

TOTAL BUDGET - ALL FUNDS

	FY 10/11 Revised	FY 11/12 Adopted	% Change
Fund #110 - General Fund	63,694,104	55,036,683	-13.59%
Fund #115 - Solid Waste Disposal Tax Fund	240,992	121,006	-49.79%
Fund #117 - Marketing/Communications Fund	76,838	50,300	-34.54%
Fund #118 - Martha Rivers Operation Playground Fund	24,095	-	-100.00%
Fund #119 - Technology Support Fund	106,354	24,725	-76.75%
Fund #169 - Insurance Capital Reserve Fund	79,550	79,500	-0.06%
Fund #171 - SC State Asset Forfeiture	10,675	-	-100.00%
Fund #173 - Federal Asset Forfeiture	184,895	20,000	-89.18%
Fund #174 - State Asset Forfeiture	210,059	50,000	-76.20%
Fund #176 - Law Enforcement Block Grant Fund	187,837	-	-100.00%
Fund #244 - Airport Capital Projects	860,852	166,667	-80.64%
Fund #263 - Street Capital Projects Fund	34,200,996	69,157	-99.80%
Fund #264 - Developer Sidewalks Fund	297,617	-	-100.00%
Fund #283 - General Fund Capital Projects Fund	8,942,084	10,208	-99.89%
Fund #284 - Downtown Capital Projects Fund	12,072,792	850,050	-92.96%
Fund #312 - Water & Sewer Stimulus Grant Fund	83,129	3,977	-95.22%
Fund #316 - Transit Stimulus Grant Fund	2,083,715	-	-100.00%
Fund #330 - Water & Sewer Enterprise Fund	29,680,938	30,338,614	2.22%
Fund #331 - Electric Enterprise Fund	68,109,548	70,769,592	3.91%
Fund #332 - Transit System Enterprise Fund	2,164,549	2,169,969	0.25%
Fund #335 - Solid Waste Enterprise Fund	-	5,870,529	100.00%
Fund #336 - Stormwater Utility Fund	2,097,348	2,086,236	-0.53%
Fund #337 - Power Agency Settlement Fund	316,329	253,063	-20.00%
Fund #342 - Water & Sewer Capital Expansion & Development	3,025,748	3,221,346	6.46%
Fund #351 - Water & Sewer Renewal & Replacement	1,488,873	1,480,873	-0.54%
Fund #352 - Electric Renewal & Replacement	1,158,814	1,215,814	4.92%
Fund #460 - Water & Sewer System Expansion Fee	-	134,662	100.00%
Fund #462 - Water & Sewer Capital Projects Fund	5,492,471	1,206,254	-78.04%
Fund #478 - Electric Capital Projects Fund	2,979,252	1,094,931	-63.25%
Fund #479 - Stormwater Capital Projects Fund	1,621,979	315,503	-80.55%
Fund #611 - General Fund Stimulus Grant Fund	2,956,812	200,000	-93.24%
Fund #621 - Community Development Fund	1,096,722	588,333	-46.36%
Fund #622 - CD - 108 Loan-Downtown Fund	18,600	18,600	0.00%
Fund #623 - CD - Rehab Fund	112,487	-	-100.00%
Fund #624 - CD - Home Investment Trust Fund	1,390,164	829,747	-40.31%
Fund #626 - 108 Loan - Economic Development Fund	923,812	-	-100.00%
Fund #628 - Occupancy Tax Fund	407,599	407,599	0.00%
Fund #629 - Uptown Municipal Services District Fund	168,834	179,492	6.31%
Fund #687 - Infrastructure Rehabilitation Fund	176,688	100,322	-43.22%
Fund #775 - Police Memorial Trust Fund	176,557	2,000	-98.87%
Fund #868 - Health Self-Insurance Fund	8,543,415	6,986,550	-18.22%
Fund #870 - Dental Self-Insurance	380,000	340,000	-10.53%
Fund #880 - Vehicle/Equipment Renewal & Replacement	5,911,915	5,867,374	-0.75%
Fund #881 - Technology Internal Services Fund	649,229	1,041,828	60.47%
TOTAL ALL FUNDS	264,405,269	193,201,504	-26.93%

CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
AD VALOREM TAXES	27,955,715	28,417,436	28,862,603	28,959,690	28,398,166
APPROPRIATED FUND BALANCE	0	0	18,838,314	0	4,173,585
ASSESSMENTS	57,003	49,909	28,600	51,900	41,000
BANK LOANS	0	159,077	0	0	0
ELECTRIC COLLECTIONS	62,239,810	64,084,219	66,230,002	69,653,101	69,980,470
FEES	7,154,343	6,604,599	6,932,420	7,638,310	7,966,190
FUNDING FOR ROADS	2,844,079	2,312,457	7,898,403	2,481,661	2,267,376
INVESTMENT EARNINGS	905,198	281,653	353,297	308,243	221,216
NON-RECURRING GRANTS	803,445	2,991,039	2,475,937	946,907	4,000
OPERATING GRANTS	3,328,784	2,509,534	5,611,846	1,282,364	3,019,531
OTHER REVENUES	22,838,412	39,821,533	71,861,584	65,885,694	17,593,796
RECURRING GRANTS	29,390	433,070	687,602	1,100,148	0
REIMBURSEMENTS	0	0	61,780	0	50,000
SALES TAX	9,988,923	9,728,777	9,688,922	7,312,009	9,285,736
STATE TRANSFERS	6,102,550	5,800,005	5,661,320	5,751,253	6,258,195
STORMWATER	2,035,706	2,052,495	2,067,336	2,041,609	2,068,336
TRANSFERS	11,350,934	10,880,650	9,079,501	9,079,501	11,107,526
WATER & SEWER	26,253,739	26,739,965	28,065,802	28,609,626	30,766,381
TOTAL REVENUES BY TYPE	<u>183,888,031</u>	<u>202,866,417</u>	<u>264,405,269</u>	<u>231,102,017</u>	<u>193,201,504</u>
BENEFITS	12,548,675	12,627,400	13,809,808	13,279,989	13,300,194
CAPITAL OUTLAY	6,746,908	4,598,588	57,714,687	11,266,705	2,746,631
DEBT SERVICE	14,133,909	34,538,534	21,013,399	20,342,743	14,305,950
EQUIPMENT	5,111,712	2,399,789	7,045,267	3,899,653	5,350,488
INSURANCE	1,401,316	1,436,878	1,723,213	1,546,647	1,398,546
MAINTENANCE	5,717,476	5,310,665	5,851,945	5,008,339	5,745,560
OPERATIONAL SUPPORT	15,669,276	15,555,637	15,729,674	12,308,894	12,963,717
OTHER EXPENSES	3,897,614	3,755,244	7,985,896	5,069,476	7,433,608
OTHER PURCHASES FOR RESALE	50,687,828	52,315,125	54,669,181	55,835,894	57,919,335
OTHER REVENUES	0	0	0	0	0
OVERTIME	1,210,513	1,143,798	1,434,622	1,401,987	1,164,640
PROFESSIONAL & CONTRACTED SVCS	8,850,323	11,242,604	18,642,726	10,801,130	9,160,348
REIMBURSEMENTS	0	0	155,348	0	-64,989
SALARIES & WAGES	43,185,379	43,145,101	42,879,311	41,992,636	43,372,846
TRANSFERS	11,350,934	10,880,650	9,079,501	9,079,501	11,107,526
TRAVEL & TRAINING	431,043	355,509	506,515	347,148	445,882
UTILITIES & LEASES	6,110,365	5,861,928	6,164,177	5,990,354	6,851,222
TOTAL APPROPRIATIONS BY	<u>187,053,272</u>	<u>205,167,450</u>	<u>264,405,269</u>	<u>198,171,096</u>	<u>193,201,504</u>

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

110 GENERAL FUND

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
AD VALOREM TAXES	27,842,132	28,301,912	28,743,380	28,842,938	28,279,543
APPROPRIATED FUND BALANCE	0	0	1,046,881	0	0
FEES	5,009,126	4,676,599	4,914,263	5,050,864	3,106,898
FUNDING FOR ROADS	2,319,099	2,302,495	2,271,786	2,445,676	2,267,376
INVESTMENT EARNINGS	374,247	139,097	140,000	56,039	66,888
NON-RECURRING GRANTS	5,660	500	0	14,863	4,000
OPERATING GRANTS	324,179	328,213	1,236,000	195,933	514,000
OTHER REVENUES	2,171,006	2,351,123	7,547,629	7,652,995	2,206,919
SALES TAX	9,988,923	9,728,777	9,688,922	7,312,009	9,285,736
STATE TRANSFERS	6,102,550	5,800,005	5,661,320	5,751,253	6,258,195
TRANSFERS	2,155,000	2,100,000	2,443,923	2,443,923	3,047,128
TOTAL REVENUES BY TYPE	<u>56,291,921</u>	<u>55,728,721</u>	<u>63,694,104</u>	<u>59,766,492</u>	<u>55,036,683</u>
BENEFITS	9,207,313	9,216,595	10,024,287	9,754,786	9,207,712
CAPITAL OUTLAY	21,693	55,000	15,750	5,182	150,250
DEBT SERVICE	4,356,712	4,207,992	10,023,564	10,016,210	4,872,635
EQUIPMENT	79,068	61,823	42,811	28,197	16,700
INSURANCE	1,118,512	1,070,538	1,295,660	1,164,757	1,140,346
MAINTENANCE	2,208,853	1,834,673	2,144,505	1,789,633	1,767,576
OPERATIONAL SUPPORT	4,528,388	4,472,280	4,473,056	4,303,372	3,940,771
OTHER EXPENSES	323,164	651,660	400,569	389,551	449,131
OTHER PURCHASES FOR RESALE	56,191	59,729	62,250	55,014	64,750
OTHER REVENUES	0	0	0	0	0
OVERTIME	577,019	592,439	743,040	736,460	519,290
PROFESSIONAL & CONTRACTED SVCS	4,322,364	4,184,767	5,451,950	4,147,967	2,067,859
REIMBURSEMENTS	-7,140,165	-6,900,374	-6,765,954	-6,459,706	-6,760,702
SALARIES & WAGES	32,712,376	32,377,831	31,867,584	31,587,155	31,417,716
TRANSFERS	2,663,563	2,010,107	1,190,059	1,190,059	3,934,017
TRAVEL & TRAINING	299,784	253,244	353,746	257,602	310,586
UTILITIES & LEASES	2,374,637	2,401,686	2,371,228	2,325,393	1,938,046
TOTAL APPROPRIATIONS BY TYPE	<u>57,709,472</u>	<u>56,549,991</u>	<u>63,694,104</u>	<u>61,291,632</u>	<u>55,036,683</u>

115 SOLID WASTE DISPOSAL TAX

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	189,634	0	98,356
INVESTMENT EARNINGS	59	276	206	493	0
OTHER REVENUES	21,926	51,434	51,152	50,402	22,650
TRANSFERS	0	0	0	0	0
TOTAL REVENUES BY TYPE	<u>21,985</u>	<u>51,710</u>	<u>240,992</u>	<u>50,895</u>	<u>121,006</u>
OPERATIONAL SUPPORT	0	0	0	0	0
OTHER EXPENSES	0	0	240,992	0	121,006
TOTAL APPROPRIATIONS BY TYPE	<u>0</u>	<u>0</u>	<u>240,992</u>	<u>0</u>	<u>121,006</u>

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

117 MARKETING & REVITALIZATION

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	0	0	0
FEES	1,512	761	1,500	58	300
INVESTMENT EARNINGS	-96	-179	0	-428	0
OTHER REVENUES	124,996	72,016	75,000	75,000	50,000
TRANSFERS	0	20,041	338	338	0
TOTAL REVENUES BY TYPE	<u>126,412</u>	<u>92,639</u>	<u>76,838</u>	<u>74,968</u>	<u>50,300</u>
BENEFITS	16,642	16,759	19,626	19,299	19,362
EQUIPMENT	6,534	0	0	0	0
OPERATIONAL SUPPORT	14,748	7,414	7,799	6,940	5,756
OTHER EXPENSES	15,399	-10,448	19,698	50,973	9,800
OTHER PURCHASES FOR RESALE	3,411	3,375	6,050	6,027	1,200
PROFESSIONAL & CONTRACTED SVCS	44,593	32,712	14,100	13,525	14,432
REIMBURSEMENTS	0	-68,566	-63,503	-79,658	-73,008
SALARIES & WAGES	70,083	70,118	70,418	70,418	72,098
TRANSFERS	0	1,810	0	0	0
TRAVEL & TRAINING	2,331	296	2,650	2,557	660
UTILITIES & LEASES	0	0	0	0	0
TOTAL APPROPRIATIONS BY TYPE	<u>173,741</u>	<u>53,469</u>	<u>76,838</u>	<u>90,082</u>	<u>50,300</u>

118 M RIVERS OPER. PLAYGROUND

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	24,095	0	0
INVESTMENT EARNINGS	0	51	0	67	0
OTHER REVENUES	0	28,600	0	0	0
TOTAL REVENUES BY TYPE	<u>0</u>	<u>28,651</u>	<u>24,095</u>	<u>67</u>	<u>0</u>
MAINTENANCE	0	4,808	24,095	11,586	0
TOTAL APPROPRIATIONS BY TYPE	<u>0</u>	<u>4,808</u>	<u>24,095</u>	<u>11,586</u>	<u>0</u>

119 TECHNOLOGY SUPPORT

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	81,354	0	0
FEES	29,532	20,759	24,700	22,335	24,700
INVESTMENT EARNINGS	1,169	434	200	323	0
OTHER REVENUES	-2	301	100	0	25
TOTAL REVENUES BY TYPE	<u>30,698</u>	<u>21,494</u>	<u>106,354</u>	<u>22,658</u>	<u>24,725</u>
OPERATIONAL SUPPORT	25,362	15,912	22,341	17,743	7,455
OTHER EXPENSES	0	0	67,537	0	0
PROFESSIONAL & CONTRACTED SVCS	5,822	7,397	7,193	4,941	12,583
TRAVEL & TRAINING	1,557	0	5,000	198	404
UTILITIES & LEASES	2,142	4,283	4,283	4,283	4,283
TOTAL APPROPRIATIONS BY TYPE	<u>34,883</u>	<u>27,593</u>	<u>106,354</u>	<u>27,164</u>	<u>24,725</u>

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

169 CAPITAL RESERVE-INSURANCE

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	79,500	0	79,500
INVESTMENT EARNINGS	567	44	50	33	0
TOTAL REVENUES BY TYPE	567	44	79,550	33	79,500
OTHER EXPENSES	0	0	79,550	0	79,500
TRANSFERS	55,000	0	0	0	0
TOTAL APPROPRIATIONS BY TYPE	55,000	0	79,550	0	79,500

171 SC STATE ASSET FORFEITURE

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	10,675	0	0
INVESTMENT EARNINGS	0	15	0	35	0
OTHER REVENUES	0	10,676	0	0	0
TOTAL REVENUES BY TYPE	0	10,691	10,675	35	0
EQUIPMENT	0	0	0	0	0
OPERATIONAL SUPPORT	0	0	8,000	4,416	0
PROFESSIONAL & CONTRACTED SVCS	0	0	2,675	619	0
TOTAL APPROPRIATIONS BY TYPE	0	0	10,675	5,035	0

