



MISSION STATEMENT

The mission of the City of Concord is to partner with our community to deliver services, preserve, protect and enhance the quality of life and plan for the future

CORE VALUES

ACCOUNTABILITY - We accept responsibility for our personal and organizational decisions and actions while delivering cost effective and efficient services with the objective of doing our work right the first time.

CONTINUOUS IMPROVEMENT - We provide the highest quality service with the resources available by promoting innovation and flexibility to meet the changing needs in the community.

ENVIRONMENT - We are concerned about our natural, historic, economic and aesthetic resources and endeavor to enhance their sustainability for future generations.

ETHICS - We set high standards for our personal, professional and organizational conduct and act with integrity as we strive to attain our mission.

RESPECT - We are honest and treat our coworkers and the public with courtesy and dignity.

SAFETY - We use education, prevention and enforcement methods to protect life and property in our business and residential neighborhoods, and maintain our infrastructure and facilities to provide a safe environment in which to live, work, shop and play.

TEAMWORK - We work together to plan, develop recommendations, deliver services and openly communicate with the public and each other by soliciting feedback and sharing information to achieve our goals.

TRUST - We realize the perception of our organization is dependent upon the public's confidence in our commitment to our core values and to meeting the goals set collectively by the Mayor and City Council.

TABLE OF CONTENTS

	Page
Mission Statement & Core Values	
Table of Contents	2
Mayor & City Council / City Administration / City Organization Chart	5
BUDGET SUMMARY	
City Council Goals	8
Manager's Budget Message	11
Budget Process & Budget Calendar / Gantt Chart	30
Fund & Budget Unit Organizational Structure	32
Budget Summary by Fund	33
Summary of City-wide Revenues & Expenditures	35
Summary of City-wide Expenditures by Category & Compensation Expenditures	37
Major Revenue Sources	38
Fund Balances & Net Assets	41
Personnel Summary	42
External Agency Funding Summary	44
GENERAL FUND	
Overview of General Fund	45
GENERAL GOVERNMENT – Overview & Summary of Expenditures	48
Governing Body	51
Public Service Administration	53
City Manager's Office	55
Risk Management	58
Human Resources	60
Wellness Center	62
Finance	64
Tax Collection	66
Legal	68
Non-Departmental	70
PUBLIC SAFETY – Overview & Summary of Expenditures	71
Police	73
Code Enforcement	75
Emergency Communications	77
Radio Shop	79
Fire Operations	81
Fire Prevention	84
Fire Training & Safety	86
Emergency Management	89
PUBLIC WORKS – Overview & Summary of Expenditures	91
Streets & Traffic	93
Powell Bill	95
Traffic Signals	97

Traffic Services.....	99
Solid Waste & Recycling.....	102
Cemeteries.....	105
Fleet.....	107
ECONOMIC DEVELOPMENT – Overview & Summary of Expenditures.....	109
Planning & Neighborhood Development.....	111
Transportation Planning.....	113
Economic Development.....	115
CULTURAL & RECREATION – Overview & Summary of Expenditures.....	117
Parks & Recreation.....	119
Parks & Recreation - Aquatics.....	122

SPECIAL REVENUE FUNDS

Overview of Special Revenue Funds.....	124
MUNICIPAL SERVICE DISTRICT FUND – Summary of Revenues & Expenditures.....	125
Municipal Service District.....	126
HOME CONSORTIUM FUND – Summary of Revenues & Expenditures.....	127
Administration & Projects.....	129
COMMUNITY DEVELOPMENT BLOCK GRANT FUND (CDBG) –	
Summary of Revenues & Expenditures.....	131
Administration & Projects.....	133
HOUSING ASSISTANCE FUND – Summary of Revenues & Expenditures.....	135
Section 8 Voucher Program.....	136
ADDITIONAL \$5 VEHICLE TAX (TRANSIT) – Summary of Revenues & Expenditures.....	138
Additional \$5 Vehicle Tax (Transit).....	139

ENTERPRISE FUNDS

Overview of Enterprise Funds.....	140
STORMWATER FUND – Summary of Revenues & Expenses.....	142
Stormwater Operations.....	144
ELECTRIC FUND – Summary of Revenues & Expenses.....	146
Administration.....	148
Purchased Power.....	150
Maintenance Powerlines.....	152
Tree Trimming.....	154
Electric Construction.....	156
Peak Shaving.....	158
Electric Engineering.....	160
Utility Locate Services.....	162
WATER RESOURCES FUND – Summary of Revenues & Expenses.....	164
Hillgrove Water Treatment Plant.....	166
Coddle Creek Water Treatment Plant.....	168
Waterlines Operations & Maintenance.....	170

TRANSIT FUND – Summary of Revenues & Expenses	172
Transit Operations – Concord/Kannapolis <i>Rider</i>	174
WASTEWATER RESOURCES FUND – Summary of Revenues & Expenses	176
Wastewaterlines Operations & Maintenance.....	178
GOLF COURSE FUND – Summary of Revenues & Expenses	181
Golf Course Operations.....	183
AVIATION FUND – Summary of Revenues & Expenses	185
Aviation Operations.....	187
PUBLIC HOUSING FUND – Summary of Revenues & Expenses	189
Housing Operations.....	191

INTERNAL SERVICES FUND

Overview of Internal Services Fund.....	193
Summary of Allocated Costs.....	194
Utilities Collections.....	195
Data Services.....	197
Billing.....	199
Customer Service.....	201
Engineering.....	203
Purchasing.....	205
Call Center.....	207
Buildings & Grounds.....	209

CAPITAL IMPROVEMENT FUND

Capital Improvement Plan (CIP).....	211
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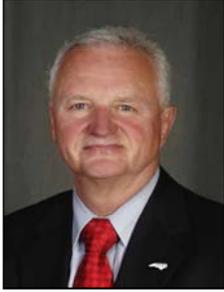
SUPPLEMENTAL INFORMATION

Fiscal Policy.....	217
Authorized FTE Summary.....	219
Glossary.....	226

FEES AND CHARGES SCHEDULE

Fees & Charges Schedule.....	230
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Mayor and City Council



J. Scott Padgett
Mayor
693 Union Street, S.
Concord, NC 28025
(704) 786-6011 (Home)
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Term Expires: 12/13
Occupation: Retired Principal



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Government & Community Relations



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Ella Mae Small
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Hector H. Henry II
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Occupation: Warehouse
Operations Supervisor, S&D



City Administration

W. Brian Hiatt	(704.920.5215)	City Manager
James S. Greene, Jr.	(704.920.5331)	Deputy City Manager
Merl Hamilton	(704.920.5215)	Assistant City Manager
Kim Deason	(704.920.5205)	City Clerk
Albert M. Benshoff	(704.920.5114)	City Attorney

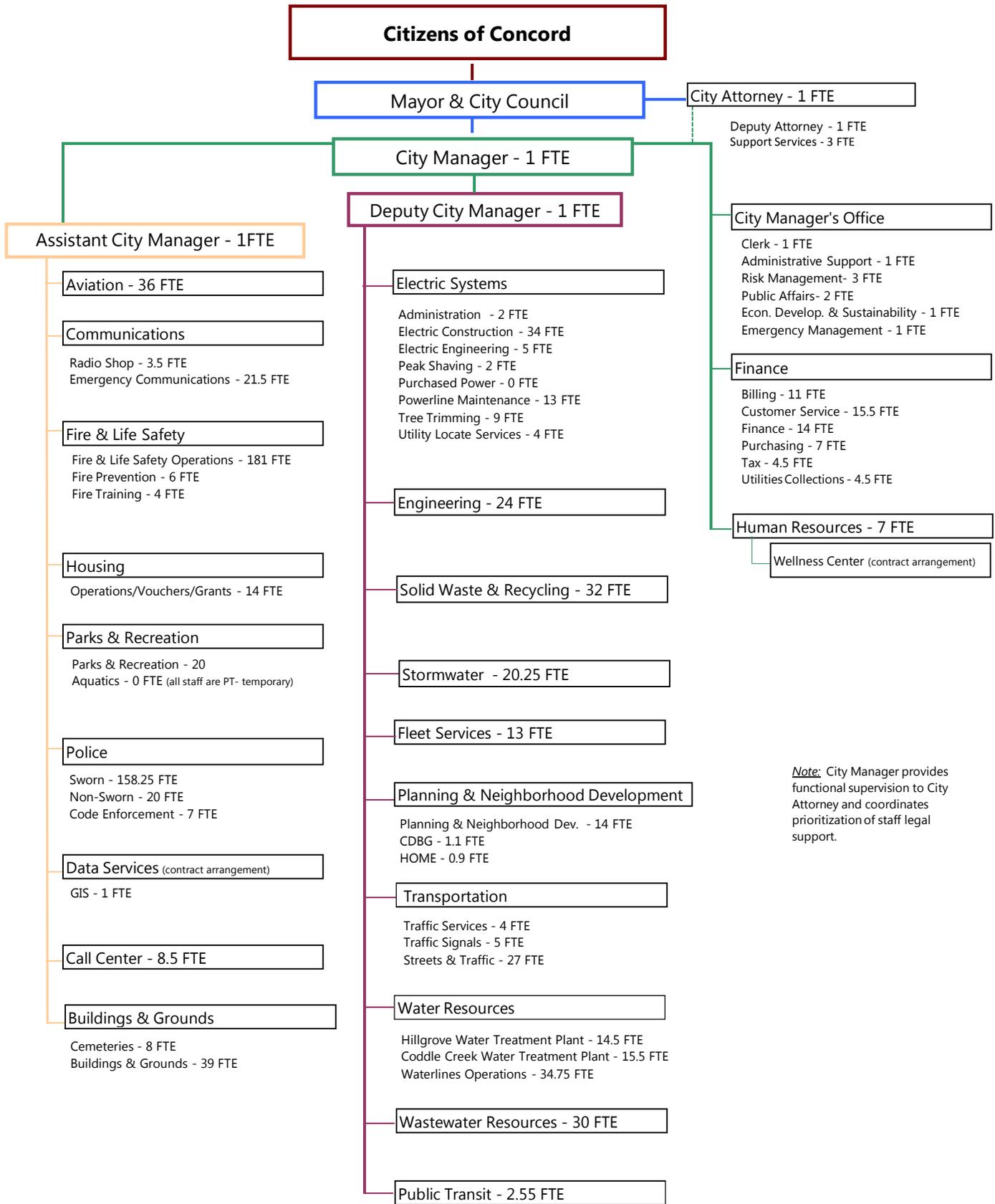
Department Directors

Pam Hinson	(704.920.5220)	Finance
Sue Hyde	(704.920.5403)	Engineering
David Ratchford	(704.920.5380)	Buildings & Grounds Maintenance
Bob Dowless	(704.920.5610)	Parks & Recreation
Angela Graham	(704.788.1139)	Public Housing
Guy Smith	(704.920.5008)	Police
T. Randy Holloway	(704.920.5522)	Fire & Life Safety
Vacant	(704.793.9000)	Aviation
Chris Linker	(704.920.5590)	Emergency Communications
Daniel Nuckolls	(704.920.5432)	Fleet Services
Margaret Pearson	(704.920.5151)	Planning & Neighborhood Development
Jeannine Sargent	(704.920.5102)	Human Resources
Allen Scott	(704.920.5370)	Solid Waste & Recycling
Christie Putnam	(704.920.5343)	Water Resources/Stormwater/Wastewater
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One-stop access to all questions or service needs: **www.concordnc.gov** or **(704) 920-5555**

CITY ORGANIZATIONAL CHART



Note: City Manager provides functional supervision to City Attorney and coordinates prioritization of staff legal support.

FY2012-2013 CITY COUNCIL GOALS

On January 27, 2012, the Mayor and City Council held the annual planning session. The direction provided by the Mayor and Council during the planning session has been developed into a statement of goals for the City of Concord for FY 2012-2013. These goals guide budget development and implementation. In addition to this statement of goals, the City has also developed a set of financial policies that are approved by City Council to guide the City in the financial management of all funds. Although North Carolina local governmental units must adhere to the requirements set forth in the North Carolina Local Government Budget and Fiscal Control Act, the financial policies approved by City Council are often more stringent than State requirements to assure the City of Concord will continue to function in a very fiscally sound manner.

The FY 2012-2013 goals are presented according to functional areas. During the year, monthly functional meetings are held to monitor progress on these goals and to identify new issues that must be considered for long-range planning. City Departments are evaluated on their performance in meeting these goals.

General Government

- Adopt legislative goals and agendas for both the Federal and State legislative processes and aggressively communicate these to our representatives.
- Continue to maintain a fund balance goal of 30 to 35 percent of General Fund expenditures and use fund balance only for non-recurring capital expenditures.
- Continue to include a performance measurement component in the external agency process, requiring monitoring, and reporting of performance outcomes for funded agencies.
- Continue to adhere to approved financial management policies that maintain the City's financial strength and integrity including continuation of conservative revenue estimates that reflect economic conditions and the aggressive pursuit of revenues collections.
- Continue to prepare the City's annual budget document in compliance with criteria established to obtain the Government Finance Officers Association's (GFOA) budget award and submit the document for review to the GFOA.
- Continue to maintain a sound financial position that results in bond ratings that are at least as beneficial as current ratings.
- Continue to update and re-adopt the Capital Improvement Program, detailing capital projects, estimated costs, and funding sources.
- Continue to maintain accounting systems in compliance with the NC Local Government Budget and Fiscal Control Act.
- Continue to prepare the Comprehensive Annual Financial Report (CAFR) in compliance with the required criteria in order to obtain the GFOA Certificate of Achievement for Excellence in Financial Reporting.
- Continue to finance capital costs so that future growth can help pay for major capital needs and improvements, but continue to use pay-as-go method for most other capital purchases.
- Continue to support the Customer Service Excellence emphasis with the proposed FY 2012-13 objectives.
- Continue to review operations and customer requirements for user-friendliness, both internally and externally, and seek customer feedback through tools such as surveys, focus groups, secret shoppers, etc.
- Instruct staff to develop a FY 2012-13 General Fund budget recommendation using a revenue neutral tax rate calculation as provided for under Subsection (e) of NC General Statute 159-11 as a cap.

Technology and facilities improvements

- Develop and publish an RFP for energy services for the purpose of selecting an energy services company to conduct an investment grade energy audit for public housing facilities and recommend a energy performance contract with the company for consideration by City Council.
- Fund an in-house email solution with a goal of starting installation in January 2013. Monitor the development of the cloud computing email system to determine the outcome of the FBI security concern. If resolved, implement the Cloud solution. If not resolved, implement the in-house solution.
- Proceed with development of smart phones as replacements for laptops in field applications where the user needs do not require laptop functionality.
- Continue to plan for a future new City Hall capital improvement project, with design funded in FY 2013-14.
- Fund the final year of a three-year refurbishment plan for the City's lighted Christmas decorations in need of repair.

Transportation

- Continue to routinely monitor projects and consider participation in additional projects to assure Transportation Fund revenues are being used to fund highest priorities and funds are available for local matches to leverage additional projects with a focus on City infrastructure.
- Address the safety issue at the intersection of George Liles Parkway and Village Drive by working with NCDOT and developers to install a traffic signal.
- Continue, at a minimum, appropriating existing revenue amounts using 2-cents of the Ad Valorem tax and \$5.00 of the Vehicle tax for the Transportation Fund.
- Continue to maintain the \$400,000 minimum balance in the Transportation Fund.
- Budget \$150,000 annually within the Transportation Fund to implement priorities in the Pedestrian Improvement Plan based on established policy.
- Continue efforts to secure funding for Congestion Mitigation Air Quality (CMAQ), Federal Stimulus Package, Earmark, Economic Enhancement, Spot Safety, and Small Construction projects from the Federal government and/or the NCDOT and continue to coordinate associated local activities with NCDOT Division 10.
- Continue aggressive efforts to obtain FAA funding for Airport capital improvements and safety projects, provided State and local matches are available.

