

Appendix A: Chatham County Financial and Budgetary Policies

Objective: Chatham County government exists to meet the needs of residents through the services the County is mandated to provide or has elected to provide. In order to meet these needs, the County must maintain its financial integrity. In addition, the County is constantly confronted with requests for new and enhanced services from a growing and diverse population. The County's Financial and Budgetary Policies are intended to maintain and improve the County's financial condition thereby preserving our ability to meet future needs while giving County leaders a framework for balancing increased service demands and financial position.

Budget Policies

Objective: The County will manage its annual budget to meet its legal and debt obligations, ensure adequate funding of current service levels, meet the priorities of the Board of Commissioners, maintain the County's financial condition, and keep property tax increases to a minimum. The County shall operate under an annual balanced budget ordinance whereby the sum of net revenues and appropriated fund balances equals the expenditure appropriations. The *Local Government Budget and Fiscal Control Act* (G.S. 159-8) requires a balanced budget ordinance from all local governments.

New or increased services: The County should ensure adequate funding of critical services before funding new or enhanced services.

Mid-year appropriations: All agencies supported by the county must function within the resources made available to them through the annual budget. The county will consider requests for new or expanded programs during the course of the regular budget process. Only in extreme circumstances will such requests be considered outside of the budget process.

Use of one-time revenues: One-time revenues should not support ongoing personnel and operating costs. Use of one-time revenues is appropriate for capital outlay, debt retirement, contribution to capital reserve, and other non-recurring expenses. Proceeds from the sale of surplus capital items will go into the County's general capital reserve, unless proceeds are otherwise restricted.

Funding-of Nonprofit Agencies: The County will follow a fair process for funding nonprofits. All requests will be made through the county's annual nonprofit allocation process. The County will utilize volunteers to review requests and make a recommendation to County Commissioners. Total funding available for allocation will be indexed annually to the growth in the property tax base.

Grants: The County will pursue federal, state, and private grants to enhance services to County residents. However, the County will strictly limit its financial support of grant-funded programs to avoid commitments, which continue beyond funding availability. The County will not continue programs after grants have expired, except as expressly approved by the Board of Commissioners as part of the annual budget process. The grant approval process will proceed as follows:

- If a grant does not require any county match, either cash or in-kind, and the funder does not expect the county to continue to fund a position or a program after the grant, then the proposal can be reviewed and approved by staff. However, the County Manager may choose to present a grant proposal to the Board for approval, if he/she feels that it is appropriate.

- If the grant requires a county match, either cash or in-kind, or the funder expects the county to continue to fund a position or program after the grant is complete, then the grant application must be submitted to the Board of Commissioners for approval.
- For grants that require Board of Commissioner approval, but will not be complete two weeks prior to the meeting when the agenda must be completed, the Manager's Office can authorize the application with prior notice to the Chair and Vice Chair and report to the Board of Commissioners at their next meeting. If the Board of Commissioners does not approve the grant proposal, the funder will be notified that the county chooses to withdraw the application.

New positions: New positions for existing programs and services should be added when there is no other viable option. New positions should not be added without consideration of all alternatives, such as contracting, technology, and reassignment of duties should be fully explored and documented before new positions are funded.

Level of budgeting: In order to tie costs to specific services, departments shall submit budgets for each of their divisions or program areas. Department heads are authorized to transfer operating funds between their divisions without prior approval. Transfers for personnel and capital outlay must be approved by the Budget Officer. The County shall adopt budgets at the program level. Commissioners reserve the right to review and/or adopt budgets at a greater level of detail.

Justification for funding: Departments and agencies requesting funding from the county should justify their requests in terms of maintaining or increasing service levels. Departments should measure their performance in key service areas and periodically compare their performance to other jurisdictions to discover efficiencies and develop best management practices.

Contingency funds: Departments shall not include contingency funds in their respective budgets. The county shall include a general contingency fund in its annual budget. The amount of the contingency fund shall not exceed one percent of the annual budget.

Budget Officer: The County Manager serves as the budget officer. He is authorized to perform the following functions or delegate them:

- Transfer funds within a department without limitation.
- Transfer amounts of up to \$5,000 between departments of the same fund with a memorandum report of such transfers at the next regular meeting of the Board of Commissioners.
- Transfer amounts of up to \$25,000 from contingency to any department with a memorandum report of such transfers at the next regular meeting of the Board of Commissioners. Greater amounts can be made available upon agreement by Chair and Vice-Chair and notification of other Board members.
- Transfer, terminate, or create positions, and transfer associated funds, without limitation, provided that actual personnel costs do not exceed budgeted personnel costs and position counts are not increased.
- Employ temporary help from time to time to meet circumstances.
- Execute contracts provided that funds for the contract have been approved as part of the annual budget and the contract does not exceed the funds appropriated, the contract's term does not exceed three years, all applicable state laws and county policies regarding purchasing are followed, and the contract does not exceed \$100,000
- Execute change orders provided that the change order is for a project approved as part of the annual budget or by a project ordinance approved by the Board of Commissioners, the change order does not exceed the funds appropriated, and the change order does not exceed \$100,000.

Debt policies

Objective: The County will manage its debt obligations to meet demands for capital facilities while striving to maintain or improve the County's current bond rating.

Types of debt: The types of debt available to North Carolina county governments include general obligation bonds, certificates of participation (COPs), other leases, revenue bonds, and proceeds from the refunding of general obligation bonds. In general, the county will select the appropriate type of debt given financial circumstances and feasibility.

When debt is appropriate: Debt is an important tool for financing capital facilities. Over-reliance on debt, however, is negatively perceived by bond rating agencies. The county should exhaust all possible resources, such as grants and pay-as-you-go funding, before borrowing funds. Debt should only be used for the construction of capital facilities and the purchase of capital assets. In general, the assets should not be recurring capital replacements, such as vehicles. If terms are favorable, however, the county may elect to use debt in this manner. Debt should never be issued to meet recurring operating expenses.

Terms: The term of the debt service payments shall not exceed the useful life of the asset purchased through debt

Debt limitation: Debt issuance guidelines and formulas established by the Local Government and rating agencies will be closely monitored and appropriately applied. North Carolina state law permits local governments to issue debt up to eight percent of the total assessed valuation.

Relationship to operating and capital budgets: Debt for items meeting the requirements of a capital project shall be requested through the capital improvements program (CIP) process. Other debt requests shall be made through the annual budget process. The annual budget will include sufficient funding to meet the County's debt service obligations.

Fees and user charges policies

Objective: The County will set its fees and user charges to recover the costs of services at a predetermined recovery threshold and thereby reduce reliance on property taxes.

Enterprise funds: The operating budgets of enterprise funds shall not be subsidized by the general fund and shall be supported wholly by fees generated by the enterprise. To the extent possible, the capital costs of enterprise funds should not be subsidized by the general fund, unless Commissioners identify a compelling need to provide a subsidy.

Other fees and charges: The County should charge other fees when it is allowable, when a limited and specific group of beneficiaries can be identified, when it is feasible to charge beneficiaries for the services rendered, and when there is no reason to subsidize the service wholly or in part. To the extent possible, fees levels should be set to recover the full costs of the services provided, unless it is deemed necessary or desirable to subsidize the service.

Subsidy: Factors to consider in deciding whether a subsidy is appropriate include the burden on property tax payers, the degree to which the service benefits a particular segment of the population, whether beneficiaries can pay the fee, and whether the service provides a broader benefit to the community.

New and increased services: Part of the decision-making process in establishing new services or increasing service levels should include an analysis of fees and user charges and a desired cost-recovery threshold.

Review and approval of fees and charges: As part of the budget process, the County shall annually review the fees and user charges. All changes to the schedule of fees and charges must be approved by the Board of Commissioners.

Capital Improvements Program (CIP) policies

Objective: The County will plan for its capital needs at least five years into the future in order to address needs and to earmark revenues.

Process: A five-year capital improvements plan shall be prepared and updated each year. Departments and agencies shall request items meeting the definition of a capital asset through the County's annual CIP process. Only in extreme circumstances will the County consider items outside the CIP process. Generally, agencies should plan five years ahead for capital improvements and project additions to the CIP should occur in Year 5 of the CIP.

Relationship to annual budget: The operating impact of each project shall be identified and incorporated into the annual operating budget.

Capital project ordinances: A separate capital project ordinance shall be submitted to the Board of Commissioners for approval for all capital improvements which span more than one fiscal year and cost \$100,000 or more.

Fund balance

Objective: The County shall maintain an undesignated fund balance in its general fund of 20 percent of the previous annual operating budget in order to meet emergency obligations, avoid interruptions in cash flow, generate interest income, and maintain an investment grade bond rating.

Allowable uses: Fund balance may be used as appropriate under sound management practices.

Capital Reserves

Objective: The County will strive to fund capital improvements on a pay-as-you-go basis in order to enhance its financial condition and bond rating.

Annual contribution: The County shall annually contribute a minimum of one percent of its operating budget to a capital reserve.

Cash Management:

Objective: The County shall effectively manage its cash resources in order to maximize interest earnings and minimize loss of revenue.

Cash Receipts: Departments shall deposit receipts daily as required by law. Departments are responsible for ensuring the security of cash receipts. The Finance Officer is responsible for ensuring funds are deposited into interest bearing accounts.

Cash Disbursements: The County's objective is to retain moneys for investments for the longest period of time possible. Disbursements will be made on the contractually agreed date unless earlier payments provide a greater economic benefit to the County. For County checks, one signature will be required. Facsimile signatures will be safely stored and used when appropriated.

Investment Policy: County funds will be invested in a prudent and diligent manner with emphasis on safety, liquidity, and yield, in that order. The County will conform to all state and local statutes governing the investment of public funds.

Accounting and Financial Reporting

Objective: The County will establish and maintain its accounting system in accordance with the NC Local Budget and Fiscal Control Act. All records and reporting will be in accordance with Generally Accepted Accounting Principles. The County will maintain an accounting system which provides internal budgetary and accounting controls designed to provide reasonable assurance regarding both the safeguarding of assets against the loss from unauthorized use or disposition and the reliability of financial information used in the preparation of financial statements and reports.