173 FED ASSET FORFEITURE TRUST

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	86,473	0	0
INVESTMENT EARNINGS	855	255	0	31	0
OTHER REVENUES	97,070	52,599	98,422	99,704	20,000
TOTAL REVENUES BY TYPE	97,926	52,854	184,895	99,735	20,000
EQUIPMENT	0	6,650	0	0	0
OPERATIONAL SUPPORT	73,415	11,149	184,895	179,042	20,000
TRANSFERS	0	0	0	0	0
TRAVEL & TRAINING	0	0	0	0	0
TOTAL APPROPRIATIONS BY TYPE	73,415	17,799	184,895	179,042	20,000

174 STATE ASSET FORFEITURE FD

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	159,059	0	0
INVESTMENT EARNINGS	2,204	966	1,000	793	0
OTHER REVENUES	144,354	62,467	50,000	41,967	50,000
TRANSFERS	0	0	0	0	0

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

174 STATE ASSET FORFEITURE FD - cont'd

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
TOTAL REVENUES BY TYPE	146,558	63,433	210,059	42,759	50,000
EQUIPMENT	7,995	6,390	27,239	27,239	0
OPERATIONAL SUPPORT	26,693	60,610	147,820	25,240	50,000
PROFESSIONAL & CONTRACTED SVCS	4,193	33,733	35,000	0	0
TRANSFERS	0	7,915	0	0	0
TRAVEL & TRAINING	17,449	-334	0	2,420	0
UTILITIES & LEASES	0	0	0	0	0
TOTAL APPROPRIATIONS BY TYPE	56,329	108,314	210,059	54,900	50,000

176 LOCAL LAW ENF BLOCK GRANT

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	103,848	0	0
INVESTMENT EARNINGS	1,146	595	0	267	0
NON-RECURRING GRANTS	194,547	229,646	0	0	0
OPERATING GRANTS	17,068	11,778	13,957	3,262	0
OTHER REVENUES	1,641	1,641	0	0	0
RECURRING GRANTS	29,390	120,076	70,032	70,032	0
TRANSFERS	0	7,915	0	0	0
TOTAL REVENUES BY TYPE	243,791	371,650	187,837	73,561	0
BENEFITS	1,486	7,726	8,448	0	0
EQUIPMENT	5,500	169,856	5,861	0	0
MAINTENANCE	0	0	0	0	0
OPERATIONAL SUPPORT	61,926	81,792	83,659	70,149	0
OTHER EXPENSES	0	0	29,689	0	0
OVERTIME	5,915	0	6,661	0	0
PROFESSIONAL & CONTRACTED SVCS	159,722	83,929	9,412	0	0
SALARIES & WAGES	20,839	40,564	42,685	0	0
TRAVEL & TRAINING	875	-875	1,422	0	0
TOTAL APPROPRIATIONS BY TYPE	256,263	382,992	187,837	70,149	0

244 C.P.-AIRPORT PROJECTS

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	-321,797	0	0
INVESTMENT EARNINGS	2,219	-736	0	406	0
OTHER REVENUES	56,057	96,149	1,165,982	471,804	150,000
TRANSFERS	16,667	15,000	16,667	16,667	16,667
TOTAL REVENUES BY TYPE	74,942	110,413	860,852	488,877	166,667
CAPITAL OUTLAY	25,131	511,832	651,782	129,127	166,667
OPERATIONAL SUPPORT	0	0	80	0	0
PROFESSIONAL & CONTRACTED SVCS	37,157	106,832	208,990	31,048	0
TOTAL APPROPRIATIONS BY TYPE	62,288	618,664	860,852	160,174	166,667

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

263 CAP. PROJ.-STREET IMPROVM

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	699,099	0	0
FUNDING FOR ROADS	47,459	9,962	5,148,914	3,799	0
INVESTMENT EARNINGS	19,441	-368	0	28,938	69,157
OTHER REVENUES	0	40,839	28,352,983	28,355,252	0
TRANSFERS	150,000	0	0	0	0
TOTAL REVENUES BY TYPE	216,900	50,433	34,200,996	28,387,989	69,157
BENEFITS	0	0	3,085	1,123	0
CAPITAL OUTLAY	316,081	375,851	31,878,095	1,921,646	0
DEBT SERVICE	1,597	23,564	319,165	319,164	0
OPERATIONAL SUPPORT	0	0	0	0	0
OTHER EXPENSES	0	423	171	172	69,157
PROFESSIONAL & CONTRACTED SVCS	42,023	6,977	1,978,120	267,398	0
SALARIES & WAGES	0	0	22,360	8,074	0
TOTAL APPROPRIATIONS BY TYPE	359,700	406,815	34,200,996	2,517,577	69,157

264 DEVELOPER SIDEWALKS

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	297,617	0	0
INVESTMENT EARNINGS	4,829	2,012	0	2,279	0
OTHER REVENUES	0	32,345	0	128,441	0
TOTAL REVENUES BY TYPE	4,829	34,357	297,617	130,720	0
CAPITAL OUTLAY	0	0	14,015	0	0
OTHER EXPENSES	0	0	5,876	0	0
TRANSFERS	0	0	277,726	277,726	0
TOTAL APPROPRIATIONS BY TYPE	0	0	297,617	277,726	0

283 GENERAL FUND CAPITAL PROJ

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	1,348,672	0	0
FEES	0	0	0	0	0
FUNDING FOR ROADS	477,521	0	445,517	0	0
INVESTMENT EARNINGS	32,713	7,823	0	10,581	10,208
NON-RECURRING GRANTS	603,237	23,250	461,194	300	0
OPERATING GRANTS	125,000	95,000	41,500	0	0
OTHER REVENUES	240,902	762	6,516,432	5,751,290	0
TRANSFERS	962,902	329,824	128,769	128,769	0
TOTAL REVENUES BY TYPE	2,442,276	456,659	8,942,084	5,890,941	10,208
CAPITAL OUTLAY	2,527,671	95,900	7,573,985	320,768	0
DEBT SERVICE	9,395	304	170,976	118,326	0

CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES

283 GENERAL FUND CAPITAL PROJ - cont'd

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
EQUIPMENT	261,770	3,206	11,396	0	0
MAINTENANCE	147,909	9,370	4,013	0	0
OPERATIONAL SUPPORT	19,676	40,870	4,296	1,040	0
OTHER EXPENSES	68	62	87,580	82,098	10,208
PROFESSIONAL & CONTRACTED SVCS	46,572	434,049	1,089,838	775,888	0
TRAVEL & TRAINING	0	40	0	0	0
TOTAL APPROPRIATIONS BY TYPE	3,013,061	583,801	8,942,084	1,298,119	10,208

284 DOWNTOWN CAPITAL PROJECTS

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	1,818,248	0	0
INVESTMENT EARNINGS	25,053	5,156	46,944	94,078	3,523
OTHER REVENUES	1,037,718	0	9,454,537	8,723,084	556,402
TRANSFERS	876,000	325,000	753,063	753,063	290,125
TOTAL REVENUES BY TYPE	1,938,771	330,156	12,072,792	9,570,225	850,050
CAPITAL OUTLAY	844,720	512,003	8,892,350	4,520,494	0
DEBT SERVICE	80,792	52,935	572,994	574,243	685,026
EQUIPMENT	0	0	63,867	1,468	0
MAINTENANCE	0	0	3,133	3,133	0
OPERATIONAL SUPPORT	0	0	46	46	0
OTHER EXPENSES	0	68	886,301	87,104	165,024
PROFESSIONAL & CONTRACTED SVCS	338,052	124,424	1,506,097	1,152,938	0
TRANSFERS	0	0	148,004	148,004	0
TRAVEL & TRAINING	1,940	0	0	0	0
TOTAL APPROPRIATIONS BY TYPE	1,265,503	689,430	12,072,792	6,487,431	850,050

312 WATER/SEWER STIMULUS GRANTS

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	3,715	0	0
BANK LOANS	0	159,077	0	0	0
INVESTMENT EARNINGS	0	-47	47	1	0
NON-RECURRING GRANTS	0	17,625	19,375	19,375	0
OPERATING GRANTS	0	0	0	0	0
TRANSFERS	0	57,852	59,992	59,992	3,977
TOTAL REVENUES BY TYPE	0	234,507	83,129	79,368	3,977
CAPITAL OUTLAY	0	159,077	0	0	0
DEBT SERVICE	0	3,977	4,367	8,344	3,977
EQUIPMENT	0	67,738	78,762	72,797	0
TOTAL APPROPRIATIONS BY TYPE	0	230,792	83,129	81,141	3,977

CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES

316 TRANSIT STIMULUS GRANTS

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	0	0	0
INVESTMENT EARNINGS	0	0	0	0	0
OTHER REVENUES	0	0	2,083,715	0	0
TOTAL REVENUES BY TYPE	0	0	2,083,715	0	0
EQUIPMENT	0	0	1,952,238	1,939,645	0
MAINTENANCE	0	0	131,477	129,712	0
OTHER EXPENSES	0	0	0	0	0
TOTAL APPROPRIATIONS BY TYPE	0	0	2,083,715	2,069,357	0

330 WATER & SEWER

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	491,524	0	-1,473,418
ASSESSMENTS	57,003	49,909	28,600	51,900	41,000
FEES	1,002,766	908,935	891,512	836,748	878,612
INVESTMENT EARNINGS	66,593	27,291	30,000	16,734	13,539
OPERATING GRANTS	0	0	0	0	0
OTHER REVENUES	24,450	20,416,684	33,500	51,494	112,500
TRANSFERS	0	505,182	140,000	140,000	0
WATER & SEWER	26,253,739	26,739,965	28,065,802	28,609,626	30,766,381
TOTAL REVENUES BY TYPE	27,404,552	48,647,967	29,680,938	29,706,502	30,338,614
BENEFITS	1,800,575	1,866,042	2,017,972	1,895,990	2,008,277
CAPITAL OUTLAY	146,289	0	49,950	27,560	21,000
DEBT SERVICE	5,985,955	26,368,000	6,220,741	5,692,360	5,126,269
EQUIPMENT	110,936	38,741	59,000	24,000	173,900
INSURANCE	222,815	297,432	306,000	284,369	190,000
MAINTENANCE	2,089,183	2,133,416	2,296,017	1,893,700	2,550,527
OPERATIONAL SUPPORT	2,258,481	1,893,986	2,221,248	2,119,086	2,663,313
OTHER EXPENSES	1,529,505	1,672,278	2,170,027	2,170,008	2,228,691
OVERTIME	332,567	320,049	334,250	327,944	279,350
PROFESSIONAL & CONTRACTED SVCS	1,289,238	1,392,178	1,622,441	1,514,036	1,607,229
REIMBURSEMENTS	3,408,677	3,340,542	3,388,533	3,177,245	3,327,296
SALARIES & WAGES	5,475,605	5,623,894	5,496,812	5,429,325	5,754,788
TRANSFERS	970,000	1,040,000	1,200,000	1,200,000	1,200,000
TRAVEL & TRAINING	40,694	30,313	46,701	36,829	46,947
UTILITIES & LEASES	2,077,818	1,860,456	2,251,246	2,191,630	3,161,027
TOTAL APPROPRIATIONS BY TYPE	27,738,337	47,877,324	29,680,938	27,984,082	30,338,614

331 ELECTRIC

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	49,840	0	-799,654
FEES	590,084	643,730	758,900	1,006,406	633,859

CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES

331 ELECTRIC - cont-d

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
ELECTRIC COLLECTIONS	62,239,810	64,084,219	66,230,002	69,653,101	69,980,470
INVESTMENT EARNINGS	79,789	27,314	28,200	35,980	11,029
NON-RECURRING GRANTS	0	0	18,000	17,375	0
OTHER REVENUES	677,122	876,834	708,277	713,876	690,825
TRANSFERS	170,039	243,184	316,329	316,329	253,063
TOTAL REVENUES BY TYPE	63,756,844	65,875,282	68,109,548	71,743,067	70,769,592
BENEFITS	773,220	774,799	871,109	860,431	850,903
CAPITAL OUTLAY	329,206	324,349	288,704	265,980	255,000
DEBT SERVICE	15,698	16,869	16,869	16,869	16,869
EQUIPMENT	9,639	22,977	46,300	45,229	19,700
INSURANCE	18,534	4,158	12,000	10,116	12,000
MAINTENANCE	934,405	708,401	897,055	854,813	856,400
OPERATIONAL SUPPORT	476,614	326,594	456,394	445,794	485,506
OTHER EXPENSES	1,074,406	796,498	842,444	833,814	976,181
OTHER PURCHASES FOR RESALE	50,608,519	52,251,318	54,579,324	55,770,807	57,851,385
OVERTIME	219,567	183,988	264,800	261,475	209,500
PROFESSIONAL & CONTRACTED SVCS	765,540	709,279	728,851	664,246	738,926
REIMBURSEMENTS	2,351,684	2,363,464	2,312,731	2,155,682	2,226,034
SALARIES & WAGES	2,361,400	2,385,077	2,479,117	2,475,838	2,555,150
TRANSFERS	4,854,031	3,755,910	3,636,968	3,636,968	3,103,838
TRAVEL & TRAINING	36,157	40,103	45,727	30,268	41,841
UTILITIES & LEASES	590,657	578,895	631,155	615,108	570,359
TOTAL APPROPRIATIONS BY TYPE	65,419,277	65,242,680	68,109,548	68,943,439	70,769,592

332 TRANSIT SYSTEM

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
FEES	185,822	186,699	190,000	194,168	197,400
INVESTMENT EARNINGS	241	-314	0	504	0
OPERATING GRANTS	1,210,246	1,075,000	1,124,691	1,013,157	1,124,691
OTHER REVENUES	276,871	266,804	281,804	250,360	254,981
TRANSFERS	514,032	483,743	568,054	568,054	592,897
TOTAL REVENUES BY TYPE	2,187,212	2,011,932	2,164,549	2,026,243	2,169,969
BENEFITS	287,001	273,722	297,304	296,729	293,149
CAPITAL OUTLAY	104,434	1,816	500	51	5,000
EQUIPMENT	6,956	31,040	4,975	0	15,801
INSURANCE	35,257	44,988	82,414	83,011	44,000
MAINTENANCE	62,953	59,338	54,549	51,827	64,950
OPERATIONAL SUPPORT	272,807	209,575	261,037	258,716	294,731
OTHER EXPENSES	1,066	6,497	921	5,551	500
OVERTIME	46,456	21,733	47,600	45,321	44,000
PROFESSIONAL & CONTRACTED SVCS	150,206	57,761	67,404	66,910	68,700
REIMBURSEMENTS	451,608	441,444	427,219	425,843	441,773
SALARIES & WAGES	860,572	896,540	902,860	901,723	878,521
TRAVEL & TRAINING	3,519	2,718	2,100	2,270	3,262
UTILITIES & LEASES	14,516	14,588	15,666	15,484	15,582
TOTAL APPROPRIATIONS BY TYPE	2,297,352	2,061,760	2,164,549	2,153,436	2,169,969

CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES

335 SOLID WASTE

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
FEES	0	0	0	0	2,776,311
OTHER REVENUES	0	0	0	0	9,890
TRANSFERS	0	0	0	0	3,084,328
TOTAL REVENUES BY TYPE	0	0	0	0	5,870,529
BENEFITS	0	0	0	0	532,643
MAINTENANCE	0	0	0	0	305,500
OPERATIONAL SUPPORT	0	0	0	0	363,593
OTHER EXPENSES	0	0	0	0	76,000
OVERTIME	0	0	0	0	83,200
PROFESSIONAL & CONTRACTED SVCS	0	0	0	0	2,802,522
REIMBURSEMENTS	0	0	0	0	-58,736
SALARIES & WAGES	0	0	0	0	1,406,236
TRAVEL & TRAINING	0	0	0	0	2,960
UTILITIES & LEASES	0	0	0	0	356,611
TOTAL APPROPRIATIONS BY TYPE	0	0	0	0	5,870,529

336 STORMWATER UTILITY FUND

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	10,962	0	0
FEES	17,376	36,711	18,850	15,297	17,250
INVESTMENT EARNINGS	3,779	250	200	1,246	650
OTHER REVENUES	0	15,151	0	0	0
STORMWATER	2,035,706	2,052,495	2,067,336	2,041,609	2,068,336
TOTAL REVENUES BY TYPE	2,056,861	2,104,606	2,097,348	2,058,153	2,086,236
BENEFITS	144,148	150,570	145,632	141,879	139,365
CAPITAL OUTLAY	170	489	26	26	0
INSURANCE	6,198	17,390	9,200	4,394	9,200
MAINTENANCE	119,194	121,550	130,165	132,232	128,457
OPERATIONAL SUPPORT	55,855	52,794	60,832	59,394	62,269
OTHER EXPENSES	103	0	1,788	0	0
OVERTIME	1,904	3,699	6,300	5,811	300
PROFESSIONAL & CONTRACTED SVCS	11,397	12,942	24,432	14,191	108,800
REIMBURSEMENTS	900,078	823,490	856,322	780,593	832,354
SALARIES & WAGES	490,451	505,310	444,316	436,306	438,230
TRANSFERS	657,699	305,577	360,405	360,405	315,503
TRAVEL & TRAINING	3,747	2,697	5,561	2,901	5,034
UTILITIES & LEASES	54,956	58,456	52,369	52,296	46,724
TOTAL APPROPRIATIONS BY TYPE	2,445,901	2,054,964	2,097,348	1,990,427	2,086,236

CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES

337 POWER AGENCY SETTLEMENT

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	299,329	0	236,896
INVESTMENT EARNINGS	23,308	18,225	17,000	15,286	16,167
OTHER REVENUES	1,354,500	1,354,500	0	0	0
TRANSFERS	1,178,502	0	0	0	0
TOTAL REVENUES BY TYPE	<u>2,556,310</u>	<u>1,372,725</u>	<u>316,329</u>	<u>15,286</u>	<u>253,063</u>
TRANSFERS	520,039	593,184	316,329	316,329	253,063
TOTAL APPROPRIATIONS BY TYPE	<u>520,039</u>	<u>593,184</u>	<u>316,329</u>	<u>316,329</u>	<u>253,063</u>

342 W&S CAPITAL EXPANSION/DEV

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	1,803,748	0	2,010,990
INVESTMENT EARNINGS	60,463	18,514	22,000	14,453	10,356
TRANSFERS	970,000	1,040,000	1,200,000	1,200,000	1,200,000
TOTAL REVENUES BY TYPE	<u>1,030,463</u>	<u>1,058,514</u>	<u>3,025,748</u>	<u>1,214,453</u>	<u>3,221,346</u>
OTHER EXPENSES	0	0	1,237,458	0	1,448,102
TRANSFERS	1,256,235	2,799,221	1,788,290	1,788,290	1,773,244
TOTAL APPROPRIATIONS BY TYPE	<u>1,256,235</u>	<u>2,799,221</u>	<u>3,025,748</u>	<u>1,788,290</u>	<u>3,221,346</u>

351 W&S RENEWAL & REPLACEMENT

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	1,480,873	0	1,480,873
INVESTMENT EARNINGS	20,162	7,990	8,000	6,546	0
TRANSFERS	0	0	0	0	0
TOTAL REVENUES BY TYPE	<u>20,162</u>	<u>7,990</u>	<u>1,488,873</u>	<u>6,546</u>	<u>1,480,873</u>
EQUIPMENT	0	0	1,488,873	0	1,480,873
TOTAL APPROPRIATIONS BY TYPE	<u>0</u>	<u>0</u>	<u>1,488,873</u>	<u>0</u>	<u>1,480,873</u>

352 ELECTRIC RENEWAL & REPLACEMENT

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	1,095,814	0	1,155,814
INVESTMENT EARNINGS	13,693	5,791	3,000	5,085	0
TRANSFERS	60,000	60,000	60,000	60,000	60,000
TOTAL REVENUES BY TYPE	<u>73,693</u>	<u>65,791</u>	<u>1,158,814</u>	<u>65,085</u>	<u>1,215,814</u>
EQUIPMENT	0	0	1,158,814	0	1,215,814
TOTAL APPROPRIATIONS BY TYPE	<u>0</u>	<u>0</u>	<u>1,158,814</u>	<u>0</u>	<u>1,215,814</u>

CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES

460 WATER & SEWER SYSTEM EXPANSION FEE

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
FEES	0	0	0	373,760	134,662
TOTAL REVENUES BY TYPE	<u>0</u>	<u>0</u>	<u>0</u>	<u>373,760</u>	<u>134,662</u>
OTHER EXPENSES	0	0	0	0	134,662
TOTAL APPROPRIATIONS BY TYPE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>134,662</u>

462 WATER & SEWER CAP PROJ

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	4,271,471	0	0
INVESTMENT EARNINGS	102,647	22,842	21,000	14,180	6,254
OTHER REVENUES	36,912	0	0	0	0
TRANSFERS	1,100,000	1,724,000	1,200,000	1,200,000	1,200,000
TOTAL REVENUES BY TYPE	<u>1,239,559</u>	<u>1,746,842</u>	<u>5,492,471</u>	<u>1,214,180</u>	<u>1,206,254</u>
CAPITAL OUTLAY	1,362,743	1,127,408	4,547,550	2,150,192	1,011,280
DEBT SERVICE	0	0	13,952	0	0
EQUIPMENT	25,000	0	0	0	0
OTHER EXPENSES	349	327	132,525	356	6,254
PROFESSIONAL & CONTRACTED SVCS	379,505	487,611	609,724	242,446	0
UTILITIES & LEASES	188,720	188,720	188,720	188,720	188,720
TOTAL APPROPRIATIONS BY TYPE	<u>1,956,317</u>	<u>1,804,067</u>	<u>5,492,471</u>	<u>2,581,714</u>	<u>1,206,254</u>

478 C.P.-ELECTRIC SYSTEM

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	1,337,504	0	0
INVESTMENT EARNINGS	9,727	6,114	3,000	9,151	1,093
REIMBURSEMENTS	0	0	61,780	0	50,000
TRANSFERS	1,755,083	1,806,272	1,576,968	1,576,968	1,043,838
TOTAL REVENUES BY TYPE	<u>1,764,810</u>	<u>1,812,386</u>	<u>2,979,252</u>	<u>1,586,119</u>	<u>1,094,931</u>
CAPITAL OUTLAY	802,884	682,217	1,787,231	380,798	684,931
DEBT SERVICE	9,395	0	9,606	0	0
EQUIPMENT	0	39,933	67	0	0
OPERATIONAL SUPPORT	0	0	23,085	23,085	0
PROFESSIONAL & CONTRACTED SVCS	275,842	429,132	1,159,263	239,662	410,000
TRANSFERS	0	0	0	0	0
UTILITIES & LEASES	0	0	0	0	0
TOTAL APPROPRIATIONS BY TYPE	<u>1,088,121</u>	<u>1,151,282</u>	<u>2,979,252</u>	<u>643,545</u>	<u>1,094,931</u>

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

479 STORMWATER CAPITAL PROJECTS

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	1,219,388	0	0
FUNDING FOR ROADS	0	0	32,186	32,186	0
INVESTMENT EARNINGS	17,333	8,618	10,000	2,938	0
NON-RECURRING GRANTS	0	59,000	0	0	0
TRANSFERS	639,132	291,097	360,405	360,405	315,503
TOTAL REVENUES BY TYPE	656,465	358,715	1,621,979	395,529	315,503
CAPITAL OUTLAY	55,920	630,073	1,389,421	1,246,488	315,503
OTHER EXPENSES	0	89	7,797	258	0
PROFESSIONAL & CONTRACTED SVCS	3,850	70,701	214,916	85,314	0
TRANSFERS	16,667	15,000	0	0	0
UTILITIES & LEASES	0	761	9,845	0	0
TOTAL APPROPRIATIONS BY TYPE	76,437	716,623	1,621,979	1,332,060	315,503

611 GENERAL FUND STIMULUS GRANTS

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	146,483	0	0
INVESTMENT EARNINGS	0	-1,370	0	-641	0
NON-RECURRING GRANTS	0	2,661,018	1,972,868	890,494	0
OPERATING GRANTS	0	72,418	135,294	-36,209	0
OTHER REVENUES	0	0	170,164	251,655	200,000
RECURRING GRANTS	0	312,994	432,003	429,719	0
TRANSFERS	0	0	100,000	100,000	0
TOTAL REVENUES BY TYPE	0	3,045,059	2,956,812	1,635,018	200,000
BENEFITS	0	32,922	161,004	70,581	0
EQUIPMENT	0	187,395	124,834	119,332	0
INSURANCE	0	0	9,857	0	0
MAINTENANCE	0	368,567	80,066	75,803	0
OPERATIONAL SUPPORT	0	146,361	464,596	462,362	0
OTHER EXPENSES	0	1,591	1,259	1,195	0
OVERTIME	0	1,853	6,000	4,351	0
PROFESSIONAL & CONTRACTED SVCS	0	1,936,494	1,313,873	884,085	200,000
SALARIES & WAGES	0	172,770	668,870	238,224	0
TRANSFERS	0	14,480	106,095	106,095	0
TRAVEL & TRAINING	0	24	2,976	0	0
UTILITIES & LEASES	0	1,688	17,382	6,738	0
TOTAL APPROPRIATIONS BY TYPE	0	2,864,144	2,956,812	1,968,767	200,000

621 COMM DEV BLOCK GRANT

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	-483,038	0	0
INVESTMENT EARNINGS	-488	-2,544	1,550	-1,995	2,511
OPERATING GRANTS	557,237	590,458	1,576,610	39,592	582,022
OTHER REVENUES	6,357	5,397	1,600	6,429	3,800
TOTAL REVENUES BY TYPE	563,105	593,310	1,096,722	44,025	588,333

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

621 COMM DEV BLOCK GRANT - cont'd

	2008 - 2009 <u>ACTUALS</u>	2009 - 2010 <u>ACTUALS</u>	2011 <u>BUDGET</u>	YTD 06/30/2011	2011 - 2012 <u>COUNCIL</u>
BENEFITS	74,080	75,887	34,357	32,148	30,697
CAPITAL OUTLAY	59,320	88,167	97,013	14,903	20,000
DEBT SERVICE	0	291,802	310,843	309,901	300,000
INSURANCE	0	2,371	7,807	0	3,000
MAINTENANCE	1,908	2,573	3,552	1,150	2,350
OPERATIONAL SUPPORT	35,843	25,377	49,853	26,406	22,611
OTHER EXPENSES	8,709	4,175	34,808	5,320	2,250
PROFESSIONAL & CONTRACTED SVCS	251,324	145,492	436,234	89,785	107,857
SALARIES & WAGES	160,003	143,146	102,396	78,016	91,583
TRANSFERS	0	3,620	0	0	0
TRAVEL & TRAINING	1,356	2,748	7,705	1,094	3,031
UTILITIES & LEASES	5,695	7,716	12,154	5,720	4,954
TOTAL APPROPRIATIONS BY TYPE	<u>598,238</u>	<u>793,073</u>	<u>1,096,722</u>	<u>564,442</u>	<u>588,333</u>

622 108 LOAN-DOWNTOWN REVITALIZATION

	2008 - 2009 <u>ACTUALS</u>	2009 - 2010 <u>ACTUALS</u>	2011 <u>BUDGET</u>	YTD 06/30/2011	2011 - 2012 <u>COUNCIL</u>
APPROPRIATED FUND BALANCE	0	0	0	0	1,920
INVESTMENT EARNINGS	0	0	0	234	0
OTHER REVENUES	271,225	23,428	18,600	25,192	16,680
TOTAL REVENUES BY TYPE	<u>271,225</u>	<u>23,428</u>	<u>18,600</u>	<u>25,426</u>	<u>18,600</u>
DEBT SERVICE	12,725	24,428	18,600	6,565	18,600
OTHER EXPENSES	250,000	0	0	0	0
PROFESSIONAL & CONTRACTED SVCS	1,000	0	0	0	0
TOTAL APPROPRIATIONS BY TYPE	<u>263,725</u>	<u>24,428</u>	<u>18,600</u>	<u>6,565</u>	<u>18,600</u>

623 CD/REHAB

	2008 - 2009 <u>ACTUALS</u>	2009 - 2010 <u>ACTUALS</u>	2011 <u>BUDGET</u>	YTD 06/30/2011	2011 - 2012 <u>COUNCIL</u>
APPROPRIATED FUND BALANCE	0	0	22,487	0	0
INVESTMENT EARNINGS	1,399	607	0	165	0
OPERATING GRANTS	52,200	0	0	0	0
OTHER REVENUES	30,866	0	90,000	0	0
TRANSFERS	0	0	0	0	0
TOTAL REVENUES BY TYPE	<u>84,465</u>	<u>607</u>	<u>112,487</u>	<u>165</u>	<u>0</u>
CAPITAL OUTLAY	0	0	0	0	0
MAINTENANCE	0	0	0	0	0
OPERATIONAL SUPPORT	2,870	774	118	0	0
OTHER EXPENSES	0	0	1,191	0	0
PROFESSIONAL & CONTRACTED SVCS	48,928	21,689	110,435	0	0
TRAVEL & TRAINING	0	4,797	743	0	0
TOTAL APPROPRIATIONS BY TYPE	<u>51,799</u>	<u>27,260</u>	<u>112,487</u>	<u>0</u>	<u>0</u>

**CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES**

624 HOME INVESTMENT TRUST FUND

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	-676,699	0	0
FEES	0	0	0	0	0
INVESTMENT EARNINGS	-8,235	-5,107	0	-1,874	929
OPERATING GRANTS	911,603	336,669	1,483,794	66,629	798,818
OTHER REVENUES	54,589	49,213	397,502	75,903	30,000
RECURRING GRANTS	0	0	185,567	600,397	0
TOTAL REVENUES BY TYPE	<u>957,957</u>	<u>380,775</u>	<u>1,390,164</u>	<u>741,055</u>	<u>829,747</u>
BENEFITS	11,321	11,308	30,134	14,654	14,077
CAPITAL OUTLAY	27,177	0	36,767	0	50,000
EQUIPMENT	0	0	0	0	0
INSURANCE	0	0	275	0	0
MAINTENANCE	0	7,572	841	0	0
OPERATIONAL SUPPORT	12,982	8,320	17,878	8,352	9,659
OTHER EXPENSES	193,432	238,217	335,399	325,872	259,732
PROFESSIONAL & CONTRACTED SVCS	457,234	270,722	871,953	123,251	443,048
SALARIES & WAGES	130,010	156,311	91,090	79,067	49,244
TRANSFERS	0	1,810	0	0	0
TRAVEL & TRAINING	1,234	1,128	2,942	2,067	1,102
UTILITIES & LEASES	2,109	0	2,885	0	2,885
TOTAL APPROPRIATIONS BY TYPE	<u>835,500</u>	<u>695,388</u>	<u>1,390,164</u>	<u>553,264</u>	<u>829,747</u>

626 108 LOAN-ECONOMIC DEVELOPMENT

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	764,808	0	0
INVESTMENT EARNINGS	7,557	977	11,000	1,071	0
TRANSFERS	0	262,540	148,004	148,004	0
TOTAL REVENUES BY TYPE	<u>7,557</u>	<u>263,517</u>	<u>923,812</u>	<u>149,075</u>	<u>0</u>
CAPITAL OUTLAY	0	0	306,738	232,331	0
DEBT SERVICE	183,817	0	12,000	0	0
OTHER EXPENSES	0	136	1,229	0	0
PROFESSIONAL & CONTRACTED SVCS	5,725	24,181	603,845	67,283	0
TOTAL APPROPRIATIONS BY TYPE	<u>189,542</u>	<u>24,318</u>	<u>923,812</u>	<u>299,613</u>	<u>0</u>

628 OCCUPANCY TAX

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
INVESTMENT EARNINGS	0	0	0	0	0
OTHER REVENUES	369,704	336,693	407,599	394,982	407,599
TOTAL REVENUES BY TYPE	<u>369,704</u>	<u>336,693</u>	<u>407,599</u>	<u>394,982</u>	<u>407,599</u>
OTHER EXPENSES	369,704	336,693	407,599	352,948	407,599
TOTAL APPROPRIATIONS BY TYPE	<u>369,704</u>	<u>336,693</u>	<u>407,599</u>	<u>352,948</u>	<u>407,599</u>

CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES

629 UPTOWN MUNICIPAL SVCS DIS

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
AD VALOREM TAXES	113,583	115,524	119,223	116,753	118,623
APPROPRIATED FUND BALANCE	0	0	44,811	0	60,869
FEES	0	6,042	4,800	10,282	0
INVESTMENT EARNINGS	0	0	0	463	0
OTHER REVENUES	0	450	0	0	0
TRANSFERS	11,536	9,000	0	0	0
TOTAL REVENUES BY TYPE	125,119	131,015	168,834	127,498	179,492
CAPITAL OUTLAY	0	0	0	0	22,000
MAINTENANCE	0	0	0	0	1,200
OPERATIONAL SUPPORT	0	3,840	41,085	37,103	17,477
OTHER EXPENSES	121,889	45,344	88,594	17,412	54,000
PROFESSIONAL & CONTRACTED SVCS	0	17,674	24,821	22,673	28,500
TRANSFERS	0	20,041	0	0	50,000
UTILITIES & LEASES	0	3,192	14,334	9,416	6,315
TOTAL APPROPRIATIONS BY TYPE	121,889	90,090	168,834	86,603	179,492

687 INFRASTRUCTURE REHABILITATION

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	99,866	0	35,019
INVESTMENT EARNINGS	7,733	1,748	8,700	581	440
NON-RECURRING GRANTS	0	0	4,500	4,500	0
OTHER REVENUES	36,855	43,217	63,622	69,359	64,863
TOTAL REVENUES BY TYPE	44,588	44,965	176,688	74,440	100,322
CAPITAL OUTLAY	0	34,406	30,010	7,150	45,000
OPERATIONAL SUPPORT	199	50	2,800	0	500
OTHER EXPENSES	2,599	786	85,867	0	4,500
PROFESSIONAL & CONTRACTED SVCS	0	0	10,225	0	4,500
TRANSFERS	250,000	240,000	0	0	0
UTILITIES & LEASES	0	3,366	47,786	46,582	45,822
TOTAL APPROPRIATIONS BY TYPE	252,798	278,608	176,688	53,732	100,322

775 POLICE MEMORIAL TRUST

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	19,557	0	0
FEES	6,746	1,191	2,000	2,293	2,000
INVESTMENT EARNINGS	238	103	0	-30	0
OTHER REVENUES	3,270	0	150,000	0	0
TRANSFERS	0	0	5,000	5,000	0
TOTAL REVENUES BY TYPE	10,253	1,294	176,557	7,263	2,000

CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES

775 POLICE MEMORIAL TRUST - cont'd

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
CAPITAL OUTLAY	0	0	154,798	44,010	0
OPERATIONAL SUPPORT	0	220	0	0	0
OTHER PURCHASES FOR RESALE	8,888	702	21,557	4,046	2,000
PROFESSIONAL & CONTRACTED SVCS	0	0	0	3,024	0
TRAVEL & TRAINING	0	0	202	201	0
TOTAL APPROPRIATIONS BY TYPE	8,888	922	176,557	51,282	2,000

868 HEALTH SELF-INSURANCE

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	0	0	446,127
INVESTMENT EARNINGS	6,061	705	700	1,335	1,500
OTHER REVENUES	7,391,977	7,621,261	8,542,715	7,229,112	6,538,923
TRANSFERS	597,000	1,600,000	0	0	0
TOTAL REVENUES BY TYPE	7,995,038	9,221,966	8,543,415	7,230,447	6,986,550
MAINTENANCE	0	21	0	0	0
OPERATIONAL SUPPORT	8,562,875	8,941,597	7,551,515	4,825,141	5,550,689
OTHER EXPENSES	0	0	814,500	746,844	780,000
PROFESSIONAL & CONTRACTED SVCS	0	188,898	177,400	167,100	178,000
TRANSFERS	0	0	0	0	477,861
TOTAL APPROPRIATIONS BY TYPE	8,562,875	9,130,516	8,543,415	5,739,086	6,986,550

870 DENTAL SELF-INSURANCE

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
INVESTMENT EARNINGS	208	55	0	46	0
OTHER REVENUES	366,555	382,990	380,000	332,618	340,000
TOTAL REVENUES BY TYPE	366,763	383,046	380,000	332,665	340,000
OPERATIONAL SUPPORT	346,238	348,038	380,000	319,110	340,000
TOTAL APPROPRIATIONS BY TYPE	346,238	348,038	380,000	319,110	340,000

880 VEHICLE/EQUIPMENT R&R PROGRAM

	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	1,175,385	0	634,493
INVESTMENT EARNINGS	39,499	-7,736	0	-7,409	6,000
OTHER REVENUES	7,458,558	4,997,053	4,734,541	4,719,738	5,226,881
TRANSFERS	7,523	0	1,989	1,989	0
TOTAL REVENUES BY TYPE	7,505,580	4,989,318	5,911,915	4,714,318	5,867,374
DEBT SERVICE	3,358,137	3,546,314	3,319,722	3,280,761	3,282,574
EQUIPMENT	4,495,905	1,737,554	1,925,356	1,857,836	2,398,100
MAINTENANCE	43,494	0	948	0	0

CITY OF GASTONIA
REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES/USES

880 VEHICLE/EQUIPMENT R&R PROGRAM - cont'd

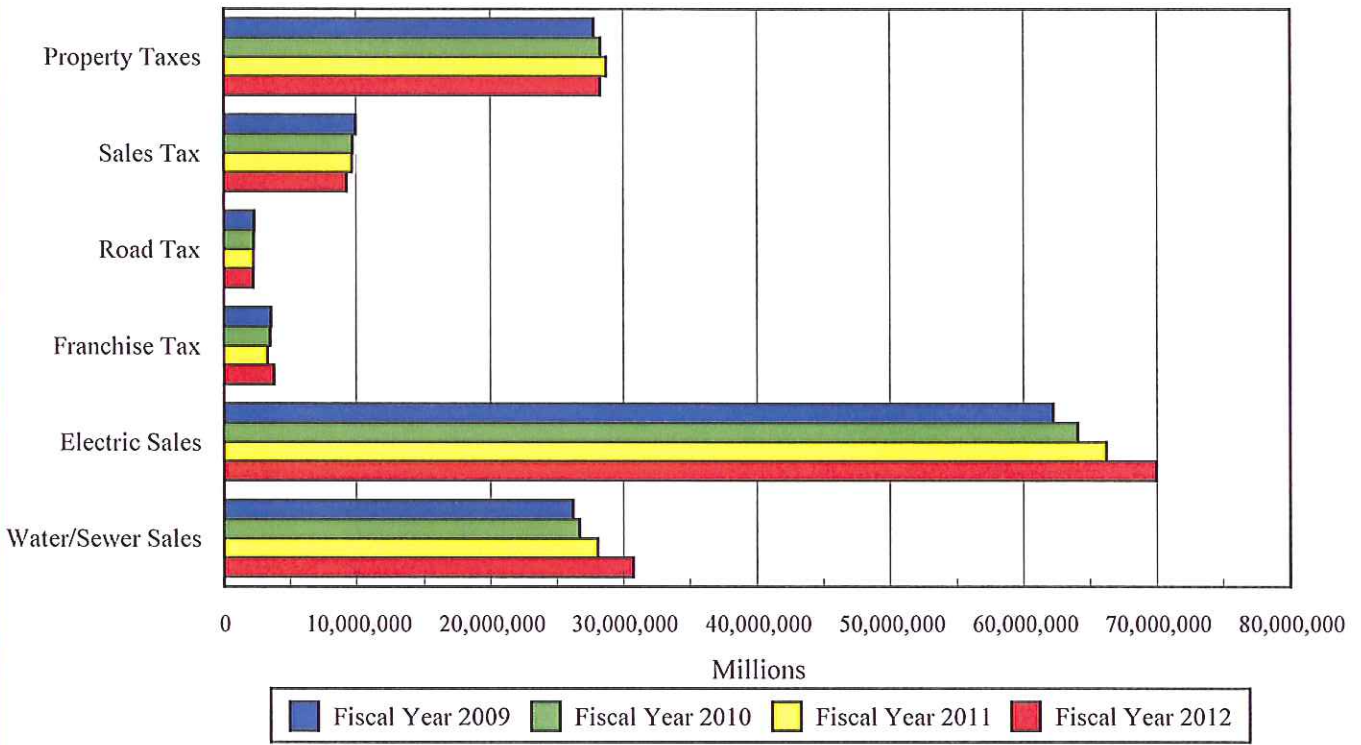
	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
OPERATIONAL SUPPORT	429,891	286,366	548,442	570,441	179,700
OTHER EXPENSES	0	40	0	0	0
PROFESSIONAL & CONTRACTED SVCS	6,608	138,060	61,822	32,240	7,000
TRANSFERS	0	53,875	55,625	55,625	0
TOTAL APPROPRIATIONS BY TYPE	<u>8,334,036</u>	<u>5,762,208</u>	<u>5,911,915</u>	<u>5,796,903</u>	<u>5,867,374</u>

881 TECH INTERNAL SVCS FUND

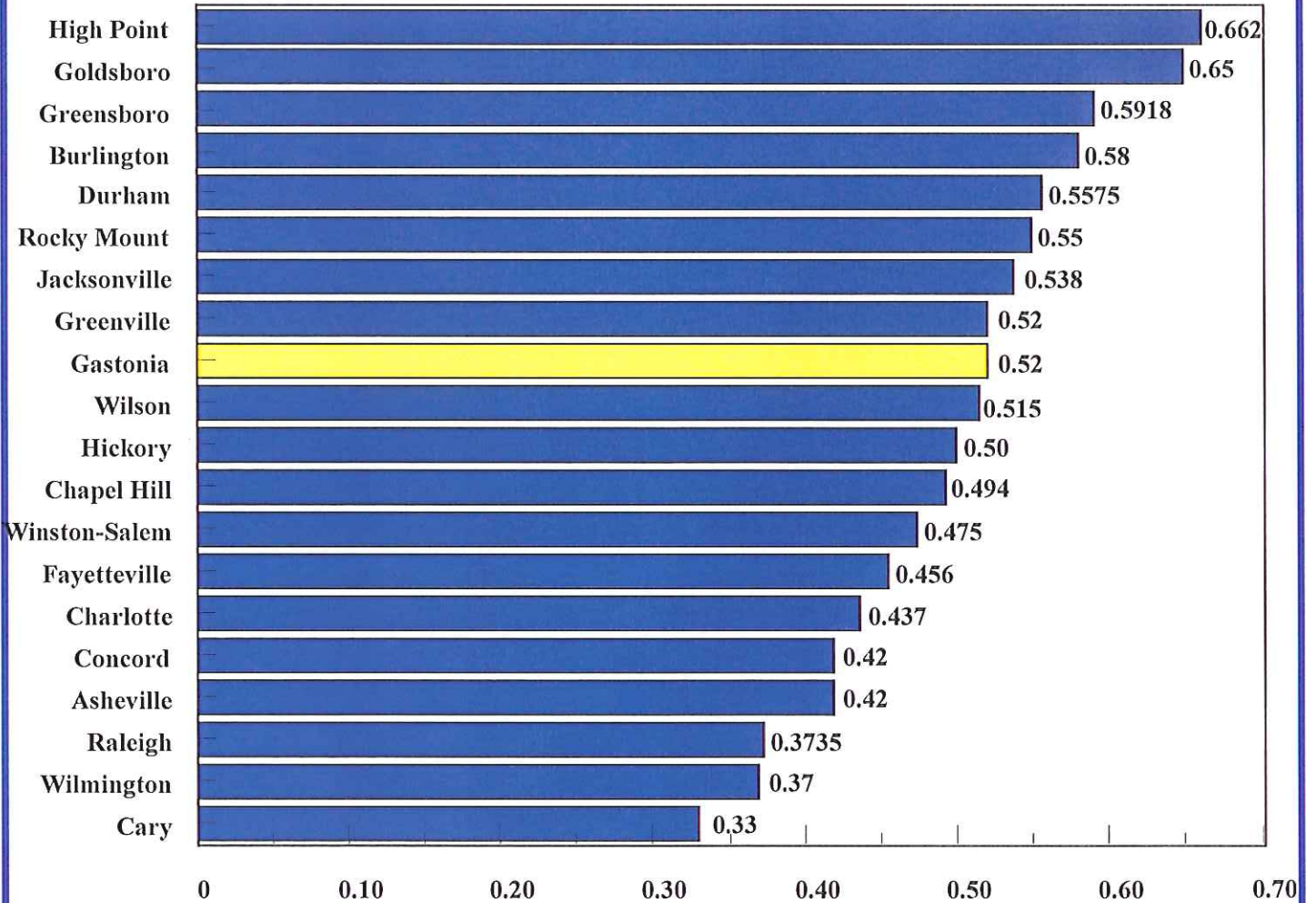
	2008 - 2009 ACTUALS	2009 - 2010 ACTUALS	2011 BUDGET	YTD 06/30/2011	2011 - 2012 COUNCIL
APPROPRIATED FUND BALANCE	0	0	37,126	0	205,800
FEES	123,567	123,172	125,895	126,099	194,198
INVESTMENT EARNINGS	2,354	1,025	500	1,502	972
OTHER REVENUES	565,013	625,632	485,708	360,182	640,858
TOTAL REVENUES BY TYPE	<u>690,934</u>	<u>749,829</u>	<u>649,229</u>	<u>487,783</u>	<u>1,041,828</u>
BENEFITS	201,466	201,070	196,850	192,368	204,009
EQUIPMENT	102,409	26,487	32,000	32,000	29,600
MAINTENANCE	59,649	60,376	81,529	64,751	68,600
OPERATIONAL SUPPORT	-1,546,591	-1,378,282	-1,258,327	-1,318,191	-1,050,313
OTHER EXPENSES	2,866	10,807	4,527	0	151,311
OVERTIME	19,160	20,037	25,971	20,626	29,000
PROFESSIONAL & CONTRACTED SVCS	170,544	324,969	301,713	204,659	360,392
SALARIES & WAGES	785,335	773,541	690,803	688,492	709,280
TRANSFERS	7,700	18,100	0	0	0
TRAVEL & TRAINING	19,697	18,612	29,040	8,742	30,055
UTILITIES & LEASES	736,265	738,123	545,123	528,983	509,894
TOTAL APPROPRIATIONS BY TYPE	<u>558,501</u>	<u>813,841</u>	<u>649,229</u>	<u>422,429</u>	<u>1,041,828</u>

