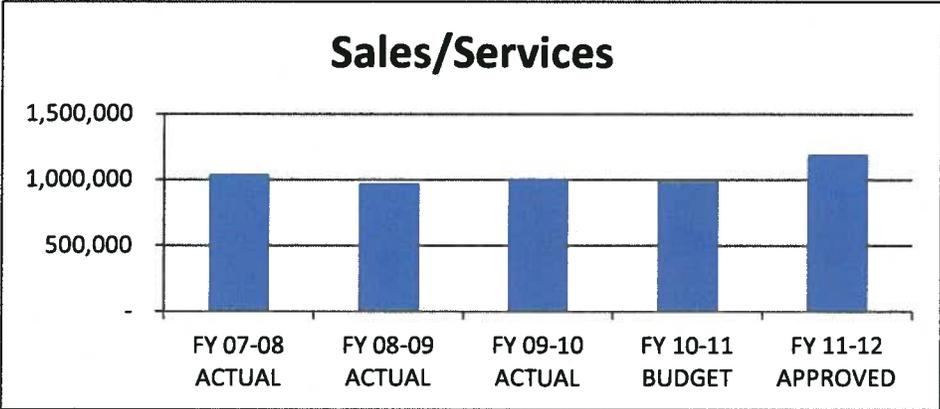
Other Taxes - Collections of the one percent local options sales tax and the one-half of one percent local option sales taxes (Articles 39, 40, 42, and 44); privilege license; and cable franchise tax.



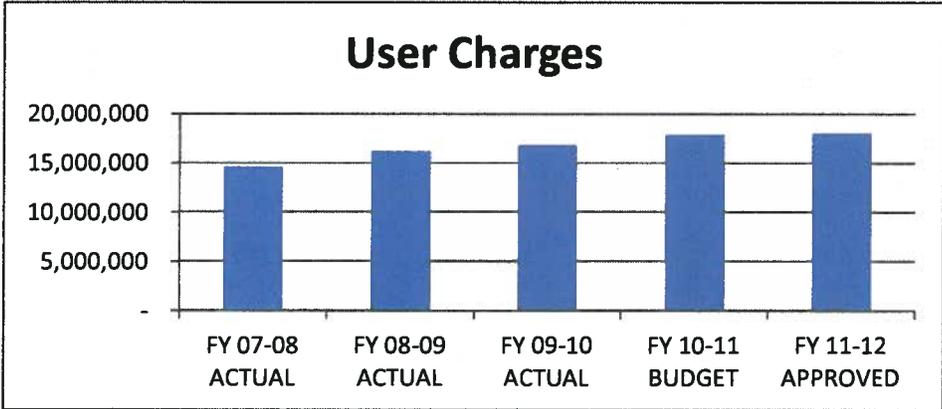
Investment Income – Interest earned.



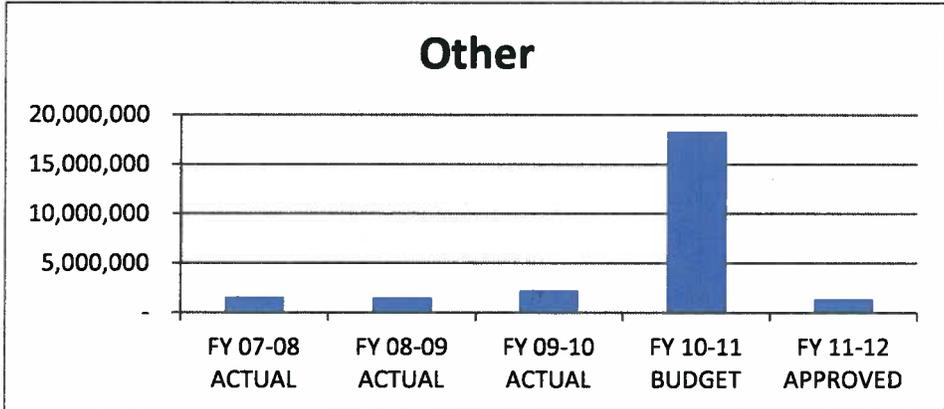
Sales and Service – Sale of materials; sale of compost; sale of fixed assets; sale of land; and waste management fees.



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; market gains in Other Post Employment Benefit (OPEB) Trust Fund; and other miscellaneous revenue.

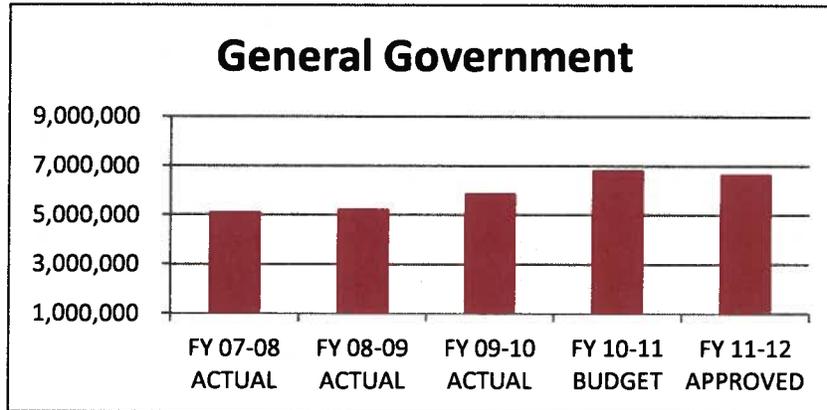


EXPENDITURES BY FUNCTION

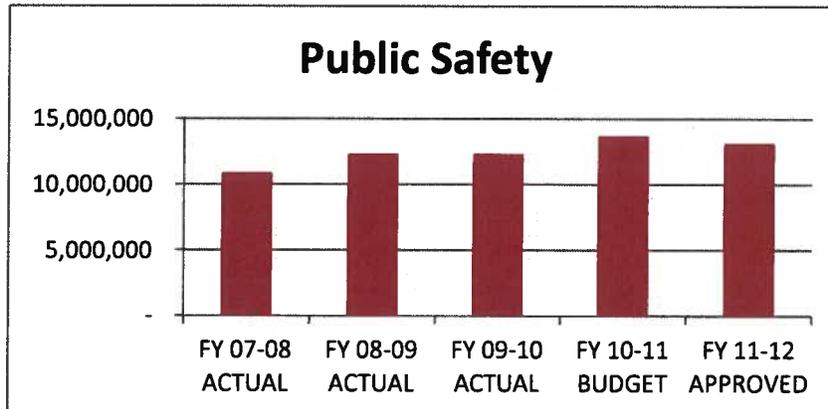
Expenditures are shown in the budget classified by funds from which they are paid, by departments spending the money, by the functions for which the expenditures are made and by the object of expenditures, which provides greater detail for controlling expenditures. Funds are appropriated at adequate 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:

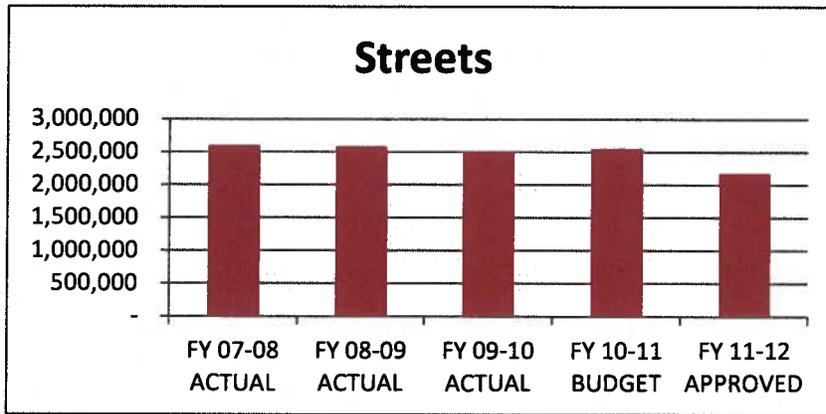
General Government - Expenditures for the Governing Body, Administration, Human Resources, Risk Management, Elections, Finance, Information Systems, Legal, Public Building, General Services, Central Office, GF Contributions, Golf, Shop, and Horticulture.



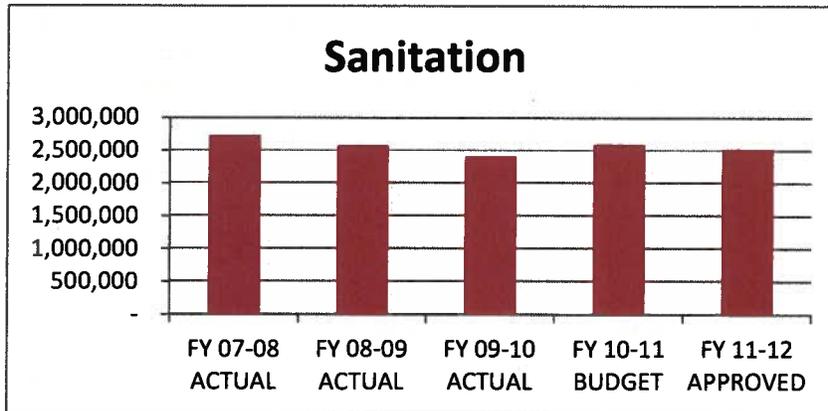
Public Safety - Expenditures for Police, Fire, and Inspections.



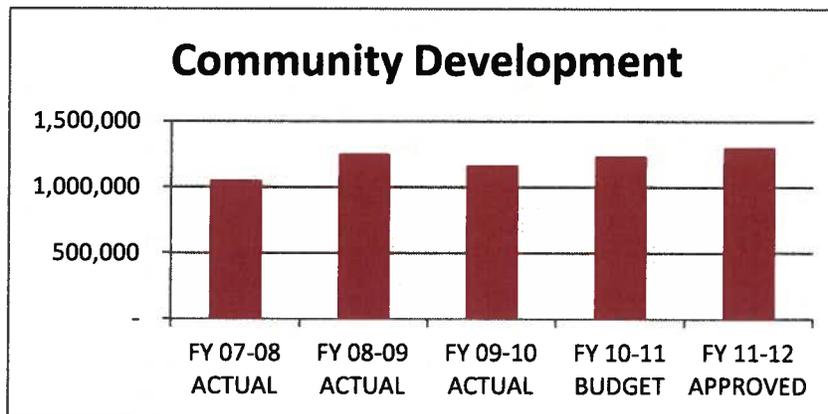
Streets - Expenditures for Street Maintenance and Street Capital Improvements.



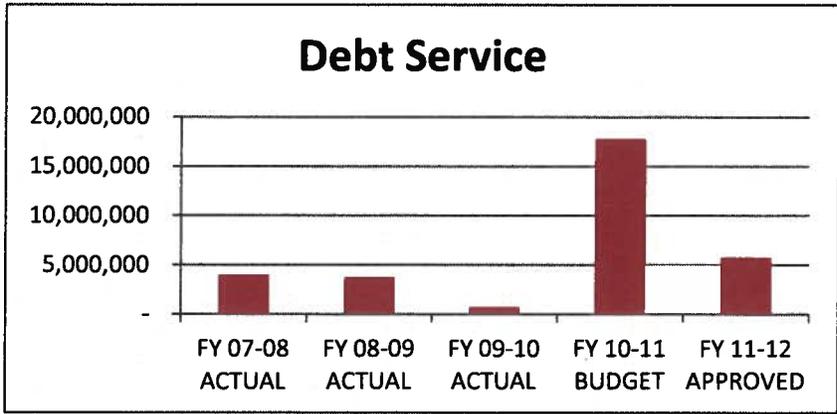
Sanitation - Expenditures for Solid Waste and Sanitation.



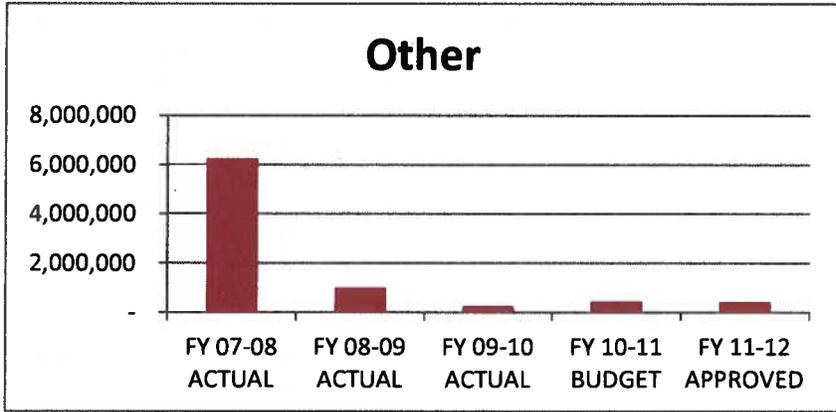
Community Development – Expenditures for Community Development, Community Enhancement – Code Enforcement, and Community Enhancement – Downtown / HPC.



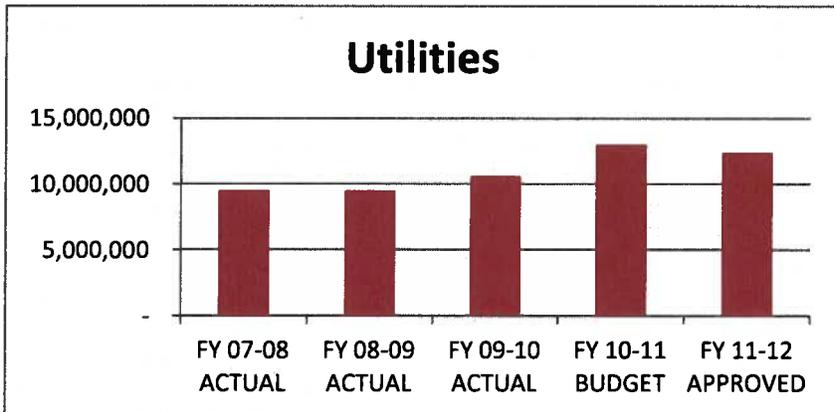
Debt Service - Principal; interest; and fees paid or accrued on bonds and notes.



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.

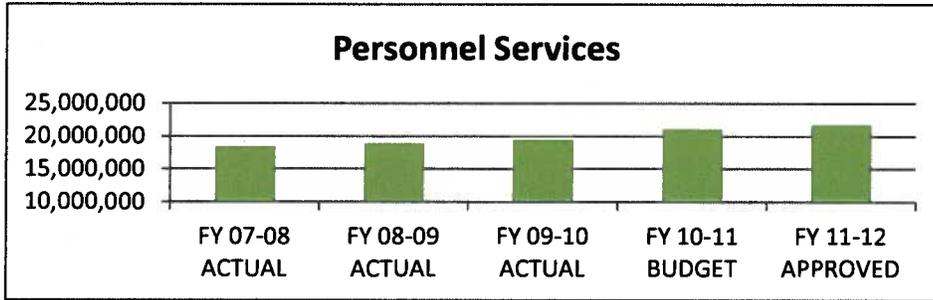


EXPENDITURES BY CATEGORY

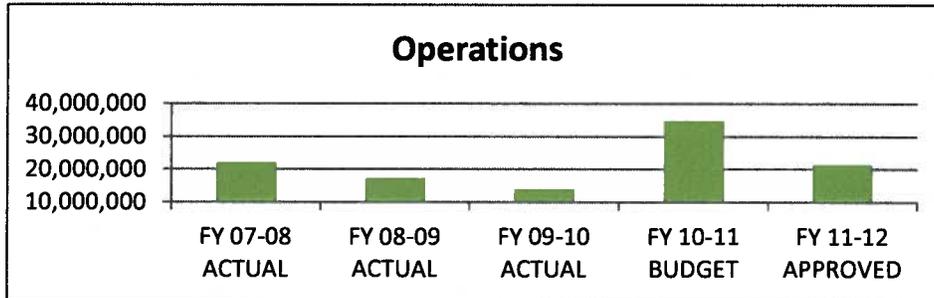
Expenditures by object are divided into three major categories - personnel services, operating expenses and capital outlays.

These categories are summarized below:

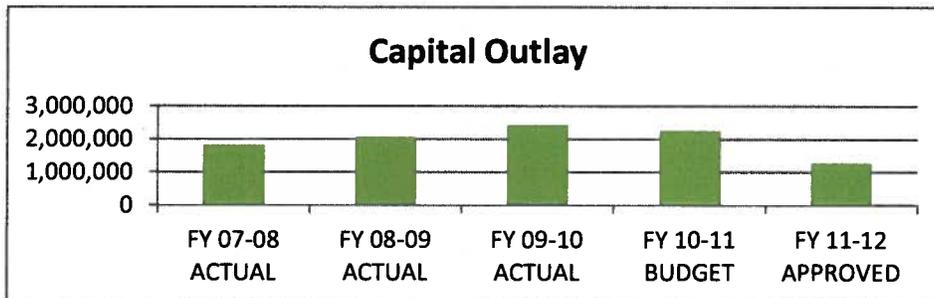
Personnel Services - Expenses, which can be directly attributed to the individual employee. These expenses would include salaries, group insurance, retirement, 401K expense and FICA. The cost of group insurance, retirement, 401K expenses and FICA has been budgeted within each operating department, which 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 2011-2012 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 \$140,000**

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 \$11,735,683 Special Tax \$53,848**

After Hours

Fees charged to customers for after hour service calls. **Appropriation—Utility Fund \$3,000**

Animal Control

Revenue received for animal violations. **Appropriation—General Fund \$1,200**

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 \$1,373,706 Utility Fund (\$694,742) Special Tax \$3,787**

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 \$59,880**

Brick Tournament Fees

Fees are collected and segregated for this annual golf tournament event. **Appropriation--General Fund \$11,000**

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 \$3,696 Utility Fund \$962,138**

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 next year. **Appropriation--General Fund \$198,050**

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 \$100,480**

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 \$213,400, \$52,000**

Cart Fees

Fees are collected for rental of golf carts with projections based on trend analysis. **Appropriation--General Fund \$220,000**

Charges on Past Due Accts.

Charges assessed against accounts that are paid after the due date. **Appropriation—General Fund \$0; Utility Fund \$150,000**

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 \$4,600**

Concessions

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

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 \$7,000**

Disposal Tax

The state levies a tax on disposal of waste. The city's portion is based on per capita share. **Appropriation—General Fund \$18,830**

Driving Range

Fees are collected for use of golf course driving range. Revenues are estimates based on anticipated use. **Appropriation—General Fund \$16,000**

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 \$73,000**

Green Fees Daily

Fees are collected for daily play at the Municipal Golf Course. Estimates are based on historical data. **Appropriation--General Fund \$170,000**

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. Interest income revenues are projected on the basis of estimated average available cash balances at an anticipated rate of return. **Appropriation--General Fund \$75,000 Utility Fund \$80,000 Special Tax \$120**

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 \$5,000**

REVENUE

FORECAST RATIONALE

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. 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 \$5,186,257**

Miscellaneous

This revenue includes revenue sources not otherwise classified. Projections are based on comparisons of past operating data. **Appropriation--General Fund \$100,000 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 \$0 Utility Fund \$0**

Parking Revenues

Proceeds projected for parking fines and parking space rentals. **Appropriation—General Fund \$20,000 Special Tax \$1,900**

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--General Fund \$22,000**

REVENUE

FORECAST RATIONALE

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—General Fund \$50,000 Special Tax \$150**

Police Grant

Revenue received from the COPS Hiring Recovery Grant to fund the third year of four new patrol positions. **Appropriation--General Fund \$206,800**

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: 134.72 miles of street times \$1,532 and population 28,094 times \$19.70. **Appropriation--General Fund \$759,843**

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 \$85,000**

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 \$74,390**

Receipt Other Governments- State

The state will pay for mowing right-of-ways through negotiated contract. **Appropriation--General Fund \$28,911**

REVENUE

FORECAST RATIONALE

Receipt Other Local Governments-
Lee County and Broadway

The city provides certain services for the County of Lee and Town of Broadway for which it is reimbursed. The total cost for 911 dispatching is shared on a 19.79% calls ratio (\$209,279). The county's cost of the merged community development department is projected to be \$389,798. 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 \$276,345. **Appropriation--General Fund \$389,798, \$276,345, \$209,279, \$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 \$15,000 Utility Fund \$84,200**

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 \$45,000**

Sale of Fixed Property

Funds are generated from the sale of surplus properties and/or equipment. **Appropriation--General Fund \$70,000 Utility Fund \$25,000**

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 \$40,000**

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 \$0**

Sewer Charges

Proceeds are received for the collection and treatment of wastewater. Projections are based on historical user trends. **Appropriation--Utility Fund \$7,082,932**

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 \$8,100**

REVENUE

FORECAST RATIONALE

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 \$30,000**

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 \$350,000**

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 \$140,000**

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 \$1,523,880**

Waste Management Fees

Proceeds are received for landfill disposal. These charges are based on actual needs. Fees are assessed uniformly (\$125 annually) to all residential property owners on the tax bill. **Appropriation--General Fund \$1,075,000**

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 \$10,467,422**

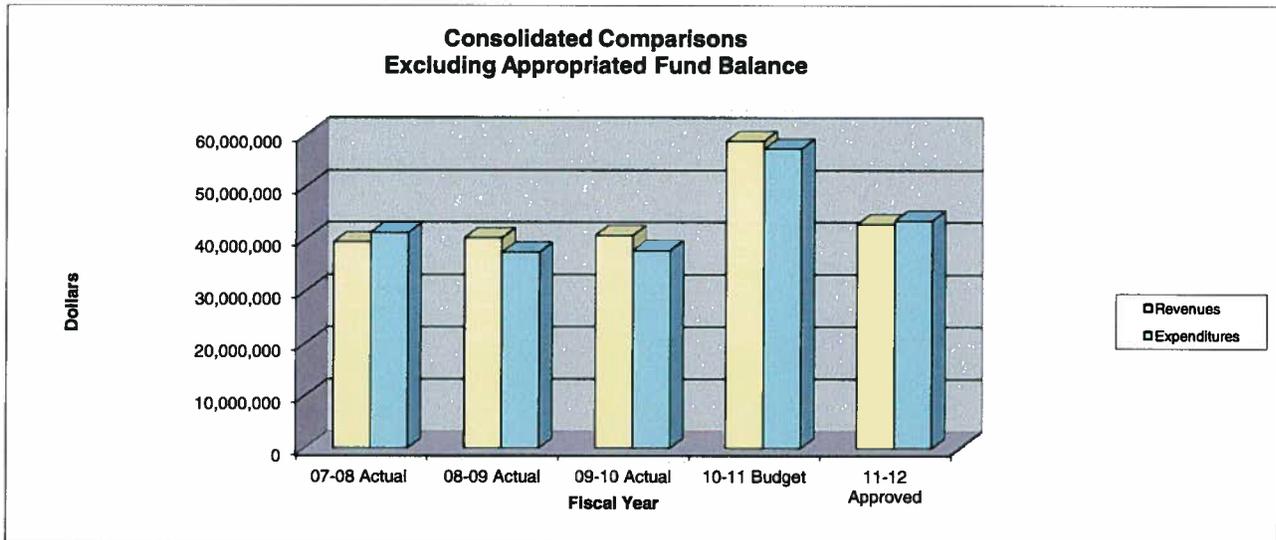
THIS PAGE LEFT BLANK INTENTIONALLY.

**CONSOLIDATED BUDGET
FUND SUMMARIES**

	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 ACTUAL	FY 10-11 BUDGET	FY 11-12 REQUESTED	FY 11-12 APPROVED	VARIANCE	% CHG.
REVENUES								
General Fund	23,989,111	23,486,700	23,354,307	23,521,716	24,316,122	23,659,122	137,406	1%
Enterprise Fund	15,394,740	16,702,834	17,344,726	35,246,891	19,227,292	19,202,292	-16,044,599	-46%
Special Tax District	108,385	110,295	107,248	73,441	56,018	56,018	-17,423	-24%
SUB-TOTAL	39,492,235	40,299,830	40,806,281	58,842,048	43,599,432	42,917,432	-15,924,616	-27%
Appropriated Fund Balance	0	-13,595	0	-1,481,280	68,679	682,751	2,164,031	-146%
Less Interfund Activity	-50,000	-50,000	-50,000	-20,000	0	0	20,000	-100%
TOTAL BUDGET	39,442,235	40,236,234	40,756,281	57,340,768	43,668,111	43,600,183	-13,740,585	-24%
EXPENDITURES								
General Fund	21,563,152	23,372,580	23,651,520	26,139,994	26,736,206	25,032,828	-1,107,166	-4%
Enterprise Fund	19,647,092	14,063,911	14,170,072	31,140,849	12,900,776	18,507,550	-12,633,299	-41%
Special Tax District	89,838	109,710	92,277	79,925	59,805	59,805	-20,120	-25%
SUB-TOTAL	41,300,082	37,546,201	37,913,869	57,360,768	39,696,787	43,600,183	-13,760,585	-24%
Less Interfund Activity	-50,000	-50,000	-50,000	-20,000	0	0	20,000	-100%
TOTAL BUDGET	41,250,082	37,496,201	37,863,869	57,340,768	39,696,787	43,600,183	-13,740,585	-24%

GRAPHIC REPRESENTATION

Illustrated below are revenues as they relate to expenditures.

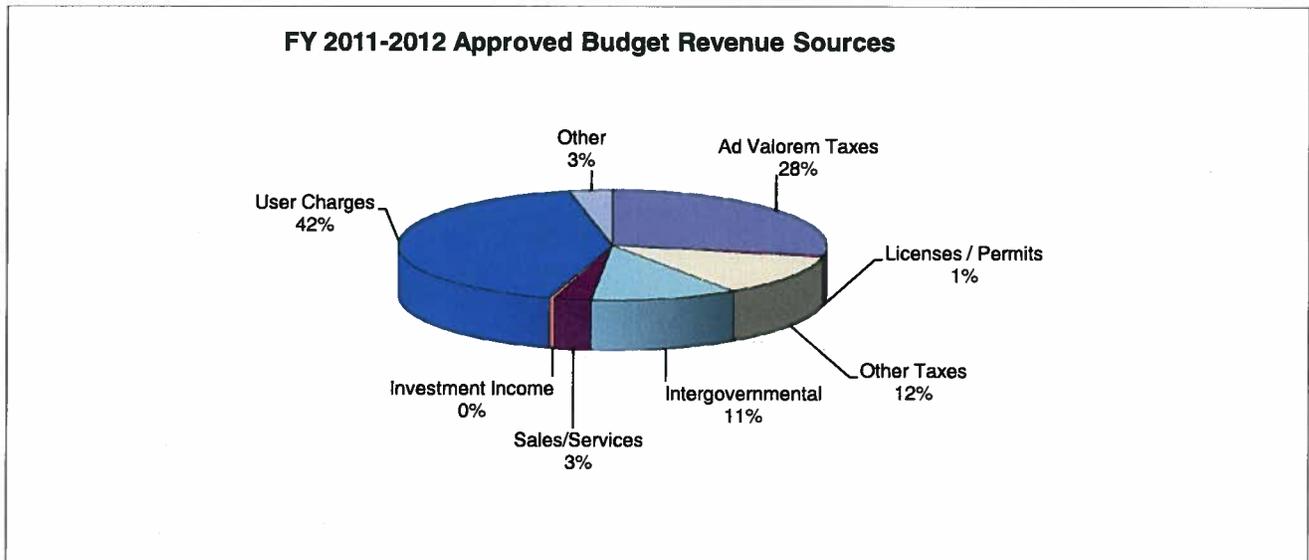


**CONSOLIDATED BUDGET
REVENUE SUMMARIES**

	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 ACTUAL	FY 10-11 BUDGET	FY 11-12 REQUESTED	FY 11-12 APPROVED	VARIANCE	% CHG.
REVENUES								
Ad Valorem Taxes	11,417,296	11,877,737	11,826,260	11,833,559	11,861,681	11,861,681	28,122	0%
Licenses / Permits	426,514	288,166	289,050	274,818	305,530	305,530	30,712	11%
Other Taxes	5,605,037	5,197,957	4,621,691	4,732,077	5,188,557	5,188,557	456,480	10%
Intergovernmental	3,685,392	3,657,733	3,789,446	4,587,777	5,453,190	4,776,190	188,413	4%
Sales/Services	1,044,365	975,060	1,011,554	988,700	1,193,500	1,193,500	204,800	21%
Investment Income	1,171,317	600,737	218,532	198,900	162,120	162,120	-36,780	-18%
User Charges	14,578,473	16,207,499	16,812,255	17,903,746	18,065,354	18,040,354	136,608	1%
Other	1,563,840	1,494,941	2,237,493	18,322,471	1,369,500	1,389,500	-16,932,971	-92%
SUB-TOTAL	39,492,235	40,299,830	40,806,281	58,842,048	43,599,432	42,917,432	-15,924,616	-27%
Appropriated Fund Balance	0	-13,595	0	-1,481,280	68,679	682,751	2,164,031	-146%
Less Interfund Activity	-50,000	-50,000	-50,000	-20,000	0	0	20,000	-100%
TOTAL BUDGET	39,442,235	40,236,234	40,756,281	57,340,768	43,668,111	43,600,183	-13,740,585	-24%

GRAPHIC REPRESENTATION

The relative value of major revenue sources are shown below. Taxes Ad-Valorem and User Charges represent 70% of the revenues received by the city.