Adopted by the Board of Commissioners: December 15, 2003

Amended by the Board of Commissioners: January 16, 2008

Amended by the Board of Commissioners: June 14, 2010

Appendix B: Glossary of Terms and Acronyms

- 1) ADM — Average daily membership of school children.
- 2) Ad Valorem Taxes — Taxes levied on real and personal property, including vehicles.
- 3) Appropriation — The amount of money legally authorized by the Board of Commissioners for projected expenses, as stated in the budget ordinance. Chatham County makes appropriations on a budget area level.
- 4) Assessed Value — The value of real and personal property, as determined by tax assessors, which is used as the basis for levying taxes.
- 5) Budget Message — The County Manager's written overview of the proposed budget addressed to the Board of Commissioners and the public. The budget message addresses major budget items, their justification, and the County's present and expected financial conditions.
- 6) Budget Ordinance — A local law enacted for the purpose of establishing an annual budget and tax rate. Chatham County's budget ordinance also addresses budget amendment, sets new fees, and sets forth travel reimbursements.
- 7) CCCC — Central Carolina Community College.
- 8) CIP – Capital Improvements Program.
- 9) Capital Improvements Program (CIP) — A five-year plan of proposed capital improvement projects (projects with a value of at least \$100,000 and a useful life of at least three years). The CIP includes estimated project costs and proposed funding mechanisms over a specified period of years. Examples include new schools and large technology projects.
- 10) Capital Outlay — An item which costs \$2,500 or more and has a useful life of more than one year. Examples of capital outlay items include computer hardware and software, vehicles, buildings, etc.
- 11) Certificates of Participation (COPs) — A method of financing capital projects that does not require a public vote. Chatham County has chosen to fund its Capital Improvements Program (CIP) using COPs. Generally, COPs carry a slightly higher interest rate than General Obligation Bonds.
- 12) Contingency – Funds set aside for unforeseen conditions that may arise during the budget year. Transfers from the contingency line item must be approved by the County Manager (up to \$25,000) or Board of Commissioners (greater than \$25,000).
- 13) Continuation — Chatham County budgets on a continuation/expansion basis. Continuation refers to the costs of running current programs at current levels and includes replacement capital outlay.
- 14) Debt Service — Principal and interest payments required to retire the County's debt, including general obligation bonds, COPs, and installment contracts.
- 15) EMS — Emergency medical services.
- 16) Enterprise Fund — A fund that accounts for operations financed primarily from user charges. The operation of enterprise funds resembles a business, and in Chatham County, includes the Southeast Water District, Water Utility Fund and Waste Management Fund. The long-term goal of enterprise funds is to make them self-supporting, so that they do not rely on property taxes or other general revenues for funding.
- 17) Expansion — Refers to the costs of providing new programs or enhance service levels.
- 18) Expenditures – Cost of a program or capital project.
- 19) FTE – Full-time equivalency. FTEs are used to show position counts in County departments.
- 20) FY — Fiscal year.
- 21) Fiscal Year – The County's budget and financial cycle, which by state law begins on July 1 and ends on June 30. In Chatham County fiscal years are designated by the year in which they end, for example, FY 2011 refers to the period of July 1, 2010 to June 30, 2011.
- 22) Full-time Equivalency (FTE) — Refers to the number of personnel employed by the County in terms of a 40-hour workweek. For example, two 50-percent positions equal one FTE position.
- 23) Functional Category — One of six categories to which departments are assigned, including Administration, Culture/Recreation/Education, General Government, Human Services, Natural Resource Management, and Public Safety. Departments are grouped by these categories to give Commissioners and the public an overall picture of where resources are targeted.
- 24) Fund — An accounting entity created to record the financial activity for a selected financial grouping. A fund is set up to carry out a special function or to attain certain objectives in accordance with set laws and regulations.
- 25) Fund Balance — The accumulation of moneys that are left unspent after all expenditures have been made and which may be appropriated to finance expenditures in future years. A fund balance gives the County a reserve from which 1) to make payments when major revenues have not yet come in (especially in the first few months of the fiscal year before property taxes are paid) and 2) to deal with unplanned emergencies and opportunities.
- 26) GIS – Geographic Information System.

- 27) General Fund — A fund which provides for the accounting of all financial resources, except those designated for another fund because of legal requirement or other reasons. Most basic government services are accounted for in this fund. Exceptions include water, sewer, waste management, special revenue funds, trust funds, and capital projects.
- 28) General Obligation Bonds — Bonds issued by the government which are backed by the full faith and credit of its taxing authority because they have been voted upon and approved by the County’s citizens.
- 29) General Revenues — Those revenues not earmarked for a particular department or activity that can be used for any purpose. The major sources of general revenues are the property and sales taxes.
- 30) Geographic Information System (GIS) – A computer-based system that stores and links geographically referenced data with base maps to allow a wide range of information processing, map production, data analysis, and modeling.
- 31) Grants — A contribution from another government or private entity to be used for a specific purpose. Generally, grants must be tracked financially and very specific reports given to the funding agency to ensure compliance with grant provisions.
- 32) Installment Purchase – A means of debt financing that is essentially the same as a bank loan. Assets are used as collateral and it does not require a vote of the people.
- 33) Intergovernmental Revenues — Revenues from other governments (federal, state, and local) that can be in the form of grants, shared revenues, or entitlements. Most intergovernmental revenues are restricted by purpose.
- 34) Manager’s Recommended Budget — The budget presented by the County Manager, who serves as the budget officer, to County Commissioners and the public for their review and revision. The recommended budget is based on Commissioner direction from the Heads Up document, revenue projections, department and agency requests, and the Manager’s own priorities. State law requires the presentation of the recommended budget on or before June 1. Chatham County presents its recommended budget by April 30.
- 35) MIS — Acronym for Management Information Systems, which is the County responsible for planning for and maintaining the County’s computer and telephone systems.
- 36) Mission – A statement of the fundamental purpose of a budget area.
- 37) NA — “Not applicable.” Used in the context of performance measurement, it denotes that the service being measured was previously not provided.
- 38) NM — “Not measured.” Used in the context of performance measurement, it denotes that the performance indicator was not measured.
- 39) Net Cost — The amount of general revenue that supports a particular function, department, or program. Net cost is calculated by subtracting offsetting revenues from expenditures. Net cost gives an indication of how much general revenue (mainly property and sales taxes) goes to support a budget area, department, or functional area.
- 40) OPC — Orange, Person, Chatham Mental Health, Developmental Disabilities, and Substance Abuse Authority.
- 41) Objective — A goal which the department is trying to reach during the fiscal year that is tied to level of service and effect on the public.
- 42) Offsetting revenues — Include fees and other revenues which are generated by or earmarked for a particular function, department, or program.
- 43) Performance Measure — Specific measurable indicators of goals identified by departments. Performance measures are the basis of performance-based budgeting and give an indication of workload, efficiency, effectiveness, and productivity.
- 44) Revenue — Income for the fiscal year. The County’s major revenue sources are local, state, federal, transfers, fees, and grants.
- 45) Special Revenue Fund – Fund to account for the proceeds of specific revenue sources that are legally restricted for specific purposes.
- 46) Tax Levy – Amount raised by general property taxes derived by multiplying the tax rate and the assessed value.
- 47) Tax Rate – The amount of tax levied for each \$100 of assessed valuation.

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Mandated / Discretionary	Program	FY 2011 Cost	% of Total Budget
Discretionary	Sustainable Communities--Central Permitting	190,507	
Discretionary	Sustainable Communities--Administration	167,286	
Discretionary	Sustainable Communities--Affordable Housing/Green Building	58,119	
Discretionary	Sustainable Communities--Resource Conservation	63,287	
Discretionary	Sustainable Communities--Transportation	78,081	
Discretionary	Cooperative Extension	342,932	
Discretionary	County Manager	611,945	
Discretionary	County Manager -- Community Relations Division	319,239	
Discretionary	Court-related Services	524,097	
Discretionary	Economic Development	937,427	
Discretionary	Education--Teachers Supplement	3,480,876	
Discretionary	EMS - Non-Emergency Transport	63,019	
Discretionary	Emergency Management -- Telecommunications	1,724,406	
Discretionary	Environmental Resources	127,670	
Discretionary	Facilities Management	3,335,764	
Discretionary	Fleet Management	42,800	
Discretionary	Forestry Service	109,392	
Discretionary	General Services	4,709,095	
Discretionary	Health -- Family Outreach Support Services	507,331	
Discretionary	Information Services	1,280,023	
Discretionary	Libraries	1,217,399	
Discretionary	Non-Profit Funding	520,287	
Discretionary	Planning	631,436	
Discretionary	Recreation	1,194,611	
Discretionary	Sedimentation and Erosion Control	146,198	
Discretionary	Social Services--Non-mandated Services	293,069	
Discretionary	Health--Community Alternatives Program	189,863	
Discretionary	Tourism	86,606	
Discretionary	Transfers -- Water Capital Reserve	0	
	Total Discretionary Service/Discretionary Funding	24,363,785	28.87%
	GRAND TOTAL GENERAL FUND	84,401,967	100.00%

Appendix D: Chatham County Board of Commissioners

FY 2009-2010 Goals

Note: These goals were adopted for FY 2009-10. At their retreat commissioners voted to update the goals with minor changes, but have not officially adopted those changes.

Open Government

Background: The current Chatham County Board of Commissioners ran on platform of making county government more transparent and accessible to the residents of the county. Many efforts, such as a new county website and other improved communications with county residents, have been completed. Additional improvements, such as making commissioner board meetings more citizen friendly, improving communications with and between advisory boards, and additional citizen outreach efforts, are needed to accomplish this goal fully.

Overall goal: Increase constructive citizen engagement and promote greater citizen understanding of county government's decision-making and operations.