COMPARISON OF MAJOR REVENUES

FY09 Actual - FY10 Actual - FY11 Budget - FY12 Adopted



Comparison of Ad Valorem Tax Rates
Twenty Largest Cities in North Carolina
Fiscal Year 2012 Adopted Levies



The above tax levy for Gastonia includes a 1-cent reduction from the previous year due to the transition of the Solid Waste program from a divisional account within the General Fund to an Enterprise Fund.

**CITY OF GASTONIA
COMPARISON OF BUDGETED TAX LEVIES**

Regular Levy	Tax Year 2009 2009/2010 Value TR2 values as of 01/01/10 (FY 10/11)	Tax Year 2011 2011/2012 Value TR2 values as of 01/01/11 (FY 11/12)	Projected Property Tax Levies for 2011/2012	Applied Collection Percentage	Projected Property Tax Levies for 2011/2012	Total Projected Collections for FY 10/11	Projected 2011 % Increase (Decrease) from FY 10
Real Property	4,135,722,284	4,159,157,898	21,627,621	97.02%	20,983,118	21,200,374	-1.02%
Personal Property	489,270,673	470,599,138	2,447,116	97.02%	2,374,191	2,508,080	-5.34%
Utility Certifications	116,435,102	108,636,229	564,908	100.00%	564,908	617,106	-8.46%
Motor Vehicles	402,899,926	373,640,909	1,942,933	83.78%	1,627,789	1,802,679	-9.70%
Grand Total Property Taxes	5,144,327,985	5,112,034,174	26,582,578		\$25,550,007	\$26,128,239	-2.21%

Revenue Projections Above are Based on the Following:

- 2011 values (Tax Year 2011) for real property, personal property, motor vehicles and utility certifications are equal to those reported on TR-2 report for 1/01/11. Growth projections are based on historical values over the last 20 years excluding 1990, 1994, 1998, 2004, and 2008 because of the revaluation of real property.
- Projected 2011/2012 values and current year projections for real property, personal property, utility certifications and motor vehicles will be adjusted as information is provided by Gaston County Tax Office.

Changes from original projections by category are as follows:

	FY 10	FY 11	Difference
Real Property	4,135,722,284	4,159,157,898	23,435,614
Personal Property	489,270,673	470,599,138	(18,671,535)
Utility Certifications	116,435,102	108,636,229	(7,798,873)
Motor Vehicles	402,899,926	373,640,909	(29,259,017)
			<u>(32,293,811)</u>

- Tax Rate of .52 per \$100 of Valuation and Auto Tag Fee of \$15.00 per Licensed Motor Vehicle
- Tax Collection Percentages as shown on Annual Audit - Analysis of Current Tax Levy Schedule A-6, 6/30/2010

**CITY OF GASTONIA
TAX VALUES, RATES, LEVIES AND COLLECTIONS
(Dollars in Thousands)**

Fiscal Year Ended	Real Property	Personal Property	Public Service Companies	Regular Tax Levy	% Collected Sch A-6	Motor Vehicles	Motor Vehicle Tax Levy	% Collected Sch A-6	Total Tax Valuation	Tax Rate	Total Tax Levy	Total Percent Collected Sch A-6
2001	2,610,259	574,244	109,196	16,314	96.46%	390,667	1,869	84.24%	3,684,366	0.4925	18,183	95.20%
2002	2,676,903	556,023	105,555	16,446	95.23%	398,821	1,959	91.48%	3,737,302	0.4925	18,406	94.83%
2003	2,723,971	558,030	107,648	18,368	96.52%	385,933	2,090	82.06%	3,775,582	0.5425	20,459	95.04%
2004	3,213,975	481,328	117,053	20,388	96.43%	434,471	2,119	83.57%	4,246,827	0.5300	22,507	95.22%
2005	3,296,429	392,600	99,560	20,998	96.72%	380,558	2,055	84.03%	4,169,147	0.5400	23,053	95.59%
2006	3,389,163	477,540	98,925	21,414	97.20%	420,911	2,273	83.67%	4,386,539	0.5400	23,687	95.90%
2007	3,463,484	496,793	103,924	21,950	97.50%	410,628	2,217	80.79%	4,474,829	0.5400	24,167	96.40%
2008	3,945,878	485,315	110,132	24,110	97.09%	428,148	2,299	83.50%	4,969,473	0.5300	26,409	95.91%
2009	4,082,384	482,831	116,429	24,813	96.72%	433,571	2,298	84.42%	5,115,215	0.5300	27,111	95.70%
2010	4,135,722	489,271	116,435	25,130	97.02%	402,900	2,135	83.78%	5,144,328	0.5300	27,265	94.79%
2011	4,159,158	470,599	108,636	25,113		373,641	1,980		5,112,034	0.5300	27,093	

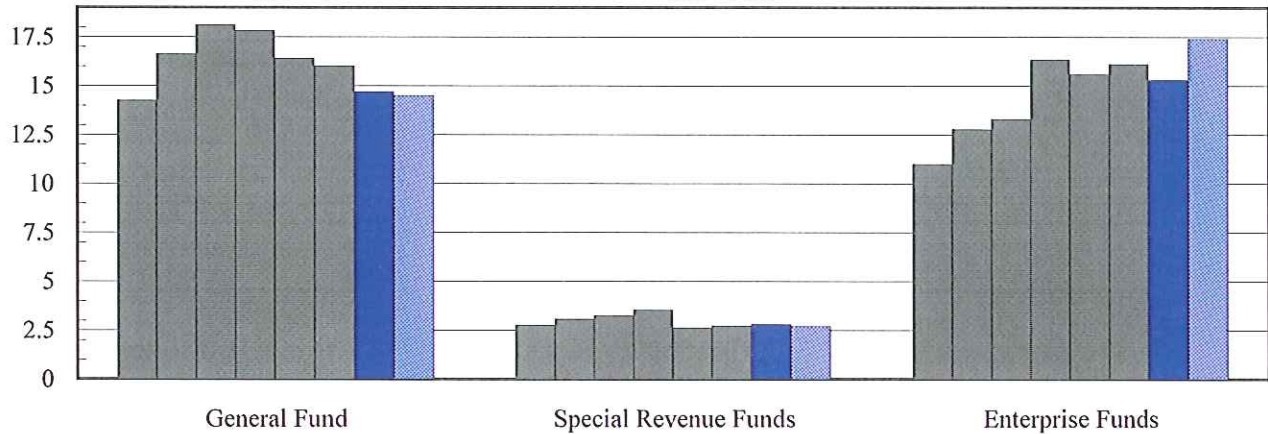
CITY OF GASTONIA
LEGAL DEBT MARGIN - DIRECT & OVERLAPPING DEBT

June 30, 2011
Unaudited

Assessed valuation	
Assessed value - Fiscal Year 2011	\$5,112,034,174
Debt Limit	
Eight percent (8%) of valuation	\$408,962,734
Gross Debt	
Authorized & Outstanding bonded debt	\$85,205,279
Outstanding debt not evidenced by bonds	\$18,255,536
	<u>\$103,460,815</u>
Statutory Deductions	
Bonds and other debt not evidenced by bonds applicable to Enterprise Funds	\$35,755,755
Amount designated for payment of gross debt other than Enterprise Fund debt	\$30,000
	<u>\$35,785,755</u>
Net Debt	<u><u>\$67,675,060</u></u>
Legal Debt Limit	<u><u>\$341,287,674</u></u>

Year Over Year Fund Balance Comparison By Accounting Fund Type Fiscal Years 2003-2012 (estimate)

Millions



	General Fund	Special Revenue Funds	Enterprise Funds
■ 06/30/05	\$14,261,413	\$2,763,020	\$11,006,791
■ 06/30/06	\$16,628,487	\$3,076,785	\$12,776,550
■ 06/30/07	\$18,106,734	\$3,241,673	\$13,310,652
■ 06/30/08	\$17,810,112	\$3,541,962	\$16,351,349
■ 06/30/09	\$16,414,744	\$2,632,656	\$15,598,053
■ 06/30/10	\$16,004,601	\$2,730,234	\$16,113,726
■ 06/30/11 est	\$14,700,000	\$2,800,000	\$15,305,000
■ 06/30/12 est	\$14,500,000	\$2,700,000	\$17,405,000

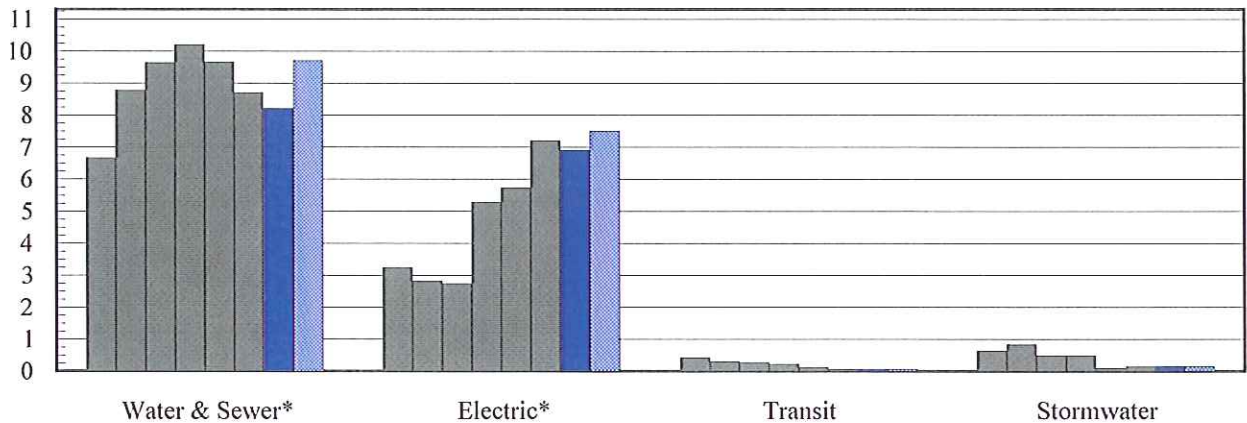
General Funds: 110, 117, 118, 119, 167, 169, 173, 174, 775, 176
 Enterprise Funds: 330, 342, 351, 331, 352, 332, 333, 335, 336, 337
 Special Revenue Funds: 621, 622, 623, 624, 625, 626, 627, 628, 629, 687

Year Over Year Fund Balance Comparison

Enterprise Funds

Fiscal Years 2003-2012 (estimate)