Environment/Solid Waste and Recycling/Stormwater

- Support the efforts of the sustainability committee including the proposed FY2012-13 objectives and continued integration consideration of sustainability into City operations.
- Continue administration and monitoring of the Solid Waste and Recycling contract with Waste Pro.
- Continue to pursue strategies to reduce fuel consumption, including diversification of fueling methods, purchasing hybrid vehicles when possible, replacing aging light-duty vehicles with smaller more fuel-efficient vehicles, increasing fuel storage capacity and the use of blended fuels and target goals to reduce overall fuel consumption.
- Continue the current practice of only maintaining stormwater systems on public rights of way, and seek alternate funding mechanisms and encourage private owners to do the same to address drainage issues on property outside of public rights of way.

Utilities

- Continue discussions and planning for infrastructure to connect to the Albemarle water system.
- Continue to educate the public and all system customers on the importance of water conservation.
- Continue to work with WSACC to explore plans that might incorporate the reuse of water for irrigation and other permitted purposes.
- Continue to enforce consistent rights-of-way protection policy to include notification of property owners relative to existing obstructions, conflicts or structures within the utility right-of-way.
- Continue to follow the RW Beck recommendations for the Electric System.
- Allow the wholesale cost increases to be handled by the purchased power adjustment over the next few years that Duke has forecasted significant capital cost expenditures that will affect increases in the City's demand cost.

- Investigate ways to control/buffer these increases for customers through applying rate stabilization funds to the purchased power adjustment.
- Continue to match Duke Energy's avoided cost rate for purchase of renewable generation projects that attach to the City's system.

Planning/Economic Development/Redevelopment

- Continue incorporation of a Complete Streets Policy into the Concord Development Ordinance.
- Continue to explore ways to implement the Logan Redevelopment Plan with the private development partner.
- Continue to support the neighborhood program and seek opportunities to enhance the participation of recognized neighborhoods.
- Continue to support the business recruitment and development efforts of the Concord Downtown Development Corporation (CDDC) in attracting new business and enhancing existing downtown businesses.
- Continue to work closely with economic development partners in Cabarrus County to present a complete coordinated recruitment and retention effort.
- Continue and improve the present course of the administration of sureties by creation of a common, shared database, calendar, and tickler file; and preparing CDO amendments requiring phasing of large developments; and preparing CDO amendments requiring guarantees on multi-lot site plans for stormwater BMPs.
- Continue to utilize five specialized guidelines to create standards to promote low impact development into the CDO.
- Continue to update the five-year annexation plan.
- Continue to use policy for voluntary annexations that includes cost-benefit assessments and requirement of acceptance of water and sewer utility service where feasible.
- Continue to administer Small Area Plans as flexible guides for physical development.

Public Safety

- Continue the close working relationship between various City Departments on zoning and ordinance issues, and continue to use the methods in place to weigh the positives versus the negatives of future annexations.
- Continue to explore opportunities to make Fire Station #1 on Church Street a museum if Fire Station #1 is relocated to another location in the future.
- Continue support of an Urban Archery Season consistent with state and local law.
- Continue the current approach to applying the City policy on vacant lot mowing and building demolitions.
- Continue to maintain code enforcement penalties and fees, with annual monitoring of potential changes in order to ensure that the penalties properly discourage code violations.
- Continue to support and actively participate in Project Safe Neighborhood.

Recreation/Parks/Open Space

- Evaluate all potential sites for the development of a dog park, and formulate implementation and maintenance budgets for a potential facility. Obtain legal and risk management support for related signage and documentation.
- Continue development of the Rocky River Greenway, Phase 1, including securing property control of the Moss Creek section and pursuing grant funding for construction.
- Continue to participate fully in the countywide greenway master planning effort.
- Continue active participation in and representation on the Carolina Thread Trail Advisory Board with goal of having greenway sections being designated as part of the Thread Trail.
- Continue to make full use of Carolina Thread Trail and Trust Funds money to acquire properties for future greenways if net cost to City is reduced.
- Continue to evaluate properties that are available, pursue joint development opportunities and master plan future park development, with a special focus on the northwest section of the City.



May 29, 2012

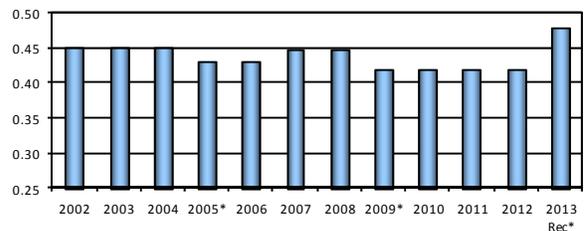
The Honorable J. Scott Padgett, Mayor
 Members of the City Council
 Concord, North Carolina

Dear Mayor Padgett and Members of the City Council:

Pursuant to Section 159-11 of the North Carolina General Statutes, attached is the recommended FY 2012-13 Budget for your review and consideration. I want to thank the Mayor and Council for providing staff with specific direction to maintain basic City services as indicated in the FY 2012-13 Goals Statement. I used this document as a guide in making recommendations. I also want to thank Deputy Manager Jim Greene, Assistant City Manager Merl Hamilton, all department directors and their respective staffs, Finance Director Pam Hinson and, in particular, Budget and Performance Manager Robin Barham and Budget Analyst Lesley Reder for their assistance in preparing this proposal.

The recommended General Fund budget for FY 2012-13 totals \$67,463,286 for City personnel, operations, capital improvements and debt service. This reflects a \$1.23 million decline (or 1.8%) over the amended budget for FY 2011-12. Due to the unprecedented 13% decline in assessed property values as determined by the 2012 Cabarrus County Revaluation, and consistent with the City Council goal of using a revenue neutral tax rate for FY 2012-13, I am recommending a tax rate of 48¢ per \$100 of valuation, as calculated using the formula provided in G.S. 159-11(e). As in past years, the proposed tax rate includes restricting the 2¢ budgeted for use in the Transportation Improvement Fund as mandated by City Council, though the 2¢ will generate fewer dollars than in previous years due to the drop in Concord property values.

City Property Tax Rate
 (cents per \$100 of valuation; * indicates revaluation year)



Although the revenue-neutral tax rate would generate the same amount of property tax revenues in total, it does not necessarily mean that an individual property owner's tax contribution will remain same. The value of the tax base is the sum of all the property values within the jurisdiction. Properties may have remained the same, increased, or decreased in value, but by adding them together, the overall change can be calculated. The individual's tax bill depends on a combination of the new tax rate and the new value of the property.

The City-wide budget totals \$209,999,436 for all funds, including utilities and special revenue funds. The City-wide budget reflects a 1.8% (or \$3.9 million) decrease from the amended budget figure of \$213,884,336 for FY 2011-12, despite an expected \$5.1 million increase in the wholesale purchase of electricity, along with increases in fuel costs and healthcare premiums. The FY 2011-12 amended budget does include a \$4.7 million appropriation towards the Albemarle Waterline Connection project.

We started the budget process with all departments being asked to prepare a budget with no operational increases and continuing the operational expenditure cuts implemented in between FY 2008-09 and FY 2011-12, including a 17% decline in operational expenses in FY 2009-10 alone (excluding the Wholesale Purchase Power costs in Electric). The budget was balanced using very conservative revenue projections, but not the worst case scenarios used during the fiscal years impacted by the recent recession. Though gradual, we are seeing increases in sales tax revenues and in the interest in commercial and industrial development. Although the unemployment rate is inching lower, residential development continues to be very stagnant with exception of multi-family rental.

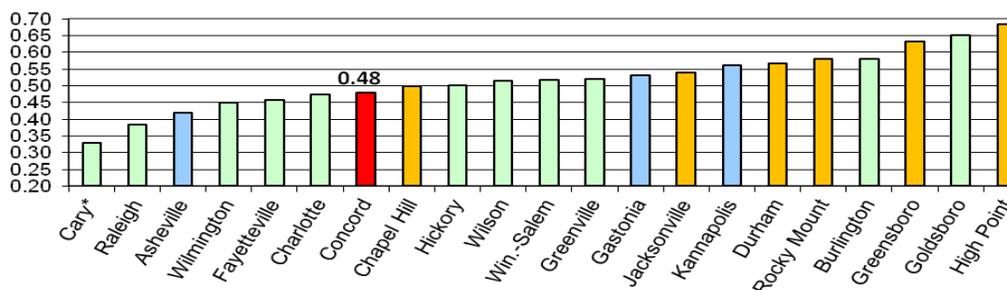
These conservative practices have certainly proved to be very important in planning for FY 2012-13. While sales tax receipts have finally started to rebound slowly, property tax revenues are constrained by the revenue neutral goal. Utility usage (water, wastewater, electric) continue to be relatively flat and development related fees, though up, are a small portion of what they were four years ago. Of course, the reduction in property tax valuation attributed to Philip Morris has also impacted sales tax revenues due to the distribution formula used in Cabarrus County. This sales tax distribution formula makes the tax rate even more important as Concord could easily lose more revenue to the County and the other Cabarrus municipalities.

Per Council’s direction, the focus has been on maintaining essential services provided to our residents and businesses. To do this and to continue to make basic capital purchases, we are recommending the use of \$1,494,123 from the City’s Capital Reserve Funds. RESERVES ARE NOT BEING USED TO FUND OPERATIONAL LINE ITEMS. However, operational line items have been reduced over the last four budget years to the point that any declines in future fiscal years would require reductions in services.

The City Council is to be commended for continuing its past conservative practices, not only in projecting revenues but also holding down expenditures and having reserves to help meet essential needs. Operations continue to remain lean but these practices have enabled the City to avoid entering into a crisis mode. This budget recommends the elimination of some vacant positions, many that have been frozen previously, the continuation of the freeze on others, a small merit-based lump sum payment to co-workers, and no layoffs.

For FY 2012-13, the recommended Concord property tax rate continues to be among the lowest third of full-service North Carolina municipalities with populations greater than 35,000 and the lowest of those that do not charge solid waste and/or recycling fees. Most of the cities whose property tax rates are lower than Concord’s make extensive use of State authorized impact fees, and/or charge additional user fees for solid waste collection and/or disposal. The Property Tax Comparison chart illustrated below summarizes the proposed property tax rates for comparable cities.

**FY 2012-13 Proposed Property Tax Rates for
NC Full-Service Cities Over 35,000 Pop.
(Cents per \$100 Valuation)**



*Cary - extensive use of impact fees.
Cities in green apply a fee for solid waste (for some or all services) in addition to property tax.
Note that cities in blue (Asheville, Kannapolis and Gastonia) charge a nominal recycling fee, but not for garbage or yard waste.
Charlotte and Jacksonville residents are assessed a solid waste fee for disposal through property tax or utility bills.

The country has also seen an increase in the inflation rate, primarily due to rising petroleum prices. This impacts expenditures in all departments and revenues at Concord Regional Airport. While all this is going on, wholesale prices for purchased electricity continue to rise; forcing the City to offset these increases using rate stabilization funds and adding purchased power adjustments to customer bills.

The City has not been able to sustain these cuts without impacting jobs. This budget recommends 3 full-time and 4 part-time positions be eliminated (none currently filled) and 15 more remain "frozen" with no appropriated salary. The total projected savings from these positions in FY 2012-13 is \$664,172. No sworn police positions or firefighter positions have been frozen. Including the above figures, we will have eliminated 21 full-time and 4 part-time positions since July 2010. When any position becomes vacant, we evaluate the duties to determine if is essential to providing basic services. Also, in those areas where the workload has been impacted by the economy, coworkers remain assigned to other departments where the workload has remained constant or even increased.

The Council's goal is to maintain a General Fund balance target between 30% and 35% of expenditures. The General Fund balance will continue to meet the Council goal. This budget does recommend appropriating money out of reserves for some capital expenditures.

This stability in fund balance is possible only because our elected officials have been good stewards of the City's revenues in the past. Regardless of its size, over reliance on fund balance in any one fiscal year is a dangerous practice in times of slow growth, particularly if used for ongoing operations. With this diligence, we will continue to avoid the practice of over reliance on fund balance or retained earnings, which would require us to eventually generate ongoing replacement revenue or new sources of funding. With this in mind, we have limited the use of capital reserves in the General Fund to an amount approaching a 2 cent property tax increase.

The overall budgetary principles on which this document is based are:

- Basic City services are continued with funding at adequate levels.
- Revenue projections are estimated at realistic and conservative levels.
- Any service and facility expansion has been addressed using the Mayor/City Council Goals Statement as a guide.

The Mayor and Council have adopted goals that are geared to balancing service delivery city-wide to meet these basic needs. Listed below are examples of some of the major expenditure trends that are greatly impacting this year's budget and projections for future budgets.

EXAMPLES OF MAJOR TRENDS IMPACTING THE FY 2012-13 BUDGET AND FUTURE FISCAL YEARS

- The impact of the aftermath of the worst recession since the Great Depression including reduced sales tax, property tax and development fee revenues.
- Unemployment levels that are slowly declining but still significantly higher than pre-2007, impacting our customers' ability to pay utility bills and property tax bills and fueling the increase in local foreclosures.
- The decline in property values due to the County-wide revaluation.
- The loss of property tax revenues from the Philip Morris property.
- The continued freeze of targeted vacant positions, except for sworn law enforcement personnel and firefighters, plus the elimination of 7 previously frozen and vacant positions (3 full-time and 4 part-time).

- Increased health insurance plan costs that will be covered by changes in plan design and increases in premium costs for both co-workers and the City.
- Use of funds from reserves previously set aside for Parks and Recreation for current needs and to match funds from other sources for planning and property needed for future projects.
- Use of General Fund Capital Reserves to partially fund the construction of Fire Station 11.
- Soaring fuel prices nationwide: during the past 2 years, the City has been able to keep fuel costs fairly constant by controlling (and reducing in some departments) mileage driven and overall usage of fuel. However, with the significant increases we have seen in the last few months, it will be impossible to offset the rise in price with less usage and still deliver the same level of services.
- Continued increases (expected \$5.1 million) in the purchase price of wholesale electricity based on the contract with Duke Power.
- No rate increases in Water, Wastewater, Stormwater, or Electric. The purchased power adjustment, which is the mechanism used to recover changes in purchased power costs passed on under the contract with Duke Energy, will be evaluated again in September after reviewing the impact of increases from Duke.

EXPENDITURE HIGHLIGHTS BY FUND

While highlights of each operating fund are contained within the individual program summary pages located throughout this document, the major expenditure highlights of the FY 2012-13 Recommended Budget are listed below:

GENERAL FUND

- *City Manager's Office* – Transfer of *Partnerships for Stronger Neighborhoods* program from Planning and Neighborhood Development to Public Affairs/Communications function within the City Manager's Office.
- *Public Services Administration* – Parking and equipment storage enhancements (\$195,000) and sealing/patching of the parking lot (\$177,000) at the Brown Operations Center.
- *Human Resources* – Fine-tuning of Halogen Performance Management system implemented in FY11-12 and full implementation of Applicant Tracking software for recruitment/hiring.
- *Human Resources* – Wellness Center enhancements designed to emphasize occupational health and co-worker health/wellness.
- *Code Enforcement* – Maintain efforts to enforce overgrown vacant lots and messy yards in neighborhoods. Continuation of Council Goal to provide additional \$30,000 towards cleanups, demolitions, etc.
- *Fire and Life Safety* – Transfer of funds (\$629,877) towards Fire Station 11 Construction and Fire Station 5 Renovation projects (remainder of funds coming from General Capital Reserve). Fire Station 11 will provide enhanced ladder service to the Speedway/Concord Mills Blvd. area of the City.
- *Fire and Life Safety* – Burn simulator for training - \$50,000.
- *Transportation* – Continues additional \$525,000 in funds for street resurfacing (to offset the high cost of materials and declining Powell Bill funds).
- *Solid Waste and Recycling* – Second year of contract with Waste Pro, saving the City \$1.7 million annually while improving the recycling program and making garbage and bulky waste collection more efficient.
- *Solid Waste and Recycling* – In partnership with Waste Pro, implementation of Mobile 311 tablet-based computing within solid waste trucks for more efficient completion of customer work orders under yard waste collection.