Strategies:

1. Make our commissioner meetings more citizen friendly.
2. Improve linkages and communications between advisory boards and committees and commissioners, including providing staff support.
3. Strengthen the budget document as a more effective tool for decision makers and citizens alike.
4. Study the feasibility of forming Citizen Advisory Committees on specific county issues.
5. Look at conducting reformatted Commissioner meetings to be held in different parts of the County on a quarterly basis.
6. Direct the manager to develop a comprehensive legislative goals process that engages departments early on to provide feedback by midsummer to Commissioners on potential issues.
7. Look for ways to reward innovation, update processes, and provide more efficient and citizen-friendly service.
8. Consider a citizen engagement task force to study how to make county government more citizen friendly and increase citizen understanding of county government decision making.

Land Use Planning

Background: The Land Conservation and Development Plan provides guidance for public and private land use decisions that affect the County's physical development and the stewardship of the County's natural, economic and cultural resources. The plan states that growth in the county will be balanced so that the benefits and burdens of growth are shared and that growth consists of a mix

of different types of development, and is guided to suitable locations. Further, Chatham's approach to land development and conservation is to be open, pro-active and cooperative. This means that citizens are aware of land use changes; that the County prepares ahead for development issues; and that the County works closely with other jurisdictions. Much has been accomplished in the last two years in revising various ordinances which guide land use decisions: new subdivision regulations provide for conservation subdivisions and a change to our zoning ordinances allows for small neighborhood commercial centers.

Overall Goal: Land use decisions are to be made consistent with the Land Conservation and Development Plan including (1) Preserving both form and function of rural character; (2) Encouraging compact communities with a mix of activities; (3) Designating economic development centers to promote a diversified, sustainable business community; (4) Developing an integrated approach to protecting and promoting high-quality open space, recreation, historical and tourism locations; (5) Ensuring long-term quality and availability of groundwater and surface water resources; and (6) Providing infrastructure in ways that support the land use, economic development and environmental objectives regarding water supply, wastewater and transportation.

Strategies:

1. Hire Sustainable Communities Director and complete the reorganization of impacted departments—planning, permitting, environmental resources, and sedimentation and erosion control—and initiatives—transportation, affordable housing, and green building.
2. Begin process for updating our Land Development and Conservation Plan which includes integration of infrastructure – transportation/roads, schools, water lines, affordable housing.
3. Adopt Major Corridor Overlay/Ordinance.
4. Identify areas for refinement of various land use ordinances.
5. Study Conditional Zoning.
6. Hire Transportation Planner and establish Transportation Advisory Board.
7. Identify ways to better coordinate with municipalities on matters of mutual interest (for example, water, wastewater, planning, and recreation).
8. Receive recommendations from the Agricultural Advisory Board on zoning classification for farmland so that agriculture zoning is consistent with the Farmland Preservation Plan which should be completed in summer 2009.
9. Adopt joint Cary/Chatham Land Use Plan.
10. Apply the lighting ordinance countywide.
11. Promote public transportation.

Fiscal Management

Background: The County will maintain its fiscal strength through long-term financial planning, by being held accountable for its expenditures and by being careful stewards of the taxpayers' money. Approximately 70 percent of the County's budget is mandated by the federal or state government and the County will continue to meet its legal requirements. The County will continuously look for ways to be more efficient while maintaining services to its citizens. Services and activities will be periodically evaluated and the County's performance will be measured.

Overall Goals:

- ***Maintain bond rating by ensuring the County's credit-worthiness by managing the use of debt and using best practices to manage Chatham's operational resources.***
- ***Maintain an affordable and competitive tax rate.***
- ***Promote greater efficiencies through innovative solutions.***

Strategies:

1. Receive and act on Impact Fee Report (consider changing when impact fee is charged from when the building permit is issued to when certificate of occupancy is issued).
2. Present options for implementation of Pay Equity Study.
3. Implement revaluation and revisit the designation of five cents on the tax rate (post-revaluation) to the capital debt model.
4. Consolidate similar or duplicated services (revisit issue of school nurses and social workers in FY 2010 budget) and identify ways for departments to share resources, including personnel.
5. Implement program-based budgeting and a comprehensive review of all departments on a regular cycle (3 to 5 years).
6. Economic Development Corporation should explore outside funding and use surplus funds before requesting new resources from the County.
7. Funding for non-profit organizations will not be reduced; increase funding will be in proportion to the growth in the tax base. The current earmarking of one-half cent on the tax rate will be adjusted to reflect the impact of revaluation.

Conservation

Background: The Chatham County Board of Commissioners is committed to sustainable practices that reduce green house emissions, conserve energy, and protect the county's environment. Commissioners have implemented significant amendments to the watershed and sedimentation and erosion control ordinances and a new stormwater ordinance, the cumulative effect of which is to lessen the negative impact of development on the environment.

Overall Goal: Improve the quality of our water and our air by permitting and enforcing ordinances and regulations, which involves ongoing testing and monitoring of environmental conditions.

Strategies:

1. Identify ways to improve energy conservation and efficiency in county buildings and vehicles through strategies such as telecommuting, teleconferencing, and use of alternative fuels. Establish base line information; track and report savings.
2. Support public transit networks. Ensure the public transit route between Pittsboro and Chapel Hill is financially viable, effective, and efficient; explore options for other bus routes.
3. Encourage regional transportation groups to prioritize non-vehicular traffic and public transit.
4. Require developers to provide and/or fund trails and public parks to encourage walking, cycling, and other recreation.
5. Support enactment of Jordan Lake Rules.
6. Adopt/support a conservation plan (Chatham Conservation Partnership).
7. Consider all options for effective waste management.

Public Safety

Background: Ensuring public safety at a reasonable cost is a key role of county government. The ability to plan and respond during emergencies, a well-functioning court system, and a secure jail are all expectations the public has of our county. In addition, funding effective prevention programs for youth and intervention programs for those already involved in the court system help provide a safer community for all.

Overall Goals:

- ***Create a state of readiness to respond to community disasters/situations.***
- ***Provide efficient criminal justice system, supporting the court system.***
- ***Operate a secure jail***

Strategies:

1. Dedicate a Commissioner work session to the issues of Emergency Preparedness and Fire Service to better educate the community and BOC.
2. Ensure emergency evacuation route for Harris nuclear plant is adequate.
3. Ambulance Transport Service – evaluate effectiveness (response time and patient outcomes) and expense.
4. Review fire districts' budgets and tax rates.
5. Study options to volunteer organizational structure of fire districts.
6. Further develop gang prevention programs.

Personnel/Hiring/Staffing

Background: Chatham is a large rural county with 55% of its workforce commuting outside the county. We are surrounded literally on all sides by counties with large metropolitan areas, which offer higher salaries for professional positions that our county government employs. Our challenge is to provide the competitive wage structure with benefits in order to secure and retain highly

competent employees in this stressed economic environment. Ranking 59th out of 100 counties in employees per capita, our county also has a relatively small workforce. Because the workforce is lean, considerable attention should be given to retaining and attracting high-quality employees.

Overall Goals:

- ***Promote a high-quality, well-trained workforce that performs in a citizen-friendly environment.***
- ***Promote respect and appreciation for cultural and ethnic diversity.***
- ***Provide market-driven competitive pay.***
- ***Ensure diversity within county employment.***
- ***Ensure adequate staff development and training.***

Strategies:

1. Manager should develop options for implementing the pay study, which will be difficult in this fiscal environment.
2. Provide incentives to employees, who participate in staff development training beyond a certain number of specified hours.
3. Establish criteria by which the level of staff development training hours is considered when pay raises or promotions are considered.
4. Promote a mentoring and/or shadowing program when implementation is practical.
5. Require public relations/customer service training for all employees who deal with the public on a consistent basis.
6. Utilizing the Human Relations Department, require cultural sensitivity training for all new and existing employees.
7. Initiate a cultural competency survey to determine the level of ethnic diversity within county departments.
8. Continually review the structure of county government to ensure the most effective organization for efficiency and service delivery.

Economic Development

Background: Chatham County's growth is out of balance. Our residential growth has been rapid, yet our economic and job growth has been weak. Almost 60% of Chatham residents who hold jobs work outside the county. Moreover, the jobs outside the county are higher paying than those inside the county. In the last year, we have restructured the Economic Development Corporation (EDC) and completed a strategic plan for economic development. Now is the time for the Board of Commissioners and EDC to implement that plan. We need to recognize where we have competitive advantages; identify clustering opportunities; work with Central Carolina Community College (CCCC) to provide relevant job training; work with all parts of the county in a way that recognizes economic development needs are different in different parts of the county; and work with the municipal governments and improve our infrastructure resources, such as water, sewer and broadband. We also need to recognize that quality of life issues are critical for attracting, retaining and growing businesses and that our economic growth and stability will depend on small businesses. Specific goals are as follows:

Strategies:

1. Work with the EDC to implement the strategic plan for economic development.
2. Support the EDC's efforts to broaden citizen and business participation in economic development.
3. Focus on areas in which we are competitive, such as agribusiness, organic farming, ecotourism, arts, green building and energy conservation.
4. Work with the CCCC to develop innovative and relevant job training programs to enhance our efforts in retention and recruitment of businesses as well as entrepreneurship.
5. Complete business rezoning along our major corridors to ensure that we have locations for heavy and light industry as well as other business designations.
6. Work with EDC to take advantage of our proximity to Research Triangle Park and Fort Bragg, which will benefit from Base Closure and Realignment Commission (BRAC) efforts.
7. Establish a small business incubator.
8. Work with state and federal governments, as well as providers, to help bring high-speed internet access to all parts of Chatham County.
9. Consistent with the County's Land Use Plan and subsequent ordinances, attempt to increase retail and commercial establishments in Chatham County to increase our sales tax revenues and property tax base.
10. Work closely with municipalities to help resolve common problems, such as water and sewer infrastructure necessary for economic development.
11. Continue to develop a regional water intake/treatment system.

Schools

Background: The Commissioners are committed to working with the Board of Education (BOE) and school administration to improve public education in Chatham County. Our children are our future and that future will be a lot brighter with a strong school system. Moreover, economic development benefits greatly when local governments have a high-quality school system. We are fortunate in Chatham County to have a Board of Education, county school system, and Board of Commissioners who work well together with common purpose. We are all committed to developing a forward-looking school construction program, renovating and maintaining our current schools, providing a safe environment for our students, and recruiting and retaining good teachers. We also recognize the importance of the community college system in providing educational opportunities for our citizens and we will support it. Central Carolina Community College (CCCC) will be covered in both economic development and schools.