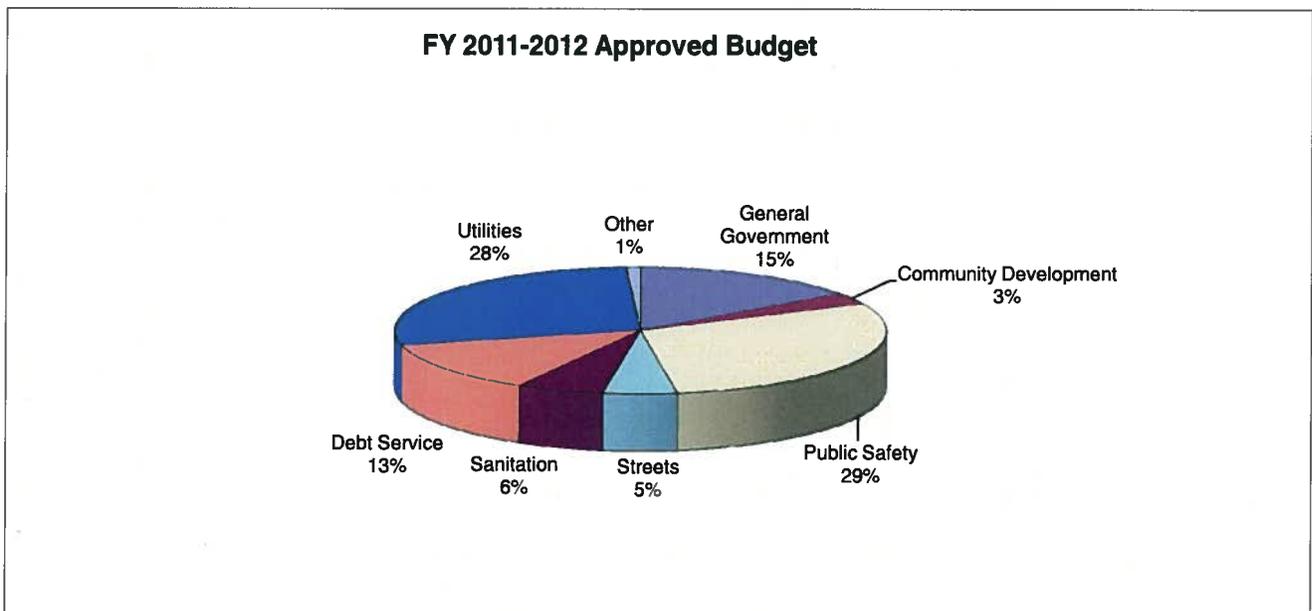


**CONSOLIDATED BUDGET
EXPENDITURE SUMMARIES**

	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 ACTUAL	FY 10-11 BUDGET	FY 11-12 REQUESTED	FY 11-12 APPROVED	VARIANCE	% CHG.
FUNCTIONS								
General Government	5,125,219	5,231,715	5,892,817	6,823,542	6,808,147	6,657,044	-166,498	-2%
Community Development	1,052,832	1,251,782	1,165,067	1,236,223	1,223,069	1,301,244	65,021	5%
Public Safety	10,888,532	12,328,727	12,335,938	13,687,887	13,271,993	13,142,701	-545,186	-4%
Streets	2,601,835	2,582,825	2,503,097	2,555,147	3,124,275	2,177,159	-377,988	-15%
Sanitation	2,732,563	2,578,442	2,398,121	2,596,692	2,678,383	2,523,320	-73,372	-3%
Debt Service	3,975,349	3,706,501	3,399,451	17,776,436	0	5,740,068	-12,036,368	-68%
Utilities	9,507,111	9,472,138	10,623,002	13,012,516	12,900,776	12,402,938	-609,578	-5%
Other	6,254,470	994,982	239,896	431,822	59,805	424,349	-7,473	-2%
SUB-TOTAL	42,137,911	38,147,112	38,557,389	58,120,265	40,066,448	44,368,823	-13,751,442	-24%
Less Interfund Activity	-50,000	-50,000	-50,000	-20,000	0	0	20,000	-100%
Interfund Reimbursement	-837,829	-600,911	-643,520	-759,497	-369,661	-768,640	-9,143	1%
TOTAL BUDGET	41,250,082	37,496,201	37,863,869	57,340,768	39,696,787	43,600,183	-13,740,585	-24%

GRAPHIC REPRESENTATION

Expenditures classed by function reflect cost as it relates to total spending. Public safety and utilities represent 57% of the city's total appropriations.

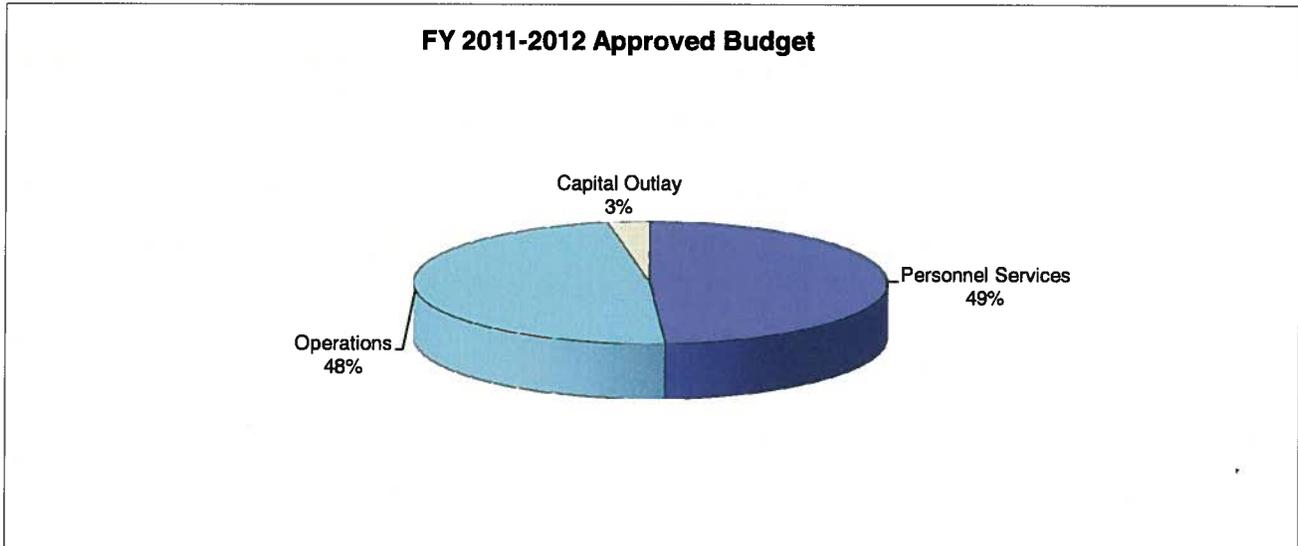


**CONSOLIDATED BUDGET
EXPENDITURE SUMMARIES**

	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 ACTUAL	FY 10-11 BUDGET	FY 11-12 REQUESTED	FY 11-12 APPROVED	VARIANCE	% CHG.
EXPENDITURES								
Personnel Services	18,325,475	18,842,386	19,459,530	21,080,502	18,904,658	21,723,134	642,632	3%
Operations	21,998,601	17,240,232	13,959,109	34,786,060	18,176,445	21,372,942	-13,413,118	-39%
Capital Outlay	1,813,835	2,064,494	2,434,093	2,253,703	2,985,345	1,272,747	-980,956	-44%
SUB-TOTAL	42,137,911	38,147,112	35,852,732	58,120,265	40,066,448	44,368,823	-13,751,442	-24%
Less Interfund Activity	-50,000	-50,000	-50,000	-20,000	0	0	-20,000	-100%
Interfund Reimbursement	-837,829	-600,911	-643,520	-759,497	-369,661	-768,640	-9,143	1%
TOTAL BUDGET	41,250,082	37,496,201	35,159,212	57,340,768	39,696,787	43,600,183	-13,740,585	-24%

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 357 employees. Operating costs include major expenditures for utilities, debt service, chemicals, and contractual services. Capital is shown in detail at the departmental level.



GENERAL FUND REVENUE

REVENUE SOURCES	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 ACTUAL	FY 10-11 BUDGET	FY 11-12 REQUESTED	FY 11-12 APPROVED	VARIANCE	% CHG.
Prior	336,844	300,157	207,247	270,000	200,000	200,000	-70,000	-26%
Current	10,925,668	11,412,358	11,472,282	11,412,313	11,535,683	11,535,683	123,370	1%
Payment in Lieu of Taxes	21,608	22,892	22,006	23,000	22,000	22,000	-1,000	-4%
Penalties Less Discounts	76,183	84,033	69,781	76,530	50,000	50,000	-26,530	-35%
Tax Temporary	1,867	0	0	0	0	0	0	#DIV/0!
Total Ad Valorem Taxes	11,362,169	11,819,440	11,771,316	11,781,843	11,807,683	11,807,683	25,840	0%
Local Sales Tax - Article 39	2,291,169	2,057,646	1,962,140	2,016,277	2,232,563	2,232,563	216,286	11%
Local Sales Tax - Article 40	1,071,993	997,440	929,237	950,300	1,000,073	1,000,073	49,773	5%
Local Sales Tax - Article 44	967,628	869,408	760,110	805,400	837,339	837,339	31,939	4%
Local Sales Tax - Article 42	1,061,770	987,348	927,711	957,800	1,116,282	1,116,282	158,482	17%
Privilege License	212,473	284,339	41,350	2,300	2,300	2,300	0	0%
Past Due	5	1,776	1,143	0	0	0	0	#DIV/0!
Total Other Taxes	5,605,037	5,197,957	4,621,691	4,732,077	5,188,557	5,188,557	456,480	10%
City Permits	250,756	146,454	203,392	180,818	198,050	198,050	17,232	10%
County Permits	166,265	136,944	77,614	87,000	100,480	100,480	13,480	15%
Broadway Permits	9,493	4,767	8,044	7,000	7,000	7,000	0	0%
Total Licenses / Permits	426,514	288,166	289,050	274,818	305,530	305,530	30,712	11%
Interest Income	580,314	299,366	115,691	100,000	75,000	75,000	-25,000	-25%
Interest on Assessments	3,418	2,905	2,640	2,000	2,000	2,000	0	0%
Total Investment Income	583,731	302,271	118,331	102,000	77,000	77,000	-25,000	-25%
Green Fees Annual	80,324	74,517	69,794	74,500	73,000	73,000	-1,500	-2%
Green Fees Daily	181,813	157,904	147,285	150,000	170,000	170,000	20,000	13%
Cart Fees	224,496	205,910	189,208	189,000	220,000	220,000	31,000	16%
Tournament	11,580	8,905	12,000	10,000	11,000	11,000	1,000	10%
Driving Range	16,947	15,503	14,700	15,000	16,000	16,000	1,000	7%
Total Golf User Charges	515,160	462,739	432,987	438,500	490,000	490,000	51,500	12%
Intergovernmental Revenues								
United States of America								
Federal ARRA	0	0	0	60,000	0	0	-60,000	-100%
Police Grants	54,934	44,150	324,469	210,678	206,800	206,800	-3,878	-2%
Build American Bonds Rebate	0	0	0	5,840	3,696	3,696	-2,144	-37%
Federal Drug Enf. Proc.	5,696	11,649	0	0	0	0	0	#DIV/0!
State of North Carolina								
Utility Franchise Tax	1,519,403	1,465,659	1,511,780	1,475,730	1,523,880	1,523,880	48,150	3%
Beer & Wine Tax	61,341	61,237	19,829	61,840	59,880	59,880	-1,960	-3%
Powell Bill	914,972	831,724	746,466	717,415	759,843	759,843	42,428	6%
State Drug Forfeiture	52,880	54,039	3,294	28,000	30,000	30,000	2,000	7%
Rec. Other Gov.-State	20,590	21,619	18,160	28,626	28,911	28,911	285	1%
Shared Cable	187,818	218,870	204,134	200,830	213,400	213,400	12,570	6%
Court Cost Fees	9,359	10,711	7,848	8,000	7,000	7,000	-1,000	-13%
Disposal Tax	0	12,508	19,132	20,300	18,830	18,830	-1,470	-7%
State Grant	0	0	0	20,725	0	0	-20,725	-100%
Sales Tax Refund	7,073	6,803	5,546	6,100	0	0	-6,100	-100%
							0	#DIV/0!
Total Intergovernmental	3,685,392	3,656,496	3,789,446	4,066,702	4,491,052	3,814,052	-252,650	-6%
Other Local Governments								
Rec. Other Gov.-Local	0	2,617		0	0	0	0	#DIV/0!
Lee Co. Contrib.-Trench Rescue Equip	0	0	0	35,000	0	0	-35,000	-100%
EMS Office Rental	5,952	0		0	0	0	0	#DIV/0!
Consolidated Planning Services	332,140	376,454	373,571	385,108	397,798	397,798	12,690	3%
911 Surcharge Reimbursement	312,696	304,784	327,183	523,979	953,345	276,345	-247,634	-47%
911 Dispatch	141,745	157,156	189,501	208,548	209,279	209,279	731	0%
Rec. Local Inspections Contract	53,992	71,716	34,533	65,983	74,390	74,390	8,407	13%
Financial Services - Broadway	4,800	4,800	4,000	4,000	4,000	4,000	0	0%

GENERAL FUND REVENUE

REVENUE SOURCES	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 ACTUAL	FY 10-11 BUDGET	FY 11-12 REQUESTED	FY 11-12 APPROVED	VARIANCE	% CHG.
Sale of Materials	4,181	3,601	8,618	3,500	3,500	3,500	0	0%
Sale of Compost Materials	35,150	42,700	46,091	40,200	45,000	45,000	4,800	12%
Sale of Fixed Assets	59,709	44,173	70,788	65,000	70,000	70,000	5,000	8%
Sale of Timber	98,539	0	0	0	0	0	0	#DIV/0!
Waste Mgmt. User Fees	846,786	884,586	886,057	880,000	1,075,000	1,075,000	195,000	22%
Total Sales and Service	1,044,365	975,060	1,011,554	988,700	1,193,500	1,193,500	204,800	21%
Concession	41,722	35,488	32,026	35,000	35,000	35,000	0	0%
Miscellaneous	255	-3,314	150	0	0	0	0	#DIV/0!
Pro Shop Sales	61,352	52,782	47,177	52,000	52,000	52,000	0	0%
Total Golf Other	103,329	84,956	79,353	87,000	87,000	87,000	0	0%
Installment Purchase Proceeds	0	0	397,000	0	0	0	0	#DIV/0!
Transfer in Capital Projects	0	2,476	821	0	0	0	0	#DIV/0!
Sale of Car Seats	1,145	0	0	0	0	0	0	#DIV/0!
Youth Council	5,000	0	0	0	0	0	0	#DIV/0!
NC League of Municipalities Grant	1,500	0	0	0	0	0	0	#DIV/0!
ABC Revenue	160,000	165,000	215,000	160,000	140,000	140,000	-20,000	-13%
Street Charges	218,900	223,511	300,742	260,000	350,000	350,000	90,000	35%
Rental Income	30,510	30,510	30,510	30,510	15,000	15,000	-15,510	-51%
Parking Revenue	29,199	28,404	18,865	20,000	20,000	20,000	0	0%
Code Enforcement	0	92,797	0	5,000	0	0	-5,000	-100%
Animal Control	1,420	3,391	2,643	2,000	1,200	1,200	-800	-40%
Cable Franchise Fees	33,462	41,508	23,261	32,000	32,000	52,000	20,000	63%
Miscellaneous	146,383	93,471	223,227	159,475	100,000	100,000	-59,475	-37%
Civil Violations	7,176	15,375	7,070	8,000	4,600	4,600	-3,400	-43%
Contribution-Other	0	0	0	5,598	0	0	-5,598	-100%
Tower Rental	0	0	4,000	8,000	8,000	8,000	0	0%
License Tag	54	0	60	0	0	0	0	#DIV/0!
Special Assessments	25,831	3,174	7,240	5,000	5,000	5,000	0	0%
Advertising Reimbursement	2,831	0	0	0	0	0	0	#DIV/0!
OPEB Distribution	0	0	0	354,493	0	0	-354,493	-100%
MLK Donations	0	0	10,140	0	0	0	0	#DIV/0!
Total Other	663,412	699,616	1,240,579	1,050,076	675,800	695,800	-354,276	-34%
SUB-TOTAL GENERAL FUND	23,989,111	23,486,700	23,354,307	23,521,716	24,316,122	23,659,122	137,406	1%
Appropriated Fund Balance	0	-13,595	0	2,618,278	739,034	1,373,706	-1,244,572	-48%
TOTAL GENERAL FUND	23,989,111	23,473,105	23,354,307	26,139,994	25,055,156	25,032,828	-1,107,166	-4%

GENERAL FUND EXPENDITURES

DEPARTMENT	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 ACTUAL	FY 10-11 BUDGET	FY 11-12 REQUESTED	FY 11-12 APPROVED	VARIANCE	% CHG.
Governing Body	256,808	258,390	278,407	323,099	256,318	324,458	1,359	0%
Administration	195,752	188,631	195,769	210,061	198,506	236,206	26,145	12%
Human Resources	239,481	261,140	269,980	288,709	262,039	297,856	9,147	3%
Risk Management	74,039	68,331	74,494	86,634	93,668	94,223	7,589	9%
Elections	22,781	0	20,584	0	35,058	35,058	35,058	#DIV/0!
Finance	767,406	841,901	834,453	909,978	878,623	918,445	8,467	1%
Information Systems	231,496	226,737	282,404	318,442	309,178	319,742	1,300	0%
Legal	204,910	211,254	248,211	266,995	233,288	251,493	-15,502	-6%
Public Building	827,778	897,266	1,388,178	1,521,401	796,507	916,693	-604,708	-40%
Public Works Adm.	437,481	0	0	0	0	0	0	#DIV/0!
General Services	0	141,141	164,380	175,889	164,095	180,617	4,728	3%
Central Office	61,208	65,338	21,644	26,380	22,775	37,775	11,395	43%
GF Contributions	588,583	952,398	687,150	1,065,891	1,046,843	1,276,743	210,852	20%
Golf	793,611	659,164	653,194	731,411	669,327	849,186	117,775	16%
Shop	1,094,535	955,858	981,888	1,259,424	1,342,277	1,388,197	128,773	10%
Less Shop Charges	-1,001,175	-899,859	-636,904	-836,545	0	-985,479	-148,934	18%
Horticulture	330,525	404,026	428,985	475,773	499,645	515,831	40,058	8%
General Government	5,125,219	5,231,715	5,892,817	6,823,542	6,808,147	6,657,044	-166,498	-2%
Police	6,493,565	7,511,257	6,345,363	7,285,533	6,631,245	7,332,632	47,099	1%
Police - 911 Surcharge	312,818	304,920	327,283	853,637	951,845	276,345	-577,292	-68%
Police - Dispatching	0	0	1,208,608	913,913	796,852	928,645	14,732	2%
Police Grants	68,635	68,401	337,428	222,989	0	0	-222,989	-100%
Fire	3,408,134	4,009,913	3,758,989	3,947,082	4,481,582	4,192,510	245,428	6%
Inspection	605,380	434,236	358,268	464,733	410,469	412,569	-52,164	-11%
Public Safety	10,888,532	12,328,727	12,335,938	13,687,887	13,271,993	13,142,701	-545,186	-4%
Street	2,389,319	2,046,179	1,936,439	2,145,705	2,274,275	1,980,159	-165,546	-8%
Street Capital Imp.	212,516	536,646	566,658	409,442	850,000	197,000	-212,442	-52%
Streets	2,601,835	2,582,825	2,503,097	2,555,147	3,124,275	2,177,159	-377,988	-15%
Solid Waste	1,499,948	1,356,706	1,174,366	1,320,820	1,395,986	1,241,985	-78,835	-6%
Sanitation	1,232,615	1,221,736	1,223,755	1,275,872	1,282,397	1,281,335	5,463	0%
Sanitation	2,732,563	2,578,442	2,398,121	2,596,692	2,678,383	2,523,320	-73,372	-3%
Community Development	708,478	775,513	803,756	849,021	831,392	919,805	70,784	8%
Comm. Enhance.-Code Enforce.	257,834	335,416	252,920	279,930	293,910	278,102	-1,828	-1%
Comm. Enhancement-Downtown	86,520	140,853	108,391	107,272	97,767	103,337	-3,935	-4%
Community Development	1,052,832	1,251,782	1,165,067	1,236,223	1,223,069	1,301,244	65,021	5%
SUB-TOTAL GENERAL FUND	22,400,981	23,973,491	24,295,040	26,899,491	27,105,867	25,801,468	-1,098,023	-4%
Interfund Reimbursements	-837,829	-600,911	-643,520	-759,497	-369,661	-768,640	-9,143	1%
TOTAL GENERAL FUND	21,563,152	23,372,580	23,651,520	26,139,994	26,736,206	25,032,828	-1,107,166	-4%

UTILITY FUND REVENUE

REVENUE SOURCES	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 ACTUAL	FY 10-11 BUDGET	FY 11-12 REQUESTED	FY 11-12 APPROVED	VARIANCE	% CHG.
Water Charges	8,548,323	9,378,332	9,809,234	10,222,362	10,477,422	10,467,422	245,060	2%
Sewer Charges	5,514,990	6,366,428	6,570,034	7,242,884	7,097,932	7,082,932	-159,952	-2%
Total User Charges	14,063,313	15,744,760	16,379,268	17,465,246	17,575,354	17,550,354	85,108	0%
								#DIV/0!
Interest Income	571,474	290,906	91,355	90,000	80,000	80,000	-10,000	-11%
Interest on Assessments	14,394	6,912	8,464	6,600	5,000	5,000	-1,600	-24%
Interest on Judgements	0	0	3	0	0	0	0	#DIV/0!
Total Investment Income	585,868	297,818	99,822	96,600	85,000	85,000	-11,600	-12%
								#DIV/0!
Taps and Connections	207,907	113,646	158,172	142,000	140,000	140,000	-2,000	-1%
Sewer Surcharge	26,520	45,767	20,164	20,000	8,100	8,100	-11,900	-60%
Meter Rental	2,356	1,845	1,745	0	0	0	0	#DIV/0!
Sludge Charge	37,075	32,490	34,950	30,000	30,000	30,000	0	0%
Non Compliance Fines	3,342	4,650	2,112	2,000	2,000	2,000	0	0%
Monitoring Fee	77,329	88,512	88,704	89,000	85,000	85,000	-4,000	-4%
Charges on Past Due Accounts	195,044	143,671	138,325	130,000	150,000	150,000	20,000	15%
Oil and Grease Fees	20,263	18,571	18,916	18,500	18,500	18,500	0	0%
Sales Other Funds	32,315	38,546	40,726	36,000	40,000	40,000	4,000	11%
Service Other	0	0	1,360	0	0	0	0	#DIV/0!
Sale of Fixed Property	41,817	10,741	63,828	50,000	25,000	25,000	-25,000	-50%
Special Assessments	0	72,359	0	0	0	0	0	#DIV/0!
After Hours	4,275	4,800	3,425	2,500	3,000	3,000	500	20%
NSF Charges	7,919	7,978	5,747	4,000	4,000	4,000	0	0%
Miscellaneous	39,028	-5,685	93,508	15,000	15,000	15,000	0	0%
Contribution - Capital Project	0	0	110,311	16,408,725	0	0	-16,408,725	-100%
Contribution - Customer	0	0	0	5,225	0	0	-5,225	-100%
OPEB Distribution	0	0	0	127,378	0	0	-127,378	-100%
Rental Income	50,368	81,127	83,643	83,642	84,200	84,200	558	1%
Total Other Revenue	745,558	659,019	865,636	17,163,970	604,800	604,800	-16,559,170	-96%
Sales Tax Refund	0	1,237	0	0	0	0	0	#DIV/0!
Build American Bonds Rebate	0	0	0	424,945	962,138	962,138	537,193	126%
Plank Road	0	0	0	96,130	0	0	-96,130	-100%
Total Intergovernmental	0	1,237	0	521,075	962,138	962,138	441,063	85%
SUB-TOTAL UTILITY FUND	15,394,740	16,702,834	17,344,726	35,246,891	19,227,292	19,202,292	-16,044,599	-46%
Appropriated Fund Balance	0	0	0	-4,106,042	-674,142	-694,742	3,411,300	-83%
TOTAL UTILITY FUND	15,394,740	16,702,834	17,344,726	31,140,849	18,553,150	18,507,550	-12,633,299	-41%

UTILITY FUND EXPENSES

DEPARTMENT	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 ACTUAL	FY 10-11 BUDGET	FY 11-12 REQUESTED	FY 11-12 APPROVED	VARIANCE	% CHG.
Debt Service	3,975,349	3,706,501	3,399,451	17,776,436	0	5,740,068	-12,036,368	-68%
UF Contributions	6,164,632	885,272	147,619	351,897	0	364,544	12,647	4%
Other	6,164,632	885,272	147,619	351,897	0	364,544	12,647	4%
Store	329,551	244,430	296,912	308,998	332,750	310,320	1,322	0%
Less Store Charges	-293,710	-184,576	-184,215	-185,000	205,000	-185,000	0	0%
UF Administration	1,543,081	1,016,218	1,165,653	1,368,749	1,363,608	1,456,179	87,430	6%
Utility Billing	0	231,794	219,173	242,137	226,205	244,945	2,808	1%
Engineering	534,141	423,640	467,670	516,138	453,315	523,919	7,781	2%
UF Public Works Administration	0	261,387	250,577	284,546	247,770	275,305	-9,241	-3%
Sewer Const.	1,079,799	1,171,216	1,481,748	1,333,650	1,439,160	1,635,365	301,715	23%
Water Const.	2,642,084	2,305,281	2,488,179	2,734,732	2,829,190	2,825,590	90,858	3%
Water Plant	1,858,601	1,878,549	1,923,482	2,147,169	2,172,162	2,215,659	68,490	3%
Wastewater Plant	1,634,637	1,627,137	1,628,271	1,994,909	1,658,810	1,627,850	-367,059	-18%
Water Capital Imp.	94,280	37,438	331,128	1,013,936	1,222,806	972,806	-41,130	-4%
Sewer Capital Imp.	84,647	459,623	554,424	1,252,552	750,000	500,000	-752,552	-60%
Public Utilities	9,507,111	9,472,138	10,623,002	13,012,516	12,900,776	12,402,938	-609,578	-5%
TOTAL UTILITY FUND	19,647,092	14,063,911	14,170,072	31,140,849	12,900,776	18,507,550	-12,633,299	-41%