- *Solid Waste and Recycling* – Construction of a Shelter/Operations Center at the Brown Operations Center for cart and equipment assembly/storage - \$240,000.
- *Fleet Services* – budget of \$1.7 million for fuel City-wide, an increase of \$200,000 over the current year.
- *Fleet Services* – Convert former car wash into truck bay for fire apparatus, purchase truck lift needed to assume maintenance of Fire apparatus beginning late summer 2012.
- *Parks and Recreation* – Gymnasium bleacher replacement at all 3 Recreation Centers (partially funded with Parks and Recreation Capital Reserve) - \$175,000
- *Parks and Recreation* - Replace lights at Webb Field and Les Myers Park - \$601,000
- *Parks and Recreation* - Use of \$272,000 from Parks and Recreation Capital Reserve Fund to construct a Dog Park (City Council goal)
- *Parks and Recreation* - Installation of large commercial fans in the gymnasiums at Academy and Hartsell Recreation Centers - \$100,000



STORMWATER FUND:

- Replace culverts on Melrose Drive - \$156,000
- Set aside funding for future projects that will be identified by the Second Basin Master Plan process - \$681,670.

ELECTRIC FUND:

- Rising costs of wholesale purchased power from Duke Energy (estimated \$5.1 million over FY 2011-12).
- Continue tree replacement program, which encourages re-planting of low growing trees in order to minimize future maintenance of power line rights-of-way and improve reliability of electric service to customers.
- Upgrade additional aging vaults/equipment in Downtown underground system - \$150,000.
- Completion of Underground Duct Bank at International Drive - \$1,000,000.
- Various efficiency and reliability upgrades to the system - \$480,000.
- Transfer of \$527,000 to General Fund for payment in Lieu of Taxes on behalf of the Electric System.

WATER FUND:

- Sludge Removal (done every 18 months) at Coddle Creek WTP - \$400,000
- Replacement of pump motor starters and PLC cabinets at Coddle Creek WTP - \$520,000

- Funding for replacement/relining of aging waterlines in the downtown area to improve fire flow - \$500,000

WASTEWATER FUND:

- Provide funding (as budget allows) for replacing, upsizing and relining our aging infrastructure to ensure we have an adequate system for future development.
- Continue to invest in pipe lining for wastewater lines - \$594,000.
- Replace defective sewer mains/outfalls: Palaside Drive, Odell Drive, and Hatley Circle.
- Continue our flow monitoring program to identify system defects so they can be repaired, thus reducing Inflow & Infiltration.

PUBLIC TRANSIT FUND:

- Contract with new service provider First Transit begins July 1, 2012.
- Increase of \$182,000 in fuel expenses for transit buses over adopted FY11-12 budget
- Continue funding Concord's share of "Concord Express" and Rider System.

GOLF COURSE FUND:

- Complete greens restoration project in the first quarter of the fiscal year.

AVIATION FUND:

- Preparation for 2012 DNC.
- Complete Fire Suppression System repairs and upgrades by installing new pump (\$345,000) and surge tank (\$258,750).

INTERNAL SERVICES FUND: The Internal Service amounts are charged back to user departments and are reflected in each department or fund's recommended budget amount. Highlights include:

- *Utilities Billing* – Replace hand held meter readers as existing ones are no longer supported/maintained - \$38,000
- *Data Services* – Begin upgrade of City's network infrastructure and capacity.
- *Data Services* – Needed server replacements for major systems/applications.
- *Data Services* – Begin conversion process to Microsoft Outlook for email, utilizing Cloud-based storage.
- *Data Services* - Continue efforts to implement smart phones and tablets as a low cost field laptop replacement alternative and Mobile 311 as a smart phone application for Cityworks.

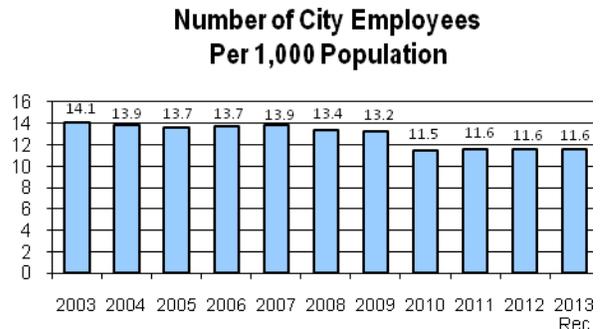
The budget is presented in a format that groups expenditures into major areas: personnel services, operations, capital outlay, debt service, and non-departmental allocations. This format is consistent with Council's goal of developing a results-oriented budget with performance measures rather than just numbers not tied to specific goals and projects. This is an extension of the Mayor and Council's annual process of formally setting goals to track results. There has been a refinement of many departmental performance measures. Staff is working to meet the objective of only using measures that are meaningful to the elected officials and citizens and which truly reflect value added services. Staff also proposes that Concord continue participation in the North Carolina Local Government Performance Measurement Project as it has proven to assist in benchmarking and performance improvement.

The City Council adopted Fiscal Policies addressing Revenues, Capital Improvements, Accounting, Debt and Reserves. These policies have been updated annually as part of the Mayor/Council Goals and have been addressed in preparation of this budget.

The five-year Capital Improvement Program is also updated and also presented herein for your review.

PERSONNEL HIGHLIGHTS

Personnel expenditures include salaries, FICA, group insurance, retirement, 401K, longevity pay, merit pay, and other miscellaneous benefits for co-workers. Contract, legal, medical, and other outside professional services are not included under personnel. They are included under the Operations category. For FY 2012-13, personnel expenditures account for \$57,321,799 or 27% of the total budget.



It is recommended that the City award a very modest merit based lump-sum payment for those co-workers receiving a performance evaluation rating of "meets expectations" or better on the date of their annual evaluation. Any co-worker receiving "meets expectations" will receive \$400, co-workers receiving "exceeds expectations" will receive \$500, and any co-worker with an "outstanding" rating on their evaluation will receive \$600. The awards will be paid pre-tax and part-time co-workers will be eligible for ½ of these amounts. Individual salaries and the ranges in the pay structure are not recommended for adjustment. Management would have preferred to recommend a percentage based performance based increase; however, financial limitations would not allow this across funds. Also, the City's annual salary survey did identify the need to adjust salaries for a very few classifications that were found to be behind the labor market. Monies are budgeted to implement the study findings. Certainly the City will have to pay particular attention to the action of other local governments in the region to make sure salaries remain competitive. Funding is also included to continue the longevity plan for those hired before July 1, 1996 and to continue existing career development plans.

Staff continues to tweak the new performance evaluation system that it is focused on rewarding coworkers who provide the best in customer service and incorporates measures to make sure that departmental performance measures are reflected in individual evaluations. This is important to continue our emphasis on customer service and relating organizational goals to individual performance.

One temporary contract apprentice job is recommended in Transit with 90% of the funding coming from NCDOT. No new positions are recommended for funding in this budget, while 3 full-time and 4 part-time vacant positions are recommended for elimination. The eliminated positions are as follows:

General Fund (2 full-time positions)

Police:

- 1 – Customer Service Specialist (already frozen)

Parks and Recreation:

- 1 – Parks and Recreation Supervisor (already frozen)

Other Funds (1 full-time position and 3 part-time positions)

Housing Vouchers Program:

- 1 – Housing Specialist

Aviation:

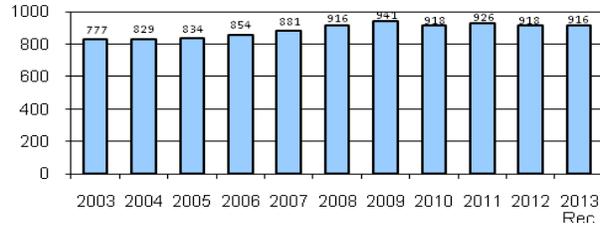
- 3 – PT Aviation Assistants (already frozen)

Internal Service Fund (1 part-time position)

Building and Grounds:

- 1 – PT Custodian (already frozen)

Number of Budgeted Full-Time-Equivalent (FTE) City Employees



A total of 915.8 full-time equivalent positions are recommended for funding, excluding the frozen positions listed below. At the present time, 14 full-time and 1 part-time positions are frozen with more subject to be frozen if they become vacant. The frozen positions are as follows:

General Fund (7 positions):

Emergency Communications:

- 1 – Telecommunicator

Parks and Recreation:

- 1 – Parks & Recreation Specialist

Electric Fund (3 positions):

- 1 – Project Engineer
- 1 – Electric Systems Technician I
- 1 – Utility Locator

Aviation Fund (1 position):

- 1 – Custodian/Courier

Internal Service Fund (2 full-time and 1 part-time positions):

Building and Grounds:

- 1 – Utility Service Supervisor
- 1 – PT Custodian (20 hours/week)

Solid Waste and Recycling:

- 1 – Utility Service Supervisor
- 2 – Equipment Operators

Fleet Services:

- 1 – Automotive Technician (newly frozen)

Water Resources Fund (2 positions):

- 1 – Staff Engineer
- 1 -- Utility Service Worker

Engineering:

- 1 – Staff Engineer

Unfortunately, health care costs continue to increase, resulting in plan changes and increases in the amounts contributed by the City and by coworkers. The City’s unique HRA health care plan continues to be used by most coworkers. Employees have the option of selecting this plan at a lower cost with the City paying most of the full cost for the individual. The alternate PPO based plan, which is similar to the plans used by most employers in the region, provides a “richer” level of benefits at a higher cost for coverage and the coworker must pay most of the additional cost over that of the HRA for employee only and family plans. Both plans are self-funded and administered by Blue Cross/Blue Shield.

Wellness efforts have been a priority, both for the benefit of our coworkers and to reduce costs. The City of Concord Wellness Center offers free health care services to all full-time City of Concord employees, along with retirees, spouses, and dependents who are enrolled in the City's self-funded insurance plan. The Wellness Center provides a basic level of routine medical care and health screenings. It is not intended to replace an individual's primary care physician, but rather to provide a convenient, no-cost access point for basic medical care. The Center is staffed by a licensed nurse practitioner and a medical office assistant with direct oversight by a licensed physician.

A new provider will be staffing the Wellness Center with an additional focus on enhanced services from prevention and intervention to management of acute and chronic illnesses. In order to offer an incentive to coworkers for managing their health, employees who complete a Health Risk Assessment and certify they do not use tobacco, or that they will attend a tobacco cessation program if they do, will receive a reduction in monthly health care premium costs. The Health Risk Assessment will entail the completion of a questionnaire, biometric measures and a fasting blood draw.

While we have seen significant increases in City contributions over the past 2 years, the North Carolina Local Government Employees Retirement System decreased the City's contribution per general employee slightly from 6.88% to 6.74% of payroll for FY 2012-13. Contributions for law enforcement officers decreased from 7.35% to 7.21%. The decrease represents approximately \$23,000 in savings City-wide from FY11-12 contributions. However, due to actuarial projections, staff does anticipate the City's contribution rates to increase in future fiscal years, but perhaps not to the level originally projected during the depths of the recession.

The budget also maintains the City's 401(k) contribution for coworkers at 3.5%. By State mandate, the city contributes 5% to accounts for sworn law enforcement officers. If increases to the regular retirement system continue to rise, this will impact the City's future ability to contribute to 401(k) accounts.

We also continue to monitor the impact of retiree health care benefits. As with other retiree benefits, these health care plans have gone through drastic changes over the years. Retiree healthcare subsidies started with large private employers, with governmental employers jumping in later as the struggle to compete with the salaries and benefits in the private sector became more pronounced. State governments, including North Carolina, jumped in next to cover teachers and other employees. At one time, over two-thirds of large private sector companies provided some type of retiree health care. Now about one third of large private sector organizations provide retiree health care. However, the majority of state and local governments still provide retiree health care at some level.

Staff is recommending that Concord continue to allocate \$100,000 to go into the State trust fund established for this purpose in order for the city to participate in the future if it decides to do so. In the meantime, staff will continue to monitor what other local governments are doing in response and evaluate the use of this trust.

KEY RECOMMENDATIONS, ACCOMPLISHMENTS AND CHALLENGES FOR THE FUTURE

The revenues projected in this budget recommendation are based on a number of conservative assumptions. As noted earlier, we have not used worst case numbers as the economic trends are finally showing improvement in many areas. Still we are still nowhere near pre-recession levels

While this budget is designed to focus on the delivery of basic services, it also sets the framework for addressing priorities that prepare for the future.

REVENUES AND PHILIP MORRIS

The good news is a slow, but noticeable, rebound in our local economy. Cabarrus County is experiencing a gradual decline in the unemployment rate with March at 9 percent, down from 9.6 percent in February and it remains the second lowest rate among counties in the Charlotte region. Of the 89,816 residents in the labor force, 81,710 were employed and 8,106 were unemployed. While we can agree the number of unemployed is still too high, it is a significant improvement since peaking at 13.5 percent in February 2010.

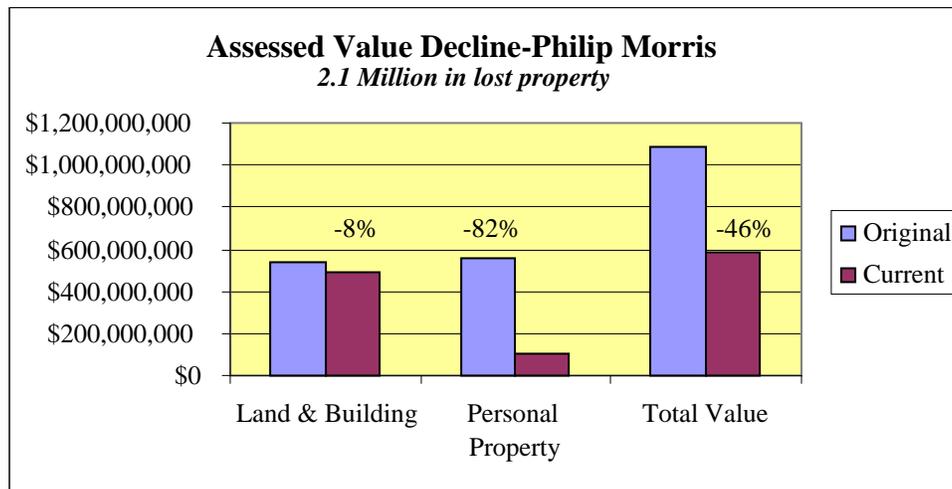
An important step to continuing job growth is recruiting new business and industry to Cabarrus County. Cabarrus Economic Development reports 59 active projects looking at our County in April of this year

compared to 46 in April 2011. Even more important, companies appear to be serious about investing here as demonstrated through an increase in actual site visits.

Since the beginning of the 2012, the City's Planning and Neighborhood Development Department has experienced a permit issuance increase of one-third compared with the same time period in 2011. In fact, new business development and vehicle registrations are also up in Cabarrus County. Concord, after losing more than \$2 million annually in taxable sales revenue, has finally seen revenue level off and slowly move in a positive direction. Housing construction permits, the area of our economy perhaps most impacted by the downturn, are up too, but nowhere near pre-recession levels.

In FY 2012-13, the General Fund will finally realize the full impact of the loss of Philip Morris. The appeal of the Philip Morris tax valuation has been settled so values will not change until new development starts to take place on the property. Concord's annual property tax revenues from Philip Morris have declined from \$4,577,798 to an anticipated \$819,000 in FY 2012-13

The impact of Philip Morris as a water and wastewater utility customer was fully realized three years ago. A combined \$1.8 million in annual revenue has been lost, so as with the General Fund now, any activity on the property will be a plus.



THE CABARRUS COUNTY REVALUATION OF PROPERTY

While the Philip Morris appeal had some impact on the **13%** loss in property valuation in Concord, much of the decline in Philip Morris personal property tax base and resulting revenue impact took place prior to revaluation. Raw, developable land and higher end housing led the way in the drop of property values during the revaluation. With the City being the only Cabarrus County local government lowering its tax rate at the time of the previous revaluation, and combined with the revenue losses due to Philip Morris, Council adopted a goal for staff to develop the budget recommendation using a revenue neutral tax rate calculation as provided for under Subsection (e) of NC General Statute 159-11 as a cap. The following instructions were used to calculate a revenue-neutral rate of \$0.48 consistent with the above statute:

1. Determine a rate that would produce revenues equal to those produced for the current fiscal year.
2. Increase the rate by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general reappraisal.
3. Adjust the rate to account for any annexation, deannexation, merger, or similar events.

Again, although the revenue-neutral tax rate recommended generates the same amount of revenue from property taxes in total, it does not necessarily mean that an individual property owner's tax contribution will remain same. The value of the tax base is the sum of all the property values within the jurisdiction. These properties may have remained the same, increased, or decreased in value, but by adding them together, the overall change can be calculated. An individual tax contribution depends on a combination of the new tax rate and the new value of the property.