Strategies:

1. Maintain and foster a strong working relationship with the BOE and school administration.
2. Provide the necessary resources to ensure that the new Briar Chapel Middle School opens on schedule.
3. Lay the groundwork for construction of the new high school so that construction can begin when funds are available.

4. Continue to supply capital outlay funds necessary to renovate and maintain our existing schools and to provide a safe learning environment.
5. Work with the school system to ensure that our existing schools and new schools meet high standards of energy conservation.
6. Work with the Board of Education to study a teacher pay supplement that better rewards experience and effectiveness.
7. Continue our active land banking efforts to provide sites for future schools and other county needs.
8. Plan for an economic upturn, which might cause a rapid increase in the student population. (More than 12,000 houses have been approved, but not yet built. As many as 4,000 to 5,000 new students may enter the system when these houses are occupied.)
9. Support the efforts of the BOE and school system to reduce the dropout rate.
10. Begin construction of the Pittsboro CCCC building, Siler City CCCC campus, and the Chatham Community Library (a joint facility with CCCC) this summer
11. Encourage joint programs between CCCC and the public school system in the areas of job training and dropout prevention

Other Goals/Issues

1. Coordinate efforts focused on obesity, linking Health Department, Cooperative Extension, Recreation, Schools, and others concerned about this issue.
2. Coordinate promotions to buy locally produced agriculture products.
3. Increase public access to computer/internet, especially for job hunting (libraries, CCCC, and schools should work together on this issue).
4. Work closely with municipalities to help resolve common problems and attain greater efficiencies

Appendix E: Chatham County 2011-2015 Capital Improvements Program Summary

About the Capital Improvements Program (CIP)

The CIP is a long-term plan for funding the County's major capital needs. It shows how facilities, equipment, and other projects that cost \$100,000 or more could be scheduled and funded over the next five years, beginning in FY 2011.

CIP Process

The CIP is a plan which is updated annually during the budget process and may be modified at any time to reflect changing conditions. A CIP is a systematic way of anticipating, planning, and budgeting for major projects. The adoption of a CIP can improve the credit worthiness (bond rating) of a jurisdiction.

CIP requests originate at the department level. The Manager's Office reviews new and existing requests and recommends a proposed CIP to the Board of Commissioners. The Board of Commissioners reviews the recommendation in detail, makes changes, and adopts an approved CIP. During review of the annual operating budget, commissioners may make additional changes to the CIP.

The CIP section includes summaries of the major projects and detailed descriptions of each project, including justifications, cost detail, funding sources, and impact on the operating budget. If a project requires a contribution from General Fund operating revenues, this funding amount is identified in the cost detail as "operating revenue". The effect on the operating budget is also summarized under the "Operating Impact" section of each project description.

Board of Commissioner Changes

On January 22, 2010, Commissioners approved the Capital Improvements Program with the following changes:

- Added the Northeast High School and scheduled it to open in 2015. This change was subsequently approved by the Board of Education.
- Reduced the budget for the Judicial Facility from \$23.9 to \$21.1 million, a savings of \$2.8 million.

- Reduced the budget for the Jail from \$19.1 to \$15 million, a savings of \$4.1 million.
- Added the up fit of Chatham Central and Jordan-Matthews auditoriums and scheduled projects for FY 2012 and 2013. This change was subsequently approved by the Board of Education.
- Reduced the budget renovation of the Pittsboro Memorial Library and Economic Development building from \$1,037,062 to \$769,262, a savings of \$267,800.
- Reduced the budget for renovation of the Emergency Operations Center from \$817,113 to \$500,000, a savings of \$317,113.
- Rescheduled the replacement of Northwood football field lighting from FY 2012 to FY 2011. Reduced the cost from \$122,199 to \$116,380 (removed inflationary factor).
- Rescheduled the law enforcement site improvements and emergency services storage building from FY 2012 to FY 2011. Added back \$51,058 in grant revenue. Reduced cost by \$79,721 (remove inflationary factor). Total savings: \$141,060.
- Rescheduled the opening of the new northeast collection center from FY 2014 to FY 2015 because of reduced average visits and the need to use capital reserve to plan for the landfill.

Approved Changes in the FY 2011 Operating Budget:

With the adoption of the FY 2011 operating budget, Commissioners approved the following changes to projects scheduled in FY 2011:

- Appropriate \$350,000 in fund balance to fund a shortfall in the project to renovate the county office building located at 964 East Street.
- Postpone the Emergency Services building at the Sheriff's Office until FY 2013 to reduce reliance on appropriated fund balance. According to the Public Works Director who is managing the project, tying this to the law enforcement site improvements will not result in significant savings, as each project requires a different contractor.
- Remove the Facilities Condition Assessment for the schools to reduce reliance on fund balance. School officials have agreed to this change.
- Budget the entire cost of Emergency Communications Equipment Replacement in FY 2011 (previously half funded in FY 2010) and increase the amount by \$29,803.

- Reschedule school auditorium upgrades to FY 2011 (previously scheduled for 2012 and 2013) and fund with Qualified School Construction Bonds (not included in operating budget). This change has been approved by the Board of Education.

Assumptions

Generally, construction costs are inflated five percent per year. Staff also recommends a 10 percent contingency for most projects.

Staff makes every attempt to identify and quantify the impacts of capital projects on the operating budget. Operating costs are usually inflated by a factor of three percent per year. (The only exception is a two-percent inflationary factor used by consultants who prepared the landfill feasibility study. Staff did not alter this.)

Note that a tax increase of approximately 1.83 cents was required to cover the CIP operating increases in FY 2011.

Reliance on Fund Balance

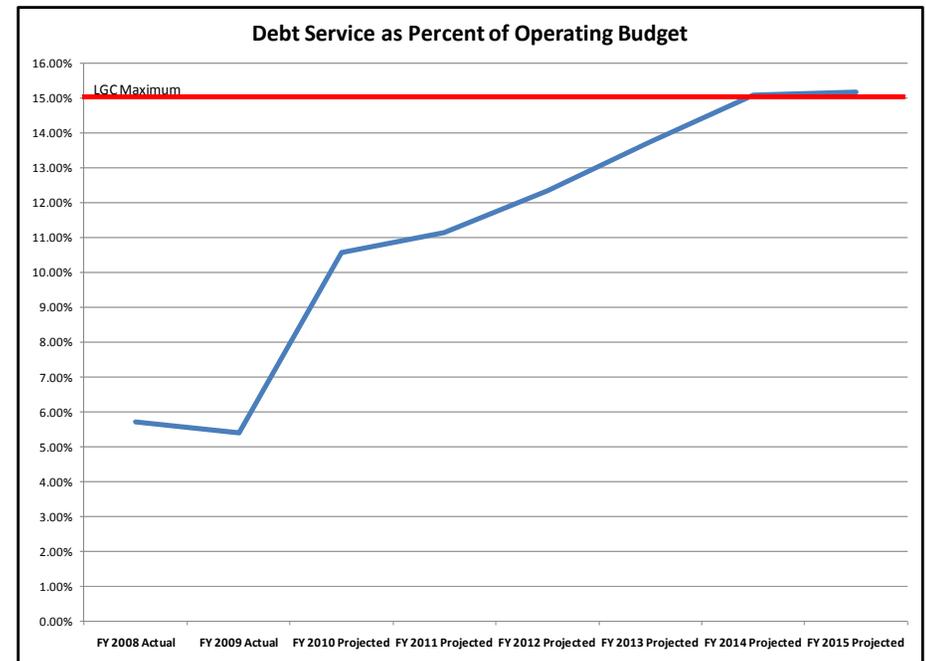
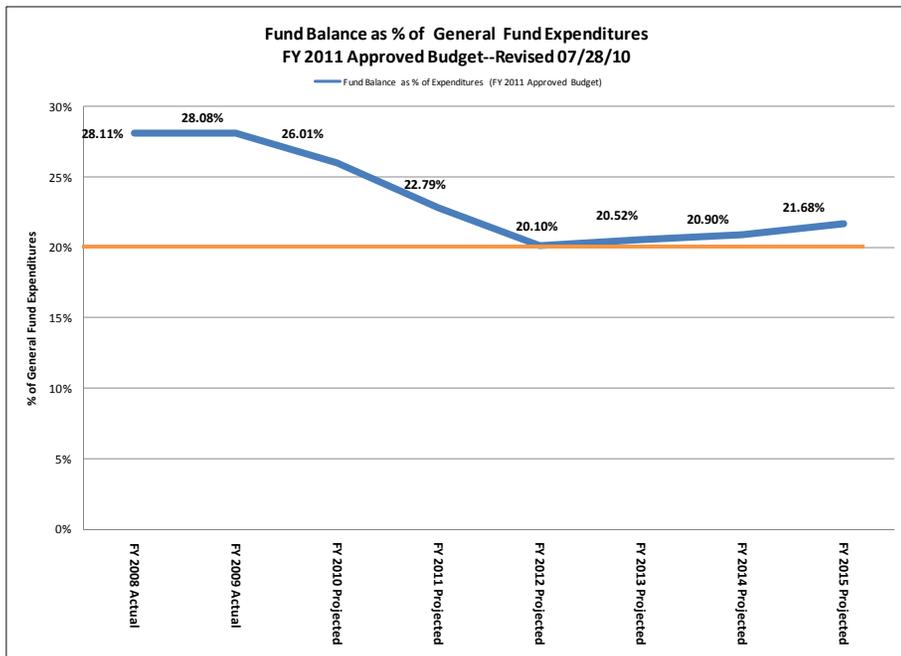
Consistent with the County's adopted Financial Policy, the County does not use fund balance to balance its operating budget. Instead, excess fund