SPECIAL TAX FUND REVENUE

REVENUE SOURCES	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 ACTUAL	FY 10-11 BUDGET	FY 11-12 REQUESTED	FY 11-12 APPROVED	VARIANCE	% CHG.
Current Year Taxes	54,081	54,870	53,535	51,016	53,298	53,298	2,282	4%
Prior Year Taxes	817	2,694	983	550	550	550	0	0%
Penalties Less Discounts	229	733	426	150	150	150	0	0%
Total Ad Valorem Taxes	55,127	58,297	54,944	51,716	53,998	53,998	2,282	4%
Interest Income	1,718	648	379	300	120	120	-180	-60%
Total Investment Income	1,718	648	379	300	120	120	-180	-60%
Parking Revenues	1,540	1,350	1,925	1,425	1,900	1,900	475	33%
Contribu. From General	50,000	50,000	50,000	20,000	0	0	-20,000	-100%
Total Other	51,540	51,350	51,925	21,425	1,900	1,900	-19,525	-91%
SUB-TOTAL SPEC. TAX	108,385	110,295	107,248	73,441	56,018	56,018	-17,423	-24%
Appropriated Fund Balance	0	0	0	6,484	3,787	3,787	-2,697	-42%
TOTAL SPECIAL TAX	108,385	110,295	107,248	79,925	59,805	59,805	-20,120	-25%

SPECIAL TAX FUND EXPENDITURES

DEPARTMENT	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 ACTUAL	FY 10-11 BUDGET	FY 11-12 REQUESTED	FY 11-12 APPROVED	VARIANCE	% CHG.
Special Tax	89,838	109,710	92,277	79,925	59,805	59,805	-20,120	-25%
Total Other	89,838	109,710	92,277	79,925	59,805	59,805	-20,120	-25%
TOTAL SPECIAL TAX	89,838	109,710	92,277	79,925	59,805	59,805	-20,120	-25%

STAFFING COMPARISON

DEPARTMENT	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 ACTUAL	FY 10-11 ACTUAL	FY 11-12 APPROVED
Governing Body-Elected	9	9	9	9	9
Administration	2	2	2	2	**3
Human Resources	3	*4	*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	2	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	50	50	50	51
Police	101	102	*106	106	106
Fire	52	53	53	53	**54
Inspection	8	7	*7	*7	*7
TOTAL PUBLIC SFTY.	161	162	166	166	167
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	10	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	15	15	15	15
TOTAL GENERAL FUND	263	263	267	267	269

*Includes frozen positions

**Includes permanent part-time position(s)

STAFFING COMPARISON

DEPARTMENT	FY 07-08 ACTUAL	FY 08-09 ACTUAL	FY 09-10 ACTUAL	FY 10-11 ACTUAL	FY 11-12 APPROVED
PUBLIC UTILITIES					
Store	1	1	1	1	1
UF Administration	9	7	8	**9	**9
Utility Billing	-	2	2	2	2
Engineering	8	8	*8	*8	*8
Public Works Administration	0	3	3	3	3
Sewer Const. & Maint.	13	13	*13	*14	*14
Water Const. & Maint.	28	28	28	27	27
Water Plant	11	11	11	11	11
Wastewater Treat. Plant	13	13	13	13	13
TOTAL PUBLIC UTILITIES	83	86	87	88	88
<hr/>					
TOTAL UTILITY FUND	83	86	87	88	88
<hr/>					
TOTAL ENTERPRISE FUND	83	86	87	88	88
<hr/>					
GRAND TOTAL	346	349	354	355	357

*Includes frozen positions (total of 7)

**Includes one permanent part-time position

TOTAL BUDGETED EMPLOYEES



GENERAL FUND CAPITAL OUTLAY

QTY	ITEM	DEPARTMENT	REQUESTED		APPROVED
			REPLACE	NEW	
1	Payroll printer	Finance	\$ 3,500		\$ 3,500
1	Forensic workstation	Police		4,000	4,000
1	Tricasster production server	Information Systems	9,500		9,500
1	Wide area network router	Information Systems	4,400		4,400
1	Business class VPN router	Information Systems		8,000	-
	Subtotal Computers and Equipment		\$ 17,400	\$ 12,000	\$ 21,400
1	Skate park	Public Building		134,350	134,350
1	Four bay metal storage building	Fire		366,000	-
1	Rubber roof at central	Fire	55,000		-
	Subtotal Major Capital Construction		\$ 55,000	\$ 500,350	\$ 134,350
1	Golf entrance sign	Public Building	6,000		-
	Improvements at City Hall	Public Building	40,000		20,000
	Subtotal Other Construction		\$ 46,000	\$ -	\$ 20,000
1	Folder/Inserter	Central Office	15,000		15,000
2	Cushman utility cars	Golf		15,000	7,500
1	Turbine blower	Golf		6,500	6,500
2	Pond aerators	Golf		24,000	-
	Rip rap	Golf		8,000	-
52	Golf cars	Golf	145,000		145,000
1	Antenna relocate	Fire	4,697		4,697
1	Thermal imaging camera	Fire	12,000		12,000
1	Rescue air lift bag set	Fire		5,100	5,100
	E911 backup system and voice recorder for main site-DID NOT FUND BACKUP SYSTEM	Police		715,800	38,800
2	Snow plows	Street	18,000		-
2	Pickup truck mounted snow plows	Street	17,200		-
1	Salt spreader	Street	12,000		12,000
1	John Deere gator/utility vehicle	Horticulture	10,000		10,000
1	16' utility/bobcat trailer	Horticulture	3,190		-
1	Zero turn commercial mower	Horticulture	9,200		-
	Subtotal Other Equipment		\$ 246,287	\$ 774,400	\$ 256,597
1	Dodge charger or state contract vehicle	Police	25,600		25,600
1	Tahoe	Police	32,900		32,900
1	3/4 Ton standard truck	Horticulture	17,000		-
1	Tahoe	Fire	30,250		-
1	Ford Fusion	Shop	15,500		15,500
	Subtotal Vehicles		\$ 121,250	\$ -	\$ 74,000
1	Dump truck	Street	75,000		-
1	Heavy duty equipment truck	Fire	350,000		350,000
1	Mobile crime scene vehicle	Police		133,850	-
1	Tractor with flail mowers	Solid Waste	68,500		68,500
1	Leaf vac truck	Solid Waste	130,000		-
1	Compost loader	Solid Waste	150,000		-
	Subtotal Heavy Equipment		\$ 773,500	\$ 133,850	\$ 418,500
1	Land acquisition for #4 fire station	Fire		250,000	-
	Subtotal Land Acquisition		\$ -	\$ 250,000	\$ -
	Subtotal General Fund		\$ 1,259,437	\$ 1,420,800	\$ 924,847
	Less E-911 Equipment				38,800
	TOTAL GENERAL FUND		\$ 1,259,437	\$ 1,286,250	\$ 886,047

UTILITY FUND CAPITAL OUTLAY

QTY	ITEM	DEPARTMENT	REQUESTED		APPROVED
			REPLACE	NEW	
1	Diesel engine and components	WTP	\$ 151,000		\$ 151,000
	Subtotal Heavy Equipment		\$ 151,000	\$ -	\$ 151,000
8	Itron FC-200 handheld units with charging cradle	Water C & M	40,000		40,000
1	Laboratory autoclave	WTP	11,500		11,500
1	Odyssey chlorine analyzer	WTP	4,900		4,900
2	Turbidimeters	WTP	5,200		5,200
	Subtotal Other Equipment		\$ 61,600	\$ -	\$ 61,600
	Strip and paint 2500 gallon ammonia storage tank	WTP	4,000		4,000
	Subtotal Other Construction		\$ 4,000	\$ -	\$ 4,000
1	Munis server and SQL server	UF Admn.	17,000		17,000
1	Tyler forms server and SQL server	UF Admn.	17,000		17,000
1	Munis dashboard	UF Admn.		20,000	20,000
1	Plotter	Engineering	13,000		13,000
	Subtotal Computers and Equipment		\$ 47,000	\$ 20,000	\$ 67,000
1	3/4 ton 4X4 pickup	Sewer C & M	21,000		21,000
1	1 Ton utility truck	Water C & M	27,800		27,800
1	Ford Fusion	Water C & M	15,500		15,500
1	1 Ton utility truck	Water C & M	27,800		-
	Subtotal Vehicles		\$ 92,100	\$ -	\$ 64,300
	TOTAL UTILITY FUND		\$ 355,700	\$ 20,000	\$ 347,900

DEBT SERVICE

The city has outstanding general obligation bonds totaling \$1,117,444 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. Revenue bonds in the amount of \$52.8 million were issued in December of 2010 to fund an expansion to the Wastewater Treatment Plant. This expansion will boost capacity from 6.8 to 12 million gallons daily by 2014. The bond ratings received for these bonds are as follows:

Moody's Investment Service	Aa3
Fitch	AA-
NC Municipal Council, Inc. ¹	84

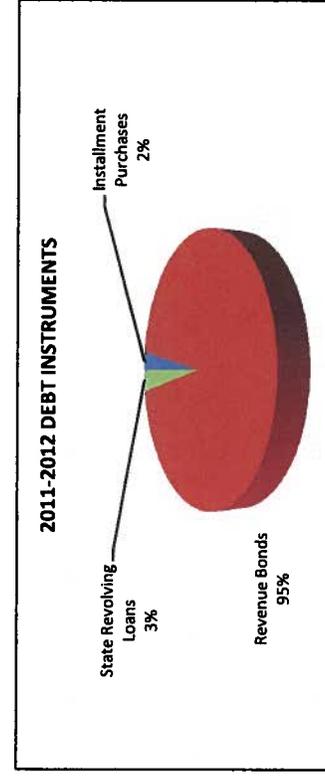
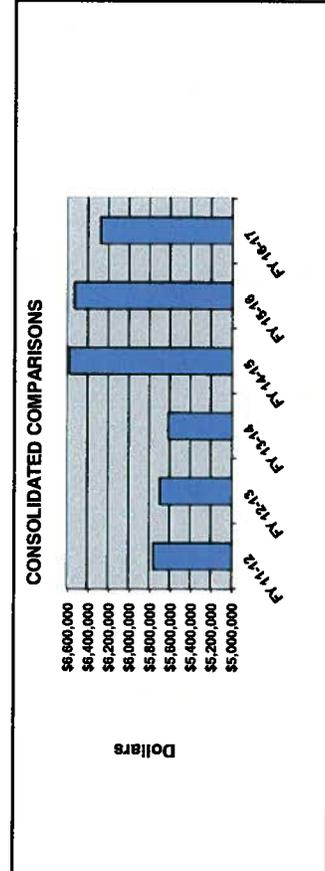
The North Carolina General Statutes are very specific about the amount of general long term debt that can be issued by local governments. The statutes state that long-term debt, net of debt issued for specific enterprise activities, cannot exceed eight percent of the assessed valuation of the governmental unit. The legal debt limit of the City as of June 30, 2010 is as shown in the following table.

Assessed Valuations	<u>\$ 2,152,861,977</u>
Debt limit 8% of assessed valuations	\$ 172,228,958
Amount of debt applicable to debt limit:	1,117,444
Outstanding debt not evidenced by bonds:	
Notes	2,073,583
Installment purchase contracts	15,054,615
Capital leases	-
Annexation liability for fire protection	<u>8,540</u>
	18,254,182
Less deduction allowed by G.S. 159.55(a)(2) and G.S. 159.55(b)-Utility debt	<u>1,117,444</u>
Net Debt	<u>17,136,738</u>
LEGAL DEBT MARGIN	<u>\$ 155,092,220</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 11-12 REQ.	FY 12-13 REQ.	FY 13-14 REQ.	FY 14-15 REQ.	FY 15-16 REQ.	FY 16-17 REQ.	FY 17-18 REQ.	FY 18-19 REQ.	FY 19-20 REQ.	FY 20-25 REQ.	TOTAL
Installment Purchases											
Golf; Golf Course Improvements; 4.76% interest; 2/13/02; due quarterly; outstanding \$45,000	\$ 46,071	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,071
Police Dept.; 911 Communications Console; dated 11/03/09; 5 years; outstanding \$286,630	88,666	88,666	88,666	44,275	-	-	-	-	-	-	310,273
Revenue Bonds	\$ 134,737	\$ 88,666	\$ 88,666	\$ 44,275	\$ -	\$ 356,344					
Revenue Bonds Series 2010; issued 12/22/10; 3.51% interest; outstanding \$52,095,000	5,455,703	5,444,103	5,362,603	5,281,603	5,280,853	5,031,853	4,668,507	4,665,628	3,890,922	45,937,532	91,019,307
State Revolving Loans	\$ 5,455,703	\$ 5,444,103	\$ 5,362,603	\$ 5,281,603	\$ 5,280,853	\$ 5,031,853	\$ 4,668,507	\$ 4,665,628	\$ 3,890,922	\$ 45,937,532	\$ 91,019,307
Water Imp.; 2.6% interest; issued 11/1/00; due annually to 2022; outstanding \$1,072,500	125,385	122,850	120,315	117,780	115,245	112,710	110,175	107,640	105,105	202,605	1,239,810
Water Treatment Plant; 0% interest; issued 1/29/10; due annually to 2030; outstanding \$858,404	45,179	45,179	45,179	45,179	45,179	45,179	45,179	45,179	45,179	451,792	858,403
WWTP SRF Loan; 2.22% interest; issued 10/4/2010; 20 years; outstanding \$17,500,000	-	-	-	1,093,099	1,093,099	1,093,099	1,093,099	1,093,099	1,093,099	15,404,345	21,962,937
TOTAL DEBT SERVICE	\$ 170,564	\$ 168,029	\$ 165,494	\$ 1,256,058	\$ 1,253,523	\$ 1,250,988	\$ 1,248,453	\$ 1,245,918	\$ 1,243,383	\$ 16,058,742	\$ 24,061,150
	\$ 5,761,004	\$ 5,700,798	\$ 5,616,763	\$ 6,581,936	\$ 6,534,376	\$ 6,282,841	\$ 5,916,960	\$ 5,911,546	\$ 5,134,305	\$ 61,996,274	\$ 115,436,801



Note: Principle and interest included with annual requirements.

GENERAL FUND

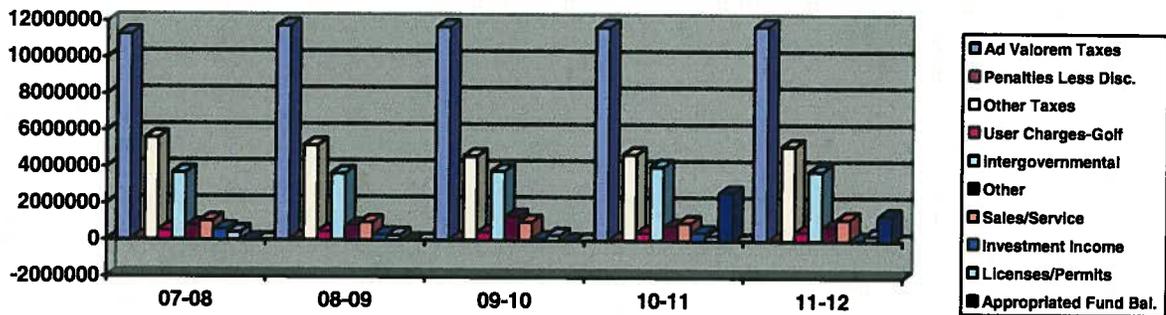
Goal: To account for the revenues of all city departments except those required to be accounted for in other funds.

REVENUE SUMMARIES

Revenue Sources	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Ad Valorem Taxes	11,285,986	11,735,407	11,701,535	11,705,313	11,757,683	11,757,683
Penalties Less Disc.	76,183	84,033	69,781	76,530	50,000	50,000
Other Taxes	5,605,037	5,197,957	4,621,691	4,732,077	5,188,557	5,188,557
User Charges-Golf	515,160	462,739	432,987	438,500	490,000	490,000
Intergovernmental	3,685,392	3,656,496	3,789,446	4,066,702	4,491,052	3,814,052
Other	766,743	784,571	1,319,932	1,137,076	762,800	782,800
Sales/Service	1,044,365	975,060	1,011,554	988,700	1,193,500	1,193,500
Investment Income	583,731	302,271	118,331	102,000	77,000	77,000
Licenses/Permits	426,514	288,166	289,050	274,818	305,530	305,530
Appropriated Fund Balance	0	(13,595)	0	2,618,278	739,034	1,373,706
Total	23,989,111	23,473,105	23,354,307	26,139,994	25,055,156	25,032,828

GRAPHIC REPRESENTATION

FY 11-12 revenues reflect a decrease of \$1,107,166 or four (4%) percent compared to the FY 10-11 budget. Ad valorem taxes and penalties less discounts are showing a combined increase of \$25,840 from prior year. Other tax revenue shows an increase in the amount of \$456,480 or ten percent (10%) due to additional sales tax anticipated. Intergovernmental reflects a \$252,650 or six percent (6%) decrease mainly due to a reduction in 911 surcharge reimbursement. Investment income reflects a decrease in the amount of \$25,000 or twenty-five percent (25%) compared to prior year. Other revenue reflects a decrease of \$354,276 or thirty-four (34%) percent mainly due to anticipated market gains in the Other Post Employment Benefit (OPEB) Trust budgeted in prior year but not taken. Licenses and permits show a \$30,712 increase or eleven percent (11%) compared to prior year. A tornado devastated the community in the spring of 2011. Additional permitting revenue is anticipated to re-build the community. The city will increase cart fees when new golf carts go on line later this fiscal year resulting in an increase within golf user charges of \$51,500 or twelve percent (12%). The city increased the annual waste management fee from \$100 to \$125 resulting in additional revenue within sales and services of \$204,800 or twenty-one percent (21%). FY 10-11 reflects a substantial increase from FY 09-10 mainly due to fund balance appropriation. Penalties, ad valorem taxes, other taxes, golf user charges, intergovernmental and investment income all reflect an increase in revenue while licenses and permits, sales and service, and other show a decrease. The increase shown within investment income is due to anticipated market gains in the Other Post Employment Benefit (OPEB) Trust Fund. 911 surcharge reimbursement attributes to the intergovernmental revenue increase. FY 09-10 includes installment purchase proceeds in the amount of \$397,000 shown within other revenue. Police grants attribute to the increase shown within intergovernmental compared to prior year. Council repealed the privilege license tax in January of 2010 which is shown within other taxes. FY 08-09 shows a \$516,006 decrease throughout all revenue sources from prior year mainly due to economic conditions.



GENERAL FUND

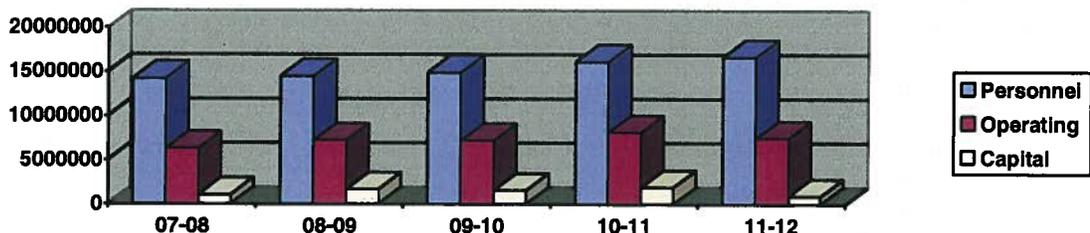
Goal: To account for the expenditures of all city departments except those required to be accounted for in other funds.

EXPENDITURE SUMMARIES

Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	14,208,273	14,487,044	14,895,478	16,096,258	14,461,603	16,634,715
Operating	6,278,197	7,211,260	7,194,124	8,116,793	9,665,958	7,473,266
Capital Outlay	1,076,682	1,674,276	1,561,918	1,926,943	2,608,645	924,847
Total	21,563,152	23,372,580	23,651,520	26,139,994	26,736,206	25,032,828
Budgeted Employees	263	263	267	267	269	269

GRAPHIC REPRESENTATION

FY 11-12 expenditures reflect a decrease of \$1,107,166 or four (4%) percent compared to the **FY 10-11** budget. Personnel costs represent sixty-six (66%) percent of the total general fund budget. Increases in personnel costs total \$538,457 which includes a 3% cost of living adjustment for employees, an additional 0.53% state mandated employer retirement contribution, and a 9% health insurance premium adjustment. A total of four (4) positions remain frozen to help offset the revenue deficit. They are included within the Human Resources, Solid Waste, and Inspections departments. Operating decreased \$643,527 or eight (8%) percent compared to prior year. The majority of this decrease is the result of debt payoff. **FY 11-12** reflects the first time in years the city has not subsidized the Central Business Tax District. In the past, these funds were used to pay off a loan for Depot Park improvements, this debt retired in **FY 10-11**. Included within this fiscal year are a part-time grants writer position and mobile radios and new software to allow the public online access to police reports. Interfund reimbursements are shown as reductions to expenses for services provided and charged to other funds. Capital outlay is showing a reduction of \$1,002,096 or forty-eight (48%) percent compared to prior year. Several items funded include a youth skate park (\$134,350), fifty-two (52) golf cars (\$145,000), police vehicles (\$58,500), a heavy duty equipment truck (\$350,000), and a tractor with flail mowers (\$68,500). **FY 10-11** includes a 2.5% cost of living adjustment for employees, the first year of an additional state mandated employer retirement contribution of 1.55%, a 2.8% health insurance premium adjustment, and shown within the operating cost center a substantial increase due to the retirement of debt. 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. 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** 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 07-08	ACTUAL 08-09	ACTUAL 09-10	ACTUAL 10-11 Unaudited	BUDGET 11-12
GENERAL FUND					
BEGINNING BALANCE	\$ 12,027,240	\$ 14,453,199	\$ 14,437,184	\$ 13,742,151	\$ 12,640,880
REVENUES					
AD VALOREM TAXES	11,362,170	11,819,439	11,771,316	11,932,260	11,807,683
INTERGOVERNMENTAL	3,678,318	3,656,494	3,789,448	3,979,354	3,814,052
SALES TAX	5,638,500	5,197,958	4,621,691	4,933,144	5,188,557
OTHER	3,310,123	2,799,214	2,774,033	2,788,477	2,848,830
TOTAL	23,989,111	23,473,105	22,956,488	23,633,235	23,659,122
EXPENDITURES					
GENERAL GOVERNMENT	3,983,590	4,630,804	5,196,028	5,536,625	5,888,404
PUBLIC SAFETY	10,888,532	12,328,727	12,335,939	13,035,907	13,142,701
STREETS	2,601,835	2,582,825	2,503,096	2,444,756	2,177,159
SANITATION	2,732,562	2,578,442	2,398,121	2,510,662	2,523,320
COMMUNITY DEV.	1,052,833	1,251,782	1,165,067	1,206,556	1,301,244
TOTAL	21,259,352	23,372,580	23,598,251	24,734,506	25,032,828
TRANSFER TO OTHER FUNDS	303,800	116,540	53,270	0	0
ENDING BALANCE	\$ 14,453,199	\$ 14,437,184	\$ 13,742,151	\$ 12,640,880	\$ 11,267,174

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

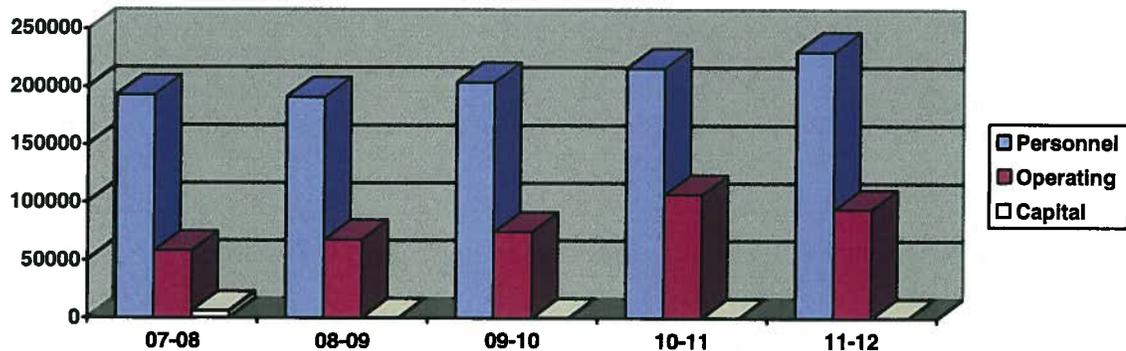
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	192,981	191,001	204,087	216,072	170,191	230,431
Operating	57,890	67,388	74,320	107,027	86,127	94,027
Capital	5,937	0	0	0	0	0
Subtotal	256,808	258,389	278,407	323,099	256,318	324,458
Less Interfund Reimbursement	(55,628)	(55,507)	(49,659)	(55,279)	(55,279)	(60,038)
Total	201,180	202,882	228,748	267,820	201,039	264,420
Budgeted Employees	9	9	9	9	9	9

2011-2012 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect an increase of \$1,359 compared to **FY 10-11** budget prior to interfund reimbursements. Personnel costs reflect a 3% cost of living adjustment, a 9% health insurance increase as well as a state mandated retirement contribution rate increase of 0.53%. Operating reflects funding for tourism brochures to market the City of Sanford. Increases within the **FY 10-11** personnel cost center are the result of a 2.5% cost of living adjustment, and the first year of the state mandated employer retirement contribution increase of 1.55%. **FY 10-11** also reflects within the operating cost center the first year council funded the tourism brochure. **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	09-10 Actual	10-11 Projected	11-12 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:

Town Hall Day (members attending)	5	3	5
National League of Cities conferences (members attending)	6	6	4
NC League of Municipalities conferences (members attending)	4	6	6
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	30	28	32
National Night Out awards received	14	15	16
Coordinate National Night Out events	29	32	32

Performance Measures	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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	24	24	24
Work sessions	6	6	6
City Council meetings	24	24	24
Prepare agendas and attend commission meetings	50	50	50
Adopted city ordinances and resolutions	63	54	70
Prepare applications for Boards and Commissions appointments	18	20	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%
--	-----	-----	-----