ECONOMIC DEVELOPMENT

Investment interest is up, but actual new projects are slow to materialize. The Philip Morris property continues to be the largest unknown, though there are a number of interested parties. Philip Morris has not been an aggressive marketer or seller.

Last year the City reorganized to meet this challenge, including an Economic Development & Sustainability Director position within the City Manager's office to focus on economic development. This position provides a direct resource for the Cabarrus County Economic Development Commission staff and a liaison for any business seeking to locate or expand in Concord. Job creation and expansion of the tax base has to be a priority.

Small business development has received a lot of attention lately with Cabarrus County pursuing studies and a special task force to evaluate government's role. The Cabarrus Economic Development Commission has proposed two special efforts to target this need and asked Concord, Kannapolis and Cabarrus County for funds to start implementation. This includes the revision of an existing Small Business Entrepreneurial Development Plan to include Concord and the rest of the County. The initial plan focused on the Kannapolis side of Cabarrus County. Another EDC request is for the licensing agreement and start-up for a young Entrepreneurs Academy. This is an afterschool program that involves middle and high school students in activities such as generating ideas for businesses, writing business plans, pitching them to a panel of investors and launching their own companies. This budget includes \$15,000 additional dollars for the EDC for the above programs and provide for a mobile conversion of the EDC website so it can be viewed on mobile devices.

STATE GOVERNMENT

While the General Assembly has largely led an assault on local governments in areas such as land use, annexation and other areas of local control, they have thus far kept to their promise not to use State collected municipal revenues to balance the budget. However, there are actions pending that will impact local revenues. For example, the capping of the gas tax could lead to further declines in Powell Bill funding in addition to impacting NCDOT projects in our area.

A discussion of tax reform is on the horizon. While this is greatly needed, it will remain to be seen if this results in true reform, such as the broadening and simplification of the base, or if it amounts to reductions and the shifting of responsibilities. For example, there has been discussion of turning over State maintained roads to local governments without providing for an adequate revenue source. The division of service responsibility and revenue sources within the State is likely to continue to be a hot debate for some time. If responsibilities for services are restructured, there must be an accompanying comprehensive review of revenue options available to local government. This will put even more pressure on legislators to consider a massive modernization of State and local tax systems.

GROWTH MANAGEMENT

It is ironic that many in the General Assembly want to focus on the elimination of some of the tools local governments have used during the last decade to reduce the impact of rapid growth on the quality of life of residents. Of course, the legislation impacting annexation has undermined a tool that has led to strong municipalities for over 50 years. Growth management has been one of the biggest challenges facing Concord over the last ten years and has often been a highly charged issue County-wide. Cabarrus local governments and Concord in particular, have come a long way in trying to control housing densities and requiring higher development standards in rural areas.

Everyone realizes that with the proper tools in place, no growth is as bad, or worse, than too much. Our utility departments have delayed infrastructure projects required to meet future needs as they would result in little new revenue because a lack of customers due to the economy. Rate increases would be needed to pay for these capital projects because there would be little to no new income. At the same time, there is the risk of needing to move forward on these projects quickly should growth mandate that they take place. We must be prepared to use reserves to respond to new growth should opportunities arise.

County policies must also take municipal infrastructure costs into consideration when impacting land uses. While growth needs to be planned, it should not be viewed as evil. The dramatic decline in the construction industry in this County has had significant long term effects on our economy.

We continue to look for ways to be user friendly in this area. Currently staff is in discussions with the County over closer working relationships and using technology to make the development process easier for our customers.

ORGANIZATIONAL SUSTAINABILITY

While sustainability has taken on a negative connotation for some people, Concord's efforts have focused on practical ways to save both money and the environment. Regardless if it is our "no idling" policy, ozone program, use of biofuels and hybrid vehicles, use of very low flow toilets and waterless urinals or reducing power consumption through conservation and technology, efforts have been underway in several City departments. Of course, sustainable solid waste handling receives ongoing attention.

Another example of this pragmatic approach is the plan for the Housing Department to solicit proposals from energy services companies to conduct an energy audit of facilities. The company will then recommend an energy performance contract where the savings from the changes will be used to pay for the investment required to lower the costs. This could serve as a model to use for other City facilities.

The Economic Development & Sustainability Director is a single point of contact for sustainability, among other responsibilities. This position works with the City Sustainability Committee, comprised of coworkers from several departments. Sustainability efforts internal to the City organization have been the focus this year, including trips to learn from other local governments. The director has reviewed the many sustainability efforts already underway. The sustainable purchasing policy approved by City Council is in use and serving the organization well.

NEW WATER SOURCE AND EXISTING WASTEWATER NEEDS

While water usage may not be growing significantly in the current economic environment, Concord is proactive in recognizing the need to expand its future supply of potable water. Concord, Kannapolis and

Albemarle are jointly funding the engineering work and construction of a line to bring treated Yadkin River water from the Albemarle system. Right-of-way acquisition is well underway and construction will follow after bidding this summer. Concord will fund its portion from reserves.

Though no increase is recommended this year, water rate increases will have to be evaluated annually against the amounts needed to fund major capital projects and to meet increasing environmental standards. It is likely that upfront capacity purchases, such as the "take or pay" amount in the Albemarle agreement, will result in the need to adjust rates in future years.

Faced with the reality that Cabarrus County has no additional water sources within its boundaries, we must go outside to obtain water. As a result, water continues to be more expensive in Cabarrus County than for its neighbors who are adjacent to free water sources fed by larger rivers.

As mentioned earlier, the wastewater budget is very tight with limited dollars available to meet future capital needs. The recommendation does include funds for maintenance of the system, particularly in areas of Concord where aging lines are more likely to lead to rainfall infiltration. There is no wastewater rate increase recommended, however, it must be noted as growth returns in future fiscal years, there will be a need for additional revenue to address critical needs.

ELECTRIC SYSTEM

The City's contract to purchase power from Duke Energy is based on Duke Energy's system average cost. Costs are tied to Duke's expenditures and go up (or down) depending upon market conditions and infrastructure investment.

The City's policies to establish rates are based on purchased power costs and factors that include operation and maintenance expenses, debt service requirements, maintaining reserves and a payment in lieu of taxes. These policies have put the system back on solid financial ground. While we are relying on rate stabilization funds to partially offset expenses for FY 2012-13, a purchased power adjustment will likely be needed in September and possibly again in the spring. It will be crucial for the City to use this mechanism to continue to pass on wholesale increases imposed by Duke Energy to maintain an operating margin that will allow for proper system maintenance and to meet the capital needs of an expanding customer base.

Duke Energy continues to be very inconsistent in its retail rate making practices as it reacts to feedback from regulatory agencies over its proposed merger with Progress Energy. Duke continues to insist it needs a substantial retail rate increase that would be consistent with what it has passed on to its wholesale customers like Concord. Duke has received considerable negative feedback in the political arena on its proposed retail rate increases and the merger and has responded with different tactics, such as the promise of a one year decrease in commercial and industrial rates. Concord will be impacted regardless if the merger is consummated or not. If the merger does take place, past negotiations to make sure the change will not impact Concord's costs should serve the City well.

AIR AND SURFACE TRANSPORTATION

Concord Regional Airport (CRA) continues to be a vital resource in supporting the business and general aviation communities. One major project continues to be upgrading the system providing water for fire suppression. Another is a multi-million dollar upgrade to strengthen the asphalt on the taxiways and parking areas to handle heavier aircraft. Finally, Federal and local monies are being accumulated to start the design of a new air traffic control tower.

Another factor will be preparation for 2012 Democratic National Convention in Charlotte. The event will be held in September of 2012. The Democratic National Committee estimated that the convention brought 50,000 people to Denver, the last site of this event. The Convention and associated activities could bring many general aviation flights into CRA and create the need for heightened security. Staff has been meeting with those planning this event to prepare to provide these resources and to position CRA to benefit from the additional business.

Surface transportation

Concord continues to invest heavily in NCDOT facilities. In fact, the City of Concord has averaged spending \$2,000,000 per year on maintenance and improvements associated with NCDOT roads. Much of this money has been generated from the Transportation Improvement Fund created by the City Council almost 15 years ago to fund transportation projects. These funds come from 2 cents of the property tax rate and are supplemented by dollars generated from local vehicle license fees. Smaller intersection improvements on NCDOT facilities like Poplar Tent Road, US 29, and NC 73 have been covered by this fund and the City has also constructed projects such as the major extension of the NCDOT maintained section of Weddington Road. FY 2012-13 will see a number of such projects underway or in preparation for construction.

This year, assuming NCDOT will not require the up-front loan for the George Liles Parkway Extension, there will also be more of a focus on using this fund on local projects. This includes such projects as a traffic signal at the intersection of George Liles Parkway and Village Drive, the rehabilitation of Burrage Road and \$150,000 for sidewalk projects. Of course, it also includes dollars that have been set aside previously for participation with NCDOT on other projects.

Projects impacting NCDOT facilities that are programmed with Concord participation

I 85 Widening Project (I-3803-B) - Concord is participating with NCDOT to provide sidewalks and bicycle accommodations along both Poplar Tent Road and NC 73 for the sections impacted by the project. This entire project is underway and is projected to be complete by the end of 2013.

Derita Road (U-4910) - Traffic congestion is choking this corridor; as a result, the City of Concord sought Federal monies to assist NCDOT in solving the problem. Unfortunately, most of the Federal money allocated ended up being subject to the equity formula, so Concord had to "trade off" and delay the larger Poplar Tent Road widening project through a requested TIP priority change in order to add Derita Road. Even with this change, Concord was required to pick up the total cost to match the Federal funds for this NCDOT Road. The match is estimated to be \$3,036,763. Concord and NCDOT have entered into a Municipal Agreement, AECOM has been contracted to perform the design and permitting with right-of-way acquisition scheduled for 2012 with construction possibly to begin in 2013.

George Liles Parkway Extension (R-2246B) - With the closing of Philip Morris, it is imperative to North Carolina, Cabarrus County and Concord to replace these jobs and the tax base. Concord and NCDOT entered into a municipal agreement projecting Concord would up-front \$10,767,000 in funds to accelerate this project. The City would have been reimbursed at the end of the project once those funds were available as programmed in the TIP. Delays did not allow for the project to be accelerated so City funds are unlikely to be needed. Right of way acquisition is underway, however, and it is hoped NCDOT will start the project by the end of 2013.

CMAQ - Concord is working with NCDOT on three CMAQ projects to improve NCDOT facilities. These require local matches that have been budgeted using the 2 cent fund. The first is the intersection of Poplar Tent and US 29 (C-4918-A). The City will manage the project during construction, which has an anticipated bid let date of summer 2012. Another CMAQ project is to provide extra capacity by expanding lanes on South Union Street and Warren C. Coleman (C-4918-B); this project is scheduled for funding in the amount of \$1,294,915 with Concord providing a 20% match. The anticipated bid let date is before the end of 2012. The final active CMAQ project is on McCacheran Boulevard. This project has been bid once and construction should start before the end of 2012.

Cabarrus Avenue Bridge over Norfolk Southern Railroad (B-3421) – The replacement of this bridge is scheduled to begin in 2012 and will take 12 months to complete. Concord is participating to add Texas Classic Railing, decorative lighting and sidewalks on Cabarrus Avenue. The project will also facilitate the closing of the at-grade railroad crossing on Corbin Avenue with modifications to Powder Street to accommodate the change in the traffic pattern.

Public Transit

The Rider System will see a change in the contract operator with First Transit taking over July 1, 2012. The system has seen record ridership in FY 2011-12. The system has also taken the initial steps towards acquiring grant funding, to be matched locally, for purchase of new hybrid buses in an upcoming fiscal year.

Concord continues its successful partnership with CATS on the Concord Express running between the two cities. The budget also contains funds to continue the 79x route, providing limited service to the Speedway/Concord Mills area.

PUBLIC SAFETY

In FY 2011-12, 27 of the nearly 200 police vehicles were replaced with a new police interceptor model manufactured by Ford, the only front-wheel drive V6 police cars available.

A tremendous amount of time is focused on preparing for the Democratic National Convention (DNC). Several state delegations will be staying in Concord that week, creating a need for a high level of customer service and security considerations. Also, the DNC will kick off on Labor Day with scheduled activities at the Speedway. This is requiring a great deal of coordination between Police, Fire and other City departments with Charlotte departments and Federal law enforcement agencies. From a budget perspective, the Labor Day event should be covered by Federal dollars allocated through Charlotte. Part of the additional expenses for security considerations for delegations the rest of the week may fall on the City of Concord.

During FY 2009-10, Council voted to accept a Federal SAFER grant to add 12 new firefighter positions. These positions were used to establish a new ladder company to serve the western side of the County. They began service using an existing ladder truck. The funding breakdown for the positions is as follows:

	FEMA	CITY
First year	90%	10%
Second year	80%	20%
Third year	50%	50%
Fourth year	30%	70%
Fifth year	0%	100%

In FY 2012-13 the City will be at the end of the third year of the grant and the beginning of the fourth year, so the FEMA supplement will go from 50% to 30% during the fiscal year.

The personnel and the related equipment are currently housed at an existing station. A new station will be constructed closer to the Rocky River on Weddington Road or further west to permanently house the personnel and equipment. This station will provide better protection and it could support an enhanced Insurance Service Office (ISO) rating. Land acquisition and construction dollars are programmed for this station in this budget with much of the funding coming from capital reserves.

The new relationship with Charlotte taking over the backbone of the Cabarrus communications system is being implemented with full transition to be completed by the end of 2012. This has already paid dividends as Charlotte Fire Department has been able to acquire grant funding, with local matches, to go toward about half of a new P-25 compliant system. This is crucial as the current system will be obsolete and will have no maintenance support in future years. Concord, Kannapolis and Cabarrus County hope this regional partnership with Charlotte will continue to be beneficial and the Cabarrus entities will be better positioned to obtain the additional grant funding needed to complete the purchase of the P-25 compliant system.

This agreement impacts the system backbone including software, and eventually hardware and its maintenance and upkeep by Charlotte. It does not impact Concord's continued operation of a separate communications/911 center to support its public safety and infrastructure departments.

RECREATION AND OPEN SPACE

While the recession has impacted the City's ability to be aggressive in constructing new projects, staff recommends continuing to use funds set aside in reserve for recreation projects to take advantage of opportunities, particularly in the acquisition of property that can be used for the eventual development of new facilities. The City matched State funding controlled through the Carolina Thread Trail to acquire property off Weddington Road that can be used for a trail head and parking for that section of the Rocky River Greenway. PARTF, Carolina Thread Trail and other grant funds money are being used to construct another section of this greenway adjacent to Moss Creek, with the private donation of the land serving as an additional part of the match. The Rocky River Greenway remains a priority.

City Council adopted a goal of developing a dog park for FY 2012-13. Staff will be looking at existing and new park locations to develop alternatives for locating this facility. In addition, land acquisition continues for Phase 3 of the McEachern Greenway and also for property that may serve as access if existing public lands can be used for the development of a northwest park.

The Rocky River Golf Club continues to be one of the highest quality municipal golf courses in North Carolina, but has suffered due to the impact of hot summers affecting the quality of the greens. It is also a key attraction for those attending conventions in Concord, particularly at the Concord Convention Center. It is important that the course be maintained at this level. The budget recommendation contains money to renovate the greens to return them to their original size and to plant a strain of grass more tolerant during the hottest months of the summer. Since the grass selected was a bermuda variety, this will impact course operations during much of the summer of 2012, resulting in a loss of revenue. This is a necessary maintenance item, due to the age of the facility, to support the long term viability of the course.

TECHNOLOGY

Today's customers demand that we keep up with technology as it impacts the way they interact with the City. With more and more people being technologically "savvy" and possessing smart devices, this creates a challenge during tight economic times.

City departments are responding in a variety of ways. For example, we plan to build upon the successful changes in solid waste and recycling collection methods implemented in 2011 and equip personnel with smart devices that will enable them to use Mobile 311 software. That will help to quickly identify service needs in the field and document the desired action for tracking purposes. This may also alter citizen reporting requirements.