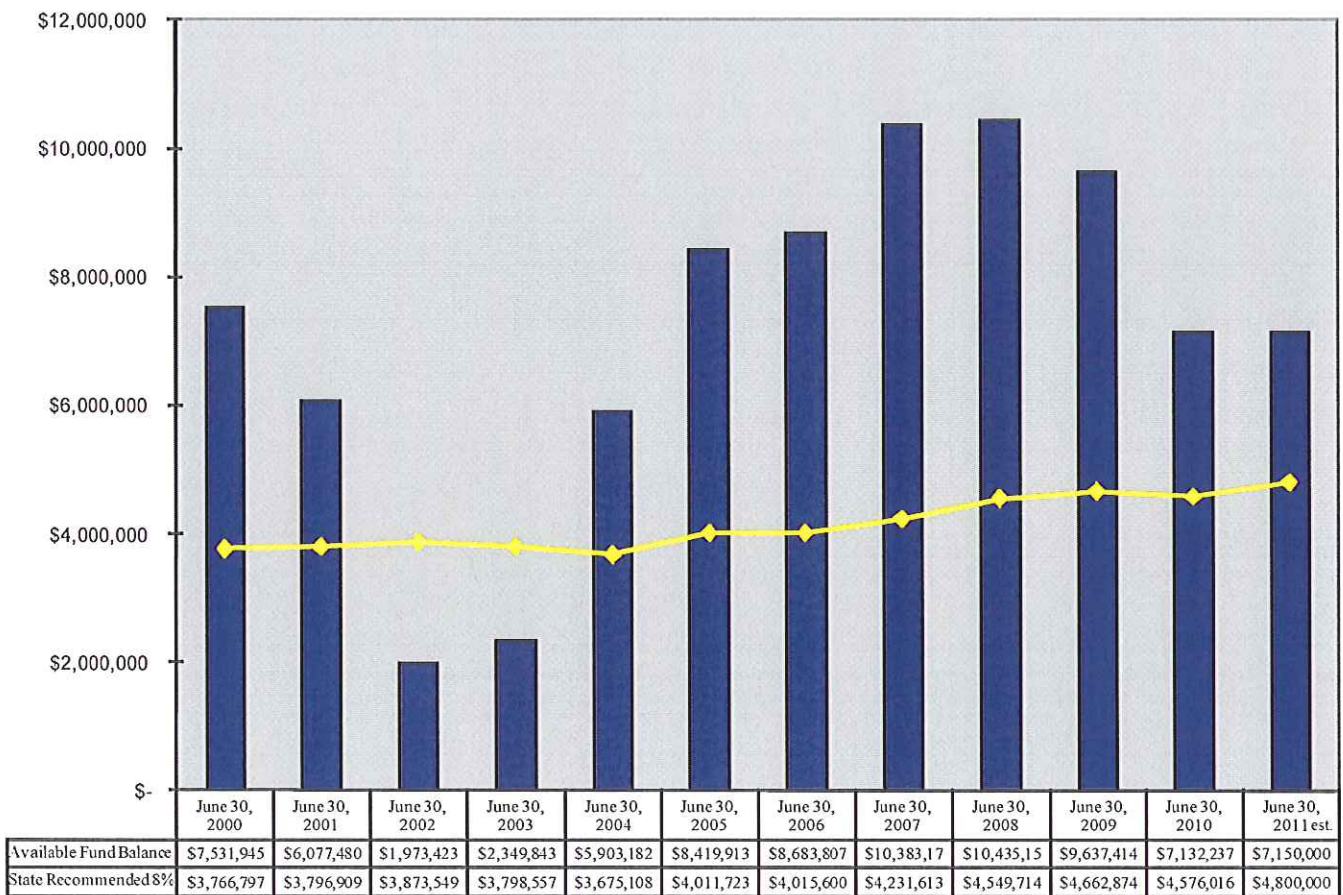
Millions



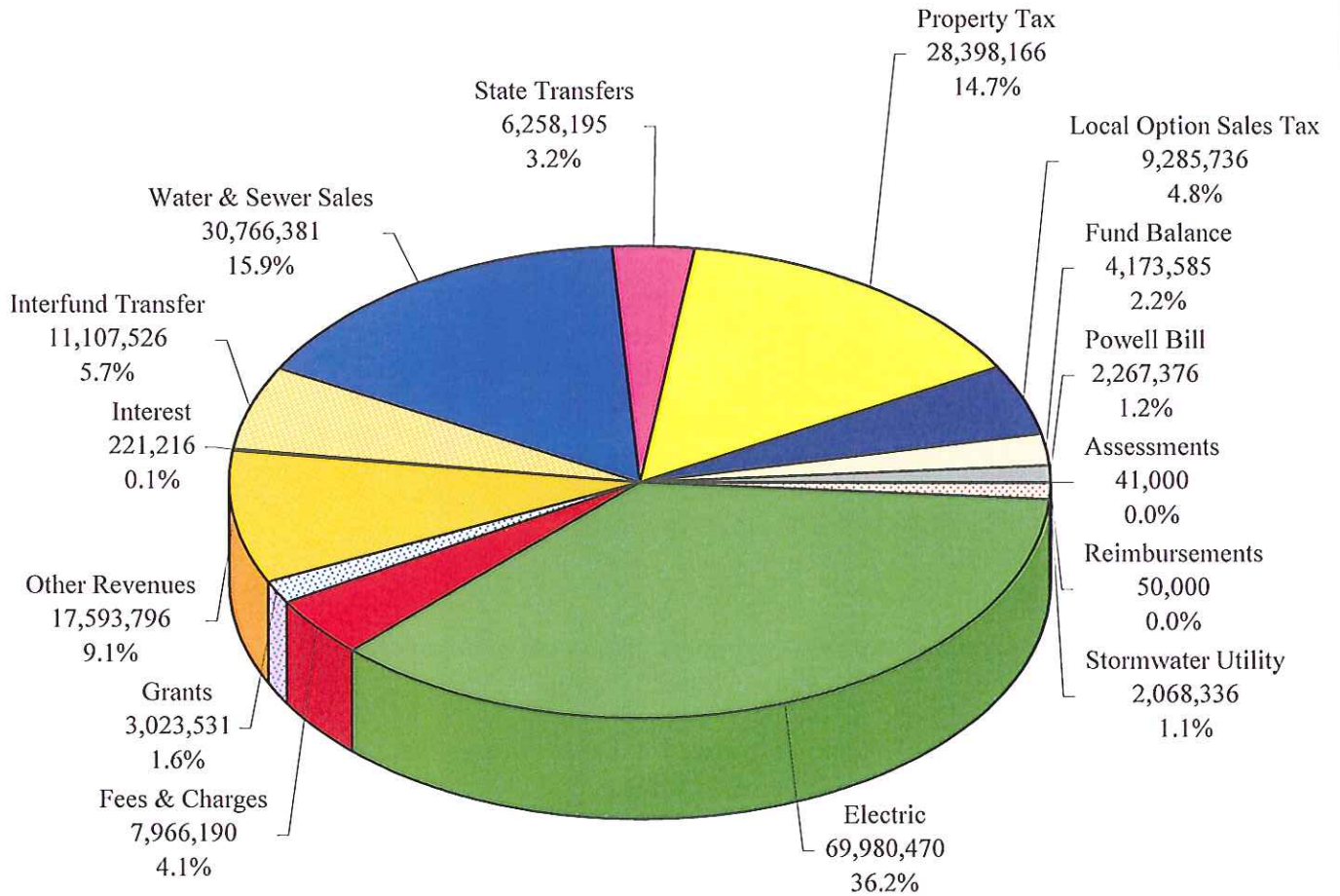
	Water & Sewer*	Electric*	Transit	Stormwater
■ 06/30/05	\$6,667,983	\$3,230,020	\$428,264	\$633,825
■ 06/30/06	\$8,768,134	\$2,808,514	\$300,533	\$834,934
■ 06/30/07	\$9,638,764	\$2,740,009	\$265,474	\$483,925
■ 06/30/08	\$10,196,874	\$5,280,198	\$224,175	\$487,850
■ 06/30/09	\$9,657,478	\$5,727,729	\$114,036	\$98,810
■ 06/30/10	\$8,695,403	\$7,205,663	\$64,208	\$148,452
■ 06/30/11est	\$8,205,000	\$6,900,000	\$65,000	\$140,000
■ 06/30/12est	\$9,700,000	\$7,500,000	\$65,000	\$140,000

* Includes Funds 351 & 352 Water & Sewer/Electric Renewal & Replacement Funds, Fund 342 W/S Expansion Fund, and Fund 337 Power Agreement Settlement Fund.