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

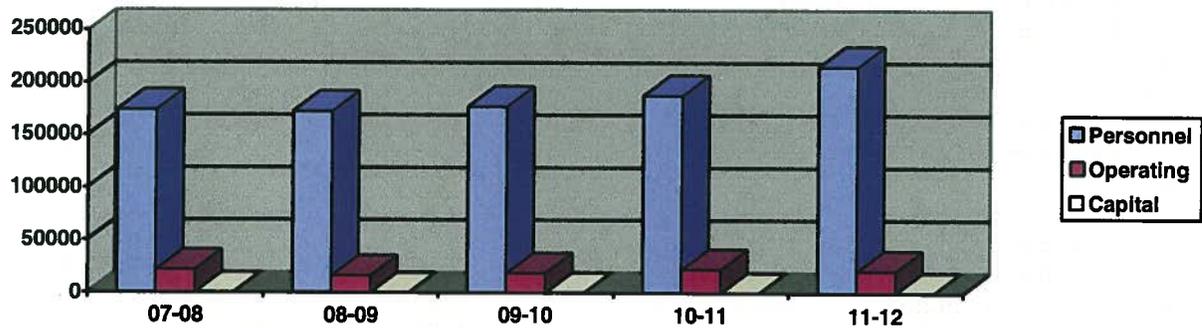
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	174,187	172,533	177,245	187,810	177,730	215,430
Operating	21,565	16,097	18,524	22,251	20,776	20,776
Capital	0	0	0	0	0	0
Subtotal	195,752	188,630	195,769	210,061	198,506	236,206
Less Interfund Reimbursement	(41,356)	(40,921)	(38,748)	(40,355)	(42,217)	(42,217)
Total	154,396	147,709	157,021	169,706	156,289	193,989
Budgeted Employees	2	2	2	2	2	3

2011-2012 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect an increase of \$26,145 or twelve percent (12%) compared to FY 10-11 budget prior to interfund reimbursements. Increases are shown within personnel cost center for a 3% cost of living adjustment, state mandated retirement contribution increase of 0.53%, and a new part-time public information officer / grant writer position. 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	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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	8	8
Congressional Action Committee meetings attended	12	12	12
Town Hall Day (members attending)	7	5	5
National League of Cities conferences (members attending)	4	6	6
NC League of Municipalities conferences (members attending)	1	6	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

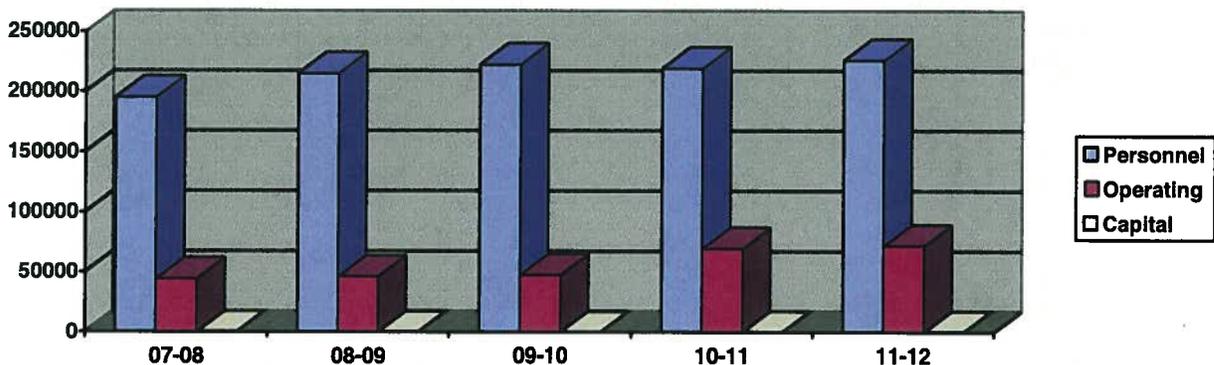
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	195,223	215,055	222,487	219,276	198,854	226,071
Operating	44,258	46,085	47,493	69,433	63,185	71,785
Capital	0	0	0	0	0	0
Subtotal	239,481	261,140	269,980	288,709	262,039	297,856
Less Interfund Reimbursement	(48,745)	(51,649)	(47,404)	(55,867)	(58,221)	(58,221)
Total	190,736	209,491	222,576	232,842	203,818	239,635
Budgeted Employees	3	4	4	4	4	4

2011-2012 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect an increase of \$9,147 or three percent (3%) compared to FY10-11 budget prior to interfund reimbursement. Personnel increases are the result of a 3% cost of living adjustment, a 0.53% state mandated additional employer retirement contribution, and a 9% health insurance increase. One receptionist position remains frozen resulting in a savings of \$37,871. Funded within the operating cost center is an administrative fee for Blue Cross to serve as claims administrator for the Early Retiree Reinsurance Program (ERRP). This is a federally funded program designed to provide financial assistance to health plan sponsors that make coverage available to millions of early retirees and their families. **FY 10-11** funded a 2.5% cost of living adjustment for employees and a 1.55% employer retirement contribution increase. **FY 10-11** operating cost center shows an increase for software maintenance and licensing/support. Cost of living or merit adjustments were not funded during **FY 09-10** due to economic conditions. 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. A receptionist position was funded for half a year.



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	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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 city

Measures:

Service Award employees honored (calendar year)	52	65	68
Wellness Program / Lunch-n-Learn sessions	40	40	40

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

Measures:

Newsletter Publications	6	6	6
-------------------------	---	---	---

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	2
Employee Educational Sessions	1	1	1

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	09-10 Actual	10-11 Projected	11-12 Projected
Measures:			
US DOL / ESC Monthly Employment Statistics Report	12	12	12
Personnel hired – full time regular	18	10	11
Personnel hired – temporary	5	2	3
Personnel changes – promotions	20	30	30
Personnel changes – promotions / transfers	1	1	2
Personnel changes – transfers	5	2	3
Personnel separated – all personnel	16	14	14
Personnel separated – excluding retirees	10	12	11
Turnover rate – all personnel	4.81%	4.20%	4.20%
Turnover rate – excluding retirees	3.01%	3.61%	3.31%

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	18	10	11
COBRA election forms to eligible employees / dependents	16	18	18

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	1	4	3
--	---	---	---

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

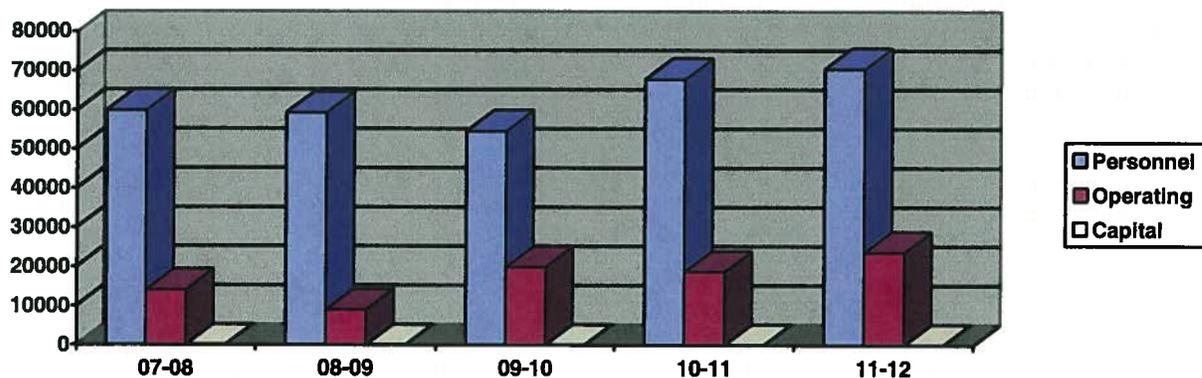
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	59,952	59,303	54,605	67,880	63,123	70,544
Operating	14,087	9,028	19,889	18,754	21,845	23,679
Capital	0	0	0	0	8,700	0
Subtotal	74,039	68,331	74,494	86,634	93,668	94,223
Less Interfund Reimbursement	(14,625)	(28,885)	(30,533)	(29,237)	(32,129)	(32,129)
Total	59,414	39,446	43,961	57,397	61,539	62,094
Budgeted Employees	1	1	1	1	1	1

2011-2012 CAPITAL OUTLAY DETAIL

No funding for capital outlay was approved.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect an increase of \$7,589 or nine percent (9%) compared to **FY 10-11** budget prior to interfund reimbursement. Personnel costs reflect a 3% cost of living adjustment as well as a state mandated employer retirement contribution rate increase of 0.53%. The increase shown within operating is mainly due to funding a defibrillator and walkie-talkie. **FY 10-11** reflects a 2.5% cost of living adjustment and an additional employer retirement contribution 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.



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	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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	28	36	36
Workers' comp claims administered (to include FYI's)	25	24	25
Recordable cases	14	28	21
Lost Work Days (LWD)	414	185	185
Medical and indemnity annual loss incurred	\$187,099	\$88,324	\$137,715
Auto / general liability claims administered	40	44	42
Auto / general liability annual loss incurred	\$148,775	\$101,398	\$125,087

ELECTIONS

Fund: General

Function: General Government

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

DEPARTMENTAL SUMMARIES

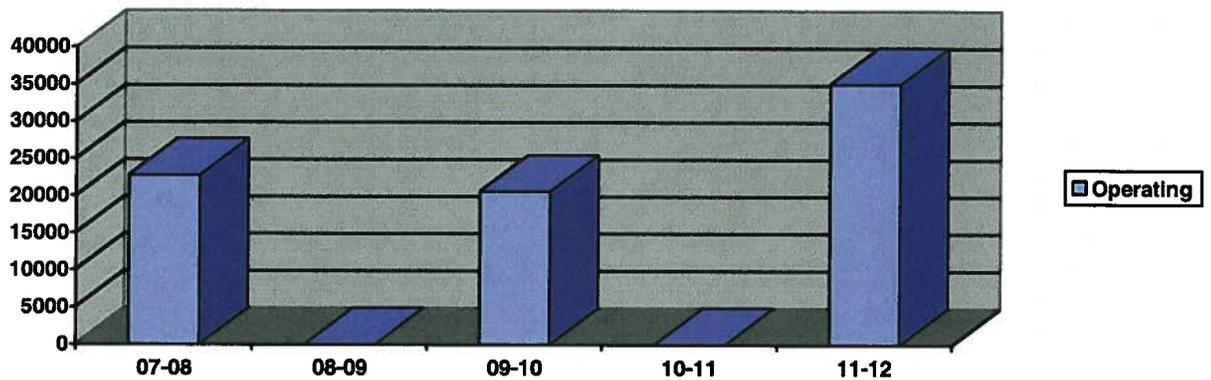
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	0	0	0	0	0	0
Operating	22,781	0	20,584	0	35,058	35,058
Capital	0	0	0	0	0	0
Total	22,781	0	20,584	0	35,058	35,058
Budgeted Employees	0	0	0	0	0	0

2011-2012 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

Elections reflect costs associated with the city election held bi-annually. **FY 11-12** reflects a \$14,474 increase or seventy (70%) percent compared to FY 09-10. Increase is mainly due to additional workers required for early voting polls. **FY 07-08** reflects funding of new machines.



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

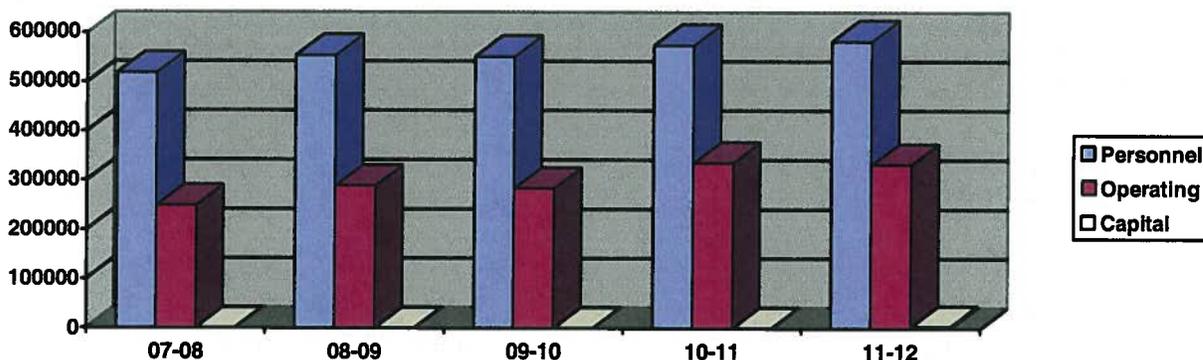
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-2
Personnel	518,465	553,692	551,252	574,621	547,742	583,120
Operating	248,941	288,209	283,201	335,357	330,881	331,825
Capital	0	0	0	0	0	3,500
Subtotal	767,406	841,901	834,453	909,978	878,623	918,445
Less Interfund Reimbursement	(146,422)	(158,162)	(151,904)	(180,113)	(179,948)	(179,948)
Total	620,984	683,739	682,549	729,865	698,675	738,497
Budgeted Employees	8	8	8	8	8	8

2011-2012 CAPITAL OUTLAY DETAIL

Funding for capital outlay includes one (1) payroll printer, \$3,500.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect an increase of \$8,467 or one percent (1%) compared to FY 10-11 budget prior to interfund reimbursement. Personnel costs reflect a 3% cost of living adjustment as well as a state mandated employer retirement contribution rate increase of 0.53%. Capital funding is described above. FY 10-11 reflects a 2.5% cost of living adjustment and an additional employer retirement contribution 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	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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	30	31	32
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	24	25	26

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

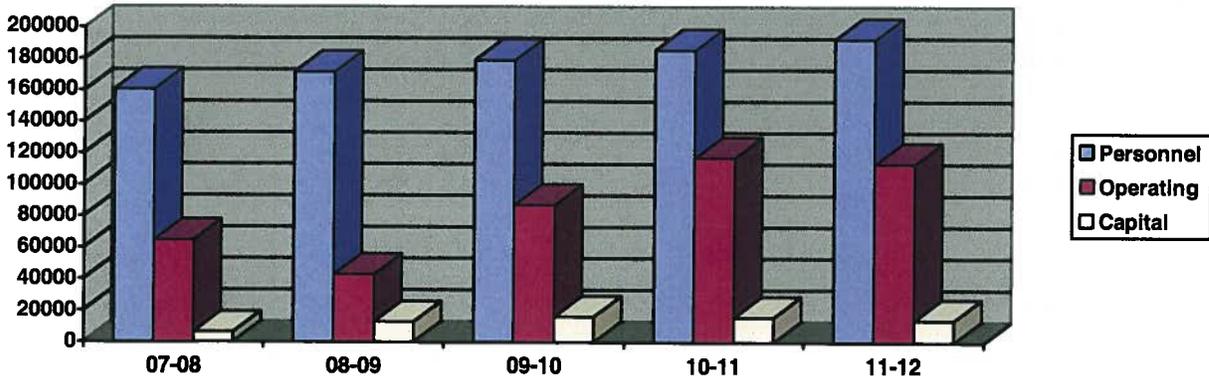
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	160,563	171,432	179,174	185,559	173,170	192,534
Operating	64,683	42,624	87,065	117,183	117,108	113,308
Capital	6,250	12,681	16,165	15,700	18,900	13,900
Subtotal	231,496	226,737	282,404	318,442	309,178	319,742
Less Interfund Reimbursements	(39,646)	(39,094)	(45,823)	(45,794)	0	(57,414)
Total	191,850	187,643	236,581	272,648	309,178	262,328
Budgeted Employees	2	2	2	2	2	2

2011-2012 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) tricasster production server, \$9,500; and one (1) wide area network router, \$4,400.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect an increase of \$1,300 compared to the **FY 10-11** budget prior to interfund reimbursement. Personnel increases relate to a 3% cost of living adjustment for employees and also a 0.53% state mandated employer retirement contribution increase. **FY 10-11** shows a 2.5% cost of living adjustment and a 1.55% employer retirement contribution increase. Increases shown within operating cost center are related to training, rental, contractual services, 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	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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	4	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	178	182	183
Number of computer systems in place	174	179	180
Number of network servers in place	17	17	17
Number of databases being utilized	34	35	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

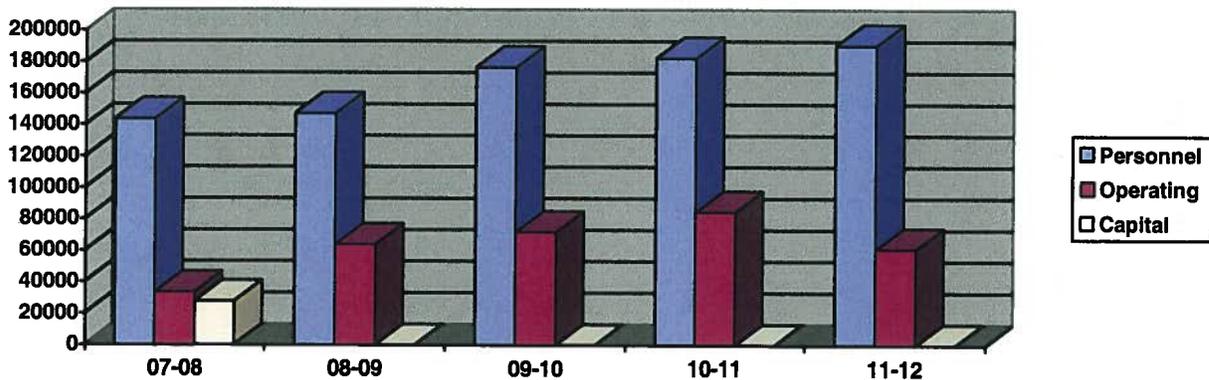
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	143,714	147,286	176,474	182,382	171,200	190,505
Operating	33,401	63,968	71,737	84,613	62,088	60,988
Capital	27,795	0	0	0	0	0
Subtotal	204,910	211,254	248,211	266,995	233,288	251,493
Less Interfund Reimbursement	(73,490)	(77,140)	(73,040)	(90,390)	0	(107,052)
Total	131,420	134,114	175,171	176,605	233,288	144,441
Budgeted Employees	2	2	2	2	2	2

2011-2012 CAPITAL OUTLAY DETAIL

No capital outlay funding was requested.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect a decrease of \$15,502 or six percent (6%) compared to FY 10-11 budget prior to interfund reimbursement. Personnel cost center shows a 3% cost of living adjustment for employees and a 0.53% state mandated employer retirement increase. The document management program, a program that stores legal documents in searchable format, was purchased in prior year resulting in a decrease shown within operating. A 2.5% cost of living adjustment and a 1.55% employer contribution retirement increase are shown in FY 10-11. 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 the transfer of an employee to another department within personnel. 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	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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.	98%	98%	98%

PUBLIC BUILDING

Fund: General

Function: General Government

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

DEPARTMENTAL SUMMARIES

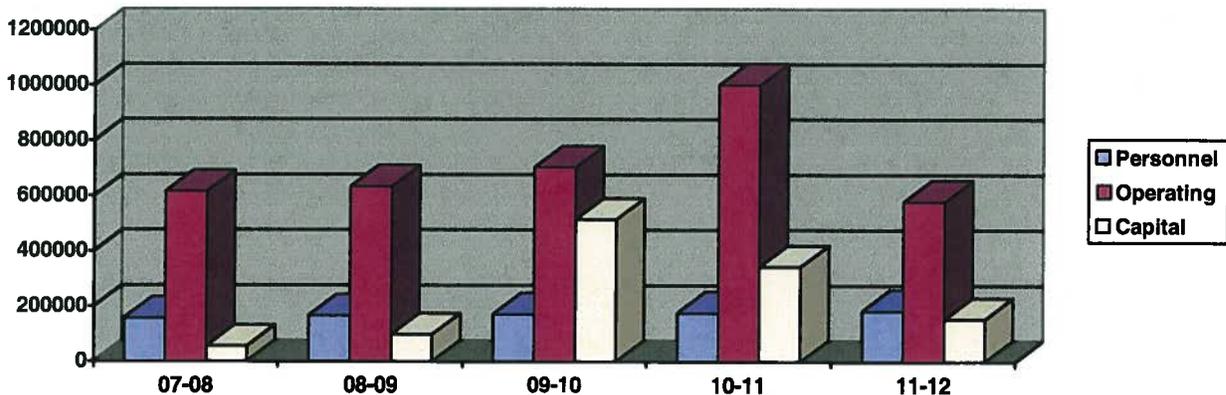
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	157,226	166,203	170,811	176,277	159,988	183,411
Operating	614,923	632,631	702,521	1,000,893	590,519	578,932
Capital	55,629	98,432	514,846	344,231	46,000	154,350
Subtotal	827,778	897,266	1,388,178	1,521,401	796,507	916,693
Less Interfund Reimbursements	(155,976)	(131,679)	(121,968)	(170,900)	0	(159,379)
Total	671,802	765,587	1,266,210	1,350,501	796,507	757,314
Budgeted Employees	3	3	3	3	3	3

2011-2012 CAPITAL OUTLAY DETAIL

Capital outlay funding includes improvements to City Hall, \$20,000; and one (1) skate park, \$134,350.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect a decrease of \$604,708 or forty (40%) percent compared to FY 10-11 budget prior to interfund reimbursement. A 3% cost of living adjustment and a 0.53% state mandated employer retirement contribution increase are shown within the personnel cost center. Operating decreases are attributed to outstanding debt payoff in prior year. FY 10-11 personnel increases are due to a 3% cost of living adjustment and a 1.55% employer retirement contribution increase. 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 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	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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

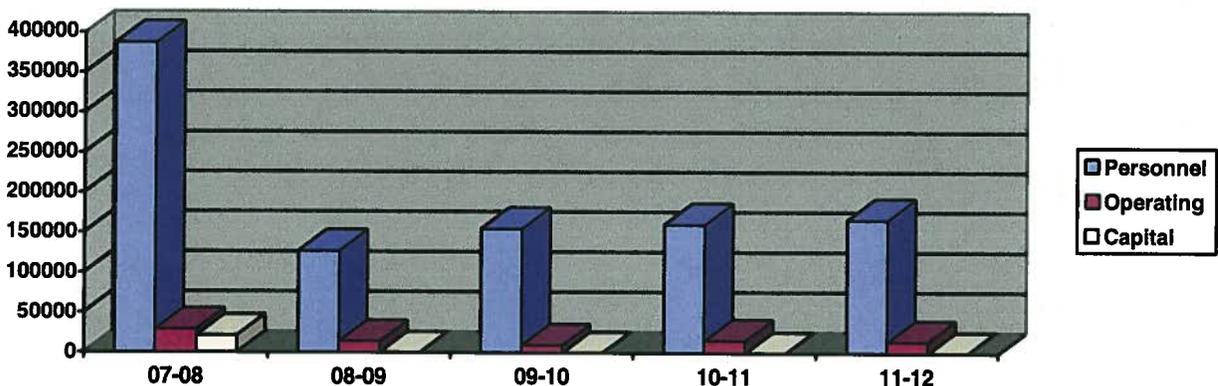
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	387,373	127,151	155,037	160,362	147,863	166,467
Operating	28,957	13,990	9,343	15,527	16,232	14,150
Capital	21,151	0	0	0	0	0
Subtotal	437,481	141,141	164,380	175,889	164,095	180,617
Less Interfund Reimbursement	(257,158)	(13,158)	(13,957)	(12,078)	0	(14,179)
Total	180,323	127,983	150,423	163,811	164,095	166,438
Budgeted Employees	5	2	2	2	2	2

2011-2012 CAPITAL OUTLAY DETAIL

No capital outlay funding was requested.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect an increase of \$4,728 or three percent (3%) compared to **FY 10-11** budget prior to interfund reimbursement. A 3% cost of living adjustment and a 0.53% 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. 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	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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	100%	100%	100%
Attend special meetings	100%	99%	100%
Provide competent, timely repair / service to user departments	95%	97%	100%
Manage special projects of the city in such a manner as to produce quality products in a timely manner	95%	96%	100%

CENTRAL OFFICE

Fund: General

Function: General Government

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

DEPARTMENTAL SUMMARIES

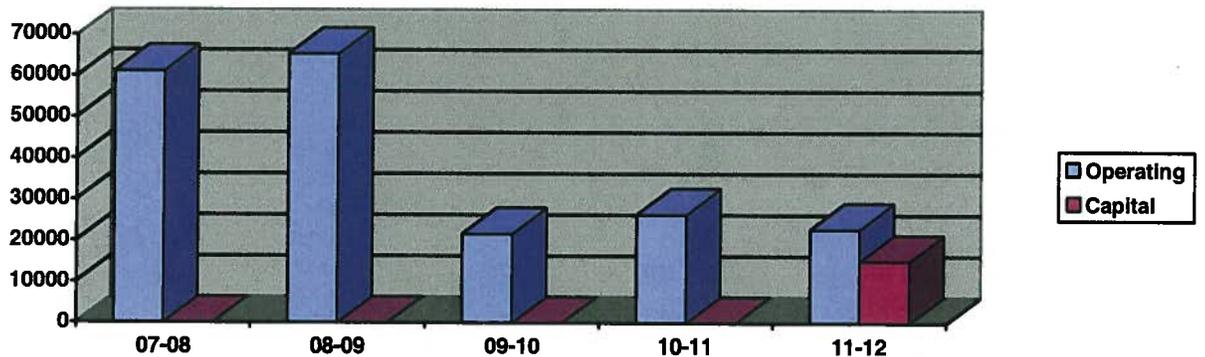
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	0	0	0	0	0	0
Operating	61,208	65,338	21,644	26,380	22,775	22,775
Capital	0	0	0	0	0	15,000
Subtotal	61,208	65,338	21,644	26,380	22,775	37,775
Less Interfund Reimbursement	(4,783)	(4,716)	(5,048)	(5,591)	(1,867)	(1,867)
Total	56,425	60,622	16,596	20,789	20,908	35,908
Budgeted Employees	0	0	0	0	0	0

2011-2012 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) folder / inserter mail machine, \$15,000.

GRAPHIC REPRESENTATION

FY 11-12 increase is due to funding of capital outlay. Interfund reimbursement decreased substantially in FY 11-12 as this distribution is based on actual fiscal year end numbers from two years prior. **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.