These same types of devices and software will be used by line workers on the field at the airport to record service needs when working with individual aircraft once they land. This should prove to be more effective and provide for quicker and more efficient service.

City government needs to migrate to a new email system. Serious consideration is given to moving to the "cloud" for this solution rather than the current in-house system. While this would necessitate an annual cost, it would eliminate the upfront costs of having to host the software and hardware and provide for constant updates to keep abreast with new technology.

Planning and Neighborhood Development is looking at two new applications to address existing needs. The first is Geographic Information System (GIS) software that will enable coworkers to manipulate the existing system and files in a much more user friendly format that should translate to better customer service. The second is exploring a relationship with Cabarrus County on partnering with their development review software so that the end user has one source to go to when going through the development process. While this will be costly, it has the great potential to be very useful to engineers, and architects, as well as small business people who may not have the money to spend a great deal of money on such support people for their project.

CUSTOMER SERVICE AND CITIZEN COMMUNICATIONS

The organization continues its focus on customer service. Coworkers on the Customer Service Design team include employees from each department who are leaders and who practice good customer service skills on a day-to-day basis. They are developing refresher courses to reemphasize this effort on service excellence. In addition, the Special Thanks And Recognition program (STAR) will continue to recognize coworkers who go above and beyond their regular duties. The "Journey through Concord" program continues. This program is designed to educate coworkers on the specific functions of the departments so they can help customers who have questions about other departments or services. "Journey through Concord" also provides coworkers an opportunity to understand how the City works together as a team to meet community needs.

In support of this effort, City Council adopted a goal for staff to review operations and customer requirements for user-friendliness. What better way to start doing that than to ask the customer. This will be done using a variety of tools such specific surveys, focus groups and other techniques such as "secret shoppers." This effort will start at the beginning of the new fiscal year with efforts to gain feedback from internal customers working for the City concerning the support departments that function to help them get the job done. From there it will spread to soliciting feedback from our external customers.

The City will also conduct its biannual citizen's survey in 2012 with results scheduled for presentation to City Council at the 2013 Planning Session.

Staff completed its comprehensive update of the City's performance evaluation system that includes a focus incorporating measures to make sure that departmental performance measures are reflected in individual evaluations. This is the next step in our emphasis on customer service and relating organizational goals to individual performance. This includes new forms that are 'on-line' to reduce use of paper and that detail performance expectations and training of all supervisors and coworkers.

Citizen communications will continue to be varied. Direct mailings such as the "City Circular" newsletter, newspaper placements, the electronic newsletter, the City's website, news releases, television, radio and other outlets will continue. However, we have also moved into new media such as blogs, Facebook, and RSS feeds, as citizens get their news from vastly different media outlets than a few years ago. The Connect CTY calling system continues to be a very valuable tool to notify groups during emergency situations and notify citizens of work that might impact their neighborhood, changes in City services and changes in schedules during holidays. The City continues its partnership with the school system by offering various opportunities to learn about City services. The City's Civic Education program involving 3rd grade students attending participating elementary schools continues to expand. One of the best ways to teach the parents about local government is through their children. Also, the highly successful Youth Council will continue this year. Concord 101 and the Public Safety Academy are very well received by participants. These programs give residents an opportunity to learn more about their municipal government and to provide feedback on important local needs and issues. Funds are budgeted to continue these programs in the new fiscal year.

The Customer Care Center continues to be essential in providing a human contact for citizens who phone in service needs. The Customer Care Center handled 152,825 calls in 2011 for an average of 12,735 per month.

EMPLOYEE COMPENSATION

Due to the economic conditions during the recession and the property revaluation in this fiscal year, the City has been very modest in providing performance based salary adjustments, if at all. This budget includes the opportunity for coworkers to receive a very modest lump sum payment based on performance and awarded at the time of the annual evaluation.

In past years these very limited adjustments have not been as concerning as others in the labor market have been doing the same thing. However, this year we are seeing proposals in the public and private sectors that are indicating that other employers are returning closer to normal in their compensation practices. The City has tried to benefit its coworkers by managing positions so to provide stability to employees during the recession. Many positions have been frozen or eliminated, but no one has been laid off.

It is human nature to forget this stability once opportunities start to open up. Also, younger generations of workers are clearly much more mobile in their careers. We are only as good as the people working for us so it is crucial that we keep our eye on this. We must attract and maintain good people who can work as a team and communicate well with internal and external customers. We must also continue to replace the baby boomer generation as these retirements accelerate. We feel that next fiscal year, unless the country goes back into a recession, we will likely be in a "catch-up" mode and will need to invest more significantly in this area.

EXTERNAL AGENCY FUNDING

For FY 2012-13, external agencies requested \$386,348 from the City of Concord. This compares to the \$117,000 appropriated for such purposes in FY 2010-11. These agencies play an important role in ensuring a high quality of life in our community and, in some cases, providing a safety net for those in need. However, Concord must focus on its core mission of providing municipal services. While many of the services these agencies provide are vital, they are not considered municipal in nature in North Carolina. Community Development Block Grant funds can be used for human services and housing, but they are limited to a certain percentage of the grant amount. Cutbacks in Federal spending are leading to a reduction in the CDBG allocation for Concord and fewer dollars are available for external agencies.

The recommendations call for small cuts in many of the agencies that received City support last year. \$65,500 of the \$230,624 requested is recommended from the General Fund. This is a 4.4% decrease from FY 12. \$35,750 of the \$155,724 requested is recommended in Community Development Block Grant monies. This is a 9.5% decrease from FY 12. The individual agency funding recommendations are included within the budget of their associated functional areas as directed by Council.

CONCLUSION

The FY 2012-13 budget proposal operationalizes the goals for the City of Concord established by the Mayor and City Council. The services, program and facility needs prioritized in the City Council Goals Statement were addressed. In addition, basic services have been maintained.

While this budget is proposed by the City Manager, it is neither final nor is it necessarily a reflection of what will be approved by the City Council. The Mayor and City Council will review these recommendations to arrive at what it considers the proper expenditure of the available revenues for the upcoming year.

Respectfully submitted,



W. Brian Hiatt
City Manager

BUDGET PROCESS

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

The City operates under an annual budget ordinance adopted by the City Council in accordance with the provisions of N.C.G.S. 159 – known as the Local Government Budget and Fiscal Control Act. The City Manager is required to submit a balanced budget by June 1 and the Council must adopt the budget by July 1. The fiscal year encompasses the period between July 1 and June 30.

Procedures

The City's budget process begins in November, at which time CIP budget forms and instructions are explained and distributed to departments. All departments receive their operating budget forms and instructions in early January.

Department Directors are responsible for estimating departmental expenditures. The Finance Director in conjunction with appropriate Department Directors determines revenues. 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 departmental goals and objectives. The departmental requests are submitted to the Finance Department, then organized and analyzed.

The budget reflects the service priorities of the Governing Body and Citizens of Concord. The service needs of the community are determined by public hearings and feedback through the Mayor and City Council. The City Manager and Budget

Staff then conduct a comprehensive review of service needs in light of departmental budget requests. After final service priorities are established and decided upon, a balanced funding plan is formulated. Through careful assessment of funding requirements and financing methods, a proposed budget document is organized into final format and submitted to the Mayor and City Council for their consideration and adoption.

The Mayor and City Council review the recommended budget packet, including departmental performance objectives, thoroughly with the City Manager and Budget Staff during special work sessions. A copy of the proposed budget packet with recommended changes is also filed with the City Clerk for public inspection. A public hearing is scheduled prior to the formal adoption of the budget. Adoption of the budget by the City Council establishes the legal authority to incur expenditures in the ensuing fiscal year. All annual appropriations lapse at fiscal year end.

Budget Transfers & Amendments

Even though the budget begins July 1, changes to revenues and expenditures can occur throughout the fiscal year. Under a budget transfer, monies are transferred, within the departmental budget, from one line-item revenue or expenditure to another line-item. This process requires the approval of the City Manager (or his/her designee if sum is under \$10,000), and the City Manager may authorize any amount of money to be shifted within a cost center. The City Manager is also authorized to effect interdepartmental transfers within the same fund, not to exceed 10 percent of the appropriated monies for the department whose allocation is reduced. A budget amendment usually involves larger sums of money and results in a significant change to the department's overall revenue and/or expenditure level. Budget amendments require City Council approval. Budget transfers and amendments must adhere to balanced budget requirements and

impose no additional tax levy liability on citizens.

Encumbrances

All monies at fiscal year end lapse and spending authority ceases, unless specific services or goods are encumbered. Encumbrances are a financial commitment or earmark for services, contracts, or goods that have not been delivered by June 30 – the end of the fiscal year. Encumbered monies are carried over into the new fiscal year’s budget. Outstanding encumbrances at fiscal year end do not constitute expenditures or liabilities.

Basis of Budgeting and Accounting

In accordance with the North Carolina Budget and Fiscal Control Act, the budget is developed and

adopted under the modified accrual basis of accounting. Under this format, revenues are recognized when measurable and available and obligations of the City are budgeted as expenditures. During the fiscal year, budgets are monitored and accounted for using the modified accrual basis. At fiscal year end, the City’s Comprehensive Annual Financial Report (CAFR) is prepared using Generally Accepted Accounting Principles, or GAAP. All governmental funds are reported using the modified accrual basis of accounting. Although the CAFR reports all proprietary funds using the full accrual basis of accounting, whereby revenues are recognized when earned and expenses recognized in the period incurred, for simplicity, the budget document reports all proprietary funds’ prior year actuals using the modified accrual method.

FY 2012-2013 OPERATING/CIP BUDGET & PERFORMANCE PLAN DEVELOPMENT CALENDAR

TASK	START DATE	DUE DATE(S)	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH	APRIL	MAY	JUNE
CIP forms distributed	11/17/11	12/16/11												
Mgt. & Budget Team discuss process and calendar	12/1/11	5/15/12												
Revenues estimated	12/16/11	4/30/12												
Budget Kickoff: Packets distributed to Dept Directors	1/11/12	1/11/12												
Budget software training	1/17/12	1/25/12												
Council goals and objectives established at Mayor & City Council Planning Session	1/27/12	1/27/12												
External agency budget requests accepted and hearing before Mayor & City Council	1/30/12	2/29/12; 4/10/12												
Budget Requests, Budget Document Pages, 5-Year Capital/Personnel Estimates due for Internal Service Depts. 2/3/12, for Operating Depts. 2/17/12	2/3/12	2/17/12												
Budget requests analyzed and reviewed with Dept Directors	2/3/12	05/1/12												
Departmental budget reviews	2/8/12	3/12/12												
Fees & Charges Schedule emailed to Dept Directors; Updates due	3/19/12	4/13/12												
City Manager’s recommended budget compiled and presented to Mayor & City Council	04/01/12	05/29/12												
Budget available for public viewing at City Clerk’s Office	05/29/12	06/12												
Mayor & City Council review budget and performance objectives, budget workshop held	05/29/12	06/12												
Public Hearing conducted; budget & Capital Improvement Plan adopted by City Council	06/12 (hearing)	06/12												
Evaluation of budget process	6/12	8/12												

Legend:
 City Mgt., Budget Staff, Dept Directors & Staff
 Budget Staff, Department Directors
 Mayor, City Council, City Mgt., Dept. Directors, Budget Staff
 External Agencies, Budget Staff, City Manager, Mayor & City Council
 City Mgt. & Budget Staff
 Finance & Budget Staff
 Internal Service Depts.
 Budget Staff, Dept Dir. & Staff
 Mayor & City Council
 Department Directors

FUND AND BUDGET UNIT STRUCTURE (FY 2012-2013)

Below outlines the organizational structure the city uses to account for (including accounting numbers) revenues and expenditures of city operations. Revenues are accounted at the fund level. Expenditures are accounted at the budget unit level (e.g. Governing Body, Electric Administration, etc.).

GENERAL FUND

FUND 100 – GENERAL FUND

General Government

1. Governing Body – 4110
2. Public Services Admin. – 4115
3. City Manager's Office – 4120
4. Risk Management – 4121
5. Human Resources – 4125
6. Wellness Center – 4126
7. Finance – 4130
8. Tax – 4140
9. Legal – 4150
10. Non-Departmental – 4190

Public Safety

11. Police – 4310
12. Code Enforcement – 4312
13. Emergency Communications – 4315
14. Radio Shop – 4330
15. Fire Operations – 4340
16. Fire Prevention – 4341
17. Fire Training – 4342
18. Emergency Management - 4343

Public Works

19. Streets & Traffic – 4510
20. Powell Bill – 4511
21. Traffic Signals – 4513
22. Traffic Services – 4514
23. Solid Waste & Recycling – 4520
24. Cemeteries – 4540
25. Fleet Services -- 4550

Economic Development

26. Planning & Neighborhood Development – 4910
27. Transportation Planning – 4915
28. Economic Development – 4920

Cultural and Recreational

29. Parks and Recreation – 6120
30. Aquatics – 6121

SPECIAL REVENUE FUNDS

FUND 201 – MUNICIPAL SERVICE DISTRICT FUND

1. Municipal Service District – 5000

FUND 210 – SECTION 8 VOUCHER PROGRAM FUND

1. Housing Vouchers Program – 1500

FUND 303 – COMMUNITY DEVELOPMENT

BLOCK GRANT (CDBG) FUND

1. Administration – 3030
2. Projects 2011 – 3035

FUND 253 – HOME CONSORTIUM FUND

1. Administration – 2530
2. Projects 2011 – 2535

FUND 292 – ADDL. \$5 VEHICLE TAX (TRANSIT) FUND

1. Addl. \$5 Vehicle Tax – 8200

ENTERPRISE FUNDS

FUND 600 – STORMWATER FUND

1. Stormwater Operations – 7100

FUND 610 – ELECTRIC SYSTEMS FUND

1. Electric Administration – 7200
2. Purchased Power – 7210
3. Powerlines Maintenance – 7220
4. Tree Trimming – 7230
5. Electric Construction – 7240
6. Peak Shaving – 7241
7. Electric Engineering Services – 7250
8. Utility Locate Services – 7260

FUND 620 – WATER RESOURCES FUND

1. Hillgrove Treatment Plt. – 7330
2. Coddle Creek Treatment Plt. – 7331
3. Waterlines Oper. & Maint. – 7340

FUND 630 – PUBLIC TRANSIT FUND

1. Rider Transit System – 7609

FUND 640 – WASTEWATER RESOURCES FUND

1. Wastewaterlines Operations & Maintenance – 7420

FUND 650 – GOLF COURSE FUND

1. Rocky River Golf Club – 7501

FUND 680 – AVIATION FUND

1. Aviation Operations – 4530

FUND 690 – PUBLIC HOUSING FUND

1. Public Housing Operations – 1000

INTERNAL SERVICES FUND

FUND 800 – INTERNAL SERVICES FUND

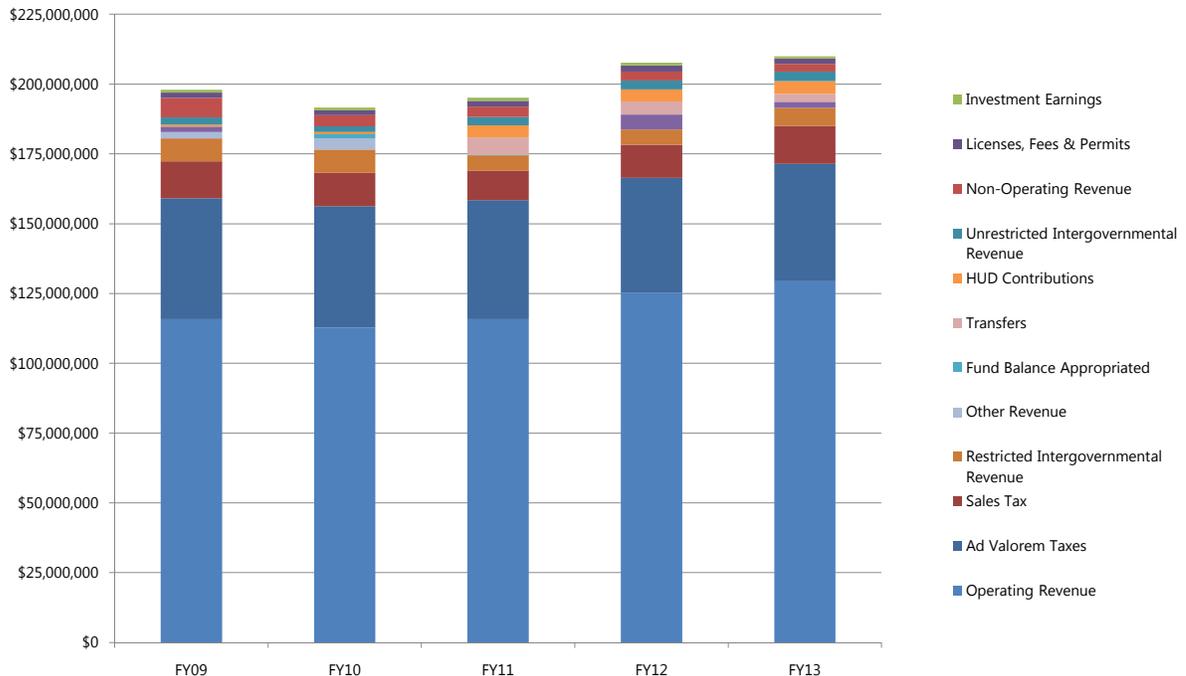
1. Utilities Collections – 4200
2. Data Services – 4210
3. Billing – 4215
4. Customer Service – 4220
5. Engineering - 4230
6. Purchasing – 4250
7. Customer Care Center – 4260
8. Buildings & Grounds – 4270