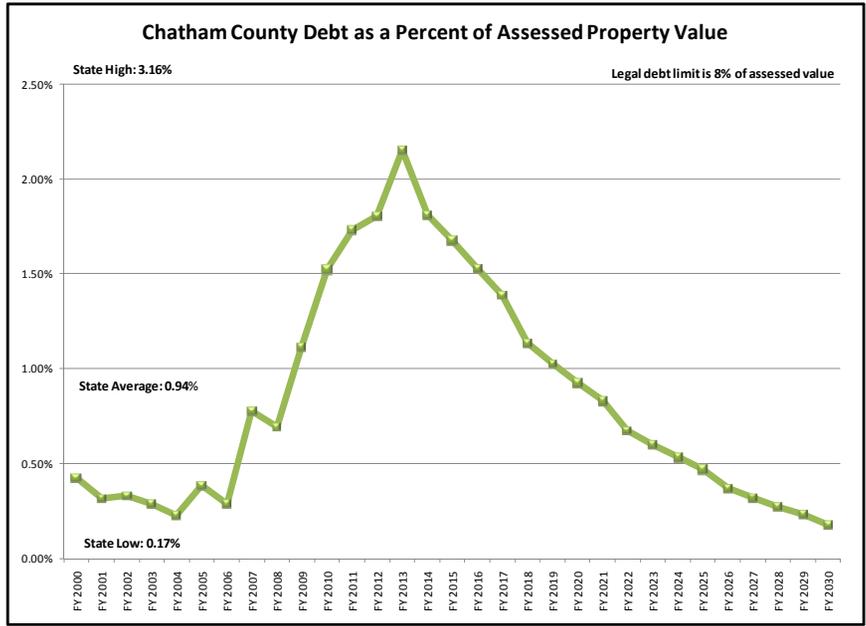
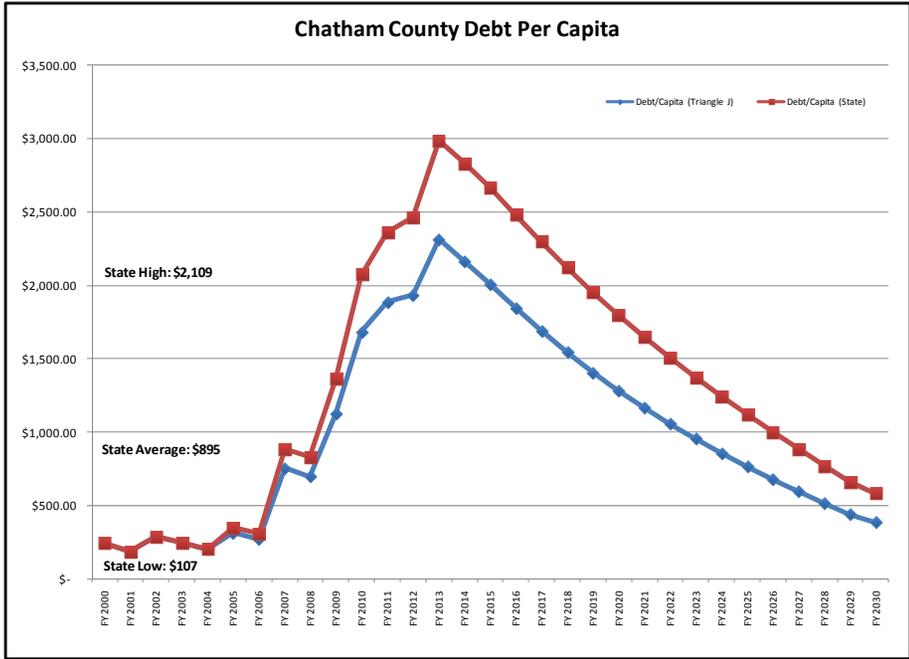
balance is reserved for one-time expenditures and is one of the main funding sources for the CIP. Staff recommends that fund balance be closely monitored and CIP project schedules adjusted if fund balance is less than staff projections.

Staff has projected the impact on fund balance. According to the model, fund balance stays above the stated goal of 20%.

Impact on Debt Levels

- Debt as a percent of assessed value: With a high of 2.15% in FY 2013, the county stays well below the highest county (3.16%) in its population group (50,000 to 99,999) and well below the 8% legal maximum.
- Debt per capita: With a high of \$2,987 in FY 2013, the county exceeds the highest county in its population group (\$2,109).
- Debt as a percent of the operating budget: With a high of 15.16% in FY 2015, debt service slightly exceeds the 15% maximum recommended by the Local Government Commission (LGC).





Total Cost of Each Project by Year

	Prior to FY 2010	Current Year: FY 2010	Year 1: FY 2011	Year 2: FY 2012	Year 3: FY 2013	Year 4: FY 2014	Year 5: FY 2015	Totals
General								
Central Carolina Business Campus	7,836,967	489,204	0	0	0	0	0	8,326,171
Community College - Pittsboro Campus - Sustainable Technologies Building	240,849	4,383,596	0	0	0	0	0	4,624,445
Community College - Siler City Campus	372,594	5,186,156	0	0	0	0	0	5,558,750
County Buildings - Chatham Community Library	825,884	7,462,242	0	0	0	0	0	8,288,126
County Buildings - Dunlap & Other Renovations	1,514,231	0	0	0	0	0	0	1,514,231
County Buildings - Emergency Services Storage Building	0	0	0	39,690	502,959	0	0	542,649
County Buildings - Judicial Facility	1,116,933	2,326,855	17,655,624	0	0	0	0	21,099,412
County Buildings - New Jail	0	0	1,866,340	6,325,846	6,807,814	0	0	15,000,000
County Buildings - Office Building Purchase & Renovation	3,484,281	515,719	350,000	0	0	0	0	4,350,000
County Buildings - Social Services Building Renovation and Expansion	5,557,719	0	0	0	0	0	0	5,557,719
County Buildings - Space Needs Study Implementation	0	0	769,262	1,030,916	1,060,094	500,000	0	3,360,272
Emergency Communications Equipment Replacement	0	0	365,000	0	0	0	0	365,000
Law Enforcement Center Site Improvements	61,339	0	565,699	0	0	0	0	627,038
Parks - American Tobacco Trail	0	60,000	0	0	0	0	0	60,000
Parks - Briar Chapel Park Improvements	0	302,802	0	0	96,000	0	89,000	487,802
Parks - Northeast District	1,435,417	116,599	1,508,093	0	0	160,000	2,285,000	5,505,109
Parks - Northwest District	1,540,989	0	100,000	0	0	0	0	1,640,989
Parks - Southwest District	611,162	0	0	0	0	0	0	611,162
Satellite Backup for 911 System	0	0	220,000	0	0	0	0	220,000
Schools - Asbestos Ceiling Tile Replacement	0	187,480	0	0	0	0	0	187,480
Schools - Asbestos Floor Tile Replacement	341,672	35,000	10,000	25,000	0	0	0	411,672
Schools - Auditorium Sound and Lighting Upgrades	0	0	743,062	0	0	0	0	743,062
Schools - Bleacher Replacements (Indoor)	0	0	124,896	185,737	0	0	0	310,633
Schools - Bleacher Replacements (Outdoor)	290,000	105,000	0	0	0	0	0	395,000
Schools - Camera Systems for Schools	307,672	166,587	0	0	0	0	0	474,259

Total Cost of Each Project by Year

	Prior to FY 2010	Current Year: FY 2010	Year 1: FY 2011	Year 2: FY 2012	Year 3: FY 2013	Year 4: FY 2014	Year 5: FY 2015	Totals
Schools - Facilities Condition Assessment	0	0	0	0	0	0	0	0
Schools - High School Science Lab Renovations	0	152,400	0	0	0	0	0	152,400
Schools - JS Waters Wastewater System Renovation	23,050	101,950	0	0	0	0	0	125,000
Schools - Margaret Pollard Middle School	2,787,659	15,520,591	5,691,750	0	0	0	0	24,000,000
Schools - New High School	0	0	0	2,200,000	19,200,000	23,100,000	0	44,500,000
Schools - North Chatham Cafeteria Expansion	347,848	9,439	0	0	0	0	0	357,287
Schools - Northwood Football Stadium Lighting	0	0	116,380	0	0	0	0	116,380
Schools - Northwood High School Renovation	2,303,270	2,196,730	0	0	0	0	0	4,500,000
Schools - Paving Installation and Replacement	0	0	30,000	30,000	30,000	30,000	30,000	150,000
Schools - Renovate Restrooms and Add Hot Water	33,714	1,610,400	0	0	0	0	0	1,644,114
Schools - Roof Replacements	0	2,219,650	0	0	0	0	0	2,219,650
Schools - Virginia Cross Elementary School	16,935,118	0	0	0	0	0	0	16,935,118
Technology - Electronic Document Management System (EDMS)/Imaging	206,044	150,000	43,956	0	0	0	0	400,000
Technology - Increase Capacity for Data Storage	0	156,640	0	0	0	0	0	156,640
Technology - Library Automation System	99,152	0	0	0	0	0	0	99,152
Technology - Library Radio Frequency Identification (RFID)	0	100,000	0	0	0	0	0	100,000
Technology - Mobile Data Terminals Equipment and Software	15,902	66,826	64,900	0	0	0	0	147,628
Technology - Sheriff & Jail Software	126,439	0	0	0	0	0	0	126,439
Telephone System Replacement - Countywide	239,682	0	13,000	0	0	0	0	252,682
Total General	48,655,586	43,621,866	30,237,962	9,837,189	27,696,867	23,790,000	2,404,000	186,243,471
<u>Waste Management</u>								
Waste Management - Landfill	29,885	55,000	2,310,000	605,000	330,000	110,000	10,560,000	13,999,885
Waste Management - New Northeast Collection Center	0	0	0	35,010	90,150	403,840	310,830	839,830
Total Waste Management	29,885	55,000	2,310,000	640,010	420,150	513,840	10,870,830	14,839,715
<u>Water</u>								
Water - Governor's Club Water Main Relocation	0	170,300	0	0	0	0	0	170,300

Total Cost of Each Project by Year

	Prior to FY 2010	Current Year: FY 2010	Year 1: FY 2011	Year 2: FY 2012	Year 3: FY 2013	Year 4: FY 2014	Year 5: FY 2015	Totals
Water - Increase Capacity	368,514	221,000	2,113,800	0	0	0	0	2,703,314
Water - North Chatham Hydraulic Improvements	2,396,535	0	0	0	0	0	0	2,396,535
Water - Western Transmission Mains	13,214,912	1,063,928	0	0	0	0	0	14,278,840
Total Water	<u>15,979,961</u>	<u>1,455,228</u>	<u>2,113,800</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>19,548,989</u>
<u>Water District</u>								
Water District - Southeast Water District Distribution Lines Construction	3,858,997	1,186,503	0	0	0	0	0	5,045,500
Total Water District	<u>3,858,997</u>	<u>1,186,503</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,045,500</u>

Funding Sources

The table below shows a summary of the funding sources for CIP projects by year. The major revenue sources are COPs, installment purchases, capital reserves, fund balance, and grants.