GENERAL FUND CONTRIBUTIONS

Fund: General

Function: General Government

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

DEPARTMENTAL SUMMARIES

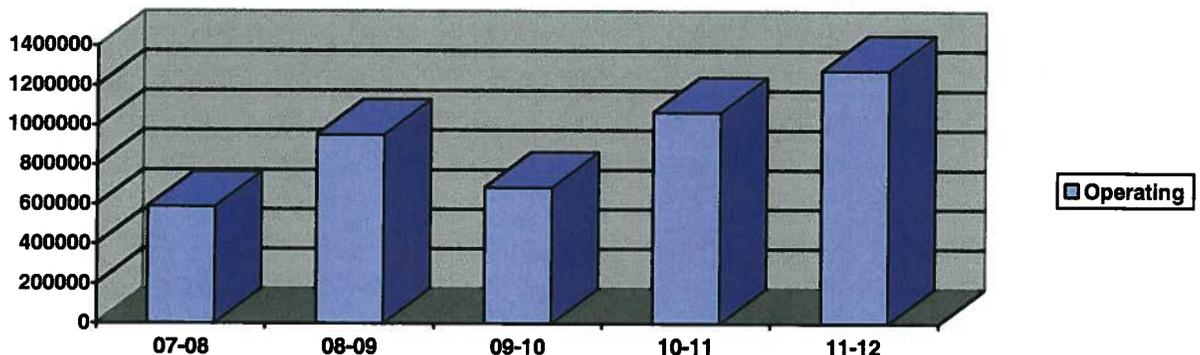
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	0	0	0	0	0	0
Operating	588,583	952,398	687,150	1,065,891	1,046,843	1,276,743
Capital	0	0	0	0	0	0
Total	588,583	952,398	687,150	1,065,891	1,046,843	1,276,743
Budgeted Employees	0	0	0	0	0	0

2011-2012 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect an increase of \$210,852 or twenty percent (20%) compared to **FY 10-11** budget. This increase is the result of a \$400,000 contribution for downtown improvements. No contribution was made to the OPEB Trust Fund. The contribution to Central Business Tax District was eliminated since this was previously made to pay down debt and the debt expired last year. Contributions made to the Economic Development Corporation were only funded for half a year as Lee County has chosen to eliminate this corporation effective January 1, 2012. Animal control was funded at \$64,711 (\$50,000 prior years) which includes technology equipment that allows staff the ability to complete reports in field. **FY 10-11** shows a \$100,000 contribution made to the OPEB Trust Fund. 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, 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

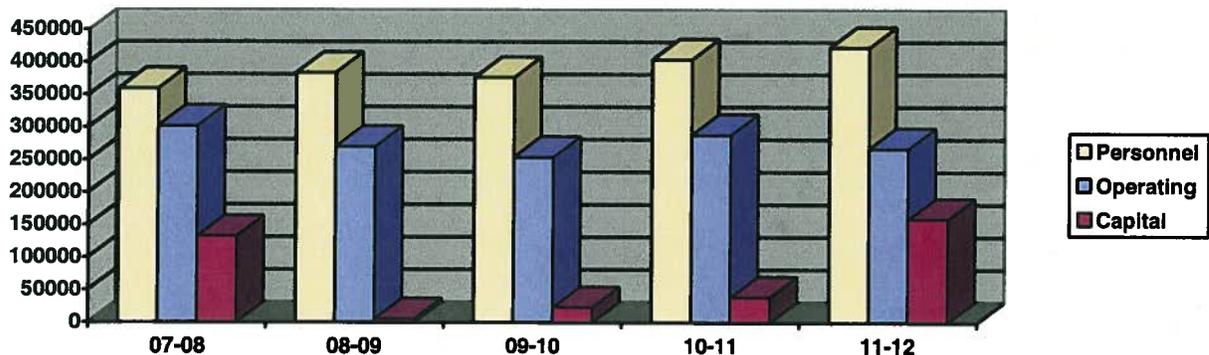
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	359,450	383,485	376,133	404,010	370,316	423,075
Operating	301,706	270,065	253,953	288,301	299,011	267,111
Capital	132,455	5,614	23,108	39,100	0	159,000
Total	793,611	659,164	653,194	731,411	669,327	849,186
Budgeted Employees	6	6	6	6	6	6

2011-2012 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) Cushman utility car, \$7,500; one (1) turbine blower, \$6,500 and fifty-two (52) golf cars, \$145,000.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect an increase of \$117,775 or sixteen (16%) percent compared to **FY 10-11** budget. Personnel costs including a 3% cost of living adjustment and a 0.53% state mandated employer retirement contribution and additional capital attribute to this increase. Operating cost center decreased mainly due to a reduction in installment purchase expense. **FY 10-11** personnel cost center shows a 2.5% cost of living adjustment and an additional 1.55% employer retirement contribution. Operating increased due to concession and 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 cars; operating shows increases for installment purchase expense as well as the first budget year which includes the concession and pro shop inventory. The Sanford Municipal Golf Course was transferred into the General Fund in **FY 06-07**. 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	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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	1	1
Aerate fairways	3	2	2
Aerate tees	3	2	2
Fertilize fairways	3	3	3
Fertilize greens	20	25	27
Top dress greens	12	10	12
Spray for foreign grass	3	4	5
Overseed tees	2	2	2
Edge sand traps	3	3	4
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	26,445	32,000	32,500
----------------	--------	--------	--------

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 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	271,371	274,807	285,198	296,035	265,675	309,065
Operating	823,164	672,141	677,735	932,389	1,076,602	1,063,632
Capital	0	8,910	18,956	31,000	0	15,500
Subtotal	1,094,535	955,858	981,889	1,259,424	1,342,277	1,388,197
Less Interfund Reimbursement	(0)	(0)	(65,436)	(73,893)	0	(56,196)
Total	1,094,535	955,858	916,453	1,185,531	1,342,277	1,332,001
Budgeted Employees	5	5	5	5	5	5

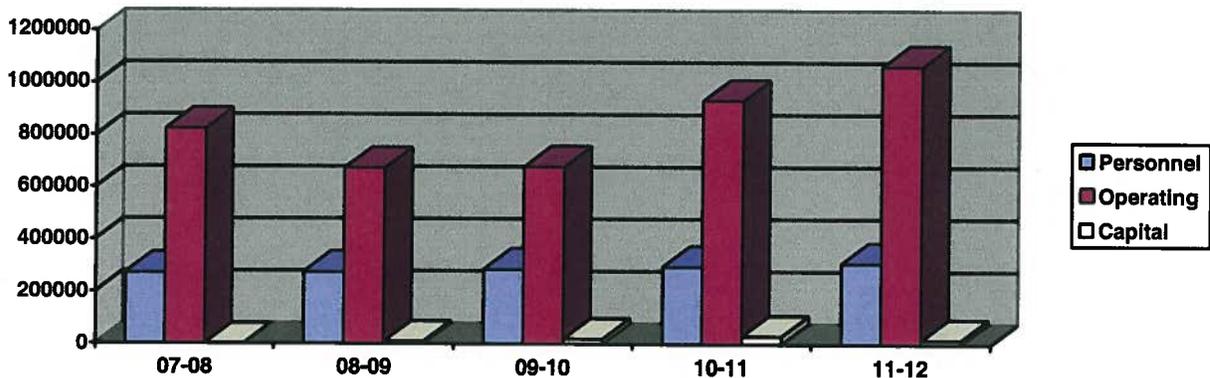
2011-2012 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) Ford Fusion, \$15,500.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect an increase of \$128,773 or ten percent (10%) compared to **FY 10-11** budget prior to interfund reimbursement. A 3% cost of living adjustment and a 0.53% 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	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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

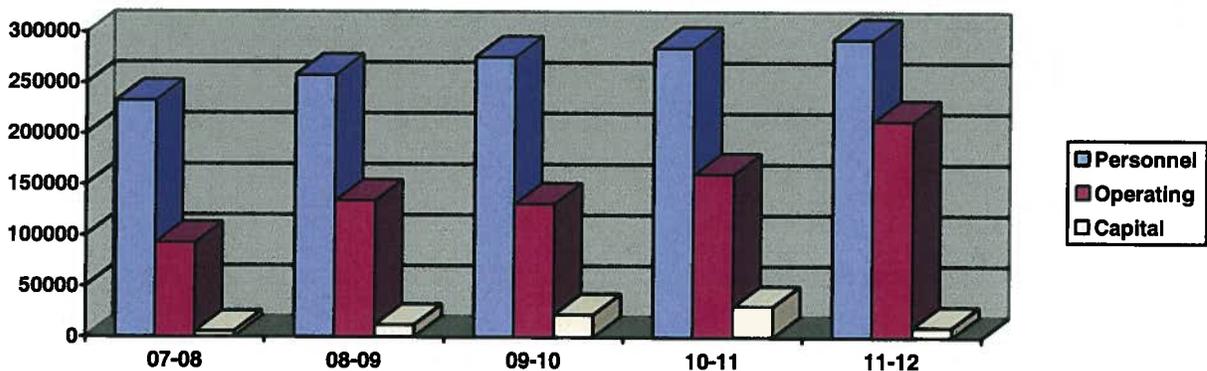
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	232,559	257,941	275,646	284,907	243,352	293,157
Operating	92,666	134,119	131,042	160,466	217,148	212,674
Capital	5,300	11,966	22,297	30,400	39,145	10,000
Total	330,525	404,026	428,985	475,773	499,645	515,831
Budgeted Employees	6	6	6	6	6	6

2011-2012 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) John Deere gator/utility vehicle, \$10,000.

GRAPHIC REPRESENTATION

FY 11-12 appropriation reflects an increase of \$40,058 or eight (8%) percent compared to FY 10-11 budget. Personnel increases are attributed to a 3% cost of living adjustment and a 0.53% state mandated employer retirement contribution increase. FY 10-11 and FY 11-12 operating cost center 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; and installation and maintenance of tropical plants within City Hall and Public Works Service Center.

Performance Measures	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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	65	66	67
Plant beds installed / renovated	3	3	3
Annuals grown and planted	50,000	53,000	56,000
Acres mowed	19	21	20
Litter removal	50,000	55,000	60,000
Interior plants maintained	150	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

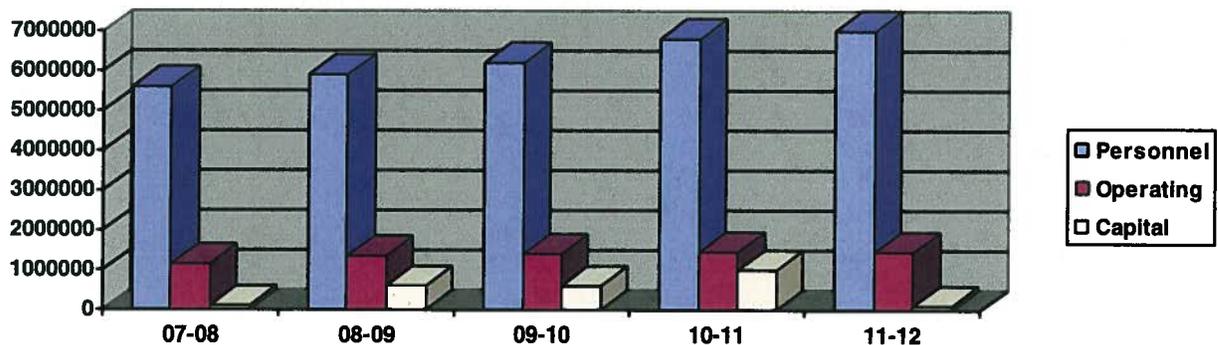
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	5,597,542	5,896,082	6,168,642	6,796,871	6,111,656	6,977,525
Operating	1,171,203	1,377,326	1,427,544	1,447,527	1,412,136	1,458,797
Capital	106,273	611,170	622,496	1,031,674	856,150	101,300
Total	6,875,018	7,884,578	8,218,682	9,276,072	8,379,942	8,537,622
Budgeted Employees	101	102	106	106	106	106

2011-2012 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) forensic workstation, \$4,000; one (1) E-911 voice recorder/paging server, \$38,800; one (1) Dodge charger or state contract vehicle, \$25,600; and one (1) Tahoe, \$32,900.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect a decrease of \$738,450 or nine (9%) percent compared to FY 10-11 budget. This decrease is shown for reduced capital spending. Personnel adjustments include a 0.53% state mandated employer retirement contribution increase, a 3% cost of living adjustment, and a 9% health insurance increase are shown within the personnel cost center. This is the third and final year the city will receive COPS Hiring Recovery Grant funds to offset the cost of four patrol officers. Funded within the operating cost center are mobile radios and new software to allow the public online access to police reports. Capital is showing a substantial decrease as patrol vehicles, mobile data terminals, and the E-911 backup system were funded in prior year. FY 10-11 reflects a 2.5% cost of living adjustment and a 1.55% employer retirement contribution increase. 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.



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	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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	31,257	34,363	35,000
Number of accident investigations	1,406	1,408	1,400

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	364	220	350
------------------------	-----	-----	-----

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	1,234	1,098	1,100
Property damage	\$4,308,231	\$4,467,079	\$4,300,000

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

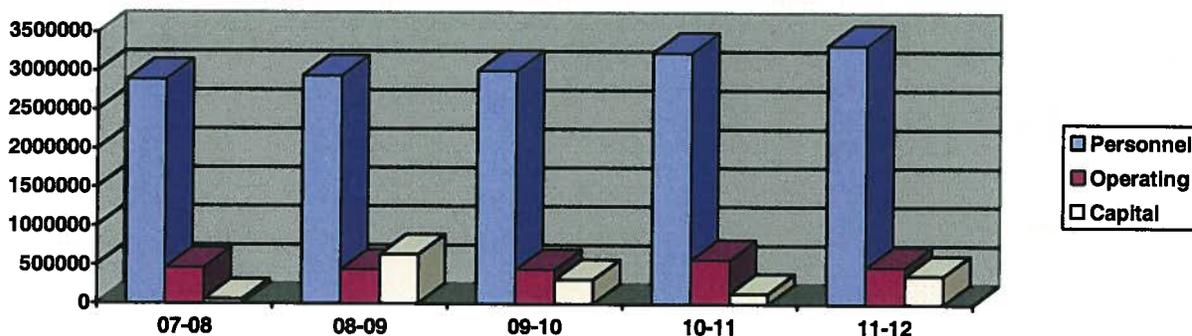
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	2,891,751	2,938,851	3,004,095	3,239,843	2,899,624	3,340,540
Operating	459,948	436,587	441,036	568,414	420,108	480,173
Capital	56,435	634,475	313,858	138,825	1,161,850	371,797
Total	3,408,134	4,009,913	3,758,989	3,947,082	4,481,582	4,192,510
Budgeted Employees	52	53	53	53	54	54

2011-2012 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) antenna relocate, \$4,697; one (1) thermal imaging camera, \$12,000; one (1) rescue air lift bag set, \$5,100; and one (1) heavy duty equipment truck, \$350,000.

GRAPHIC REPRESENTATION

FY 11-12 appropriations increased \$245,428 or six percent (6%) compared to the FY 10-11 budget. Personnel increases are reflective of a 3% cost of living adjustment and an additional 0.53% state mandated employer retirement contribution. Also funded within personnel is a part-time fire inspector to assist with meeting compliance of state mandated inspections. Funded within the operating cost center are data circuits, replacement of portable radios, and SCBA cylinder. Pay off of outstanding debt contributes to the increase shown within FY 10-11 operating cost center. FY 10-11 shows a 2.5% cost of living adjustment and a 1.55% employer retirement contribution increase. **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	09-10 Actual	10-11 Projected	11-12 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	938	950	970
Number of structure fires	40	50	40
Number of vehicle fires	26	25	30
Number of motor vehicle accident responses	289	250	250
All other responses	583	600	600

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	1,809	1,400	1,400
Number of logged pre-incident plans	225	250	275
Number of State Certified Fire Inspectors	5	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	247	240	240
Total number of training hours for department	12,835	12,800	12,800
Number of state certified firefighters (including part-time)	52	52	52
Number of state certified fire instructors	25	20	23

Performance Measures	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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	25	25
Number of fires deemed incendiary or still under investigation	6	5	5
Number of certified fire / arson investigators	1	2	2

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	23	35	35
Number of fire and life-safety education programs	124	100	100
Number reached by programs (school age > senior citizen)	4,234	4,300	4,300
Number of state certified fire and life safety educators	4	4	4
Number of child passenger safety seats installed or checked	29	35	35

INSPECTIONS

Fund: General

Function: Public Safety

Goal: To enforce the North Carolina state building code and related codes and ordinances.

DEPARTMENTAL SUMMARIES

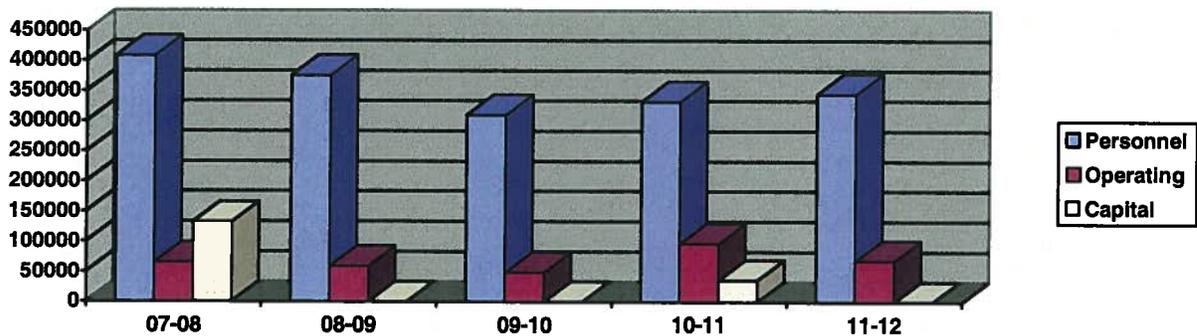
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	407,892	375,254	309,977	332,178	300,019	344,769
Operating	65,355	58,982	48,291	96,555	110,450	67,800
Capital	132,133	0	0	36,000	0	0
Total	605,380	434,236	358,268	464,733	410,469	412,569
Budgeted Employees	8	7	7	7	7	7

2011-2012 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect a decrease of \$52,164 or eleven percent (11%) compared to the FY 10-11 budget. Due to current economic conditions, two vacant positions continue to remain frozen for a total savings of \$98,992. Personnel cost center shows an increase for 3% cost of living adjustments, 0.53% state mandated employer retirement contribution increase, and insurance adjustments. Laptops and related items for Mobilegov, a software program to allow inspectors real time reporting from vehicles, were purchased in FY 10-11 resulting in the increase shown within operating. FY 10-11 also reflects a 2.5% cost of living adjustment and a 1.55% employer retirement contribution increase. 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	09-10 Actual	10-11 Projected	11-12 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	433	477	402
Number of electrical permits issued	1,122	1,318	1,202
Number of mechanical permits issued	792	850	848
Number of plumbing permits issued	397	394	425
Other permits issued	224	254	241
Revenue generated from permits	\$289,050	*\$367,185	\$305,530

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	7,076	7,520	7,362
---------------------------------	-------	-------	-------

*A tornado hit the city/county in the spring of 2011 causing significant property damage.

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

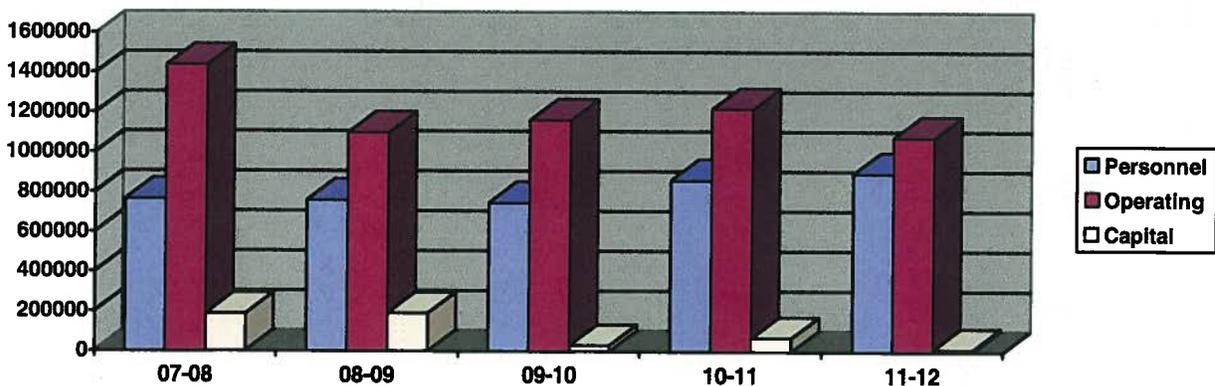
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	764,169	758,771	745,521	859,723	743,833	893,659
Operating	1,437,282	1,096,704	1,160,742	1,217,332	1,401,042	1,074,500
Capital	187,868	190,704	30,176	68,650	129,400	12,000
Total	2,389,319	2,046,179	1,936,439	2,145,705	2,274,275	1,980,159
Budgeted Employees	18	18	18	18	18	18

2011-2012 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) salt spreader, \$12,000.

GRAPHIC REPRESENTATION

FY 11-12 appropriations decreased \$165,546 or eight (8%) percent compared to **FY 10-11** budget. Personnel adjustments, state mandated retirement contribution, and insurance all attribute to the increase shown within the personnel cost center. City Council has put a hold on street lighting upgrades until further notice which is shown within the operating cost center. Also, reductions are shown within supplies, contractual services, and landfill based on historical trend. Jonesboro streetscape was funded in **FY 10-11**. Increased landfill charges for hauling street sweeping debris are reflected within the operating cost center as well. 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 Carbonton 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.



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.

Performance Measures	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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	2,327	2,357	2,380
Feet of curb and gutter installed / repaired	975	1,020	950
Feet of sidewalk installed / repaired	2,285	2,171	2,103
Cutbacks for site distance	335	408	500
Feet of on-street ditches cleaned	12,557	8,000	10,000
Hours of street cleaning	1,301	1,467	1,300
Catch basins cleaned	8,442	5,232	8,000

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	1,011	2,000	2,300
Traffic sign installation	213	140	190
Street markers installed / replaced / repaired	288	300	320

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	2,925	3,280	3,500
------------------------------	-------	-------	-------

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

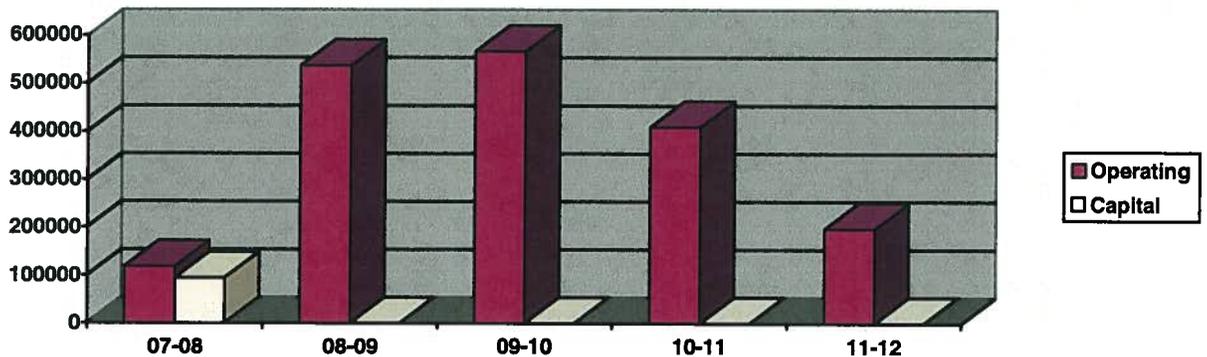
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	0	0	0	0	0	0
Operating	117,663	536,646	566,658	409,442	850,000	197,000
Capital	94,853	0	0	0	0	0
Total	212,516	536,646	566,658	409,442	850,000	197,000
Budgeted Employees	0	0	0	0	0	0

2011-2012 CAPITAL OUTLAY DETAIL

No capital outlay funding was requested.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect a decrease of \$212,442 or fifty-two (52%) percent compared to FY 10-11 budget. Retirement of debt contributes to this decrease. Also, street resurfacing will be funded with new debt. Street paving was not funded in FY 10-11. 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

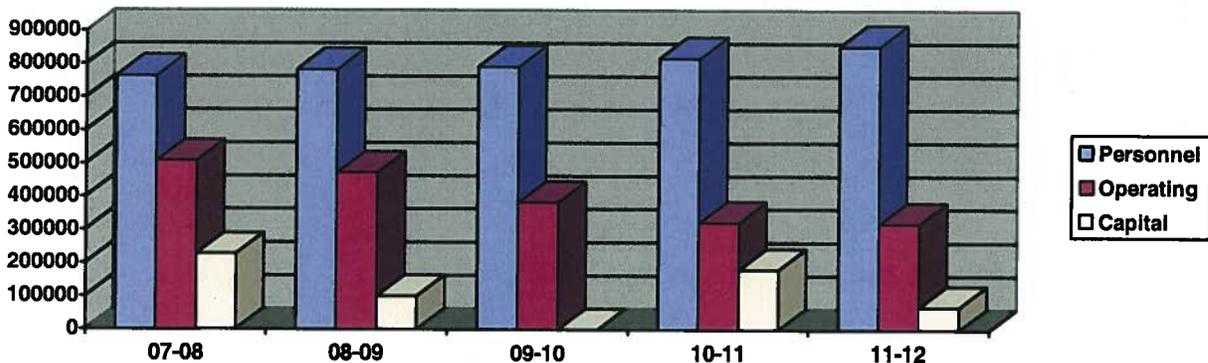
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	764,064	783,488	791,961	818,058	712,786	854,575
Operating	508,096	472,894	382,405	322,262	334,700	318,910
Capital	227,788	100,325	0	180,500	348,500	68,500
Total	1,499,948	1,356,707	1,174,366	1,320,820	1,395,986	1,241,985
Budgeted Employees	18	18	18	18	18	18

2011-2012 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) tractor with flail mowers, \$68,500.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect a decrease of \$78,835 or six percent (6%) compared to FY 10-11 budget. Funded within the personnel cost center is a 3% cost of living adjustment and a 0.53% state mandated employer retirement contribution increase. One maintenance worker position remains frozen resulting in a savings of \$37,871. The initial startup of electronic recycling began in January of 2011 resulting in a decline in bulk trash pickup. FY 10-11 funded a one ton dump truck required for the state mandated 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. 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 to expand the inmate litter crew program. FY 07-08 reflects a decrease within operating for the elimination of a mowing contract.



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	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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	2,213	2,250	2,300
Number of loads of bulk trash hauled	454	460	475

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	342	350	360
Equipment hours mowing	708	825	830
Equipment hours cleaning sidewalk	339	350	375

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

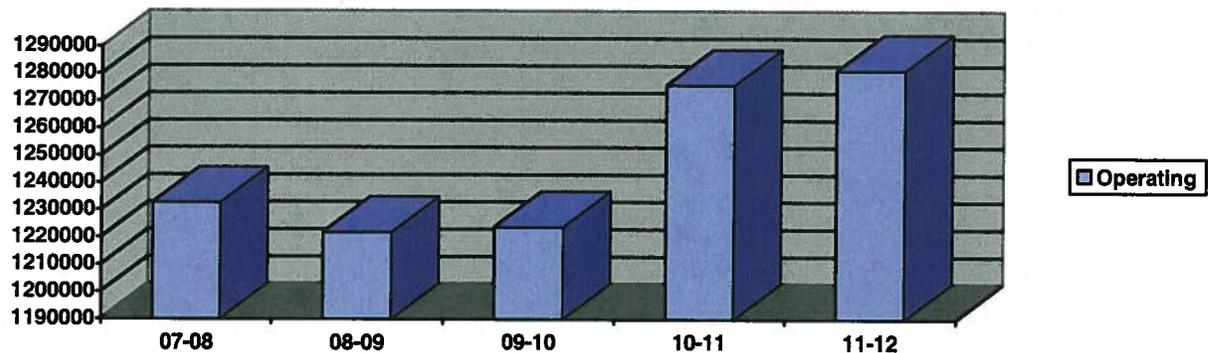
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	0	0	0	0	0	0
Operating	1,232,615	1,221,736	1,223,755	1,275,872	1,282,397	1,281,335
Capital	0	0	0	0	0	0
Total	1,232,615	1,221,736	1,223,755	1,275,872	1,282,397	1,281,335
Budgeted Employees	0	0	0	0	0	0

2011-2012 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect an increase of \$5,463 compared to FY 10-11 budget. This is the result of a 2.2% C.P.I. contract adjustment with Waste Management, Inc. and an increase in the number of customers. FY 10-11 reflects a 2.3% C.P.I. adjustment. FY 09-10 reflects a 0.1% C.P.I. adjustment. FY 08-09 reflects a contract adjustment as well.



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	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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	8,771	8,810	8,850
Solid waste fees collected	\$886,057	\$865,947	*\$1,075,000

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	675	725	750
Number of tons of residential waste	7,951	7,850	7,800

* The city increased the annual waste management fee from \$100 to \$125 resulting in additional projected revenue.