FY 2012-2013 Budget

Revenues:	General Fund		Special Revenue Funds					Stormwater
	General Fund	Municipal Service District	Section 8 Voucher Program	CDBG	HOME Consortium	\$5 Vehicle Tax		
Ad Valorem Taxes	\$ 42,056,015	\$ 84,885	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Tax	\$ 13,469,634	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, Fees & Permits	\$ 1,669,700	\$ -	\$ -	\$ -	\$ -	\$ 294,154	\$ -	\$ -
Unrestricted Intergovernmental Revenue	\$ 3,474,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted Intergovernmental Revenue	\$ 3,850,268	\$ -	\$ -	\$ 420,764	\$ 177,126	\$ -	\$ -	\$ -
Operating Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,611,000
Other/Non-Operating Revenue	\$ 2,678,669	\$ -	\$ 5,700	\$ 35,000	\$ 35,331	\$ -	\$ -	\$ 1,000
Investment Earnings	\$ 265,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,000
Retained Earnings Appropriated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance Appropriated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
HUD Contributions	\$ -	\$ -	\$ 3,715,424	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers	\$ -	\$ -	\$ -	\$ -	\$ 49,483	\$ -	\$ -	\$ -
TOTAL REVENUE	\$ 67,463,286	\$ 84,885	\$ 3,721,124	\$ 455,764	\$ 261,940	\$ 294,154	\$ -	\$ 3,672,000

Expenditures:								
Personal Services	\$ 37,243,729	\$ -	\$ 272,276	\$ 77,260	\$ 56,698	\$ -	\$ -	\$ 1,214,651
Operations	\$ 21,512,354	\$ 84,885	\$ 3,448,848	\$ 378,504	\$ 205,242	\$ -	\$ -	\$ 547,572
Capital Outlay	\$ 2,406,537	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 230,000
Debt Service	\$ 3,105,475	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,372
Cost Allocations	\$ (2,353,548)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 444,034
Transfers	\$ 5,548,739	\$ -	\$ -	\$ -	\$ -	\$ 294,154	\$ -	\$ 1,192,371
TOTAL EXPENDITURES	\$ 67,463,286	\$ 84,885	\$ 3,721,124	\$ 455,764	\$ 261,940	\$ 294,154	\$ -	\$ 3,672,000

Budgeted Revenues FY09-FY13

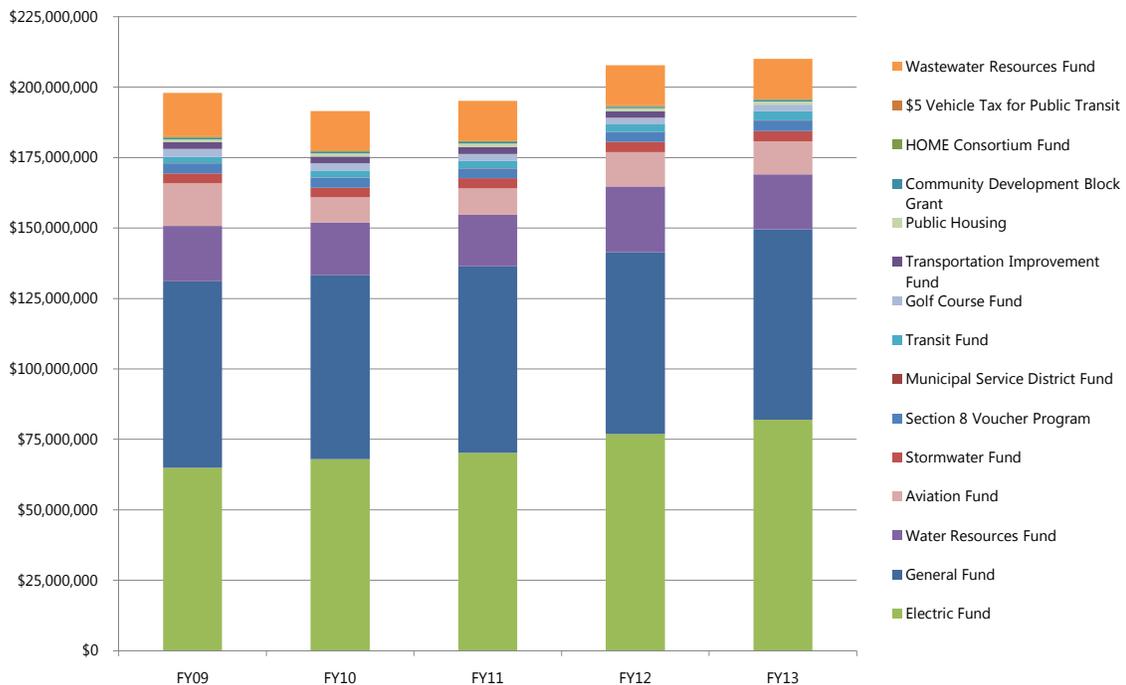


Summary By Fund

Enterprise Funds							
Electric	Water Resources	Transit	Wastewater Resources	Golf Course	Aviation	Public Housing	All Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,140,900
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,469,634
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,963,854
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,474,000
\$ -	\$ -	\$ 2,119,006	\$ -	\$ -	\$ -	\$ -	\$ 6,567,164
\$ 81,165,150	\$ 18,627,700	\$ 225,000	\$ 13,922,000	\$ 1,244,362	\$ 10,244,235	\$ 290,000	\$ 129,329,447
\$ -	\$ 38,785	\$ -	\$ -	\$ 35,168	\$ (150,000)	\$ 16,500	\$ 2,696,153
\$ 190,000	\$ 150,000	\$ -	\$ 110,000	\$ -	\$ 40,000	\$ -	\$ 815,000
\$ 645,586	\$ 811,919	\$ -	\$ -	\$ -	\$ 747,399	\$ -	\$ 2,204,904
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 824,220	\$ 4,539,644
\$ -	\$ -	\$ 912,055	\$ -	\$ 1,061,456	\$ 775,742	\$ -	\$ 2,798,736
\$ 82,000,736	\$ 19,628,404	\$ 3,256,061	\$ 14,032,000	\$ 2,340,986	\$ 11,657,376	\$ 1,130,720	\$ 209,999,436

\$ 4,901,598	\$ 3,715,283	\$ 186,750	\$ 1,613,036	\$ -	\$ 1,780,398	\$ 430,580	\$ 51,492,259
\$ 66,161,834	\$ 6,574,498	\$ 3,020,993	\$ 7,251,214	\$ 1,345,656	\$ 7,691,094	\$ 680,471	\$ 118,903,165
\$ 2,353,500	\$ 1,294,000	\$ -	\$ 908,500	\$ -	\$ 603,750	\$ -	\$ 7,796,287
\$ 3,245,941	\$ 5,125,180	\$ -	\$ 2,319,735	\$ 995,330	\$ 1,267,759	\$ -	\$ 16,102,792
\$ 2,992,233	\$ 2,272,136	\$ 48,318	\$ 1,929,545	\$ -	\$ 310,082	\$ -	\$ 5,642,800
\$ 2,345,630	\$ 647,307	\$ -	\$ 9,970	\$ -	\$ 4,293	\$ 19,669	\$ 10,062,133
\$ 82,000,736	\$ 19,628,404	\$ 3,256,061	\$ 14,032,000	\$ 2,340,986	\$ 11,657,376	\$ 1,130,720	\$ 209,999,436

Budgeted Expenditures FY09-FY13



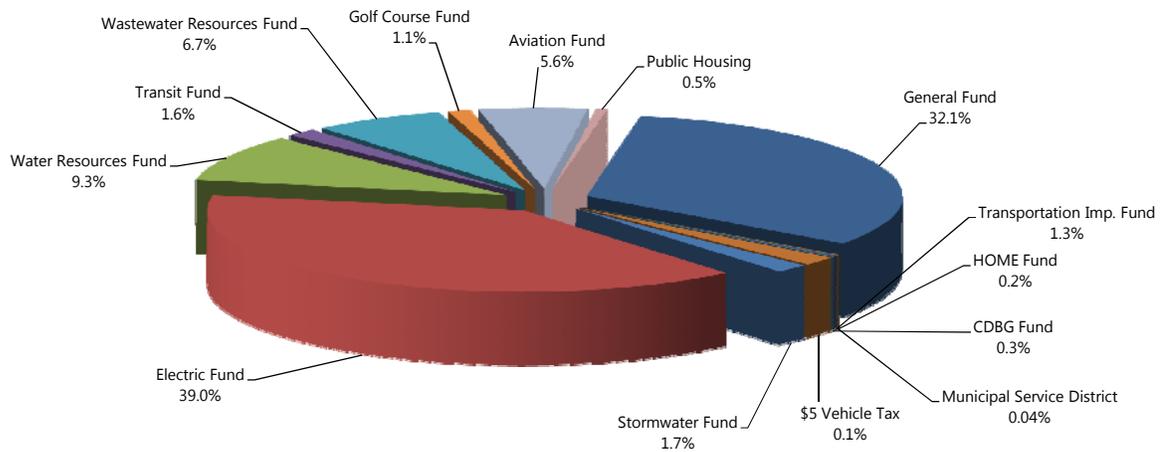
City Revenues

	2009-2010	2010-2011	2011-2012	2011-2012	2012-2013	2012-2013
	Actual	Actual	Council	Actual	Manager	Council
By Fund	Revenues	Revenues	Approved*	Revenues**	Recommended	Approved
General Fund	\$ 72,212,855	\$ 70,900,160	\$ 68,689,780	\$ 59,487,299	\$ 67,463,286	\$ -
Municipal Service District	\$ 76,899	\$ 81,728	\$ 73,900	\$ 78,773	\$ 84,885	\$ -
Home Consortium Fund	\$ 116,558	\$ 92,815	\$ 318,961	\$ -	\$ 261,940	\$ -
Community Development Block Grant (CDBG) Fund	\$ 489,008	\$ 167,876	\$ 405,477	\$ 102,701	\$ 455,764	\$ -
\$5 Vehicle Tax for Public Transit	\$ 297,485	\$ 301,896	\$ 275,000	\$ 242,753	\$ 294,154	\$ -
Section 8 Voucher Program	\$ 3,513,600	\$ 3,946,264	\$ 3,413,637	\$ (2,659)	\$ 3,721,124	\$ -
Stormwater Fund	\$ 4,003,955	\$ 3,715,344	\$ 3,616,805	\$ 3,258,581	\$ 3,672,000	\$ -
Electric Fund	\$ 70,421,935	\$ 75,516,130	\$ 79,635,678	\$ 68,013,413	\$ 82,000,736	\$ -
Water Resources Fund	\$ 19,563,144	\$ 19,710,501	\$ 24,069,603	\$ 17,453,473	\$ 19,628,404	\$ -
Transit Fund	\$ 2,284,417	\$ 3,057,431	\$ 3,044,345	\$ 848,489	\$ 3,256,061	\$ -
Wastewater Resources Fund	\$ 14,054,095	\$ 14,269,425	\$ 14,580,527	\$ 13,013,979	\$ 14,032,000	\$ -
Golf Course Fund	\$ 2,410,888	\$ 2,494,065	\$ 2,358,597	\$ 893,155	\$ 2,340,986	\$ -
Aviation Fund	\$ 9,331,618	\$ 10,435,435	\$ 12,237,065	\$ 9,793,750	\$ 11,657,376	\$ -
Public Housing	\$ 1,117,969	\$ 1,193,591	\$ 1,164,963	\$ 944,817	\$ 1,130,720	\$ -
TOTAL CITY REVENUES	\$ 199,894,427	\$ 205,882,660	\$ 213,884,336	\$ 174,128,523	\$ 209,999,436	\$ -

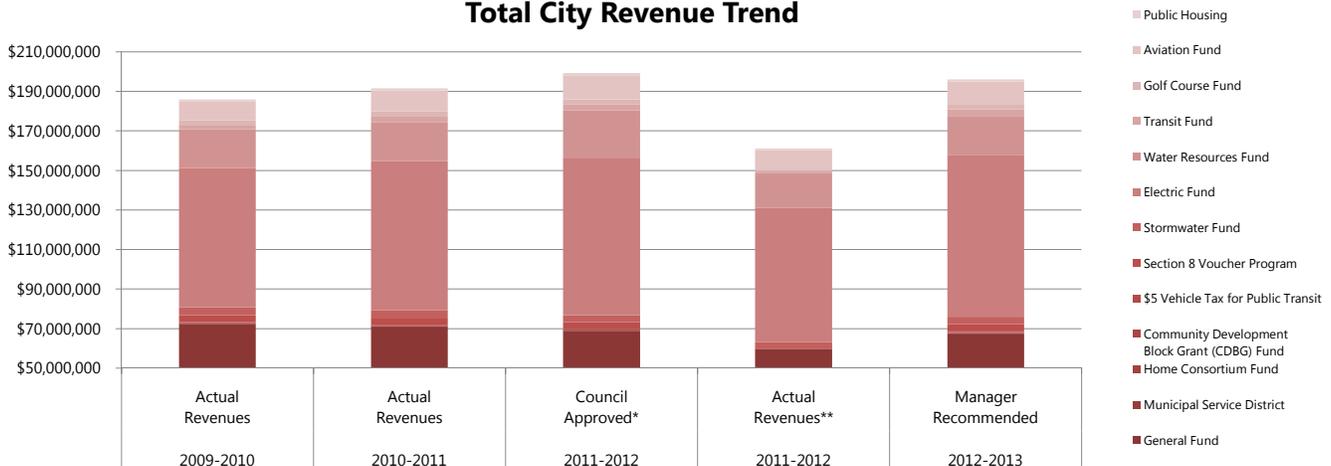
% budget change

* as amended **as of May 9, 2012

FY 2012-2013 City-wide Revenues (by Fund)