	Prior to FY 2010	Current Year: FY 2010	Year 1: FY 2011	Year 2: FY 2012	Year 3: FY 2013	Year 4: FY 2014	Year 5: FY 2015	Totals
General								
911 Funds (Wireless)	0	0	220,000	0	0	0	0	220,000
Capital Reserves	4,586,493	266,599	1,152,049	0	0	160,000	1,785,000	7,950,141
COPs	29,836,036	2,816,059	19,521,964	8,525,846	26,007,814	23,100,000	0	109,807,719
General Fund Fund Balance	3,304,603	981,322	2,358,079	1,311,344	1,593,052	530,000	30,000	10,108,400
Grants, Gifts, Etc.	378,292	888,980	551,058	0	0	0	500,000	2,318,330
Installment Purchase	8,686,481	34,475,150	5,691,750	0	0	0	0	48,853,381
Interest	18,217	904	0	0	0	0	0	19,121
Operating Revenue	250,000	0	0	0	0	0	0	250,000
Other -- Interest	9,595	0	0	0	0	0	0	9,595
Other -- Timber Revenue	6,000	0	0	0	0	0	0	6,000
Qualified School Construction Bonds	0	3,830,050	743,062	0	0	0	0	4,573,112
Recreation Exaction Fee	1,437,143	60,000	0	0	0	0	0	1,497,143
Recreation Exaction Fee--Briar Chapel	0	302,802	0	0	96,000	0	89,000	487,802
Transfer from General Fund	142,727	0	0	0	0	0	0	142,727
Total General	48,655,587	43,621,866	30,237,962	9,837,190	27,696,866	23,790,000	2,404,000	186,243,471
Waste Management								
Capital Reserves	0	0	0	35,010	90,150	403,840	310,830	839,830
Revenue Bonds	0	0	2,310,000	605,000	330,000	110,000	10,560,000	13,915,000
Waste Management Fund Balance	29,885	55,000	0	0	0	0	0	84,885
Total Waste Management	29,885	55,000	2,310,000	640,010	420,150	513,840	10,870,830	14,839,715
Water								
Capital Reserves	2,742,542	391,300	2,113,800	0	0	0	0	5,247,642
Installment Purchase	12,817,692	1,063,928	0	0	0	0	0	13,881,620

Funding Sources

The table below shows a summary of the funding sources for CIP projects by year. The major revenue sources are COPs, installment purchases, capital reserves, fund balance, and grants.

	Prior to FY 2010	Current Year: FY 2010	Year 1: FY 2011	Year 2: FY 2012	Year 3: FY 2013	Year 4: FY 2014	Year 5: FY 2015	Totals
Interest	22,507	0	0	0	0	0	0	22,507
Town of Siler City Contribution	397,220	0	0	0	0	0	0	397,220
Total Water	15,979,961	1,455,228	2,113,800	0	0	0	0	19,548,989
<u>Water Districts</u>								
Bond Proceeds	3,637,497	1,186,503	0	0	0	0	0	4,824,000
Operating Revenue	221,500	0	0	0	0	0	0	221,500
Total Water Districts	3,858,997	1,186,503	0	0	0	0	0	5,045,500

Operating Budget Effects

The table below shows the combined effect of the recommended projects for the next five years. Operating costs include debt service, increased operating costs, decreased operating costs, additional revenues, and operating revenue necessary to fund the project.

	Prior to FY 2010	Current Year: FY 2010	Year 1: FY 2011	Year 2: FY 2012	Year 3: FY 2013	Year 4: FY 2014	Year 5: FY 2015
General							
Additional Revenues	-178,296	-178,296	-186,186	-188,488	-187,791	-1,687,093	-1,686,396
Debt Service	3,877,069	5,498,329	6,878,803	8,019,968	9,907,544	9,709,502	10,456,460
Decreased Costs	-31,600	-449,155	-679,818	-589,062	-433,052	-330,041	-327,031
General Fund Fund Balance	3,688,701	819,302	3,036,241	1,311,344	1,593,052	530,000	30,000
Increased Operating Costs	2,081,110	910,896	3,314,804	4,598,794	4,503,660	6,847,142	7,132,865
Operating Revenue	250,000	0	0	0	0	0	0
Rent Payments	-108,690	-148,440	-142,140	-142,140	-142,140	-142,140	-142,140
Rent Savings	-48,000	-103,155	-174,000	-174,000	-174,000	-174,000	-174,000
Total General	9,530,294	6,349,481	12,047,704	12,836,416	15,067,273	14,753,370	15,289,758
Waste Management							
Additional Revenues	0	0	0	0	0	0	-4,587,333
Contribution to Capital Reserve	164,120	164,120	164,120	164,120	164,120	19,230	0
Debt Service	0	0	0	0	0	0	1,123,396
Increased Operating Costs	0	0	0	0	0	0	3,888,126
Total Waste Management	164,120	164,120	164,120	164,120	164,120	19,230	424,189
Water							
Debt Service	1,073,559	1,073,559	1,674,566	1,665,084	1,655,602	1,646,120	1,636,638
Increased Operating Costs	0	0	0	61,480	63,324	65,224	67,181
Total Water	1,073,559	1,073,559	1,674,566	1,726,564	1,718,926	1,711,344	1,703,819
Water District							
Additional Revenues	0	-508,825	-508,825	-508,825	-508,825	-508,825	-508,825
Debt Service	0	0	265,320	261,702	258,084	254,466	250,848
Increased Operating Costs	0	232,451	239,425	246,607	254,005	261,626	269,474
Total Water District	0	-276,374	-4,080	-516	3,264	7,267	11,497

County Manager's Office -- Total All Divisions

Budget Summary	A 2008 Actual	B 2009 Actual	C 2010 Amended	D 2010 Estimated	E 2011 Total Req	F 2011 Total Rec	G 2011 Appr Cont	H 2011 Appr Exp	I 2011 Total Appr	J Cont. % Inc/Dec	K Total % Inc/Dec
Expenditures											
Salaries	485,272	546,067	594,339	599,566	730,208	600,187	599,458	17,981	617,439	1%	4%
Other Personnel Costs	140,643	162,771	178,034	185,727	240,578	198,124	197,985	3,402	201,387	11%	13%
Operating	102,406	88,664	109,447	64,532	133,008	109,908	114,008	(1,650)	112,358	4%	3%
Total Expenditures	728,321	797,502	881,820	849,825	1,103,794	908,219	911,451	19,733	931,184	3%	6%
Net Cost	728,321	797,502	881,820	849,825	1,103,794	908,219	911,451	19,733	931,184	3%	6%
Number of County Employees	8.00	9.00	9.00	9.00	13.00	9.00	9.00	0.50	9.50	0%	6%

Emergency Operations -- Total All Divisions

Budget Summary	A 2008 Actual	B 2009 Actual	C 2010 Amended	D 2010 Estimated	E 2011 Total Req	F 2011 Total Rec	G 2011 Appr Cont	H 2011 Appr Exp	I 2011 Total Appr	J Cont. % Inc/Dec	K Total % Inc/Dec
Revenues											
Intergovernmental	29,305	33,802	33,000	37,497	37,000	40,000	40,000	0	40,000	21%	21%
Grants/Donations	36,800	37,900	41,100	41,100	41,100	41,100	41,100	0	41,100	0%	0%
Sales & Service	75	50	50	5	50	50	50	0	50	0%	0%
Transfers	0	1,152,638	0	0	220,000	220,000	0	220,000	220,000	0%	100%
Total Revenues	66,180	1,224,390	74,150	78,602	298,150	301,150	81,150	220,000	301,150	9%	306%
Expenditures											
Salaries	638,366	626,186	656,528	644,112	749,376	713,596	657,528	56,068	713,596	0%	9%
Other Personnel Costs	418,764	450,599	481,859	489,487	492,251	477,659	505,663	(28,004)	477,659	5%	(1%)
Operating	2,113,604	2,308,892	2,713,860	2,410,495	2,475,291	2,442,680	2,442,680	0	2,442,680	(10%)	(10%)
Public Assistance/Grants	26,914	14,534	79,356	51,181	41,100	41,100	41,100	0	41,100	(48%)	(48%)
Capital Outlay	27,915	67,206	382,143	0	585,000	585,000	0	585,000	585,000	(100%)	53%
Total Expenditures	3,225,563	3,467,417	4,313,746	3,595,275	4,343,018	4,260,035	3,646,971	613,064	4,260,035	(15%)	(1%)
Net Cost	3,159,383	2,243,027	4,239,596	3,516,673	4,044,868	3,958,885	3,565,821	393,064	3,958,885	(16%)	(7%)
Number of County Employees	19.00	19.00	19.00	19.00	22.00	21.00	19.00	2.00	21.00	0%	11%