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

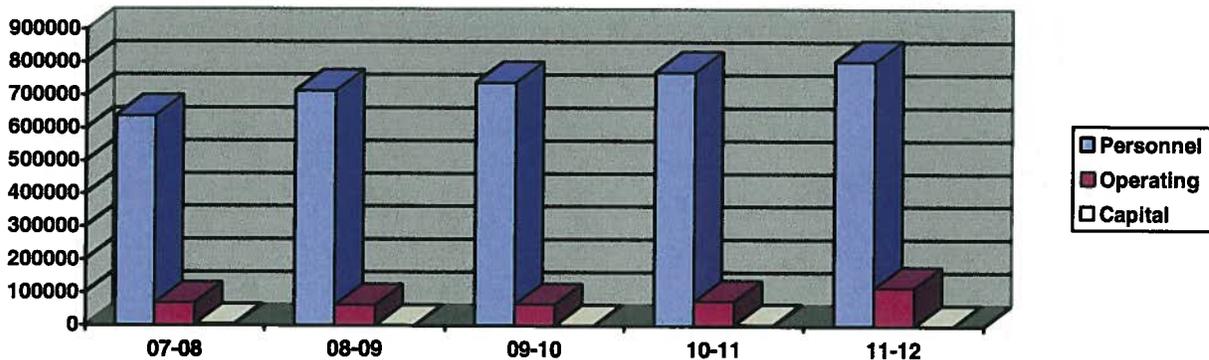
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	637,421	713,778	739,257	771,437	712,941	803,690
Operating	67,555	61,735	64,500	74,580	118,451	116,115
Capital	3,502	0	0	3,004	0	0
Total	708,478	775,513	803,757	849,021	831,392	919,805
Budgeted Employees	9	10	10	10	10	10

2011-2012 CAPITAL OUTLAY DETAIL

No capital outlay funding was requested.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect an increase of \$70,784 or eight percent (8%) compared to the FY 10-11 budget. Personnel cost center includes a 3% cost of living adjustment, a 0.53% state mandated employer retirement contribution increase, and health insurance adjustments. A \$50,000 appropriation is included for the design of the Greenway Project within the operating cost center. FY 10-11 includes a 2.5% cost of living adjustment and a 1.55% employer retirement contribution increase. 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. 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	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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	4	4	4
-------------------------	---	---	---

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	100%	100%	100%
Residential rehabilitation	4	4	4
Youth Council Grant	-	50%	50%

Performance Measures	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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 planning commission / board of adjustment cases processed	23	15	18
Number of preliminary subdivision plats approved	2	2	2
Number of commercial zoning approvals issued	218	225	230

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

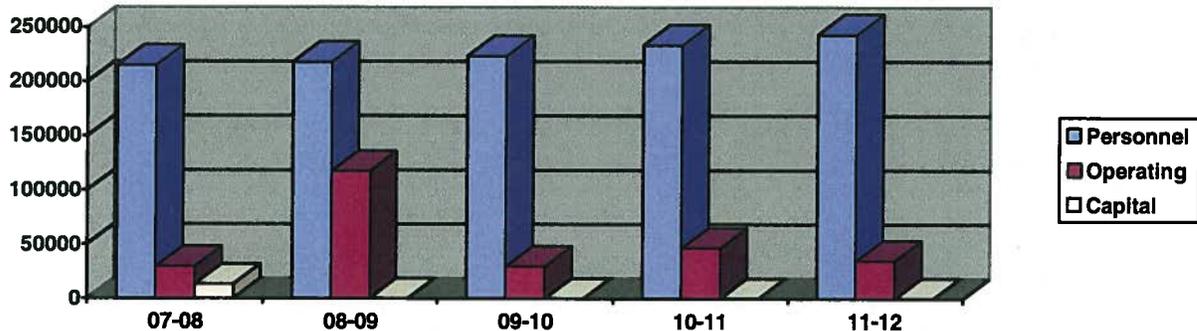
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	214,977	217,923	223,519	233,372	208,460	243,297
Operating	29,543	117,493	29,401	46,558	85,450	34,805
Capital	13,314	0	0	0	0	0
Total	257,834	335,416	252,920	279,930	293,910	278,102
Budgeted Employees	4	4	4	4	4	4

2011-2012 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect a decrease of \$1,828 or one percent (1%) compared to **FY 10-11** budget. Personnel increases are attributed to 3% cost of living adjustment, 0.53% state mandated employer retirement contribution increase as well as insurance adjustments. Decreases within the operating cost center are reflective of demolition cost related to asbestos enforcement budgeted in prior year. **FY 10-11** includes a 2.5% cost of living adjustment and a 1.55% employer retirement contribution increase. **FY 09-10** shows a substantial decrease due to prior year demolition expenses. Personnel costs show 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.



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	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

Goal: To provide a comprehensive program of service to the citizens of Sanford by enforcing the provisions of the Code of Ordinances, and related North Carolina 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	1,420	1,294	1,350
Trash / junk complaints	568	1,080	720
Abandoned vehicle complaints	204	158	180
Minimum housing complaints	162	86	110
Sewer / health / safety complaints	46	52	50
Other / animals	187	176	150
Historic preservation	34	50	45

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

Measures:

Illegal banner sign complaints	536	1,424	1,275
Illegal pennant, flag and temporary sign complaints	10	45	40
Telephone complaints	750	1,150	700

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	15	9	15
---------------------------	----	---	----

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

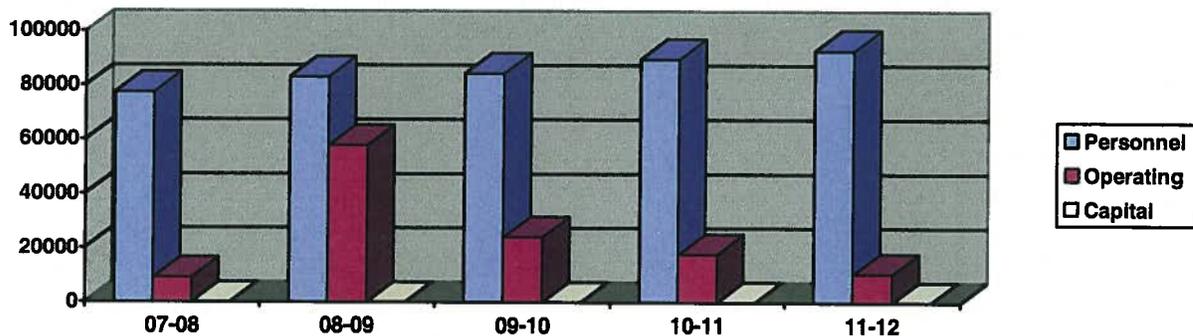
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	77,393	83,007	84,355	89,585	83,080	92,850
Operating	9,127	57,846	24,036	17,687	14,687	10,487
Capital	0	0	0	0	0	0
Total	86,520	140,853	108,391	107,272	97,767	103,337
Budgeted Employees	1	1	1	1	1	1

2011-2012 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect a decrease of \$3,935 or four percent (4%) compared to FY 10-11 budget. Personnel increases are the result of a 3% cost of living adjustment, a 9% health insurance increase, and a 0.53% state mandated employer retirement contribution increase. Several line items within the operating cost center were reduced based on historical trend. FY 10-11 personnel cost center reflects an increase for a 2.5% cost of living adjustment, a 1.55% 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 Division 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.

Performance Measures	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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	60	67	67
Prepare formal applications for major works to the Historic Preservation Commission	15	12	13
Investigate design guideline violations	40	8	15
Number of National Registered Historic Districts	4	5	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	3	0	5
-----------------------------------	---	---	---

THIS PAGE LEFT BLANK INTENTIONALLY.

UTILITY FUND

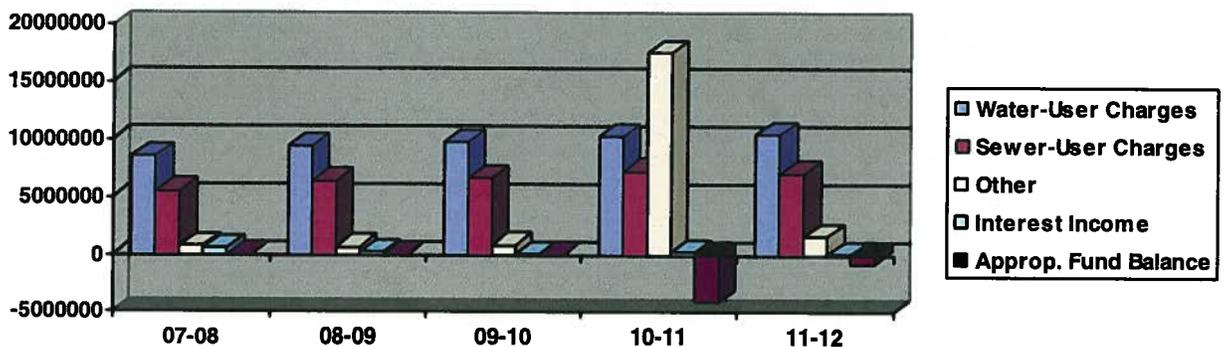
Goal: To account for the operations of the water treatment, wastewater treatment, and distribution systems.

REVENUE SUMMARIES

Revenue Sources	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Water-User Charges	8,548,323	9,378,332	9,809,234	10,222,362	10,477,422	10,467,422
Sewer-User Charges	5,514,990	6,366,428	6,570,034	7,242,884	7,097,932	7,082,932
Other	745,559	660,256	865,636	17,685,045	1,566,938	1,566,938
Interest Income	585,868	297,818	99,822	96,600	85,000	85,000
Appropriated Fund Balance	0	0	0	(4,106,042)	(674,142)	(694,742)
Total	15,394,740	16,702,834	17,344,726	31,140,849	18,553,150	18,507,550

GRAPHIC REPRESENTATION

FY 11-12 revenues decreased \$12,633,299 or forty-one (41%) percent compared to **FY 10-11** budget. The majority of this decrease is due to prior year other revenue which shows a \$16,408,725 contribution to capital projects. This revenue is for the bonds issued pertaining to the Wastewater Treatment Plant expansion. Water revenue reflects a two (2%) percent increase in the amount of \$245,060 from prior year. This is reflective of the 2% rate increase the city will implement on August 1, 2011. Sewer revenue is showing a two (2%) percent decrease from prior year in the amount of \$159,952. This decrease is due to a reduction in customer usage, however, the city will implement a 3% sewer rate increase effective August 1, 2011 as well. This is the fourth consecutive year of rate increases for the city. Interest income reflects a decrease in the amount of \$11,600 or twelve (12%) percent. **FY 10-11** shows water rate increases of 4% and sewer rate increases of 6%. The city has also added in **FY 10-11** a new bulk water customer with anticipated additional revenue of \$55,000 per year. These revenues are projected conservatively and based on historical data. There is a \$4.1 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 10-11** also shows within other revenue anticipated market gains in the Other Post Employment Benefit (OPEB) Trust fund. **FY 09-10** also reflects water and sewer rate increases; interest income continues to fall due to a decline in interest rates. **FY 08-09** reflects a mid-year rate increase in water and sewer charges.



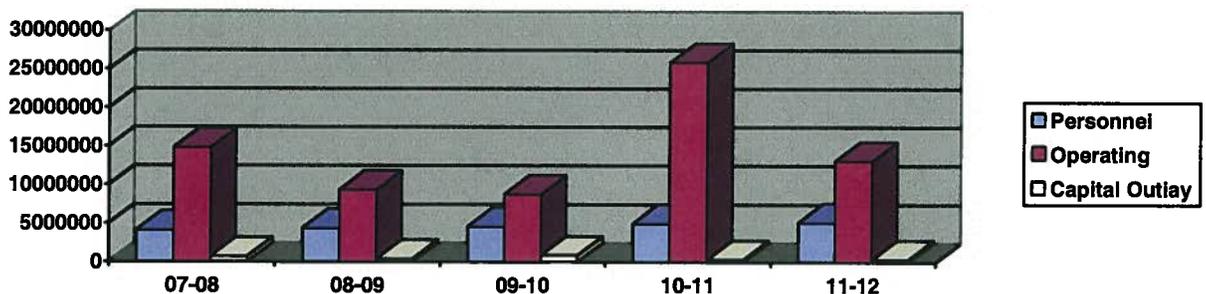
UTILITY FUND

EXPENDITURE SUMMARIES

Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	4,117,202	4,355,342	4,564,053	4,984,244	4,443,055	5,088,419
Operating	14,792,737	9,318,351	8,733,845	25,829,845	8,081,021	13,071,181
Capital Outlay	737,153	390,218	872,174	326,760	376,700	347,900
Total	19,647,092	14,063,911	14,170,072	31,140,849	12,900,776	18,507,550
Budgeted Employees	83	86	87	87	88	88

GRAPHIC REPRESENTATION

FY 11-12 appropriation reflects a decrease of \$12,633,299 or forty-one percent (41%) compared to **FY 10-11** budget. Personnel costs represent twenty-seven (27%) percent of the total utility fund budget. Increases in personnel costs total \$104,175 and are reflective of a 3% cost of living adjustment, an additional 0.53% state mandated employer retirement contribution, and a 9% health insurance adjustment. A total of three (3) positions have been frozen. They are included within the Engineering and Sewer Construction and Maintenance departments. Operating costs decreased \$12,758,664 and represent seventy-one (71%) percent of the total utility fund budget. The majority of this decrease is due to the debt related to the Wastewater Treatment Plant expansion budgeted in prior year. Funded within **FY 11-12** is a program that allows customers the option to pay their bills on-line as well as an internet service upgrade to allow real time alarm status from remote lift stations. The budget includes \$500,000 for sewer line rehabilitation. Capital funding includes diesel engine and components at the Water Treatment Plant (\$151,000); eight (8) Itron handheld units with charging cradle (\$40,000); Munis dashboard, server, SQL server, Tyler forms server (\$54,000); vehicles (\$64,300); and laboratory autoclave (\$11,500). **FY 10-11** includes a 2.5% cost of living adjustment, an additional 1.55% employer retirement contribution, and a 2.8% health insurance increase. The Wastewater Treatment Plant expansion began in **FY 10-11**. The city was issued bonds in the amount of \$52.8 million to boost capacity at the Wastewater Treatment Plant from 6.8 to 12 million gallons daily. A new emergency assistance fund (\$30,000) was set up in **FY 10-11** to assist citizens with their water and sewer bills facing financial hardships. NC Department of Transportation payments for utility relocates to accommodate the 421 bypass began in **FY 10-11** (\$472,806). 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. **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. Council also approved the first year of Other Post Employment Benefit (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 \$125,320 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

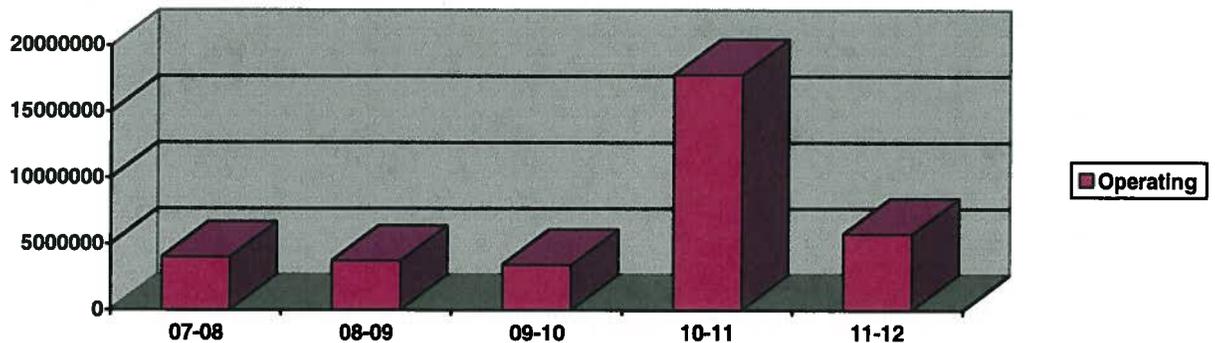
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	0	0	0	0	0	0
Operating	3,975,349	3,706,501	3,399,451	17,776,436	0	5,740,068
Capital	0	0	0	0	0	0
Total	3,975,349	3,706,501	3,399,451	17,776,436	0	5,740,068
Budgeted Employees	0	0	0	0	0	0

2011-2012 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect a \$12,036,368 decrease or sixty-eight (68%) percent compared to FY 10-11 budget. FY 10-11 shows initial debt for the Wastewater Treatment Plant expansion. This expansion will boost capacity from 6.8 to 12 million gallons daily. **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

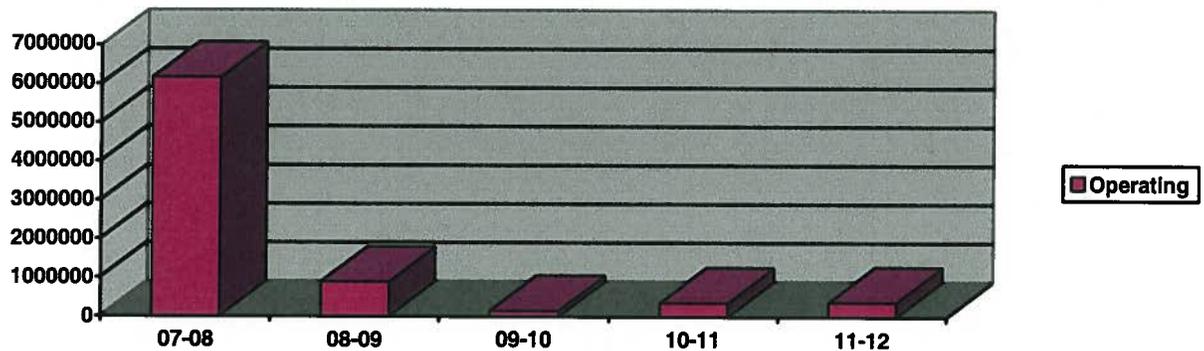
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	0	0	0	0	0	0
Operating	6,164,632	885,272	147,619	351,897	0	364,544
Capital	0	0	0	0	0	0
Total	6,164,632	885,272	147,619	351,897	0	364,544
Budgeted Employees	0	0	0	0	0	0

2011-2012 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect an increase of \$12,647 or four (4%) percent compared to FY 10-11 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. Other Post Employment Benefit (OPEB) contribution was not funded in FY 11-12. FY 10-11 shows a contribution in the amount of \$18,750 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 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	41,901	30,995	45,054	48,265	42,477	50,267
Operating	287,650	213,435	251,858	260,733	274,773	260,053
Capital	0	0	0	0	15,500	0
Total	329,551	244,430	296,912	308,998	332,750	310,320
Budgeted Employees	1	1	1	1	1	1

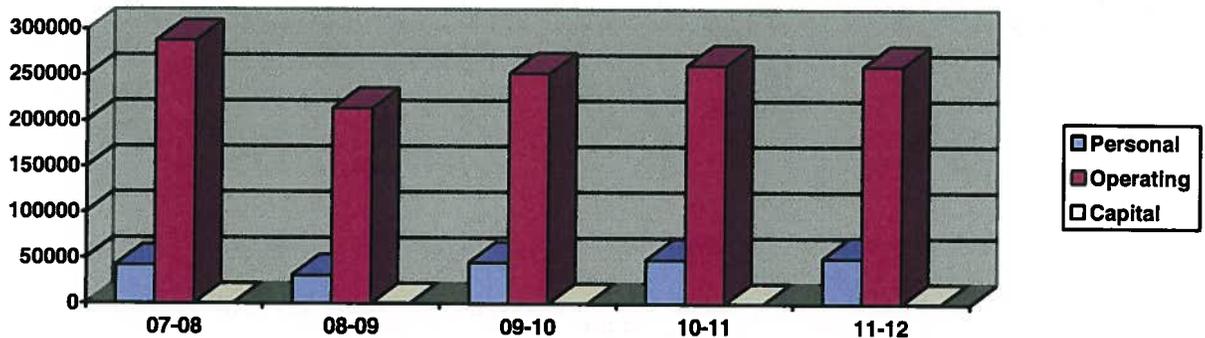
2011-2012 CAPITAL OUTLAY DETAIL

No funding for capital outlay was approved.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect an increase of \$1,322 compared to FY 10-11 budget. Personnel adjustments shown within FY 11-12 include a 3% cost of living adjustment, a 0.53% state mandated employer retirement contribution increase, and a 9% 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 Statute 143-129. To control inventory loss and provide for departmental accountability, inventory counts are taken periodically.

Performance Measures	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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	8	9	9
--	---	---	---

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	98%	99%	98%
---	-----	-----	-----

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
---	---	---	---

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

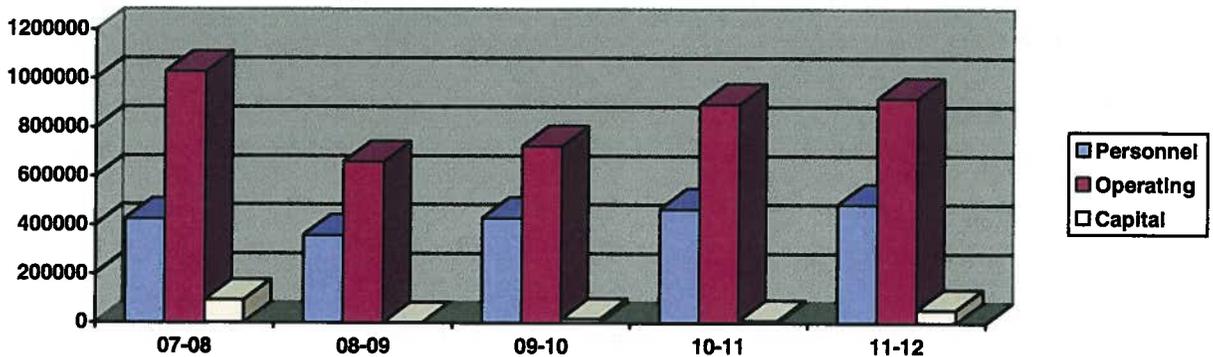
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	423,988	357,461	427,659	464,704	415,298	484,429
Operating	1,026,116	658,757	722,038	894,018	914,310	917,750
Capital	92,977	0	15,956	10,027	34,000	54,000
Total	1,543,081	1,016,218	1,165,653	1,368,749	1,363,608	1,456,179
Budgeted Employees	9	7	8	9	9	9

2011-2012 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) Munis server and SQL server, \$17,000; one (1) Tyler forms server and SQL server, \$17,000; and one (1) Munis dashboard, \$20,000.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect an increase of \$87,430 or six (6%) percent compared to **FY 10-11** budget. The personnel cost center reflects a 3% cost of living adjustment, a 0.53% state mandated employer retirement contribution increase, and a 9% health insurance adjustment. For the second consecutive year, council funded the emergency assistance fund (\$30,000) within the operating cost center. This program was created to assist citizens facing financial hardship. Also funded within the operating cost center is a program to allow customers the ability to pay their water and/or sewer bill on line. A part time collections clerk was funded in **FY 10-11**. **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 Utility Fund 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.



UTILITY FUND ADMINISTRATION

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

Performance Measures	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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	93%	93%	93%
--	-----	-----	-----

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	\$810,328	\$840,000	\$870,300
---	-----------	-----------	-----------

UTILITY BILLING

Fund: Utility

Function: Public Utilities

Goal: To invoice water and sewer customers monthly in an accurate and timely manner.

DEPARTMENTAL SUMMARIES

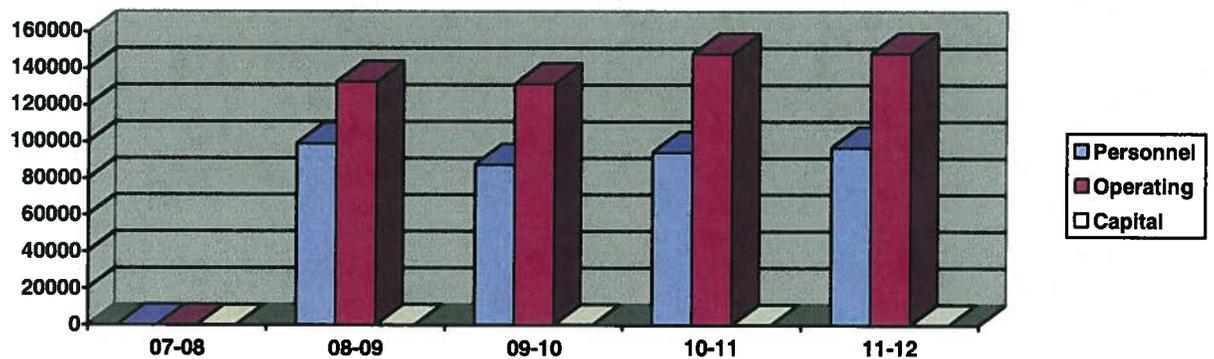
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	0	99,165	87,650	94,277	79,495	96,835
Operating	0	132,629	131,523	147,860	146,710	148,110
Capital	0	0	0	0	0	0
Total	0	231,794	219,173	242,137	226,205	244,945
Budgeted Employees	0	2	2	2	2	2

2011-2012 CAPITAL OUTLAY DETAIL

No capital outlay funding was requested.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect an increase of \$2,808 or one (1%) percent compared to FY 10-11 budget. The majority of this increase is shown within personnel cost center for a 3% cost of living adjustment, a 0.53% employer retirement contribution increase, and a 9% health insurance adjustment. FY 09-10 personnel cost center reflects a staffing change. FY 08-09 reflects the first year this department was established. Previously included in the Utility Fund 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.

Performance Measures	09-10 Actual	10-11 Projected	11-12 Projected
-----------------------------	-------------------------	----------------------------	----------------------------

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	17,300	17,100	17,500
---------------------------------	--------	--------	--------

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

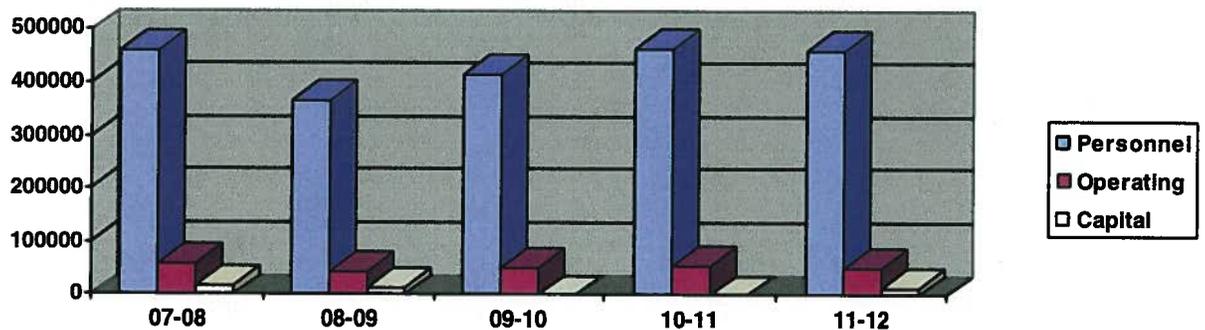
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	459,950	367,512	416,493	462,999	382,133	459,149
Operating	57,876	43,344	51,177	53,139	53,182	51,770
Capital	16,315	12,784	0	0	18,000	13,000
Total	534,141	423,640	467,670	516,138	453,315	523,919
Budgeted Employees	8	8	8	8	8	8

2011-2012 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) plotter, \$13,000.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect an increase of \$7,781 or two percent (2%) compared to FY 10-11 budget. Personnel cost center reflects a 3% cost of living adjustment, a 0.53% state mandated employer retirement contribution increase, and a 9% health insurance adjustment. Two positions remain frozen within this department for a savings of \$125,180. A decrease is shown within the personnel cost center due to overtime for special projects required 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 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.