Total City Revenue Trend



City Expenditures

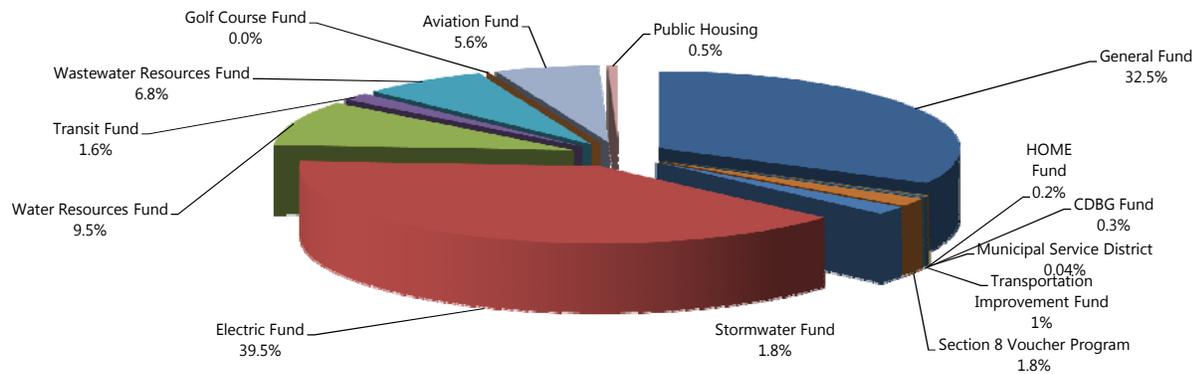
	2009-2010	2010-2011	2011-2012	2011-2012	2012-2013	2012-2013
	Actual	Actual	Council	Actual	Manager	Council
	Expenses	Expenses	Approved*	Expenses**	Recommended	Approved
By Fund						
General Fund	\$ 73,651,430	\$ 68,939,754	\$ 68,689,780	\$ 51,876,695	\$ 67,463,286	\$ -
Municipal Service District	\$ 74,786	\$ 81,728	\$ 73,900	\$ 78,906	\$ 84,885	\$ -
Home Consortium Fund	\$ 187,462	\$ 15,098	\$ 318,961	\$ 318,125	\$ 261,940	\$ -
Community Development						
Block Grant (CDBG) Fund	\$ 488,222	\$ 350,968	\$ 405,477	\$ 154,252	\$ 441,871	\$ -
\$5 Vehicle Tax for Public Transit	\$ 370,548	\$ 301,897	\$ 275,000	\$ 131,706	\$ 294,154	\$ -
Section 8 Voucher Program	\$ 3,455,917	\$ 3,688,768	\$ 3,413,637	\$ 4,265,405	\$ 3,721,124	\$ -
Stormwater Fund	\$ 4,258,604	\$ 4,282,110	\$ 3,616,805	\$ 2,511,374	\$ 3,672,000	\$ -
Electric Fund	\$ 63,778,896	\$ 70,348,851	\$ 79,635,678	\$ 60,283,938	\$ 82,000,736	\$ -
Water Resources Fund	\$ 15,955,287	\$ 15,618,502	\$ 24,069,602	\$ 18,208,509	\$ 19,628,404	\$ -
Transit Fund	\$ 2,368,593	\$ 2,629,242	\$ 3,044,345	\$ 2,468,137	\$ 3,256,061	\$ -
Wastewater Resources Fund	\$ 13,507,142	\$ 14,370,561	\$ 14,580,527	\$ 11,260,240	\$ 14,032,000	\$ -
Golf Course Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Aviation Fund	\$ 10,060,530	\$ 11,507,486	\$ 12,237,065	\$ 8,839,155	\$ 11,657,376	\$ -
Public Housing	\$ 1,233,001	\$ 1,243,859	\$ 1,164,963	\$ 941,490	\$ 1,130,720	\$ -
Internal Service Fund***	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL CITY EXPENDITURES	\$ 189,390,419	\$ 193,378,824	\$ 211,525,739	\$ 161,337,933	\$ 207,644,557	\$ -

% budget change

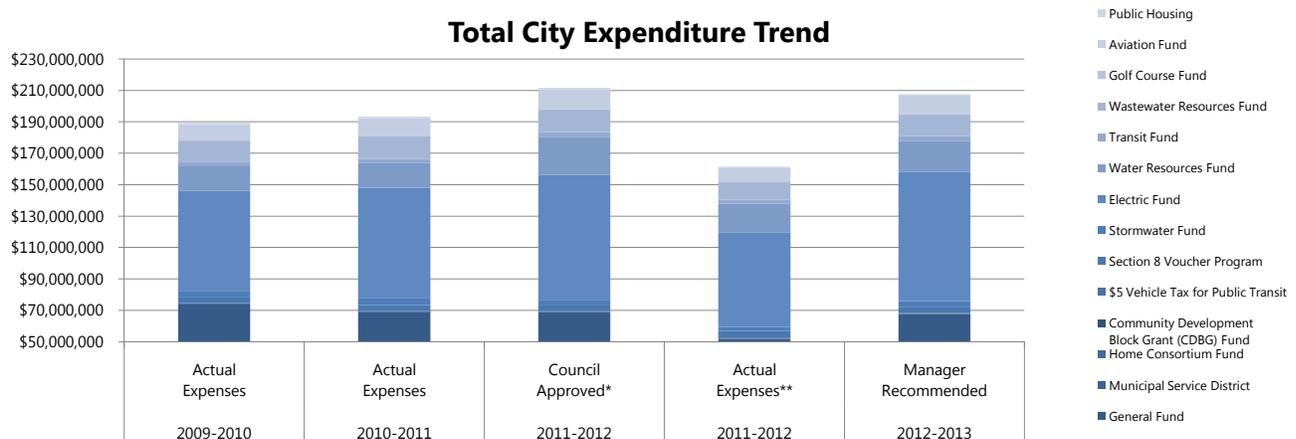
* as amended **as of May 9, 2012

*** All Internal Service Expenditures are allocated to other City departments.

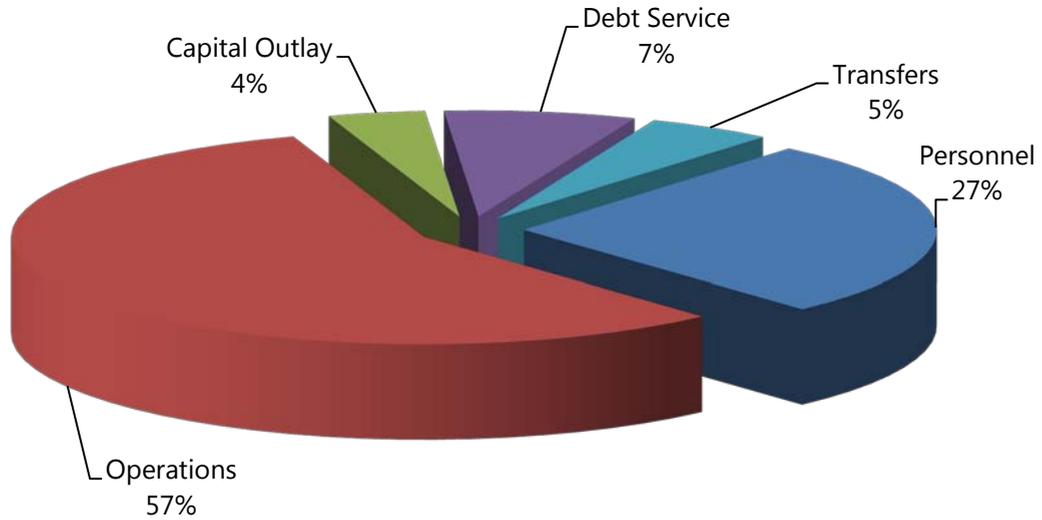
FY 2012-2013 City-wide Expenditures (by Fund)



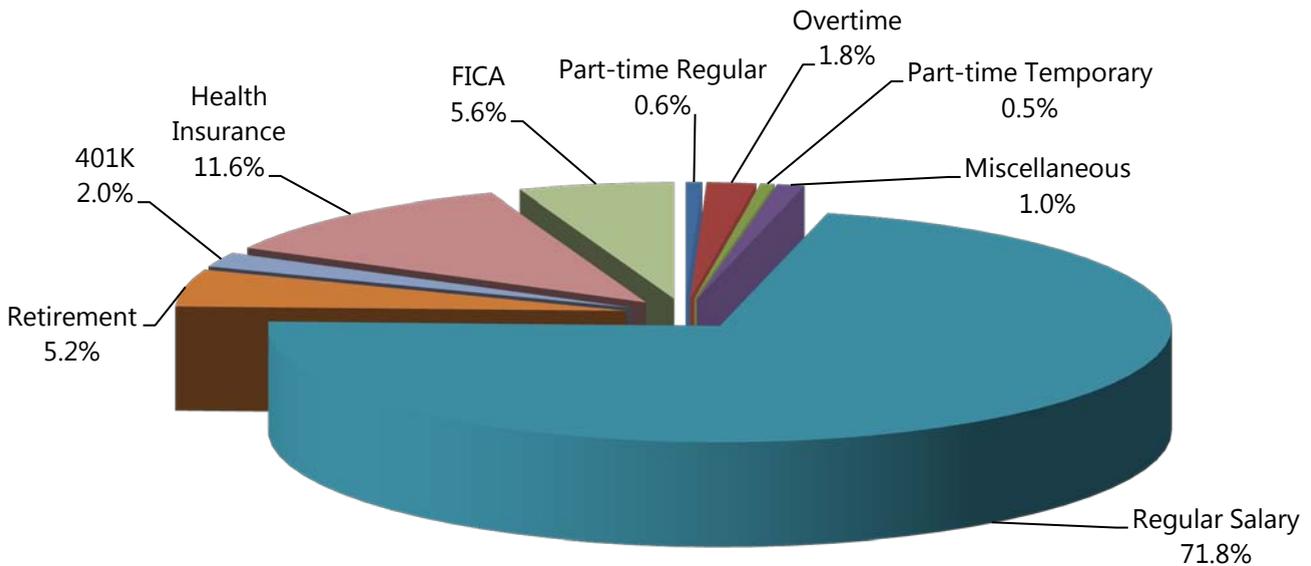
Total City Expenditure Trend



FY 12-13 Expenditures by Line-item Category (City total = \$209,999,436)



FY 12-13 Summary of Budgeted City-wide Compensation Expenditures* (\$57,321,799)



*Includes compensation for Mayor & City Council Members

MAJOR REVENUE SOURCES

General Fund: The General Fund budget for the 2012-13 fiscal year totals \$67,463,286 compared to the amended budget of \$69,049,757 for FY 2011-12. It is important to note that the amended 2011-12 budget includes a onetime appropriation from fund balance in the amount of \$2.15 million which funded right-of-way and easement purchases and acquisition of infrastructure plans. Factoring out transfers, financing proceeds and appropriations from fund balance (non operating revenue); there is a revenue increase of \$2,812,536 (4%) when compared to the current amended budget. The increase in revenues for the City's General Fund budget proposal is a result of growth in the local option sales tax receipts. 2012 is a revaluation year for the City and due to the 13% decline in assessed property values as determined by the 2012 Revaluation, a revenue-neutral tax rate of 0.48¢ per \$100 of valuation, as calculated by following NC state statute, is being proposed. The revenue neutral rate will result in stable property tax revenues for budget year 2013. The City has estimated revenues conservatively using information provided by the North Carolina League of Municipalities, historical and statistical trends, and other local factors. Again, this budget was prepared under the assumption that the City of Concord will receive all of its State shared revenues for the 2012-13 fiscal years.

Property Taxes: The budget is balanced with a property tax rate of \$.48 per \$100 valuation. This will yield \$41,248,165 in ad valorem tax revenue based on an average real and personal property collection rate of 97.70%. The tax base used in this budget preparation represents a 13% decrease in property values for a total valuation of \$8,860,416,287 (including motor vehicles). The decline in values and the increase in the tax rate are results of the 2012 Revaluation. The City will remain revenue neutral as described above. One cent on the City's tax rate produces \$859,337 in revenue, after the City's estimated collection rate is applied. This rate compares favorably to past City tax rates and remains one of the lowest in the state among medium to large size cities. The City continues to feel the effects of the Philip Morris plant closure, which has impacted property tax values, resulting in a total assessed value decline of 82% (\$895 million) since the closure was announced in June of 2007. The property value losses associated with Philip Morris should now be fully realized in prior years and future declines are not anticipated.

Sales Taxes: Local sales taxes levied by the City and County comprise 2.25% of the total 7.0% sales tax paid on retail sales in North Carolina. The local sales tax portion consists of a 1-cent tax that was first levied in 1971, a ½-cent tax levied in 1983, a ½-cent tax levied in 1986 and an additional ½-cent that was levied July 1, 2003. Effective October 1, 2008, the State took over one quarter cent of the Article 44 local option sales tax and effective October 1, 2009 the state took over the remaining one-quarter cent of this local tax. The City will be completely reimbursed for the loss of this revenue with hold harmless payments. The State of North Carolina collects the sales taxes and distributes them to the local units.

Sales taxes are estimated to be \$13,170,170 for fiscal year 2011-12, an 8% increase when compared to the prior year collections. Sales tax allocations for Cabarrus County are based on proportional property tax levies. The City has projected a 2% increase in sales tax allocations for FY 2012-13 when compared to FY 2011-12 anticipated collections. The City continues to apply a conservative approach when estimating this revenue source, but current trends indicate that local option sales tax will continue to grow.

Legislation passed during the 2001 session repealed the utility franchise tax on telephone companies and replaced it with a sales tax on telecommunications of 6% of gross receipts (now 8%). The estimated telecommunications sales tax included for FY 2012-13 is \$687,300, which represents 2% growth.

The N.C. Department of Revenue distributes part of the state sales tax collected on video programming and telecommunication services to counties and cities. Local governments receive 23.6% of the sales tax collections from video programming service, an additional 7.7% of the existing telecommunications sales tax and 37.1% of sales tax collections on satellite television service. The estimated video programming sales tax included in FY 2012-13 is \$627,135, which represents a 2% growth in this revenue source.

Utility Franchise Tax: As of July 1, 1999, each city's share of the utility franchise fee is based on actual receipts from companies that provide electricity. The State levies a 3.22% franchise tax on the total gross receipts of all businesses within the State that provide electricity. An amount equal to 3.09% of the total gross receipts of electricity service derived from the sale within any municipality is distributed to the municipality in which these gross sales are made. These funds are collected by the State and are distributed to the City of Concord based on the actual receipts from the providers for services provided within the city limits. This revenue source is expected to be \$2,100,000 for FY 2012-13, which is also the anticipated collection for the current year.

Powell Bill Street Allocation: These funds represent redistribution by the State of a portion of the motor fuel taxes collected. The use of these funds is restricted to maintaining, repairing, constructing, reconstructing or widening any public street or thoroughfare within the City limits. Bridges, drainage, curb and gutter and other necessary appurtenances are also approved uses of these funds. One-quarter of distribution is based on the number of miles of local streets in the City and the remainder is distributed on a population basis. These funds are expected to provide \$2,100,000 for FY 2012-13, which represents no growth when compared to current year estimates. This revenue source continues to remain flat as the State's allocation per street mile does not increase; in some years, it is reduced.

Privilege License Taxes: Each business activity operating within the City limits is required to purchase a privilege license to conduct such business. These taxes are a revenue measure provided to cities by the North Carolina General Statutes. Staff recommends continuing a gross receipts basis for our privilege license ordinance. A total of \$1,000,000 in revenues has been estimated in this budget, which represents no growth when compared to current year estimates.

Fund Balance: The City's unassigned General Fund balance was \$36,921,449 as of June 30, 2011. It is anticipated that the City will meet our target goal of a 30-35% minimum General Fund unassigned fund balance at June 30, 2012, as unassigned fund balance is not expected to materially change. Our ability to maintain a healthy fund balance in previous fiscal years was attributable to the economic vibrancy present in the City of Concord and increases in available cash for investments, collection percentage of property taxes, and conservative estimates on revenues. As the City is now experiencing a slowing economy, our conservative policies and procedures are even more important. The recommended budget does appropriate \$1,494,123 from the General Capital Reserve fund balance for one time capital expenditures. In FY2007-08 the City created a General Fund Reserve to begin preparing for future projects and each year the City contributes available resources to this Capital Reserve Fund. Although these reserves (approximately \$13,000,000) now reside in a separate fund from the General Fund and are no longer included in the City's General Fund Balance, the amounts are still available for projects and capital designated by the City Council.

Special Revenue Funds: The Municipal Service District tax has also been adjusted due to the 2012 Revaluation. The new tax rate has been calculated with the revenue neutral guidelines required by the State and is proposed at \$.23 per \$100 assessed valuation. Also, included in the Special Revenue Fund is the budget request for Community Development Block Grant Funds, the H.O.M.E. Program, the \$5 Vehicle Tax fund (Transit), and the Section 8 Housing Vouchers program. The special revenue funds total \$4,817,867.

Enterprise Funds: Stormwater, Electric, Water and Wastewater rates and charges will generate \$110,410,500 in revenues.

Stormwater: The Stormwater Fund is comprised of \$3,611,000 in operating revenue and \$61,000 in non-operating revenue. No rate or fee increases are proposed for the Stormwater program. Rate revenue for FY 2013 is expected to remain stable when compared to FY 2012 year end estimates.