Health -- Total All Divisions

Budget Summary

	A 2008 Actual	B 2009 Actual	C 2010 Amended	D 2010 Estimated	E 2011 Total Req	F 2011 Total Rec	G 2011 Appr Cont	H 2011 Appr Exp	I 2011 Total Appr	J Cont. % Inc/Dec	K Total % Inc/Dec
Revenues											
Intergovernmental	791,318	852,778	950,979	969,218	726,576	714,861	714,861	0	714,861	(25%)	(25%)
Grants/Donations	48,525	6,860	0	2,275	0	0	0	0	0	0%	0%
Sales & Service	1,328,198	1,177,452	1,127,000	1,075,512	1,105,961	1,047,531	1,023,031	1,314	1,024,345	(9%)	(9%)
Total Revenues	2,168,041	2,037,090	2,077,979	2,047,005	1,832,537	1,762,392	1,737,892	1,314	1,739,206	(16%)	(16%)
Expenditures											
Salaries	2,972,977	3,130,503	3,377,047	3,168,310	3,368,593	3,331,037	3,300,185	70,349	3,370,534	(2%)	0%
Other Personnel Costs	1,164,742	1,268,896	1,256,073	1,269,154	1,322,261	1,307,878	1,301,289	18,434	1,319,723	4%	5%
Operating	816,497	818,214	941,943	815,575	912,918	896,876	907,096	18,344	925,440	(4%)	(2%)
Public Assistance/Grants	182,518	221,937	401,149	357,875	217,853	206,638	206,638	0	206,638	(48%)	(48%)
Capital Outlay	37,733	59,399	39,206	38,769	31,112	15,556	15,556	16,000	31,556	(60%)	(20%)
Total Expenditures	5,174,467	5,498,949	6,015,418	5,649,683	5,852,737	5,757,985	5,730,764	123,127	5,853,891	(5%)	(3%)
Net Cost	3,006,426	3,461,859	3,937,439	3,602,678	4,020,200	3,995,593	3,992,872	121,813	4,114,685	1%	5%
Number of County Employees	80.55	84.10	82.05	82.05	80.80	79.30	78.60	1.70	80.30	(4%)	(2%)

Sheriff -- Total All Divisions

Budget Summary	A 2008 Actual	B 2009 Actual	C 2010 Amended	D 2010 Estimated	E 2011 Total Req	F 2011 Total Rec	G 2011 Appr Cont	H 2011 Appr Exp	I 2011 Total Appr	J Cont. % Inc/Dec	K Total % Inc/Dec
Revenues											
Fees & Permits	13,085	26,055	14,400	16,170	17,000	15,000	15,000	0	15,000	4%	4%
Intergovernmental	385,744	346,724	82,849	355,416	87,694	85,694	85,694	0	85,694	3%	3%
Grants/Donations	83,907	86,814	79,598	86,583	79,598	78,671	78,671	0	78,671	(1%)	(1%)
Sales & Service	50,961	64,941	49,700	66,124	48,100	60,100	60,100	0	60,100	21%	21%
Total Revenues	533,697	524,534	226,547	524,293	232,392	239,465	239,465	0	239,465	6%	6%
Expenditures											
Salaries	3,107,992	3,272,342	3,353,860	3,361,330	3,711,668	3,458,024	3,399,022	59,002	3,458,024	1%	3%
Other Personnel Costs	1,387,120	1,594,765	1,628,715	1,636,972	1,972,483	1,784,746	1,746,151	38,595	1,784,746	7%	10%
Operating	918,229	1,066,506	1,168,339	1,121,229	1,201,550	1,227,444	1,209,117	18,327	1,227,444	3%	5%
Public Assistance/Grants	46,987	28,221	24,158	35,950	14,980	15,860	15,860	0	15,860	(34%)	(34%)
Capital Outlay	346,155	553,794	346,510	357,241	726,444	487,322	364,000	123,322	487,322	5%	41%
Total Expenditures	5,806,483	6,515,628	6,521,582	6,512,722	7,627,125	6,973,396	6,734,150	239,246	6,973,396	3%	7%
Net Cost	5,272,786	5,991,094	6,295,035	5,988,429	7,394,733	6,733,931	6,494,685	239,246	6,733,931	3%	7%
Number of County Employees	91.00	96.40	97.25	97.25	107.00	100.00	98.00	2.00	100.00	1%	3%

Sustainable Communities -- Total All Divisions

Budget Summary	A 2008 Actual	B 2009 Actual	C 2010 Amended	D 2010 Estimated	E 2011 Total Req	F 2011 Total Rec	G 2011 Appr Cont	H 2011 Appr Exp	I 2011 Total Appr	J Cont. % Inc/Dec	K Total % Inc/Dec
Revenues											
Fees & Permits	967,775	893,223	502,000	475,500	400,600	450,600	450,600	0	450,600	(10%)	(10%)
Intergovernmental	0	0	41,000	48,546	50,198	50,198	50,198	0	50,198	22%	22%
Grants/Donations	0	0	0	0	4,000	4,000	4,000	0	4,000	100%	100%
Sales & Service	298,727	171,666	129,000	134,230	140,000	128,000	128,000	0	128,000	(1%)	(1%)
Total Revenues	1,266,502	1,064,889	672,000	658,276	594,798	632,798	632,798	0	632,798	(6%)	(6%)
Expenditures											
Salaries	1,176,414	1,256,217	1,344,154	1,243,271	1,343,679	1,335,397	1,347,807	(28,025)	1,319,782	0%	(2%)
Other Personnel Costs	420,638	465,762	462,518	456,491	504,295	502,684	507,935	(12,142)	495,793	10%	7%
Operating	178,169	339,114	230,635	158,065	223,459	210,093	204,954	5,139	210,093	(11%)	(9%)
Public Assistance/Grants	0	24,891	80,000	0	170,000	170,000	170,000	0	170,000	113%	113%
Capital Outlay	172,449	0	0	0	36,309	36,309	24,859	11,450	36,309	100%	100%
Total Expenditures	1,947,670	2,085,984	2,117,307	1,857,827	2,277,742	2,254,483	2,255,555	(23,578)	2,231,977	7%	5%
Net Cost	681,168	1,021,095	1,445,307	1,199,551	1,682,944	1,621,685	1,622,757	(23,578)	1,599,179	12%	11%
Number of County Employees	29.00	30.00	27.00	27.00	27.00	27.00	27.00	0.00	27.00	0%	0%

Tax -- Total All Divisions

Budget Summary	A 2008 Actual	B 2009 Actual	C 2010 Amended	D 2010 Estimated	E 2011 Total Req	F 2011 Total Rec	G 2011 Appr Cont	H 2011 Appr Exp	I 2011 Total Appr	J Cont. % Inc/Dec	K Total % Inc/Dec
Revenues											
Miscellaneous	2,505	(4,412)	(125,000)	(90,000)	(125,000)	(125,000)	(125,000)	0	(125,000)	0%	0%
Sales & Service	52,051	135,774	170,000	141,822	120,000	130,000	130,000	0	130,000	(24%)	(24%)
Total Revenues	54,556	131,362	45,000	51,822	(5,000)	5,000	5,000	0	5,000	(89%)	(89%)
Expenditures											
Salaries	531,119	611,819	637,579	624,201	679,838	620,687	619,781	906	620,687	(3%)	(3%)
Other Personnel Costs	245,096	289,516	260,824	266,008	295,801	268,284	268,095	189	268,284	3%	3%
Operating	470,500	1,084,758	402,068	301,505	391,672	389,102	342,067	47,035	389,102	(15%)	(3%)
Capital Outlay	0	19,962	0	0	0	0	0	0	0	0%	0%
Total Expenditures	1,246,715	2,006,055	1,300,471	1,191,714	1,367,311	1,278,073	1,229,943	48,130	1,278,073	(5%)	(2%)
Net Cost	1,192,159	1,874,693	1,255,471	1,139,892	1,372,311	1,273,073	1,224,943	48,130	1,273,073	(2%)	1%
Number of County Employees	16.00	17.00	17.00	17.00	19.00	17.00	17.00	0.00	17.00	0%	0%

FY 2010-2011 Budget Ordinance

Be it ordained by the Board of Commissioners of the County of Chatham, North Carolina, that:

Section 1: Revenues.

The following budget with anticipated revenues is hereby adopted in accordance with G.S. 159 by the County of Chatham for the fiscal year beginning July 1, 2010 and ending June 30, 2011 as follows:

Bells Annex Fire District	
Fund Balance	\$1,000
Property Tax	\$58,676
Total Bells Annex Fire District	\$59,676
Bennett Fire District	
Fund Balance	\$2,000
Property Tax	\$84,640
Total Bennett Fire District	\$86,640
Bonlee Fire District	
Fund Balance	\$5,000
Property Tax	\$189,581
Total Bonlee Fire District	\$194,581
Bynum Canoe Access	
Fund Balance	\$8,500
Interest	\$20
Total Bynum Canoe Access	\$8,520
Central Chatham Fire District	
Fund Balance	\$5,000
Property Tax	\$266,864
Total Central Chatham Fire District	\$271,864
Circle City Fire District	
Fund Balance	\$1,500
Property Tax	\$875,511
Total Circle City Fire District	\$877,011
Emergency Vehicle Replacement	
Fund Balance	\$195,000
Interest	\$550
Total Emergency Vehicle Replacement	\$195,550
Enhanced 911 Fund	
Fund Balance	\$500,000
Interest	\$4,800
Other Taxes/Licenses	\$455,000
Total Enhanced 911 Fund	\$959,800
Equipment Capital Reserve	

Fund Balance	\$817,515
Interest	\$8,000
Total Equipment Capital Reserve	\$825,515
Facility Reserve	
Transfers	\$4,490,000
Fund Balance	\$1,022,266
Intergovernmental	\$965,605
Total Facility Reserve	\$6,477,871
Forfeited Property	
Fund Balance	\$42,000
Interest	\$245
Total Forfeited Property	\$42,245
General Fund	
Fees & Permits	\$815,600
Transfers	\$6,543,699
Fund Balance	\$3,956,467
Intergovernmental	\$9,352,123
Interest	\$325,000
Grants/Donations	\$294,196
Miscellaneous	(\$46,200)
Other Taxes/Licenses	\$607,000
Property Tax	\$53,152,163
Sales & Service	\$2,158,519
Sales Tax	\$7,243,400
Total General Fund	\$84,401,967
Goldston Fire District	
Fund Balance	\$5,000
Property Tax	\$209,352
Total Goldston Fire District	\$214,352
Health Internal Service	
Interest	\$15,000
Sales & Service	\$4,370,335
Total Health Internal Service	\$4,385,335
Hope Fire District	