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	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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	96%	96%	100%
Provide technical advice within 5 days	96%	98%	100%
Attend special meetings	100%	99%	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	100%	100%	100%
Provide technical specifications to consulting engineers within 3 days	94%	96%	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%	99%	100%
Attend design and construction progress meetings	100%	99%	100%
Make contact with citizens that have a complaint within 24 hours of first contact	98%	100%	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

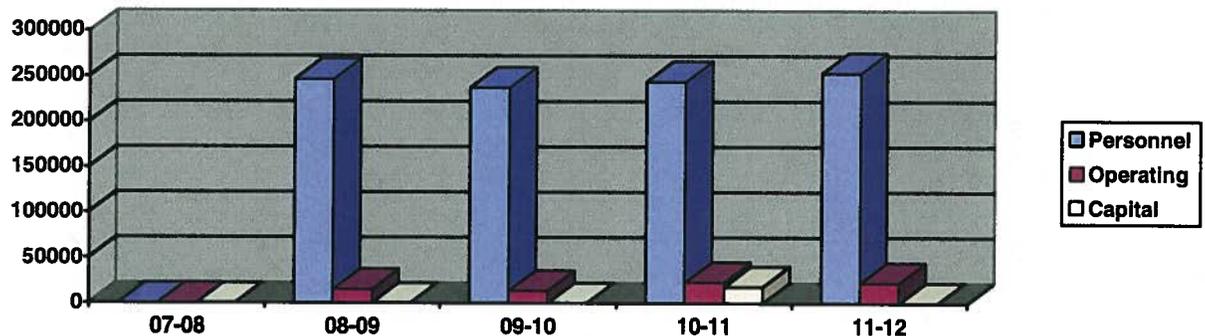
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	0	246,560	237,246	243,886	225,310	253,320
Operating	0	14,827	13,331	22,660	22,460	21,985
Capital	0	0	0	18,000	0	0
Total	0	261,387	250,577	284,546	247,770	275,305
Budgeted Employees	0	3	3	3	3	3

2011-2012 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect a decrease of \$9,241 or three percent (3%) compared to **FY 10-11** budget. This decrease is mainly due to capital funding in prior year. Shown within personnel cost center is a 3% cost of living adjustment, a 0.53% state mandated employer retirement contribution increase, and a 9% health insurance adjustment. **FY 10-11** reflects an increase within operating for the first year of Jordan Lake Partnership dues (\$7,500). **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 the 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	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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%	98%	100%
Attend special meetings	98%	99%	100%
Schedule meetings to provide adequate communication	100%	100%	100%
Training opportunities to ensure staff is adequately trained	98%	96%	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

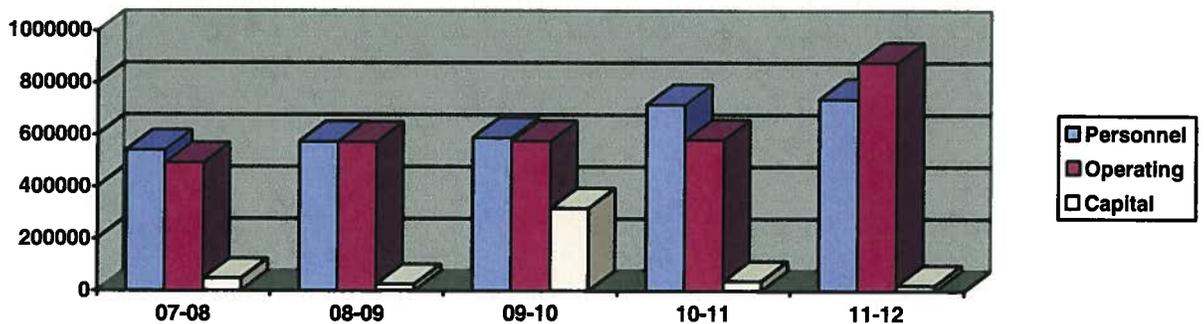
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	540,392	573,825	588,390	715,862	657,741	737,260
Operating	491,916	571,828	575,496	580,035	760,419	877,105
Capital	47,491	25,562	317,862	37,753	21,000	21,000
Total	1,079,799	1,171,215	1,481,748	1,333,650	1,439,160	1,635,365
Budgeted Employees	13	13	13	14	14	14

2011-2012 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) ¾ ton 4X4 pickup truck, \$21,000.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect an increase of \$301,715 or twenty-three percent (23%) compared to FY 10-11. Personnel cost center reflects a 3% cost of living adjustment, a 0.53% state mandated employer retirement contribution increase, and a 9% health insurance adjustment. One position is frozen resulting in a savings of \$37,871. The operating cost center reflects a significant increase due to the transfer of two lift stations from the Wastewater Treatment Plant. Paving charges are included in the amount of \$150,000, a \$20,000 increase from prior year budget. This was increased due to prices of asphalt and concrete. FY 10-11 reflects one position being transferred from the Water Construction and Maintenance department due to a shift in duties and one position was reclassified. Operating reflects the addition of odor control at Patterson's Creek lift station in the amount of \$8,500. 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. 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.



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	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

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	210	225	250
New taps installed	23	19	12
Rights-of-Way mowed (feet)	176,600	229,526	200,000
Sewer line jetted (feet)	553,768	275,800	175,000
Sewer retaps	51	81	55
Priority outfall line inspection (feet)	436,701	416,225	350,000
Collections system line inspection (feet)	531,878	247,845	175,000

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

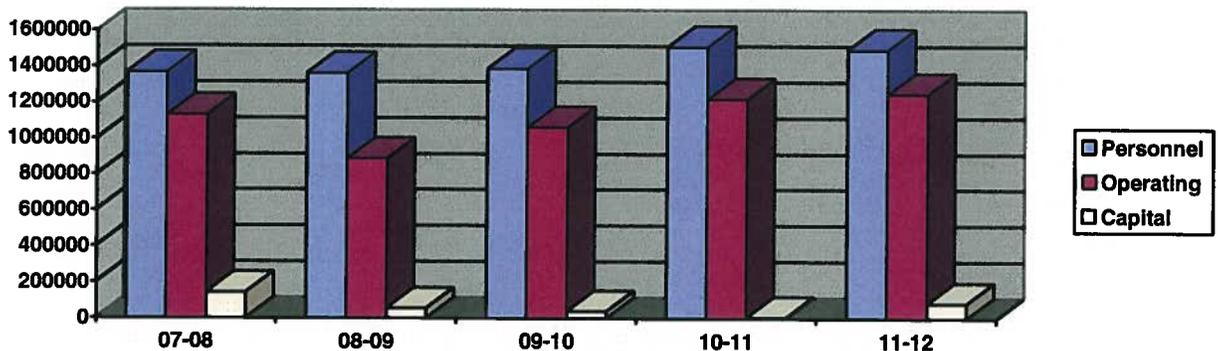
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	1,368,342	1,362,047	1,387,923	1,510,407	1,336,655	1,494,155
Operating	1,129,878	887,643	1,061,124	1,218,795	1,381,435	1,248,135
Capital	143,864	55,591	39,132	5,530	111,100	83,300
Total	2,642,084	2,305,281	2,488,179	2,734,732	2,829,190	2,825,590
Budgeted Employees	28	28	28	27	27	27

2011-2012 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) one ton utility truck, \$27,800; one (1) Ford Fusion, \$15,500; and eight (8) Itron FC-200 handheld units with charging cradle, \$40,000.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect an increase of \$90,858 or three percent (3%) compared to FY 10-11 budget. The majority of this increase is related to capital purchases. Personnel cost center reflects a 3% cost of living adjustment, a 0.53% state mandated retirement contribution increase, and health insurance adjustments. However, unexpected overtime in FY 10-11 results in a decrease within personnel. FY 10-11 reflects the transfer of one position into the Sewer Construction and Maintenance department due to a shift in duties and one position was 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. 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.



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	09-10 Actual	10-11 Projected	11-12 Projected
----------------------	-----------------	--------------------	--------------------

Goal: Ensure the reliable distribution of drinking water to the residents of the City of Sanford 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	585	580	590
Leak investigations	217	191	206
Major water line repairs (6" or greater)	94	79	182
Minor water line repairs (4" or smaller)	43	49	80
New water taps made	108	92	103
Water retaps	123	304	200

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

Measures:

New meters installed	67	90	43
Water meters read	222,696	226,800	224,002
Large water meters tested (3" or greater)	40	40	20
Small meters tested (2" or smaller)	10	8	30
Replace old meters	44	89	88

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	1,783	3,100	3,100
Valves inspected / exercised	2,454	7,400	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	27
Privately owned backflow devices inspected	375	375	375
Grease containing fluids removed (gallons)	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

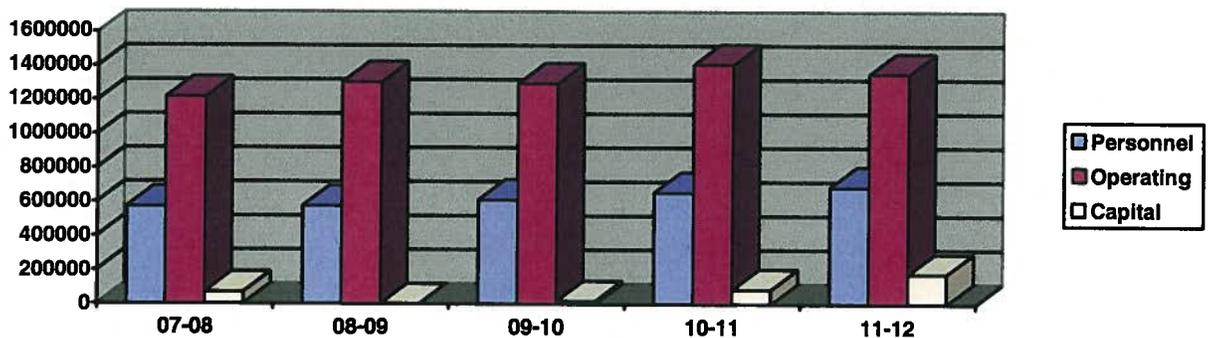
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	571,714	575,956	611,308	655,346	591,447	687,039
Operating	1,216,210	1,302,593	1,294,700	1,406,123	1,403,615	1,352,020
Capital	70,677	0	17,474	85,700	177,100	176,600
Total	1,858,601	1,878,549	1,923,482	2,147,169	2,172,162	2,215,659
Budgeted Employees	11	11	11	11	11	11

2011-2012 CAPITAL OUTLAY DETAIL

Capital outlay funding includes one (1) diesel engine and components, \$151,000; one (1) laboratory autoclave, \$11,500; one (1) odyssey chlorine analyzer, \$4,900; two (2) turbidimeters, \$5,200; and strip and paint 2500 gallon ammonia storage tank, \$4,000.

GRAPHIC REPRESENTATION

FY 11-12 appropriations increased \$68,490 or three percent (3%) compared to FY 10-11 budget. Personnel cost center reflects a 3% cost of living adjustment, a 0.53% state mandated employer retirement contribution increase, and a 9% health insurance adjustment. Also included within personnel is the addition of an intern position (\$2,500). Operating reflects a decrease due to a water treatment study budgeted in prior year. New to the operating cost center in FY 10-11 is a bench test to analyze the effectiveness of chemicals to remove contaminants. 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	09-10 Actual	10-11 Projected	11-12 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	92%	94%	96%
Maintain a heterotrophic plate count below 500	100%	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

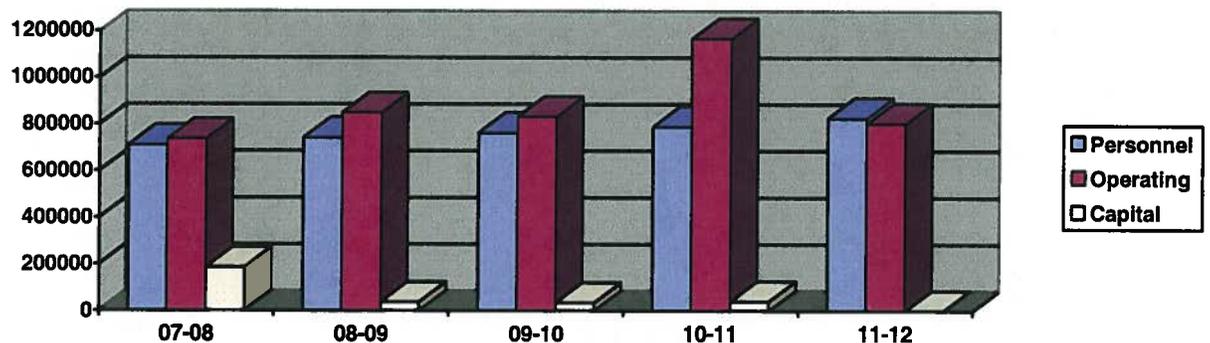
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	710,915	741,820	762,329	788,498	712,499	825,965
Operating	736,822	847,961	831,135	1,166,411	946,311	801,885
Capital	186,900	37,356	34,807	40,000	0	0
Total	1,634,637	1,627,137	1,628,271	1,994,909	1,658,810	1,627,850
Budgeted Employees	13	13	13	13	13	13

2011-2012 CAPITAL OUTLAY DETAIL

No funding for capital outlay is recommended.

GRAPHIC REPRESENTATION

FY 11-12 appropriations decreased \$367,059 or eighteen (18%) percent compared to **FY 10-11** budget. Personnel cost center reflects a 3% cost of living adjustment, a 0.53% state mandated employer retirement contribution increase, and a 9% health insurance adjustment. Decreases shown within operating are due to the following items budgeted in prior year: 1) compensatory stream mitigation fee for Wastewater Treatment Plant 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. The transfer of two lift stations into the Sewer Construction and Maintenance department also contribute to the decrease 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 conditions. Chemicals and sludge removal increased substantially during **FY 08-09** and are reflected within operating. Upgrades to the Wastewater Treatment Plant 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	09-10 Actual	10-11 Projected	11-12 Projected
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	8,646
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
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%

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

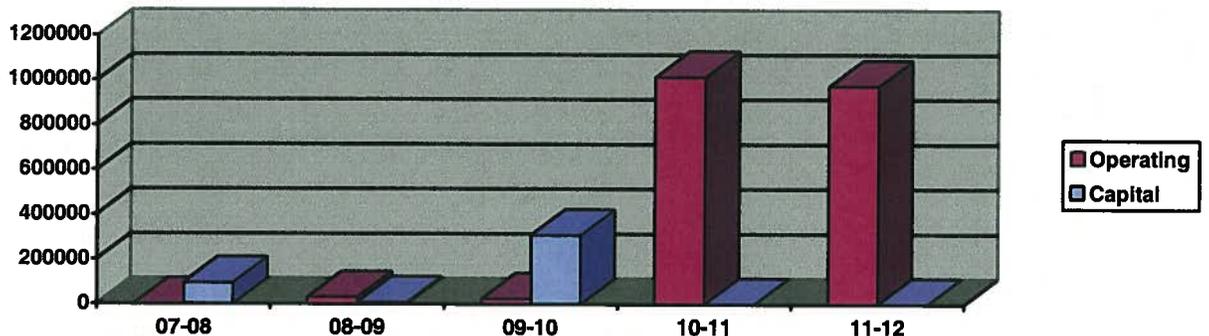
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	0	0	0	0	0	0
Operating	0	29,962	22,814	1,013,936	1,222,806	972,806
Capital	94,280	7,476	308,314	0	0	0
Total	94,280	37,438	331,128	1,013,936	1,222,806	972,806
Budgeted Employees	0	0	0	0	0	0

2011-2012 CAPITAL OUTLAY DETAIL

No funding for capital outlay was approved.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect a decrease of \$41,130 or four (4%) percent compared to FY 10-11 budget. Major projects approved within the operating cost center are water rehabilitation in the amount of \$500,000 and NC Department of Transportation payment for utility relocates in the amount of \$472,806. FY 10-11 reflects utility relocates in the amount of \$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

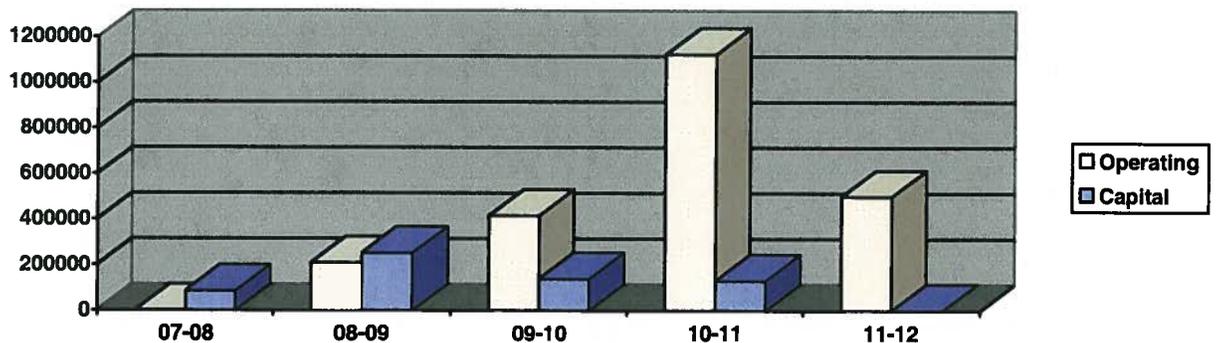
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	0	0	0	0	0	0
Operating	0	208,174	415,795	1,122,802	750,000	500,000
Capital	84,647	251,449	138,629	129,750	0	0
Total	84,647	459,623	554,424	1,252,552	750,000	500,000
Budgeted Employees	0	0	0	0	0	0

2011-2012 CAPITAL OUTLAY DETAIL

No funding for capital outlay was requested.

GRAPHIC REPRESENTATION

FY 11-12 appropriations reflect a decrease of \$752,552 or sixty percent (60%) compared to **FY 10-11** budget. Sewer rehabilitation is funded at \$500,000. **FY 10-11** reflects \$750,000 for sewer rehabilitation, \$315,802 for dry creek basin sewer rehabilitation, \$129,750 for 24" steel encasement pipe for the 421 bypass, and \$57,000 for the installation of flow and monitoring at Patterson's Creek. **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. 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

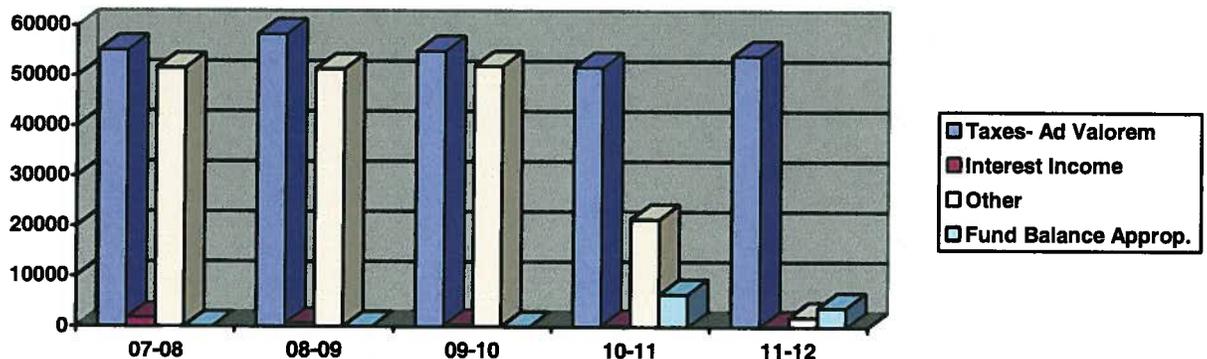
Goal: To account for the activities of the Central Business Tax District established to assist in revitalization of the downtown area.

REVENUE SUMMARIES

Revenue Sources	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Taxes- Ad Valorem	55,127	58,297	54,944	51,716	53,998	53,998
Interest Income	1,718	648	379	300	120	120
Other	51,540	51,350	51,925	21,425	1,900	1,900
Fund Balance Appropriation	0	0	0	6,484	3,787	3,787
Total	108,385	110,295	107,248	79,925	59,805	59,805

GRAPHIC REPRESENTATION

FY 11-12 Special Tax District revenue decreased \$20,120 or twenty-five percent (25%) compared to FY 10-11 budget. The tax rate remains level at 13 cents per \$100 valuation. The general fund contribution to downtown has been eliminated. Interest rates continue to decline resulting in reduced interest income. FY 08-09 shows an increase within ad valorem taxes. In FY 07-08 the tax rate was reduced to 13 cents per \$100 valuation but was considered revenue neutral since this was a revaluation year.



SPECIAL TAX DISTRICT FUND

EXPENDITURE SUMMARIES

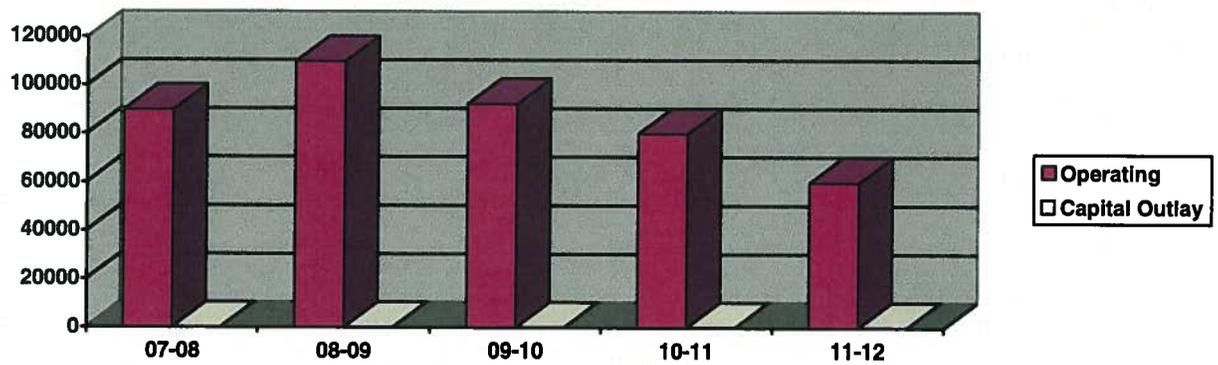
Object of Expenditure	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	BUDGET 10-11	REQUESTED 11-12	APPROVED 11-12
Personnel	0	0	0	0	0	0
Operating	89,838	109,710	92,277	79,925	59,805	59,805
Capital Outlay	0	0	0	0	0	0
Total	89,838	109,710	92,277	79,925	59,805	59,805

2011-2012 CAPITAL OUTLAY DETAIL

No capital outlay funding was requested.

GRAPHIC REPRESENTATION

FY 11-12 Special Tax District expenditures reflect decreases totaling \$20,120 or twenty-five percent (25%) compared to FY 10-11 budget. The debt service for Depot Park expired last year resulting in a reduction in the operating cost center.



FUND BALANCE GOVERNMENTAL FUNDS

	ACTUAL 07-08	ACTUAL 08-09	ACTUAL 09-10	ACTUAL 10-11 Unaudited	BUDGET 11-12
SPECIAL TAX					
BEGINNING BALANCE	\$ 28,979	\$ 47,526	\$ 48,111	\$ 63,081	\$ 81,829
REVENUES					
AD VALOREM TAXES	55,127	58,297	54,517	52,705	53,998
OTHER	<u>53,258</u>	<u>51,998</u>	<u>52,730</u>	<u>22,139</u>	<u>2,020</u>
TOTAL	<u>108,385</u>	<u>110,295</u>	<u>107,247</u>	<u>74,844</u>	<u>56,018</u>
EXPENDITURES					
DOWNTOWN REVITALIZATION	<u>89,838</u>	<u>109,710</u>	<u>92,277</u>	<u>56,096</u>	<u>59,805</u>
TOTAL	<u>89,838</u>	<u>109,710</u>	<u>92,277</u>	<u>56,096</u>	<u>59,805</u>
ENDING BALANCE	<u>\$ 47,526</u>	<u>\$ 48,111</u>	<u>\$ 63,081</u>	<u>\$ 81,829</u>	<u>\$ 78,042</u>

SPECIAL TAX

To manage the development of Downtown Sanford Inc. (DSI) 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	09-10 Actual	10-11 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	\$250,000	\$67,375	\$100,000
Private funds attained	\$12,059	\$8,293	\$10,000

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	0	0	1
Building improvement grants awarded	7	6	9
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	1	1	1
Downtown fall festival	1	1	1
Spring movie series	1	1	1
Holiday open house	1	1	1
Spring open house	1	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 2011-2012	PLANNING YEAR 2012-2013	PLANNING YEAR 2013-2014	PLANNING YEAR 2014-2015	PLANNING YEAR 2015-2016
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
3,5	Park Development	134,350	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
	TOTAL GENERAL SERVICES	1,634,350	2,325,000	4,825,000	7,325,000	7,125,000
STREET:						
4	Sidewalk Installation	-	1,000,000	-	-	-
	TOTAL STREET	-	1,000,000	-	-	-
PUBLIC SAFETY:						
4	No. 4 Fire Station	-	250,000	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	-	366,000	-	-	-
4	Renovation - #2 Fire Station	-	-	640,000	-	-
	TOTAL PUBLIC SAFETY	-	616,000	6,090,000	6,210,000	4,745,000
	TOTAL GENERAL FUND	1,634,350	3,941,000	10,915,000	13,535,000	11,870,000
UTILITY FUND						
WATER:						
3,4	Erection of Elevated Storage Facility for Potable Water	-	-	-	-	1,500,000
3,4	Parking Expansion at Service Center	-	-	-	135,000	-
4	Vehicle, Salt, Sand, Rock Storage Bldg.	-	-	-	1,000,000	-
3	Hawkins Avenue Waterline	-	250,000	3,750,000	-	-
	TOTAL WATER	-	250,000	3,750,000	1,135,000	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	22,400,000	22,400,000	7,292,484	-	-
	TOTAL SEWER	22,400,000	22,800,000	8,292,484	1,000,000	-
	TOTAL UTILITY FUND	22,400,000	23,050,000	12,042,484	2,135,000	1,500,000
	TOTAL ALL FUNDS	24,034,350	26,991,000	22,957,484	15,670,000	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 2011-2016
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, 2011:				PROJECTED DATES:				
2011 Appropriation:		\$134,350		Projected Begin:		July, 2009		
Current Budget Amt:		\$134,350		Est. Completion:		June, 2015		
Total Expenditures:								
Projected Balance:		\$134,350						
Appro/Expenditure Plan		2011-12	2012-13	2013-14	2014-15	2015-16	Remaining Yrs	Total
Planning/Design		13,435	20,000	20,000	20,000			73,435
Acquisition								0
Construction		120,915	180,000	180,000	180,000			660,915
Other								0
Total		134,350	200,000	200,000	200,000	0	0	734,350
Financing Plan (to be completed by Finance Dept.)		2011-12	2012-13	2013-14	2014-15	2015-16	Remaining Yrs	Total
General Fund		134,350	200,000	200,000	200,000			734,350
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		134,350	200,000	200,000	200,000	0	0	734,350
Operating Budget Impact		2011-12	2012-13	2013-14	2014-15	2015-16	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								0
(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		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 2011-2016
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, 2011: 2011 Appropriation: \$1,577,814				PROJECTED DATES: Projected Begin: Fall 2009			
Current Budget Amt:	\$1,577,814				Est. Completion:	ongoing	
Total Expenditures:	\$1,485,164						
Projected Balance:	\$92,650						
Appro/Expenditure Plan	2011-12	2012-13	2013-14	2014-15	2015-16	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.)	2011-12	2012-13	2013-14	2014-15	2015-16	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	2011-12	2012-13	2013-14	2014-15	2015-16	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 2011-2016
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 years to design, permit and construct the new facility.							
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, 2011:				PROJECTED DATES:			
2011 Appropriation:		\$75,304,096		Projected Begin:		September, 2007	
Current Budget Amt:	\$75,304,096			Est. Completion:		June, 2014	
Total Expenditures:	\$23,211,612						
Projected Balance:	\$52,092,484						
Appro/Expenditure Plan	2011-12	2012-13	2013-14	2014-15	2015-16	Remaining Yrs	Total
Planning/Design	400,000	400,000	250,000				1,050,000
Acquisition							0
Construction	22,000,000	22,000,000	7,042,484				51,042,484
Other							0
Total	22,400,000	22,400,000	7,292,484	0	0	0	52,092,484
Financing Plan (to be completed by Finance Dept.)	2011-12	2012-13	2013-14	2014-15	2015-16	Remaining Yrs	Total
General Fund							0
Utility Fund							0
Revenue Bonds	22,400,000	22,400,000	7,292,484				52,092,484
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	22,400,000	22,400,000	7,292,484	0	0	0	52,092,484
Operating Budget Impact	2011-12	2012-13	2013-14	2014-15	2015-16	Remaining Yrs	Total
Personnel				56,000	60,000	180,000	296,000
Operating Expense				8,400	8,400	8,400	25,200
Capital Outlay							0
(Minus Revenues)							0
Net Operating Effect	0	0	0	64,400	68,400	188,400	321,200
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							
WWTP	Expanded plant will require an additional mechanic in the first year, then two additional operators (depending on how quickly volumes increase). Operating expenses will increase with additional flows (unable to anticipate at this time). The operating expense shown is due to the addition of a 4,200 square foot administrative building.						