Electric Fund: The Electric Fund is comprised of \$81,165,150 in operating revenues and \$190,000 in non-operating revenues, with an appropriation from the rate stabilization reserve in retained earnings of \$645,586. Electric revenues are estimated using the City's rate model. The proposed budgeted revenue does not include a rate increase. There will be a purchase power adjustment to rates of 2%, which will be effective with the September billing. FY 2013 rate revenue is anticipated to increase 4%.

Water Fund: The Water Fund is comprised of \$18,627,700 in operating revenue, non-operating revenue of \$188,785, and an appropriation from retained earnings of \$811,919 for one time capital project costs. Water revenues are estimated using no growth in consumption and no rate adjustments are recommended.

Wastewater Funds: The Wastewater Fund is comprised of operating revenue of \$13,922,000, non-operating revenues of \$110,000, and no appropriation from retained earnings. Wastewater revenues are estimated using no growth in consumption. No increase in wastewater rates is recommended.

Public Transit: The Public Transit budget is comprised of \$225,000 in operating revenue, \$2,119,006 in restricted intergovernmental revenue, and transfers of \$294,154. In FY 2012-13, Concord's General Fund contribution to the Transit system is \$617,901, which includes our portion of the CATS 79x and 80x services. No fare increases are proposed for the adoption of the FY 2012-13 budget, however potential fare increases may be discussed by City Council in late summer 2012.

Golf Course: The Golf Course Fund anticipates earned revenue for FY 2012-13 to decrease 3% when compared to the proposed budget of the prior year. Revenue projections have been reduced due to a greens renovation project that will result in temporary greens being used during the upcoming summer months. Although the greens renovations have been planned for the hot summer months, there will be anticipated revenue losses. Total revenues are estimated at \$1,279,530 from operations and an additional transfer from the General Fund of \$1,061,456 the majority of which is designated towards debt service.

Aviation: The Aviation budget is comprised of \$10,088,235 in operating revenue, \$46,000 in non-operating revenue and a transfer of \$775,742 from the General Fund. An appropriation from retained earnings, \$747,399, is included for one time capital and improvements at the airport. Fuel Sales have been budgeted with no material increases due to the current decreases in fuel prices.

Internal Services Fund: The Internal Services Fund – comprised of Data Services, Customer Service, Utilities Collections, Billing, Engineering, Call Center, Buildings and Grounds and Purchasing – totals \$9,357,485. All costs within this fund are allocated among the Electric, Water, Wastewater, Stormwater, Aviation and General Funds based on percentages derived from a cost allocation method.

All rates, fees, and charges are listed in the Schedule of Fees and Charges.

Fund Balances / Net Assets

Amounts shown as fund balance for Governmental Funds represent a running total of monies over the years that remain unspent after all budgeted expenditures have been made. For many years, the North Carolina Local Government Commission has recommended that units retain an amount of available fund balance in the general fund to at least 8% of the appropriations of the fund. The Concord City Council has a financial policy requiring a fund balance between 30%-35% of its general fund operating budget. The reason for this policy is to avoid cash flow interruptions, to generate investment income, to eliminate the need for short-term borrowing, and to have a reserve available in case of sudden emergencies.

The City implemented GASB #34 in the FY 2001-02 Comprehensive Annual Financial Report (CAFR). One component of this change involved the reporting of net assets (total assets less liabilities) in Proprietary Funds as opposed to retained earnings (accumulated earnings of funds after all budget business expenses have been

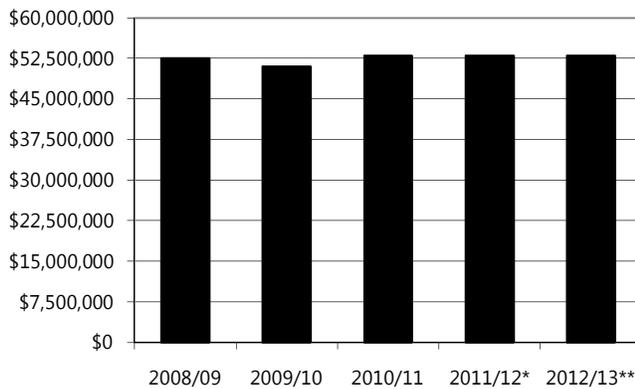
Fund Balances	2008/09	2009/10	2010/11	2011/12*	2012/13**
General Fund	\$ 52,507,102	\$ 51,068,523	\$ 53,028,928	\$ 53,028,928	\$ 53,028,928
Other Governmental Funds	\$ 11,225,995	\$ 20,914,517	\$ 23,244,199	\$ 23,244,199	\$ 23,244,199
Totals	\$ 63,733,097	\$ 71,983,040	\$ 76,273,127	\$ 76,273,127	\$ 76,273,127

Net Assets					
Business Type Activities - Enterprise Funds					
Electric Fund	\$ 64,246,115	\$ 70,890,040	\$ 76,154,683	\$ 80,150,000	\$ 79,700,000
Water Fund	\$ 70,869,325	\$ 75,953,853	\$ 82,017,548	\$ 77,517,548	\$ 76,705,548
Wastewater Fund	\$ 50,204,621	\$ 53,576,556	\$ 56,542,454	\$ 56,475,455	\$ 56,475,455
Aviation Fund	\$ 63,712,123	\$ 67,443,193	\$ 66,995,105	\$ 66,445,105	\$ 65,697,706
Stormwater Fund	\$ 52,775,206	\$ 52,892,559	\$ 52,958,042	\$ 52,946,045	\$ 52,946,045
Other Enterprise Funds	\$ 10,903,775	\$ 13,030,925	\$ 14,454,123	\$ 14,454,123	\$ 14,454,123
Totals	\$ 312,711,165	\$ 333,787,126	\$ 349,121,955	\$ 347,988,276	\$ 345,978,877

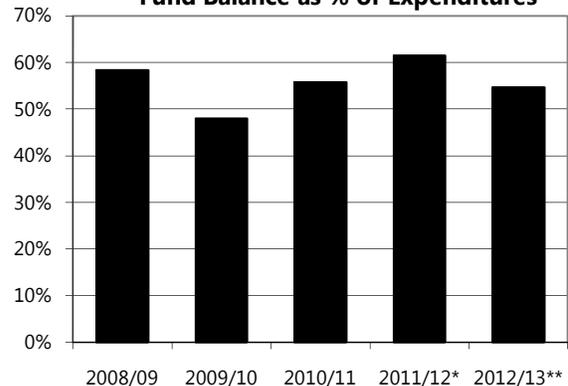
* unaudited

** estimate

General Fund - Fund Balance



Unassigned General Fund Fund Balance as % of Expenditures



Personnel Summary

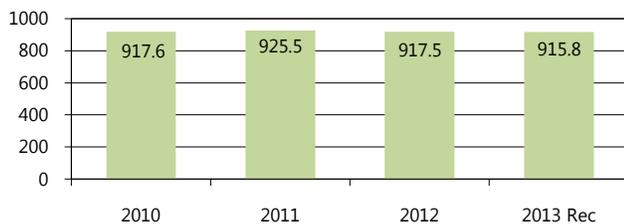
Personnel counts are calculated using the full-time-equivalent (FTE) method for all full-time and permanent part-time city employees (seasonal and temporary positions are not included). The FTE converts the hours worked by a position into a percentage of a full year's number of hours. For most city positions, 1 FTE equals 2,080 hours per year per position (based on a 40 hour work week and a 52 week work year). If a position works 1,040 hours per year, this translates into .5 FTE. Similarly, if a new full-time position has a Jan. 1 effective date (1/2 of the fiscal year), this translates into .5 FTE. In the case of Police Officer positions, 1 FTE equals 2,229.84 hours per year. A Fire Fighter FTE equals 2,920.96 hours per year.

Budget Unit	FY 2009-10 FTE	FY 2010-11 FTE	FY 2011-12 FTE	FY 2012-13 FTE*
GENERAL FUND				
General Government				
Public Services Administration	2	2	1	1
City Manager's Office	6	6	5	6
Risk Management	-	2	2	3
Human Resources	8	6	7	7
Finance	13	13.35	14	14
Tax	4.5	4.5	4.5	4.5
Legal	5	5	5	5
Non-Departmental	0	0	0	0
Public Safety				
Police	175.25	177.25	178.25	178.25
Code Enforcement	7	7	7	7
Communications	22.5	22.5	21.5	21.5
Radio Shop	4.5	4.5	3.5	3.5
Fire & Life Safety (Operations)	170	182	182	181
Fire & Life Safety (Prevention)	6	6	6	6
Fire & Life Safety (Training)	2	2	2	4
Fire & Life Safety (Emergency Management)	2.8	2.85	2.85	1
Public Works				
Streets & Traffic	26	27	27	27
Powell Bill (staff part of Streets & Traffic)	0	0	0	0
Traffic Services	6	5	5	5
Traffic Signals	3	4	4	4
Solid Waste & Recycling	36.5	33	32	32
Cemeteries	8	8	8	8
Fleet Services	13.25	13	13	13
Economic Development				
Planning & Neighborhood Development	18	17.85	15	14
Transportation Planning (contract)	0	0	0	0
Economic Development	0	0	1	1
Culture & Recreation				
Parks & Recreation	22	22	20	20
Parks & Recreation - Aquatics (seasonal staff)	0	0	0	0
Total FTE General Fund	561.3	572.8	566.6	566.75
OTHER FUNDS				
Municipal Service District Fund	0	0	0	0
HOME Consortium Fund	1.5	1.5	0.9	0.9
Transportation Improvement Fund	0	0	0	0
CDBG Fund	1.5	1.3	1.1	1.1
Addl. \$5 Vehicle Tax (Transit) Fund	0	0	0	0

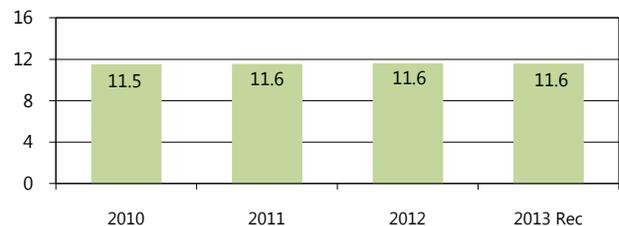
Budget Unit	FY 2009-10 FTE	FY 2010-11 FTE	FY 2011-12 FTE	FY 2012-13 FTE*
Stormwater Fund				
Stormwater Operations	20.5	20.25	20.25	20.25
Electric Systems Fund				
Electric Administration	2	2	2	2
Purchased Power	0	0	0	0
Powerlines Maintenance	13	13	13	13
Tree Trimming	9	9	9	9
Electric Construction	34	34	34	34
Peak Shaving	2	2	2	2
Electric Engineering Services	5	5	5	5
Utility Locate Services	5	5	4	4
Water Resources Fund				
Hillgrove Water Treatment Plant	14.5	14.5	14.5	14.5
Coddle Creek Water Treatment Plant	15.5	15.5	15.5	15.5
Waterlines Operations & Maintenance	35	34.75	34.75	34.75
Public Transit Fund				
Rider Transit System	0	2	2.75	2.55
Wastewater Resources Fund				
Wastewaterlines Operations & Maintenance	30	30	30	30
Golf Course Fund				
Golf Course Operations (contract)	0	0	0	0
Internal Services Fund				
Utilities Collections	4.5	4.5	4.5	4.5
Data Services (contract)	1	1	1	1
Billing	11	11	11	11
Customer Service	17	16	16	15.5
Engineering	25	25	25	24
Purchasing	9	8	7	7
Customer Care Center	7.7	7.65	8.15	8.5
Buildings & Grounds	39.6	38.5	39.5	39
Aviation Fund				
Aviation Operations	36.5	35.25	36	36
Public Housing / Sec. 8 Vouchers Funds				
Public Housing Operations / Vouchers Program	16.5	16	14	14
Total FTE Other Funds	356.3	352.7	350.9	349.05
Total FTE All City Funds	917.60	925.50	917.50	915.80

* For FY13, 4.25 FTE were eliminated and the equivalent of 14.5 FTE are not funded, but remain authorized for the future.

Number of Budgeted Full-Time-Equivalent (FTE)
City Employees



Number of City Employees
Per 1,000 Population



SUMMARY OF EXTERNAL AGENCY FUNDING

The City of Concord grants funding to non-governmental, or "External Agencies," that contribute to the City's cultural, social, and economic vitality. External Agency funding requests are considered by the City Council under the auspices of the Public Purpose Clause of the North Carolina State Constitution (Article V, Sec. 2(7)). Further guidance by North Carolina Supreme Court case law allows the City Council to choose to fund activities that 1) are within the appropriate scope of governmental involvement and reasonably related to community needs and 2) benefit the general public, as opposed to special interests or persons.

External Agency	Departmental Budget	FY 09/10 Actual	FY 10/11 Actual	FY 11/12 Budget	FY 12/13 Request	FY 12/13 Manager Rec.	FY 12/13 Council Approved
General Fund monies							
Boys & Girls Club of Cabarrus County	Parks & Rec	5,000	6,000	6,000	15,000	6,000	
Cabarrus Arts Council, Inc.	Parks & Rec	27,000	27,000	25,000	30,000	25,000	
Cabarrus County Museum of Fine Art & African American History	Econ Dev	-	1,500	1,500	1,900	1,500	
Cabarrus Events Association	Econ Dev	5,000	5,000	5,000	5,000	5,000	
Cabarrus Victims Assistance Network (CVAN) Sustaining Grant	Police	9,500	9,500	9,500	10,000	9,500	
Habitat for Humanity Cabarrus County (Affordable Housing Construction Grant)	Bus. & Nbhd	20,000	17,874	10,000	8,000	7,000	
Historic Cabarrus, Inc./Concord Museum	Econ Dev	5,000	6,000	5,000	10,000	5,000	
LifeSpan	Econ Dev	3,600	-	-	-	-	
Multicultural Student Union	Parks & Rec	-	2,000	2,000	2,500	2,000	
Walking in the Harvest - Operation Bread Basket	n/a	-	-	-	15,724	0	
Special Olympics Cabarrus County	Parks & Rec	3,500	-	2,000	2,000	2,000	
Tabernacle of Judah	n/a	-	-	-	50,000	0	
Teen Court (Conflict Resolution Center)	Police	-	-	2,500	5,000	2,500	
United Family Services	n/a	-	-	-	10,000	0	
Sub-total		\$268,298	\$292,074	\$299,124	\$230,624	\$65,500	\$0
Utility Fund monies							
Cabarrus Cooperative Christian Ministries	Water, Electric, Wastewater	10,000	10,000	12,000	12,000	12,000	
Sub-total		\$10,000	\$10,000	\$12,000	\$12,000	\$12,000	\$0
Community Development Block Grant monies							
Cabarrus Arts Council, Inc.	CDBG	-	2,000	1,750	3,000	1,500	
Cabarrus Cooperative Christian Ministry	CDBG	6,500	6,500	6,000	12,000	6,000	
Cabarrus Literacy Council	CDBG	5,000	5,000	4,000	5,000	4,000	
Cabarrus Meals on Wheels	CDBG	4,500	4,500	4,000	5,000	4,000	
Coltrane LIFE Center, Inc.	CDBG	4,500	4,500	4,000	5,000	4,000	
Hispanic Learning Center	CDBG	4,500	4,500	4,000	7,000	2,000	
Making a Difference Community Outreach	CDBG	-	-	-	30,000	0	
Walking in the Harvest - Operation Bread Basket	n/a	-	-	-	15,724	0	
Prosperity Community Connection Inc.	CDBG	1,500	1,500	1,500	1,500	1,500	
Prosperity Unlimited, Inc. Sustaining Grant	CDBG	10,000	10,000	9,000	12,000	8,000	
Serenity House	CDBG	4,500	4,500	3,500	4,500	3,000	
Tabernacle of Judah	n/a	-	-	-	50,000	0	
United Family Services	CDBG	-	2,000	1,750	5,000	1,750	
Sub-total		\$41,000	\$45,000	\$39,500	\$155,724	\$35,750	\$0
TOTAL		\$319,298	\$347,074	\$350,624	\$398,348	\$113,250	\$0

NOTE: A dash (-) signifies that no request was made.