Fund Balance	\$5,000
Property Tax	\$293,114
Total Hope Fire District	\$298,114
Impact Fees	
Fund Balance	\$5,929,107
Interest	\$40,000
Grants/Donations	\$880,000
Total Impact Fees	\$6,849,107
Law Enforcement Pension Trust Fund	
Interest	\$1,000
Sales & Service	\$50,000
Total Law Enforcement Pension Trust Fund	\$51,000
Moncure Fire District	
Fund Balance	\$2,000
Property Tax	\$553,031
Total Moncure Fire District	\$555,031
North Chatham Fire District	
Fund Balance	\$10,000
Property Tax	\$2,579,391
Total North Chatham Fire District	\$2,589,391
Northview Fire District	
Fund Balance	\$1,000
Property Tax	\$25,481
Total Northview Fire District	\$26,481
Parkwood Fire District	
Fund Balance	\$5,000
Property Tax	\$260,121
Total Parkwood Fire District	\$265,121
Personnel Savings Account	
Fund Balance	\$500,000
Interest	\$2,500
Total Personnel Savings Account	\$502,500
Recreation Fees	
Fund Balance	\$450,000

Interest	\$2,500
Grants/Donations	\$65,000
Total Recreation Fees	\$517,500
Southeast Water District	
Sales & Service	\$508,860
Total Southeast Water District	\$508,860
Staley Fire District	
Fund Balance	\$500
Property Tax	\$49,141
Total Staley Fire District	\$49,641
Utility Capital Reserve	
Fund Balance	\$3,753,559
Interest	\$20,000
Sales & Service	\$300,000

Total Utility Capital Reserve	\$4,073,559
Utility Vehicle Replacement Reserve	
Fund Balance	\$300,000
Interest	\$1,500
Total Utility Vehicle Replacement Reserve	\$301,500
Waste Management Capital Reserve	
Transfers	\$164,120
Fund Balance	\$134,380
Interest	\$1,500
Total Waste Management Capital Reserve	\$300,000
Waste Management Fund	
Fund Balance	\$232,058

Intergovernmental	\$10,000
Interest	\$15,000
Miscellaneous	\$20,000
Other Taxes/Licenses	\$118,000
Sales & Service	\$2,685,500
Total Waste Management Fund	\$3,080,558
Water Fund	
Transfers	\$1,073,559
Fund Balance	\$192,605
Interest	\$15,000
Sales & Service	\$4,407,371
Total Water Fund	\$5,688,535

Section 2: Expenditures.

The following budget with anticipated expenditures is hereby adopted in accordance with G.S. 159 by the County of Chatham for the fiscal year beginning July 1, 2010 and ending June 30, 2011 as follows:

General Fund	
Central Carolina Community College	\$1,113,215
Chatham County Schools	\$31,798,191
Cooperative Extension Service	\$342,932
Council on Aging	\$876,677
County Attorney	\$360,096
County Manager's Office	\$931,184
Court Facilities	\$91,330
Court-related Programs	\$524,097
Economic Development Corporation	\$1,304,110
Elections Office	\$344,983
Emergency Operations	\$4,260,035
Finance Office	\$655,357
General Services	\$4,776,907
Governing Board	\$332,375
Health	\$5,853,891
Human Service Agencies	\$520,287
Library	\$1,514,136
Management Information Systems (MIS)	\$1,280,023
Orange-Person-Chatham Mental Health	\$559,685
Parks & Recreation	\$1,207,941
Pittsboro-Siler City Convention & Visitors Bureau	\$86,606
Public Works -- Facilities Management	\$3,719,304

Public Works -- Fleet Management	\$42,800
Register of Deeds	\$415,164
Sheriff	\$6,973,396
Social Services	\$10,808,042
Soil & Water Conservation District	\$199,153
Sustainable Communities	\$2,231,977
Tax	\$1,278,073
Total General Fund	\$84,401,967
Southeast Water District	
Southeast Water District	\$508,860
Total Southeast Water District	\$508,860
Waste Management Fund	
Waste Management	\$3,080,558
Total Waste Management Fund	\$3,080,558
Water Fund	
Water -- Distribution	\$4,503,333
Water -- Waste Water Treatment	\$33,773
Water -- Water Treatment	\$1,151,429
Total Water Fund	\$5,688,535
Other Funds	
Bells Annex Fire District	\$59,676
Bennett Fire District	\$86,640
Bonlee Fire District	\$194,581
Bynum Canoe Access	\$8,520

Central Chatham Fire District	\$271,864
Circle City Fire District	\$877,011
Emergency Vehicle Replacement	\$195,550
Enhanced 911 Fund	\$959,800
Equipment Capital Reserve	\$825,515
Facility Reserve	\$6,477,871
Forfeited Property	\$42,245
Goldston Fire District	\$214,352
Health Internal Service	\$4,385,335
Hope Fire District	\$298,114
Impact Fees	\$6,849,107
Law Enforcement Pension Trust Fund	\$51,000
Moncure Fire District	\$555,031
North Chatham Fire District	\$2,589,391
Northview Fire District	\$26,481
Parkwood Fire District	\$265,121
Personnel Savings Account	\$502,500
Recreation Fees	\$517,500
Staley Fire District	\$49,641
Utility Capital Reserve	\$4,073,559
Utility Vehicle Replacement Reserve	\$301,500
Waste Management Capital Reserve	\$300,000

Section 3: Tax Levy Rate.

For Chatham County, there is hereby levied a tax at the rate of 62.19 cents (\$0.6219) per one-hundred dollars (\$100.00) valuation of property listed for taxes as of January 1, 2010. This rate is based on an estimated total valuation of property, for the purpose of taxation, of \$8,616,115,688 which is 100% of the total assessed property tax valuation, and upon a collection rate of 97.5% for real and personal property and 89.7% for motor vehicles.

The following rates (shown in cents per \$100 valuation of property) are hereby levied for volunteer fire districts:

Bells Annex	0.06600
Bennett	0.07000
Bonlee	0.06500
Central Chatham	0.08000
Circle City	0.10000
Goldston	0.08000
Hope	0.06000
Moncure	0.08420
North Chatham	0.06600
Northview	0.08350
Parkwood	0.09600
Staley	0.10000

Section 4:Fees.

All fees that Chatham County has authority to charge on June 30, 2010 are hereby declared to be in effect during FY 2010-2011 without amendment or change as of July 1, 2010, with the exception that the following fees are hereby enacted or changed:

Department	Fee Name	Proposed Fee Amt
Sheriff's Office	Storage Lot Fee	\$10 per day
Health—Preventive Division	Diabetes Self-Management Education/Self Pay	\$300
Health—Preventive Division	Diabetes Self-Management Education/Third Party Insurance	\$300
Health—Environmental Health Division	Food Establishment Plan Review-with seating-new	\$250
Health—Environmental Health Division	Food Establishment Plan Review-no seating-new	\$150
Health—Environmental Health Division	Food Establishment Plan Review-remodel	\$125
Health—Environmental Health Division	Volatile Organic Compounds (VOC) Sample	\$160

Parks & Recreation	Youth Program Registration Fee	\$25
Parks & Recreation	Summer Camp Program Activity Fee	\$10
Parks & Recreation	Adult Team Registration Fee	\$350
Wastewater Treatment (Sewer)	0 to 5,000 gallons	\$8.00/1,000 gallons
	5,001 to 8,000 gallons	\$10.00/1,000 gallons
	8,000+ gallons	\$12.00/1,000 gallons

Section 5: Annual Financial Reports and Special Conditions.

All agencies receiving \$10,000 or more in funding from Chatham County, unless otherwise exempted by contract, are required to submit an audit report by April 30, 2011. Approved payments may be delayed pending receipt of this financial information.

Allocations made to Chatham County Schools are restricted by purpose, as follows:

Current Expense	21,353,821
Supplement for Teachers, Administrators, and Classified Personnel	3,480,876
Capital Outlay	800,000
Capital Improvements Program (CIP) projects:	
Asbestos Floor Tile Replacement	10,000
Bleacher Replacements--Indoors	124,896
Northwood Football Stadium Lights	116,380
Paving Installation & Repair	30,000

Funds for capital outlay are hereby appropriated in lump sum for the projects submitted in the school system's FY 2010-2011 funding request. At least quarterly, the school system will provide an update on the status of these projects and associated expenditures. The school system may use capital outlay funds for new projects identified as a priority during the year. Such uses will be detailed in the quarterly status report, including the impact on original projects.

Section 6: Procedures for Amendment.

In accordance with N.C. General Statutes 159.9, the County Manager serves as the Budget Officer. The Budget Officer is hereby authorized to:

- Transfer funds within a department without limitation.
- Transfer amounts of up to \$5,000 between departments of the same fund with a memorandum report of such transfers at the next regular meeting of the Board of Commissioners.
- Transfer amounts of up to \$25,000 from contingency to any department with a memorandum report of such transfers at the next regular meeting of the Board of Commissioners. Greater amounts can be made available upon agreement by Chair and Vice-Chair and notification of other Board members.

- Transfer, terminate, or create positions, and transfer associated funds, without limitation, provided that actual personnel costs do not exceed budgeted personnel costs.
- Employ temporary help from time to time to meet circumstances.
- Execute contracts provided that funds for the contract have been approved as part of the annual budget and the contract does not exceed the funds appropriated, the contract's term does not exceed three years, all applicable state laws and county policies regarding purchasing are followed, and the contract does not exceed \$100,000.
- Execute change orders provided that the change order is for a project approved as part of the annual budget, the change order does not exceed the funds appropriated, and the change order does not exceed \$100,000.

Section 7: Travel Reimbursement Rates.

The reimbursement rates for travel made by County employees and officials are hereby set as follows:

A.	Mileage:	\$.50/mile
B.	Meals:		
	Breakfast	\$	6.00
	Lunch		8.00
	Dinner		16.00

Section 8: Copies of Budget to Be Furnished.

Copies of this Budget Ordinance shall be furnished to the Budget Officer, the Finance Officer, and the County Assessor for direction in carrying out their duties.

Adopted the **21st day** of June, 2010.

 Sally Kost, Chair
 Chatham County Board of Commissioners

ATTEST:

 Sandra B. Sublett, CMC, Clerk to the Board
 Chatham County