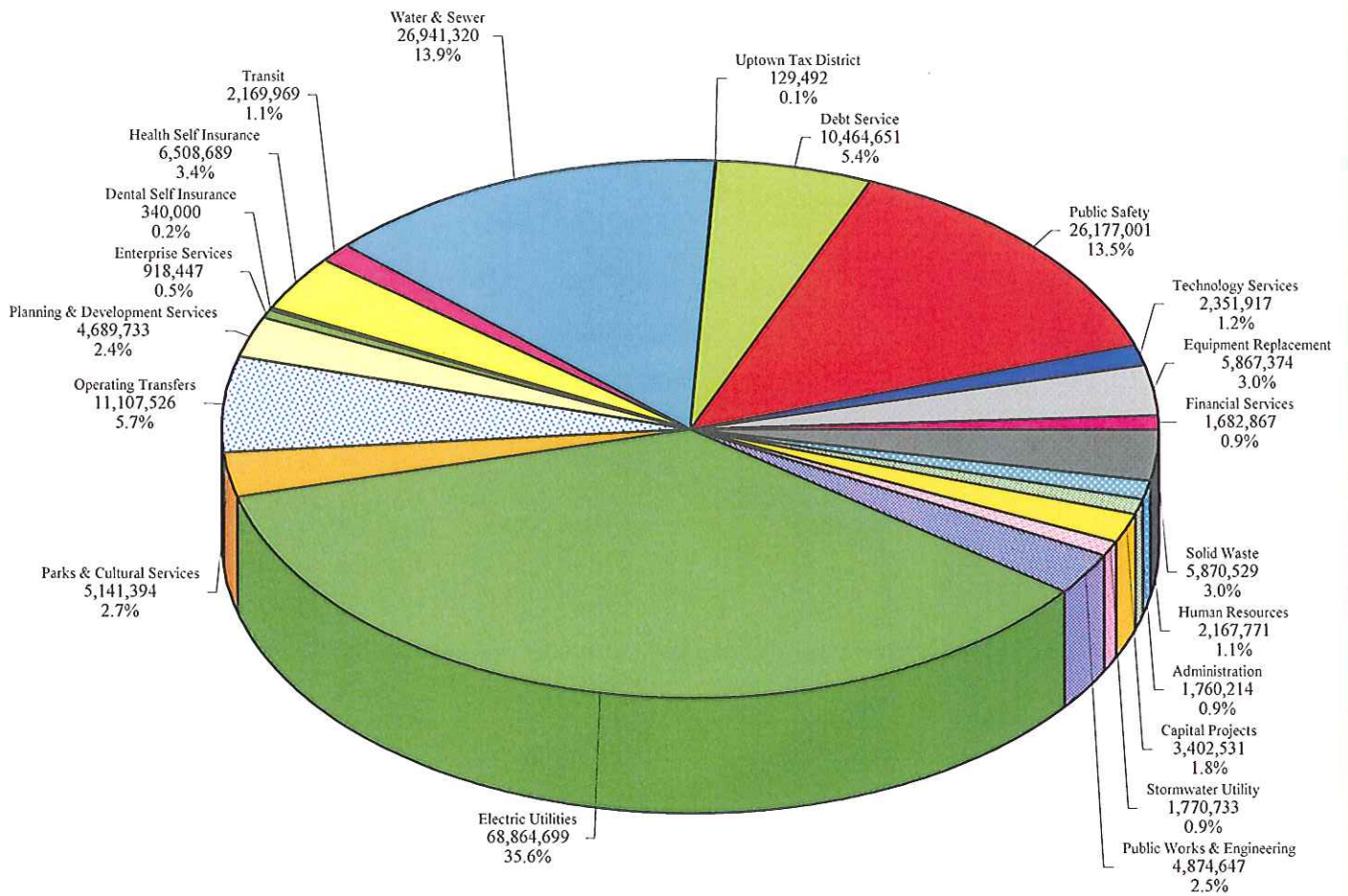
HISTORICAL TREND OF GENERAL FUND AVAILABLE FUND BALANCE



**Annual Budget Revenues
Fiscal Year 2012
\$193,201,504**

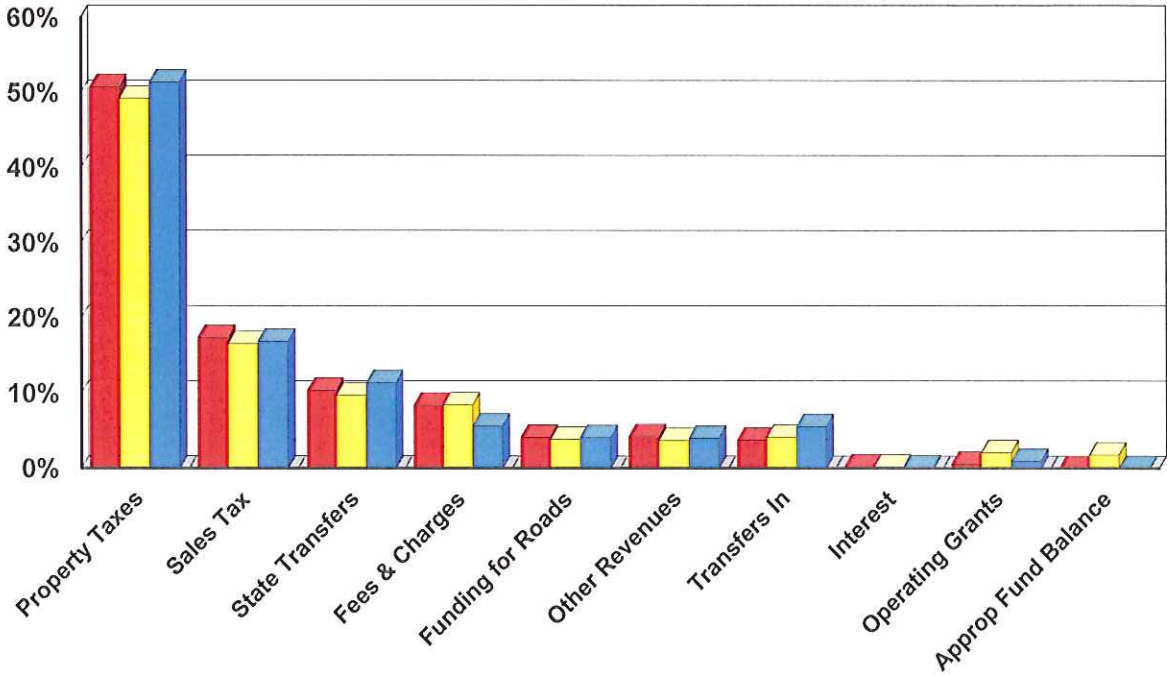


Annual Budget Expenditures Fiscal Year 2012 \$193,201,504

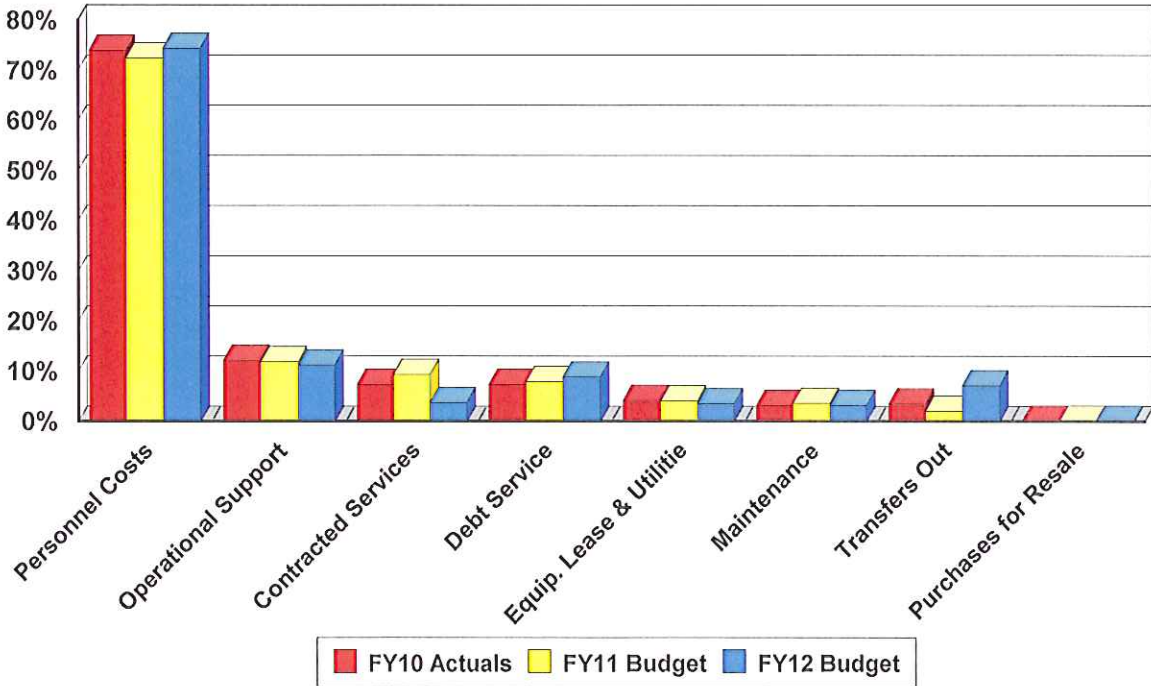


General Fund Fiscal Year 2012

Revenues



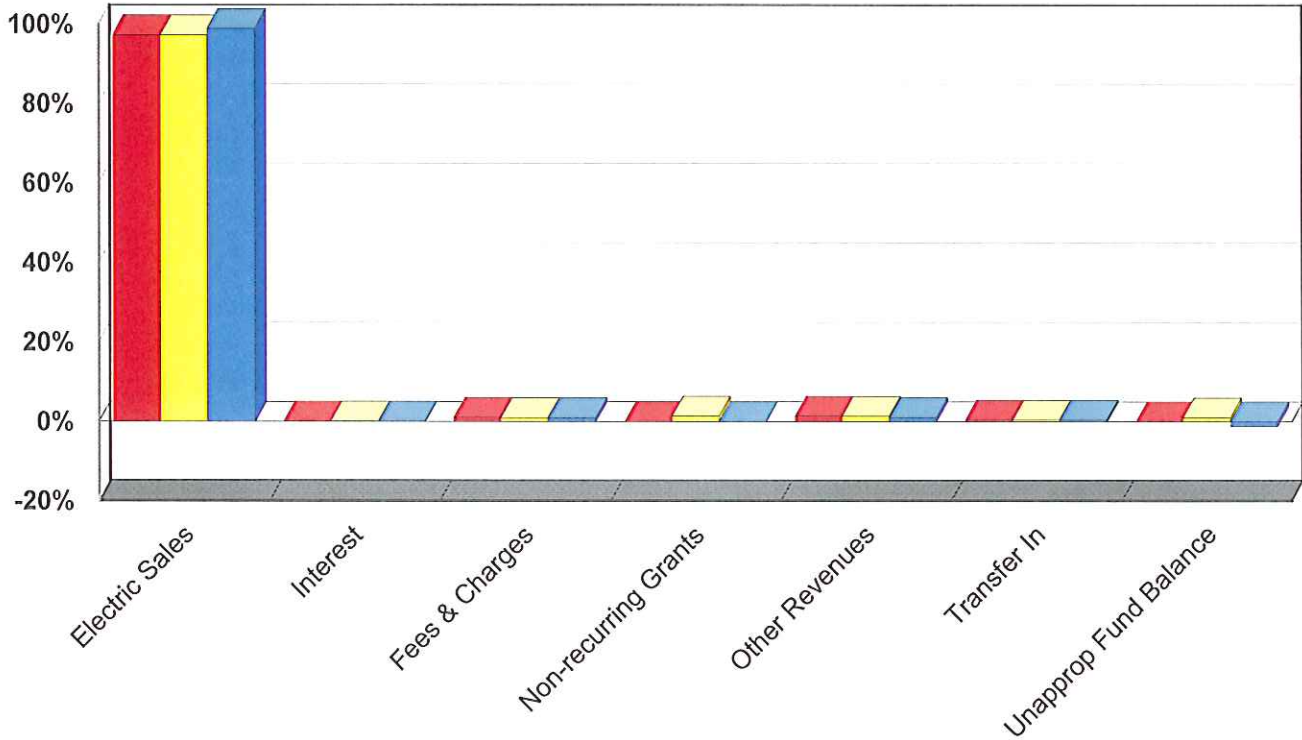
Expenditures



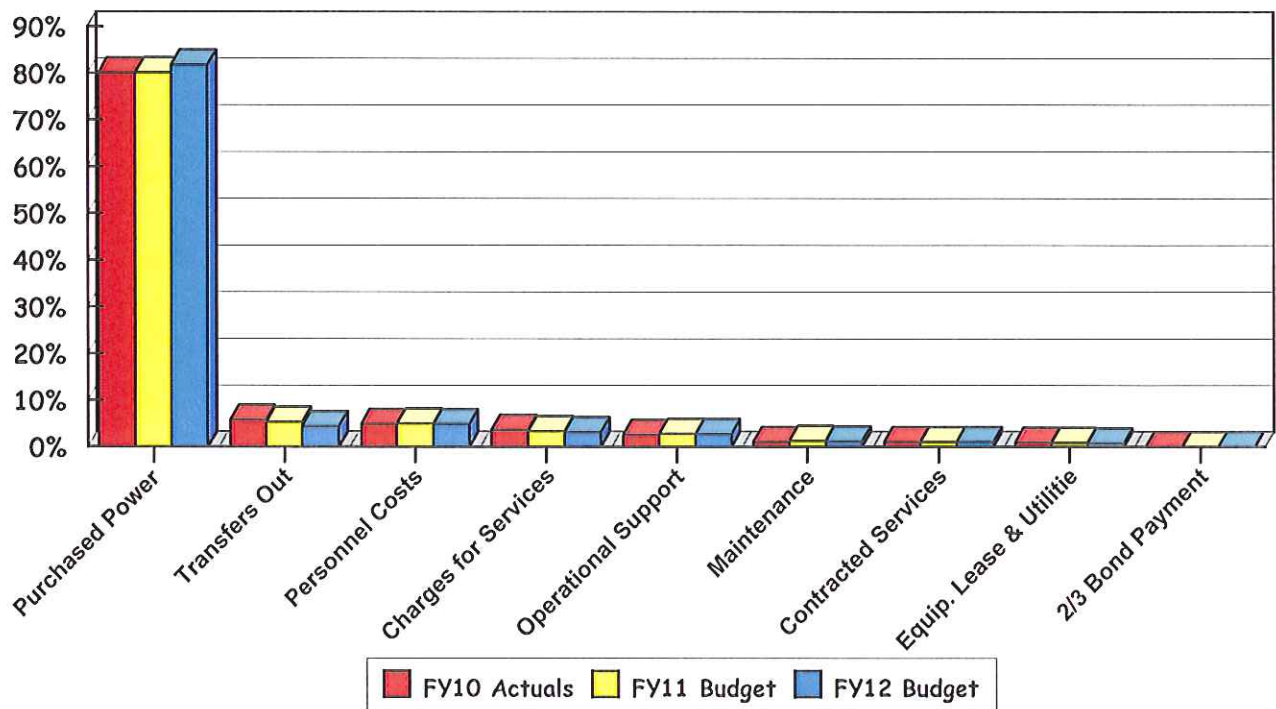
■ FY10 Actuals
 ■ FY11 Budget
 ■ FY12 Budget

Electric Fund Fiscal Year 2012

Revenues



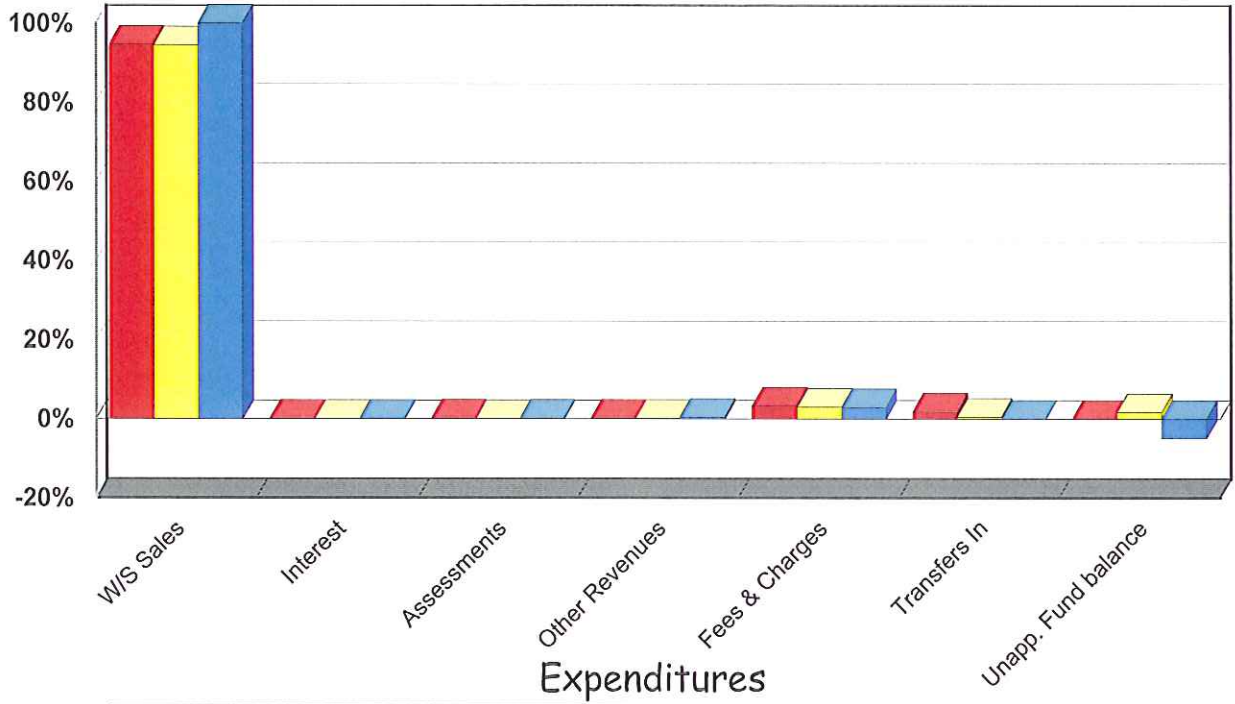
Expenditures



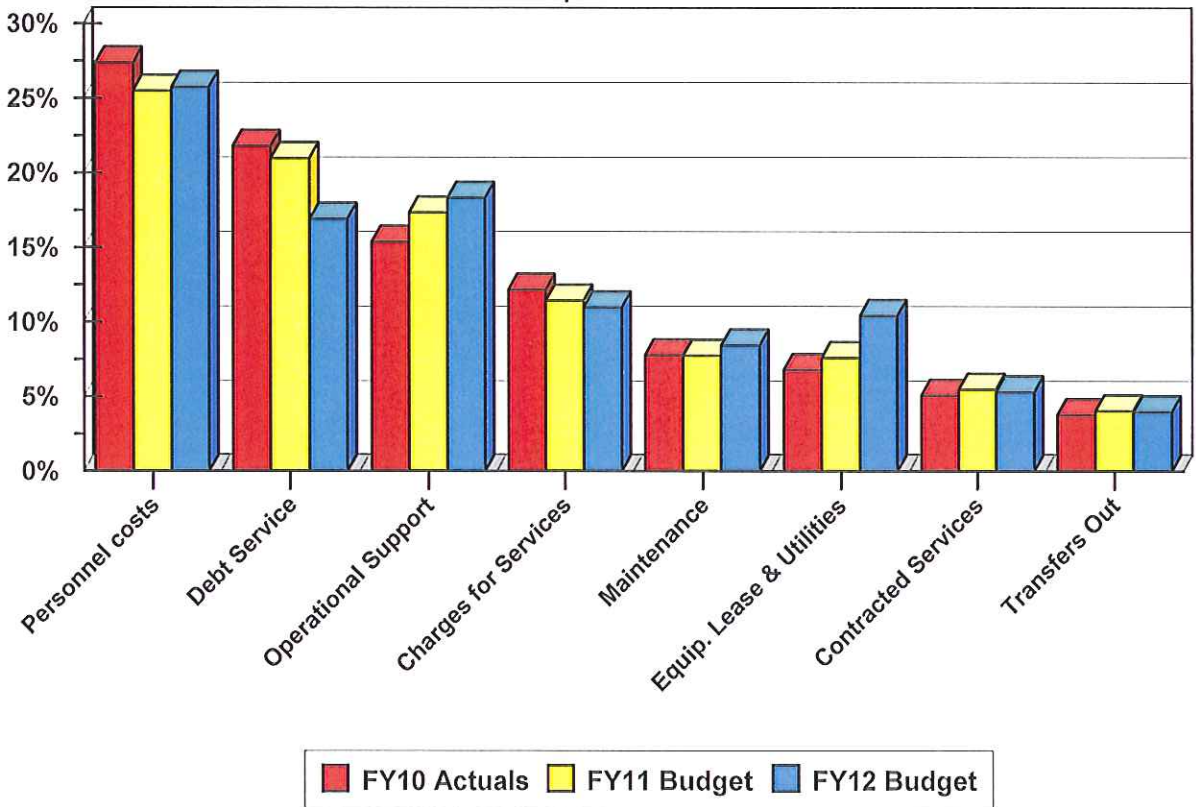
■ FY10 Actuals
 ■ FY11 Budget
 ■ FY12 Budget

Water and Sewer Fund Fiscal Year 2012

Revenues



Expenditures



■ FY10 Actuals
 ■ FY11 Budget
 ■ FY12 Budget

MAJOR REVENUE SOURCE ANALYSIS

The following analysis includes a breakdown of major revenue sources for the various operating funds. Actual revenue figures are used for Fiscal Years 2002 through 2010. The Fiscal Year 2011 numbers are budgeted amounts. The Fiscal Year 2012 estimates are determined by the operating departments' best estimates on receipts for the upcoming fiscal year.

GENERAL FUND

TAX BASE

Property tax valuations have shown an increase from Fiscal Year 2003 to the present. After 1988, the State Legislature removed property and business inventories from the taxable base but with revaluation and economic development, we have maintained some growth each year until now.

2002-03	3,882,218,587
2003-04	4,224,687,492
2004-05	4,247,117,700
2005-06	4,327,334,116
2006-07	4,430,646,140
2007-08	4,969,472,571
2008-09	5,089,893,878
2009-10	5,145,529,270
2010-11	5,144,327,985
2011-12	5,112,034,174

AD VALOREM TAX

Budgeted net property tax estimates of \$25,550,007 for Fiscal Year 2012 are based on \$5.112 billion estimated valuation, 52¢ per \$100 valuation tax rate and a 97.02% collection rate.

UTILITIES FRANCHISE TAX

In North Carolina, a 6% franchise tax is levied on utility gross sales. After collection, the State keeps 50% and distributes the remaining 50% to the governmental units located in the area producing the utility sales. Growth is fairly stable but, during recession years, growth can stagnate. The estimate for Fiscal Year 2012 is \$3,800,000.

2002-03	3,056,579
2003-04	3,171,334
2004-05	3,138,787
2005-06	3,173,463
2006-07	3,318,899
2007-08	3,394,229
2008-09	3,601,749
2009-10	3,522,544
2010-11	3,300,000

Major Revenue Sources - General Fund, continued

BEER & WINE TAX

The state levies a number of taxes on alcoholic beverages. A city or county is eligible to share in the beer and wine excise tax revenues if beer or wine may be legally sold within its boundaries. Distribution of the beer and wine tax revenue is based on the population of eligible cities and counties. Growth has been slow and, as in all state allocated revenues, the distribution of these funds is subject to the state's discretion. During 2010, the State has withheld approximately two-thirds. Our estimate for Gastonia for Fiscal Year 2012 is \$320,961.

2002-03	288,948
2003-04	293,098
2004-05	303,281
2005-06	303,925
2006-07	317,568
2007-08	328,786
2008-09	347,159
2009-10	106,282
2010-11	328,000

ABC NET REVENUES

The ABC revenues are determined by the amount requested from the ABC Board by the City Council. This revenue is usually based on net sales received above the working capital required to operate in that fiscal year. In Fiscal Year 1992-93, the City Council requested all funds set aside for a new ABC store plus the normal request above the working capital amount. In Fiscal Year 1996-97, City Council requested \$650,000 for the Martha Rivers Park Youth Sports Complex and in 2010 the City received a one-time distribution from ABC fund balance of \$300,000. In Fiscal Year 2012, the City is expecting \$400,000 and has received a distribution from ABC fund balance of \$420,000 to match a grant for 800Mhz radios.