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, 2010
SPECIAL REVENUES				
Community Development				
Revenues	3,487,100	1,250,804	1,273,656	2,524,460
Expenditures	3,487,100	1,259,246	715,175	1,974,421
Project Fund Balance				<u>\$ 550,039</u>
UTILITY CAPITAL PROJECTS				
Water & Sewer Capital Improvements				
Revenues	6,463,854	1,520,701	3,394,353	4,915,054
Other financing sources	17,944,175	903,583	17,380,109	18,283,692
Expenditures	24,408,029	2,975,564	20,283,224	23,258,788
Project Fund Balance				<u>\$ (60,042)</u>

**2011-2012
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	\$44,877 - \$68,286
DEPARTMENT OF ADMINISTRATION (3)		
City Manager	1	*
Staff Assistant (Part-time)	1	\$30,236 - \$46,008
Public Information Officer/Grant Writer	1	Part-time
DEPARTMENT OF HUMAN RESOURCES (5)		
<i>HUMAN RESOURCES</i>		
Human Resources Director	1	\$66,616 - \$101,365
Human Resources Analyst	1	\$40,652 - \$61,856
Human Resources Assistant	1	\$33,362 - \$50,765
Receptionist	1	\$24,808 - \$37,749
<i>RISK MANAGEMENT</i>		
Risk Management Officer	1	\$47,151 - \$71,745
DEPARTMENT OF LEGAL (2)		
City Attorney	1	\$73,552 - \$111,917
Paralegal	1	\$35,061 - \$53,351
DEPARTMENT OF COMMUNITY DEVELOPMENT (22)		
<i>COMMUNITY DEVELOPMENT</i>		
Comm. Development Director	1	\$73,552 - \$111,917
Asst. Comm. Dev. Director	1	\$57,460 - \$87,443
Administrative Services Coord.	1	\$36,845 - \$56,065
Comm. Development Manager	1	\$54,691 - \$83,219
Planner II	3	\$47,151 - \$71,745
Planning Technician	2	\$36,845 - \$56,065
Staff Assistant	1	\$30,236 - \$46,008

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

**2011-2012
DEPARTMENTAL EMPLOYEE CLASSIFICATION**

POSITION TITLES	BUDGETED POSITIONS	SALARY RANGE
DEPARTMENT OF COMMUNITY DEVELOPMENT CON'T (22)		
<i>INSPECTIONS</i>		
Inspections Administrator	1	\$54,691 - \$83,219
Field Superintendent	1	\$49,538 - \$75,379
Building Inspector	3	\$40,652 - \$61,856
Permit Coordinator	2	\$27,386 - \$41,672
<i>COMMUNITY ENHANCEMENT – CODE ENFORCEMENT</i>		
Code Enforcement Supervisor	1	\$44,877 - \$68,286
Code Enforcement Officer	2	\$38,708 - \$58,900
Code Enforcement Clerk	1	\$27,386 - \$41,672
<i>COMMUNITY ENHANCEMENT – DOWNTOWN/HPC</i>		
Downtown Development Manager II	1	\$54,691 - \$83,219
DEPARTMENT OF INFORMATION SYSTEMS (2)		
Information Systems Director	1	\$66,616 - \$101,365
Program Analyst/Webmaster	1	\$47,151 - \$71,745
SANFORD GOLF COURSE (6)		
Golf Course Manager	1	\$57,460 - \$87,443
Golf Course Superintendent	1	\$47,151 - \$71,745
Asst. Golf Course Manager	1	\$38,708 - \$58,900
Lead Turfgrass Technician	1	\$30,236 - \$46,008
Turfgrass Technician	2	\$27,386 - \$41,672

**2011-2012
DEPARTMENTAL EMPLOYEE CLASSIFICATION**

POSITION TITLES	BUDGETED POSITIONS	SALARY RANGE
DEPARTMENT OF POLICE (106)		
Chief of Police	1	\$73,552 - \$111,917
Assistant Chief	1	\$60,367 - \$91,855
Administrative Support Asst.	1	\$33,362 - \$50,765
Staff Assistant	1	\$30,236 - \$46,008
Police Records Supervisor	1	\$36,845 - \$56,065
Records Clerk	1	\$30,236 - \$46,008
Major	1	\$57,460 - \$87,443
Internal Affairs / Training Officer	1	\$52,059 - \$79,213
Patrol Captain	6	\$49,538 - \$75,379
Narcotics Sergeant	1	\$44,877 - \$68,286
Detective Sergeant	1	\$44,877 - \$68,286
Sergeant	6	\$42,710 - \$64,989
Detective Captain	1	\$52,059 - \$79,213
Narcotics Captain	1	\$52,059 - \$79,213
Detective	10	\$40,652 - \$61,856
Narcotics Agent	4	\$40,652 - \$61,856
Police Officer III	35	\$38,708 - \$58,900
Police Officer II	4	\$36,845 - \$56,065
Police Officer I	12	\$35,061 - \$53,351
Telecomm. Supervisor	1	\$38,708 - \$58,900
Telecommunicator	12	\$31,779 - \$48,356
Receptionist	4	\$24,808 - \$37,749
DEPARTMENT OF FIRE (54)		
Chief	1	\$69,988 - \$106,495
Division Commander / Fire Marshal	1	\$49,538 - \$75,379
Battalion Commander	3	\$49,538 - \$75,379
Staff Assistant	1	\$30,236 - \$46,008
Company Captain	9	\$42,710 - \$64,989
Firefighter III	19	\$36,845 - \$56,065
Fire Inspector	1	\$40,652 - \$61,856
Fire Inspector	1	Part-time
Firefighter III/Driver Operator	9	\$36,845 - \$56,065
Firefighter II	4	\$35,061 - \$53,351
Firefighter I	4	\$33,362 - \$50,765
Firefighter Trainee	1	\$31,779 - \$48,356

**2011-2012
DEPARTMENTAL EMPLOYEE CLASSIFICATION**

POSITION TITLES	BUDGETED POSITIONS	SALARY RANGE
DEPARTMENT OF FINANCIAL SERVICES (19)		
	<i>FINANCE</i>	
Director of Financial Services	1	\$73,552 - \$111,917
Asst. Director of Financial Services	1	\$57,460 - \$87,443
Staff Assistant	1	\$30,236 - \$46,008
Senior Accountant	1	\$42,710 - \$64,989
Accountant II	1	\$38,708 - \$58,900
Accountant I	1	\$35,061 - \$53,351
Budget Analyst	1	\$40,652 - \$61,856
Accounting Technician	1	\$30,236 - \$46,008
	<i>UTILITY FUND ADMINISTRATION</i>	
Collections Manager	1	\$49,538 - \$75,379
Revenue Supervisor	1	\$44,877 - \$68,286
Senior Accountant	1	\$42,710 - \$64,989
Collections Clerk	4	\$27,386 - \$41,672
Collections Clerk	1	Part-time
Senior Collections Clerk	1	\$30,236 - \$46,008
	<i>UTILITY BILLING</i>	
Utility Accountant I	1	\$35,061 - \$53,351
Billing Clerk	1	\$30,236 - \$46,008

**2011-2012
DEPARTMENTAL EMPLOYEE CLASSIFICATION**

POSITION TITLES	BUDGETED POSITIONS	SALARY RANGE
DEPARTMENT OF PUBLIC WORKS (129)		
<i>PUBLIC WORKS ADMINISTRATION</i>		
Public Works Director	1	\$77,251 - \$117,547
Public Works Administrator	1	\$44,877 - \$68,286
Administrative Support Asst.	1	\$33,362 - \$50,765
<i>STREET</i>		
Street Superintendent	1	\$49,538 - \$75,379
Crew Supervisor I	3	\$33,362 - \$50,765
Equipment Operator III	1	\$30,236 - \$46,008
Equipment Operator II	3	\$27,386 - \$41,672
Equipment Operator I	2	\$26,068 - \$39,665
Maintenance Worker II	6	\$26,068 - \$39,665
Lead Maintenance Worker	1	\$27,386 - \$41,672
Traffic Services Technician	1	\$31,779 - \$48,356
<i>SOLID WASTE</i>		
Solid Waste Superintendent	1	\$49,538 - \$75,379
Crew Supervisor I	3	\$33,362 - \$50,765
Equipment Operator II	8	\$27,386 - \$41,672
Equipment Operator I	1	\$26,068 - \$39,665
Lead Maintenance Worker / Graffiti	1	\$27,386 - \$41,672
Maintenance Worker II	3	\$26,068 - \$39,665
Maintenance Worker I	1	\$24,808 - \$37,749
<i>HORTICULTURE</i>		
Horticulturist	1	\$42,710 - \$64,989
Lead Groundskeeper	1	\$27,386 - \$41,672
Groundskeeper II	2	\$26,068 - \$39,665
Groundskeeper I	2	\$24,808 - \$37,749

**2011-2012
DEPARTMENTAL EMPLOYEE CLASSIFICATION**

POSITION TITLES	BUDGETED POSITIONS	SALARY RANGE
DEPARTMENT OF PUBLIC WORKS CON'T (129)		
<i>SHOP</i>		
Fleet Maint. Superintendent	1	\$49,538 - \$75,379
Mechanic II	3	\$33,362 - \$50,765
Garage Clerk	1	\$30,236 - \$46,008
<i>ENGINEERING</i>		
City Engineer	1	\$63,407 - \$96,482
Civil Engineer II	1	\$52,059 - \$79,213
Civil Engineer I	1	\$47,151 - \$71,745
Drafting Technician	2	\$31,779 - \$48,356
Engineering Technician	1	\$36,845 - \$56,065
Construction Inspector	2	\$36,845 - \$56,065
<i>SEWER CONST. & MAINT.</i>		
Sewer Utilities Superintendent	1	\$49,538 - \$75,379
Asst. Water Utilities Superintendent	1	\$42,710 - \$64,989
Utility Connection Coordinator	1	\$42,710 - \$64,989
Crew Supervisor I	1	\$33,362 - \$50,765
Utility Technician	1	\$31,779 - \$48,356
Utility Maint. Worker II	2	\$26,068 - \$39,665
Utility Maint. Worker I	4	\$24,808 - \$37,749
Lead Utility Maint. Worker	1	\$27,386 - \$41,672
Equipment Operator III	1	\$30,236 - \$46,008
Equipment Operator II	1	\$27,386 - \$41,672
<i>WATER CONST. & MAINT.</i>		
Water Utilities Superintendent	1	\$49,538 - \$75,379
Crew Supervisor I	4	\$33,362 - \$50,765
Lead Utility Maint. Worker	4	\$27,386 - \$41,672
Utility Maintenance Worker II	4	\$26,068 - \$39,665
Utility Maintenance Worker I	2	\$24,808 - \$37,749
Meter Reading Supervisor	1	\$33,362 - \$50,765
Meter Reader	8	\$27,386 - \$41,672
Equipment Operator II	3	\$27,386 - \$41,672

**2011-2012
DEPARTMENTAL EMPLOYEE CLASSIFICATION**

POSITION TITLES	BUDGETED POSITIONS	SALARY RANGE
DEPARTMENT OF PUBLIC WORKS CON'T (129)		
<i>WATER PLANT</i>		
WTP Superintendent	1	\$54,691 - \$83,219
Chief WTP Operator	1	\$38,708 - \$58,900
WTP Operator III	3	\$33,362 - \$50,765
WTP Operator II	3	\$30,236 - \$46,008
Utility Mechanic II	1	\$33,362 - \$50,765
Lab Supervisor	1	\$44,877 - \$68,286
Lab Technician II	1	\$36,845 - \$56,065
<i>WASTEWATER TREATMENT PLANT</i>		
WWTP Superintendent	1	\$54,691 - \$83,219
Chief WWTP Operator	1	\$38,708 - \$58,900
Pretreatment Coordinator	1	\$40,652 - \$61,856
Lab Supervisor	1	\$44,877 - \$68,286
Lab Technician II	1	\$36,845 - \$56,065
Utility Mechanic II	1	\$35,061 - \$53,351
Utility Mechanic I	1	\$33,362 - \$50,765
WWTP Operator III	2	\$33,362 - \$50,765
WWTP Operator II	4	\$30,236 - \$46,008
<i>STORE</i>		
Maintenance/Inventory Tech.	1	\$30,236 - \$46,008
<i>PUBLIC BUILDING</i>		
Bldg./Grounds Superintendent	1	\$49,538 - \$75,379
Maintenance/Inventory Tech.	1	\$30,236 - \$46,008
Staff Assistant	1	\$30,236 - \$46,008
<i>GENERAL SERVICES</i>		
General Services Director	1	\$66,616 - \$101,365
Staff Assistant	1	\$30,236 - \$46,008

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
 Fiscal Year Ended June 30, 2010

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
2001	23,220	\$ 619,509,600	\$ 26,680	36.01	8,604	6.0%
2002	23,409	631,645,047	26,983	36.07	8,438	7.7%
2003	23,530	651,051,570	27,669	36.13	8,472	6.7%
2004	23,625	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	25,864	607,053,944	23,471	36.40	9,021	5.4%
2007	26,633	628,086,039	23,583	38.00	9,125	5.1%
2008	27,271	623,878,667	22,877	38.00	9,304	7.0%
2009	27,806	N/A	N/A	38.00	9,579	14.8%
2010	N/A	N/A	N/A	N/A	9,545	12.5%

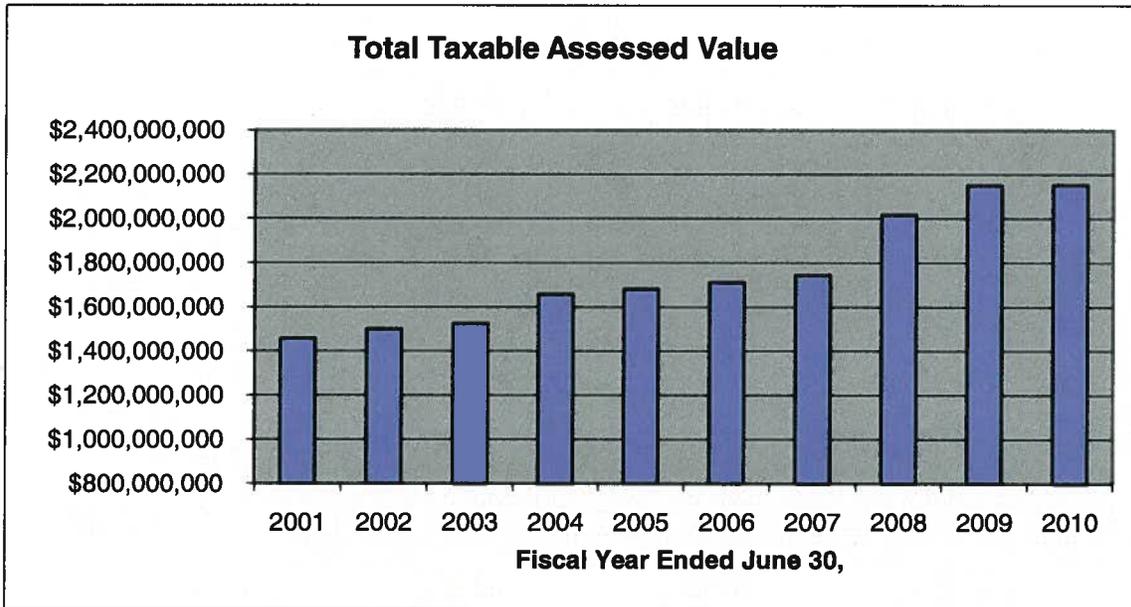
Sources of Information:

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
 Fiscal Year Ended June 30, 2010

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
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	93.94%
2010	1,596,056,195	503,155,504	53,650,278	2,152,861,977	0.54	95.77%



Extracted from Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2010

CITY OF SANFORD, NORTH CAROLINA
PRINCIPAL PROPERTY TAX PAYERS
JUNE 30, 2010 COMPARED TO JUNE 30, 2001

Taxpayer	2010			2001		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Coty, Inc.	\$ 77,791,530	1	3.62%	\$ 34,634,510	3	2.36%
Simpson & Simpson	62,337,868	2	2.90%	19,352,525	6	1.32%
Frontier Spinning Mills	40,454,907	3	1.88%	78,445,293	1	5.34%
Magneti Marelli USA, INC.	35,052,094	4	1.63%	24,674,904	5	1.68%
Moen, Inc.	34,021,535	5	1.58%	37,093,641	2	2.53%
Static Control	26,314,627	6	1.22%	-		
The Pantry	25,601,806	7	1.19%	-		
Praxis Biologics	24,627,051	8	1.15%	-		
Windstream (formally Alltel Carolina)	23,438,005	9	1.09%	16,602,174	9	1.13%
AMI/Central Carolina Hospital	22,746,629	10	1.06%	-		
Parkdale America LLC				27,593,516	4	1.88%
Wachovia Capital Markets				18,185,800	7	1.24%
Avondale Mills, Inc.				17,683,540	8	1.20%
Eaton Corporation				15,897,378	10	1.08%
Total	\$ 372,386,052		17.33%	\$ 290,163,281		19.76%

Source: Lee County Tax Office

Extracted from Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2010

CITY OF SANFORD, NORTH CAROLINA
PRINCIPAL EMPLOYERS
LAST FIVE FISCAL YEARS

Employer	2010			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	Employees	Rank	Percentage of Total Lee County Employment
Coty	900	1	3.96%	900	1	3.86%	900	2	3.76%	750	2	2.97%	750	2	2.95%
Static Control	850	2	3.74%	850	2	3.64%	1,400	1	5.88%	1,400	1	5.55%	1,400	1	5.51%
Pentair	683	3	3.00%	683	3	2.93%	215	8	0.90%	420	6	1.66%	420	6	1.65%
Tyson	508	4	2.23%	508	4	2.18%	560	4	2.34%	460	5	1.82%	460	5	1.81%
Moen	490	5	2.16%	490	5	2.10%	490	5	2.05%	725	3	2.87%	725	3	2.85%
Arden	384	6	1.69%	360	7	1.54%			0.00%	384	7	1.52%	384	7	1.51%
J.T. Davenport	339	7	1.49%	339	8	1.45%	347	7	1.45%	357	8	1.41%			0.00%
Frontier Spinning	325	8	1.43%	425	6	1.82%	425	6	1.78%	345	9	1.37%	345	8	1.36%
Magnet Marell	220	9	0.97%	220	9	0.94%	585	3	2.45%	585	4	2.32%	585	4	2.30%
Parkdale Mills	100	10	0.44%				115	10	0.48%				220	9	0.87%
Hanes Brands				150	10	0.64%	150	9	0.63%	165	10	0.65%			0.00%
National Textiles													165	10	0.65%
Total	<u>4,799</u>		<u>21.11%</u>	<u>4,925</u>		<u>21.11%</u>	<u>5,187</u>		<u>21.70%</u>	<u>5,591</u>		<u>22.16%</u>	<u>5,454</u>		<u>21.47%</u>

Source: Lee County Economic Development

Note: Information is only available for the past five years. Table will be comparative to 10 years of data as information becomes available.

THIS PAGE LEFT BLANK INTENTIONALLY.

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.

CAV- Community Assistance Visit

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

EPZ – Emergency Processing Zone – A 10 mile area located around the Shearon Harris Nuclear Power Plant.

ERRP – Early Retiree Reinsurance Program

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.

LAN- Local Area Network

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.

LEED- Leadership in Energy and Environmental Design

Levy - To impose taxes, special assessments, or service charges for the support of City activities.

LIDAR- Light Aerial Detection Radar

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.

UDO – Unified Development Ordinance

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

WAN – Wide Area Network

WTP – Water Treatment Plant

WWTP – Waste Water Treatment Plant

INDEX

A

ABC Revenue, 14,50,68,187
Admin. Dept, vi,3,9,11,51,69,73,
85,86,167
Ad Valorem, 3,7,13,48,55,64,67,72,
79,81,157,159,187

B

Bonds, 42,77,162,187

Budget Calendar, 45
Budget Format, 46

Budget Ordinance, 11-40
Budget Overview, 1-9,63-78

Budget Process, 43,44

Building Code Enforcement, vi,viii,
5,12,52,69,73,128,129,168
Building Permit Fees, 21-34

C

CIP Summary, 161
Capital Imp. Schedule, 162

Central Bus. Dist., 7,11,16,46,47,
53,55-61,63,72,157-160
Central Office, 3,11,47,69,103
City Profile, iii-v
COLA, 7,9,80,82,85,87,90,93,95,97,
99,101,105,107,109,111,113,116,
118,121,125,128,130,134,137,139,
141,143,145,147,149,151,153,188
Communication 911, 9,78,112

Consolidated Budget, 63-66

Community Dev.,vi,viii-ix,5,9,12,47,
52,69,73,125-127,167
Comm.Enh-Code Enf., vi,viii,12,47,
48,52,69,73,128,129,168

Comm.Enh-Downtown/HP, vi,ix,5,
12,47,52,69,73,130,131,168

D

Debt Service, 7,12,42,53,65,71,
77,78,135,189
Dist. Budget Award, xii,189

E

Elections, 3,11,47,51,69,92
Engineering , vi,x,xi,7,12,53,71,74,76,
143,144,172
Enhanced-911, 9,60,78,112

Enterprise Fund, 11,12,15,41,46,63,189

F

Finance Dept., vi,xii,3,11,47,51,69,73,
75,93,94,170
Financial Policies, 41
Fire Dept., vi,viii,4,11,47,51,69,73,75,
113-115,162,169
Fiscal Control Act, 41,190
Franchise Tax, 14,49,61,67

Fund Balance(Surplus), 1,9,14-16,41,55,
63,64,68,70,72,79,81,133,157,159,190

G

GAAFR, 41

General Fund, 2-6,9,11-14,41,43,46,47,
55-61,63,67-69,73,75,79-131,162,190
General Govern., 3,11,51,65,69,73,81,
82-110
General Services, vi,xi,3,11,47,51,69,73,
101,102,173
GFOA Budget Award, xii,94,190

Glossary, 187-194

Golf, vi,3,11,47,51,69,73,75,105-106,168

Governing Body, vi,3,11,47,51,69,73,
82-84,167

H

Horticulture, vi,3,9,11,47,51,69,73,75,
109,110,171
Human Resources, vi,xiii,3,9,11,47,51,
69,73,87-89,167

I

Information Systems, vi,xii,xiii,3,9,11,47,
51,69,73,75,95,96,168
Inspection Dept., vi,viii,4,5,11,47,51,69,
73,116,117,168
Installment Purchase, 50,57,68,77-79

Interfund Activity, 63-66,191

Interfund Reimbursements, 65,66,69,82,
85,87,90,93,95,97,99,101,103,107,191
Intergovern., 14,15,49,64,67,70,79,81,
191

Investment Policy, 41,180-181

L

Legal, vi,3,11,47,51,69,73,97,98,167

M

Modified Accrual, 43,192
Monitoring Fee, 15,19,50,70

N

Non-Compliance Fines, 15,58,70

O

Operating Budget Policies, 41
Other Post Employment Benefits (OPEB),
13,15,42,50,58,68,70,79,80,104,133,134,
136,192

P

Personnel Procedure, 174-179

Police Dept., vi,4,5,9,11,47,51,69,73,75,
111,112,169
Powell Bill, 14,49,59,67,192

Privilege License, 13,49,59,67,79

Public Building, vi,3,9,11,47,51,69,73,75,
99,100,173
Public Safety, 4,5,11,51,65,69,73,81,
111-117,162
Public Utilities, 12,53,65,71,74,137-156

Public Wk.. Adm., vi,x,12,47,53,71,74,145,
146,171

R

Reserves, 41,193

Revenue Assumptions, 55-61

Revenue Policy, 41

Risk Mgmt., vi,viii,3,9,11,47,51,69,73,90,
91,167

S

Salaries and Wages, 54,167-173

Sales Tax, 3,13,49,58,67,79

Sanitation, 6,12,47,69,73,123,124
Sewer Rates, 18,40

INDEX

Sewer Capital Imp., 12,47,53,71,156,
165,166
Sewer Const., vi,xii,7,12,47,53,71,74,
76,147,148,172
Shop, vi,x,3,11,47,51,69,73,75,107,
108,172
Solid Waste (Refuse), vi,x,6,12,52,69,
73,75,121,122,171
Special Tax District, 7,11,16,46,47,
53,55-61,63,72,157-160
Store, vi,9,12,47,53,71,74,137,138,
173
Street Capt. Imp., 5,9,11,47,52,69,
120,162
Street, vi,x,5,9,11,47,52,65,69,73,75,
118,119,171

T

Taxes Levied, 7,16,55
Transmittal Letter, 1-8

U

UF Adm., vi,xii,12,47,53,71,74,76,
139,140,170
User Charges, 13,15,38,50,57,64,
67,70,79,133,194
Utility Billing, vi,xii,12,47,53,71,74,
141,142,170
Utility Fund, 6,7,9,12,15,41,43,47,
55-61,70,71,74,76,133-156

W

Waste Management, 3,16,19
Wastewater Treatment Plant, vi,xi,
1,9,12,42,47,53,71,74,78,153,154,
173
Water Capital Imp., 12,53,71,78,155,
162
Water Const., vi,xii,12,47,53,71,74,
76,149,150,172
Water Plant, vi,xi,9,12,47,53,71,74,
76,78,151,152,173
Water Rates, 6,18,40

Z

Zoning Enforcement, 35