2002-03	525,000
2003-04	605,000
2004-05	480,000
2005-06	508,000
2006-07	608,000
2007-08	532,000
2008-09	460,000
2009-10	700,000
2010-11	460,000

LOCAL OPTION SALES TAX

The one cent share from the State of the Local Option Sales Tax in Gaston County is distributed on the basis of population as determined by the Gaston County Commissioners. In 1983, 1986 and 2001, Gaston County opted to levy an additional 1/2 cent sales tax as allowed by law. Each are

Major Revenue Sources - General Fund – Local Option Sales Tax, continued

collected by the State and distributed based on the population method statewide. After Fiscal Year 2004, Gaston County opted to use the Ad Valorem Tax formula for distribution; but insured that the municipalities in the County will receive the same amount as Fiscal Year 2004. This would not allow any growth of sales tax to municipalities, all growth would go to the County. The County and City renegotiated the agreement and the County’s share will decrease 20% per year beginning 2011. Our General Fund estimate for Fiscal Year 2012 is \$9,285,736.

2002-03	8,640,145
2003-04	9,988,923
2004-05	9,988,923
2005-06	9,988,923
2006-07	9,988,922
2007-08	9,988,922
2008-09	9,988,923
2009-10	9,728,777
2010-11	9,688,922

POWELL BILL

One quarter of the Powell Bill revenue distribution is based on mileage of nonstate system streets within the City and three quarters of the distribution is based on the City's population. The revenue is derived from the \$.0175/per gallon portion of state gasoline tax and a 6.5% allocation from the Highway Trust Fund revenues which stems from vehicle registration, title fees and highway use taxes. We forecast a revenue of approximately \$1,927,376 for the fiscal year.

2002-03	2,136,615
2003-04	1,942,927
2004-05	2,152,473
2005-06	2,144,639
2006-07	2,135,382
2007-08	2,411,499
2008-09	2,193,017
2009-10	1,968,971
2010-11	1,951,786

TRANSFER FROM ELECTRIC FUND

With the implementation of the City Manager's Transfer Policy in February of 1994, we established a set policy on the allowable transfer from the Electric Fund to supplement the General Fund. In prior years, all profits remaining after operating costs were transferred to the General Fund at year end. The rationale behind this was that this enabled the City to keep the tax rate as low as possible. However, due to a request by the bond rating agencies, and the Local Government Commission, beginning in Fiscal Year 1994-95, the City began to reduce its reliance on electric transfers. The transfer from the Electric Fund to the General Fund should be reduced each Fiscal Year until a level equating to 3% of gross fixed assets is attained. This mark is reflective of Council’s April 1997

Major Revenue Sources - General Fund – Transfers

change to the Electric Transfer Policy from a target of 8% to a maximum of 3%. The total transfer budgeted for Fiscal Year 2012 is \$2,000,000, this should again meet the 3% goal.

2002-03	2,500,000
2003-04	2,400,000
2004-05	2,300,000
2005-06	2,200,000
2006-07	2,100,000
2007-08	2,100,000
2008-09	2,100,000
2009-10	2,100,000
2010-11	2,000,000

APPROPRIATED FUND BALANCE

In past years we have relied heavily on appropriations from the General Fund Balance to balance the budget. The ability to do this was based on the fact that at year end, the General Fund swept all monies remaining in the Electric Fund. It also previously swept large amounts of Water and Sewer Fund Balance for its needs. These practices were discontinued in 1994 and the Enterprise Funds retained their Fund Balance. The Fiscal Year 2012 budget does not use Available Fund Balance.

2002-03	333,874
2003-04	0
2004-05	0
2005-06	0
2006-07	0
2007-08	0
2008-09	0
2009-10	0
2010-11	1,046,881

WATER AND SEWER FUND

The Water and Sewer Fund is operated as a self-sustaining enterprise fund. After all miscellaneous revenue is recognized, the water and sewer rates are set to balance the revenues to expenses. The growth in this fund would be affected by the economy and, of course, the number of customers coming on the system as a result of economic development. The water and sewer sales estimate for Fiscal Year 2012 is \$30,766,381.

2002-03	22,918,123
2003-04	23,792,447
2004-05	25,924,760

Major Revenue Sources – Water and Sewer Fund, continued

2005-06	26,799,082
2006-07	26,643,187
2007-08	26,895,014
2008-09	26,253,739
2009-10	26,739,965
2010-11	28,065,802

ELECTRIC FUND

CUSTOMER SALES

The Electric Fund is operated as an enterprise fund with a portion of its profits passed to the General Fund each year. Our sales forecast takes into consideration customer growth, business activity and peak requirements due to weather conditions. The rates are set by the City Council taking into account the total expenditures necessary to operate, pay debt service, make capital improvements and cover the cost of wholesale power purchases. The sales estimate for Fiscal Year 2012 is \$69,980,470.

2002-03	52,665,101
2003-04	52,090,034
2004-05	52,809,369
2005-06	55,397,456
2006-07	55,457,557
2007-08	61,210,773
2008-09	62,239,810
2009-10	64,084,219
2010-11	66,230,002

TRANSIT SYSTEM FUND

USER FEES, FEDERAL AND STATE GRANTS

The City operates a mass transit system. While this fund does raise revenues through user fees and advertising, most of the revenue is received through Federal and State Grants and from Transfers from the General Fund. The Transit System operates at a loss to the City, but continues to provide a vital service to the citizens of Gastonia. Our estimate for Fiscal Year 2012 for user fees is \$197,400 and for grant funds is \$1,379,672.

	<u>User Fees</u>	<u>Federal/State Grants</u>
2002-03	200,103	1,000,594
2003-04	193,847	2,796,067
2004-05	174,364	1,242,265

Major Revenue Sources – Transit Fund, continued

	<u>User Fees</u>	<u>Federal/State Grants</u>
2005-06	183,848	1,143,028
2006-07	180,338	1,189,055
2007-08	194,307	1,327,680
2008-09	185,822	1,487,117
2009-10	186,699	1,341,804
2010-11	190,000	1,406,495

BONDED DEBT OBLIGATIONS

The City of Gastonia's primary focus in debt management is to keep the amount of indebtedness at a level whereby available resources can carry the debt and to keep the debt within the legal debt limitations established by the State of North Carolina Department of State Treasurer while maintaining a minimum cost to the taxpayer.

The Fiscal Year 2012 Budget provides \$14,305,950 for debt service as follows:

Water and Sewer Fund	\$5,126,269 (Includes \$379,500 for Cramerton debt)
Water and Sewer Stimulus Fund	\$ 3,977
Electric Fund	\$ 16,869 (2008 2/3rds GOBs)
General Fund	\$2,991,064 (Streets)
General Fund	\$ 313,784 (Recreation)
General Fund	\$ 60,726 (Museum)
General Fund	\$ 656,019 (Police)
General Fund	\$ 501,565 (Fire)
General Fund	\$ 328,684 (Garland Center)
General Fund	\$ 20,793 (2008 2/3rds GOBs)
Downtown Capital Projects Fund	\$ 685,026 (2008 2/3rds taxable GOBs & 2010 LOBs)
Community Development Funds	\$ 318,600 (108 Loans)
Vehicle/Equipment Replacement	\$3,282,574 (short-term installment financing)

LEGAL DEBT LIMIT

In accordance with the provisions of the State Constitution and The Local Government Bond Act, as amended, the City had the statutory capacity to incur additional net debt, excluding debt for water, electric and gas purposes, in the approximate amount of \$341,287,674 as of the end of June, 2011. For purposes of continued review, the distinction should be made about the three types of bonded debt the City carries. First, we have General Obligation (GO) Bonds which are backed by the "full faith and credit" of the City. The General Assembly has pledged the power and obligation of the City to levy taxes and raise other revenues for the prompt payment of installments of principal and interest or for the maintenance of sinking funds. This authority is unrestricted as to rate and/or amount. In North Carolina, no bonds may be issued without the approval of the Department of State Treasurer, Local Government Commission. A sworn statement of debt must also be filed attesting that net debt will not exceed 8% of the appraised value of the property subject to taxation by the governing unit. The exceptions to this limitation are the refunding of existing bonds, the continued funding of existing authorized debt, bonds issued for water, gas or electric power purposes, or two or more of such purposes, certain sanitary sewer, sewage disposal or sewage purification plant bonds, or bonds issued for erosion control purposes or bonds issued for the purposes of erecting jetties or other protective works to prevent encroachment by certain bodies of water. The following charts will summarize the City's outstanding General Obligation debt as well as the outstanding debt ratios.

Outstanding General Obligation Debt

G. O. Bonds	June 30, 2009	June 30, 2010	June 30, 2011
Street Bonds	2,100,000	2,000,000	29,165,000
Other Bonds	2,980,000	2,980,000	4,945,000
Refunding	12,185,000	9,090,000	6,370,000

Debt Ratios

June 30	Total GO Debt	Assessed Valuation	Debt to Assessed Value	Population	Debt Per Capita
2001	\$45,145,000	\$3,694,044,000	1.22%	66,277	\$681.16
2002	\$43,690,000	\$3,737,301,685	1.17%	66,277	\$659.20
2003	\$39,640,000	\$3,780,192,914	1.05%	68,255	\$580.76
2004	\$35,120,000	\$4,246,567,151	0.83%	68,246	\$514.61
2005	\$31,000,000	\$4,269,147,783	0.73%	68,518	\$452.44
2006	\$26,215,000	\$4,386,539,796	0.59%	68,809	\$380.98
2007	\$21,735,000	\$4,474,829,000	0.49%	72,779	\$298.64
2008	\$20,395,000	\$4,969,473,571	0.40%	71,349	\$285.29
2009	\$17,265,000	\$5,145,529,270	0.34%	72,848	\$237.00
2010	\$14,070,000	\$5,144,327,985	0.27%	74,518	\$188.81
2011	\$40,480,000	\$5,112,034,174	0.79%	71,741	\$564.25

The second type of bonded debt carried by the City are Revenue Bond Issues. These are Combined Utility Water and Sewer Revenue Issues in the original issue amounts of \$25,795,000, \$9,400,000, \$9,745,000 and \$14,565,000 (new money \$8,945,000 & 1999 refunding \$5,620,000) and 2009 refunded \$19,330,000 with projected June 30, 2011 outstanding balances of \$4,230,000, \$11,935,000 (new money \$7,020,000 & 1999 refunding 4,915,000) respectively and \$17,730,000. The major difference between the Revenue issues and General Obligation issues is that the "full faith and credit" of the City is not pledged for the repayment of the bonds. This debt is payable solely through revenues raised by the City's water and sewer utility systems. The revenues of the enterprise are required by statute to be applied with the following priority: (1) to pay the operating, maintenance and capital expenses of the utility, (2) to pay when due the interest on and principal of outstanding bonds issued for capital projects that are or were part of the utility, and (3) for any other lawful purpose. As with General Obligation bonds, the issue of revenue bonds requires the approval of the North Carolina Department of State Treasurer, Local Government Commission.

On the City's existing revenue issue, a minimum parity debt coverage ratio of 1.2 must be maintained. This means the net utility operating revenues must exceed 120 percent of the maximum

annual parity debt service cost. Each year, any excess after paying current operating, debt service and capital projects is placed in a Capital Expansion and System Development Fund for future use. These cumulative funds will help offset the cost of future system needs and the cost of future expansion to the base structure needed in the instance of annexation.

Lastly, the City incurred a final type of debt during fiscal years 1996, 2002, 2003, 2005 and 2011. These Certificates of Participation (COPS) were issued to build a new police facility for 1996, to build four Fire Stations and purchase equipment for 2002, to renovate the old Gaston County Courthouse to be used as City municipal offices for 2003, to partially refund the 1996 COPS for 2005 and in 2011 to build a Conference Center, an Educational Center at the Museum, Park improvements and refunding of the 2002 issue for fire stations and equipment. The major distinction which needs to be made is that this type of debt does not pledge the "full faith and credit" of the City either, but rather offers the investors the property as security for the certificates and the repayment is subject to annual appropriation. These issues operate similar to a conventional home mortgage whereby the property collateralizes the loan. Debt service on these issues are funded through property tax revenues and monthly chargebacks to operating departments for use of the equipment.

The following charts are the debt payment schedules for the City's bonded debt. They are presented with the distinctions made between the various types of debt: General Obligation bonded debt, Revenue Issue debt and outstanding Certificates of Participation.

General Obligation Bonds Outstanding

<u>Fiscal Year</u>	<u>Bonds Payable</u>	<u>Interest Payable</u>	<u>Total</u>
2012	\$1,810,000.00	\$1,649,694.00	\$3,459,694.00
2013	\$1,670,000.00	\$1,580,131.00	\$3,250,131.00
2014	\$2,415,000.00	\$1,500,994.00	\$3,915,994.00
2015	\$2,495,000.00	\$1,404,606.00	\$3,899,606.00
2016	\$2,650,000.00	\$1,310,256.00	\$3,960,256.00
2017	\$2,765,000.00	\$1,217,931.00	\$3,982,931.00
2018	\$2,010,000.00	\$1,119,244.00	\$3,129,244.00
2019	\$1,855,000.00	\$1,052,156.00	\$2,907,156.00
2020	\$1,905,000.00	\$991,856.00	\$2,896,856.00
2021	\$1,975,000.00	\$913,906.00	\$2,888,906.00
2022	\$2,045,000.00	\$825,763.00	\$2,870,763.00
2023	\$2,085,000.00	\$743,782.00	\$2,828,782.00
2024	\$1,910,000.00	\$660,894.00	\$2,570,894.00
2025	\$1,910,000.00	\$578,059.00	\$2,488,059.00
2026	\$1,910,000.00	\$492,956.00	\$2,402,956.00
2027	\$1,910,000.00	\$403,399.00	\$2,313,399.00
2028	\$1,910,000.00	\$310,261.00	\$2,220,261.00
2029	\$1,750,000.00	\$217,044.00	\$1,967,044.00
2030	\$1,750,000.00	\$130,226.00	\$1,880,226.00
2031	<u>\$1,750,000.00</u>	<u>\$43,409.00</u>	<u>\$1,793,409.00</u>
	<u>\$40,480,000.00</u>	<u>\$17,146,567.00</u>	<u>\$57,626,567.00</u>

	<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
This Year's Requirement	2012	\$3,459,694.00	\$1,810,000.00	\$1,649,694.00
Maximum Requirement	2017	\$3,982,931.00	\$2,765,000.00	\$1,217,931.00

Combined Water and Sewer Revenue Bonds Outstanding

<u>Fiscal Year</u>	<u>Bonds Payable</u>	<u>Interest Payable</u>	<u>Total</u>
2012	\$2,935,000.00	\$1,376,524.00	\$4,311,524.00
2013	\$3,050,000.00	\$1,261,824.00	\$4,311,824.00
2014	\$3,165,000.00	\$1,142,244.00	\$4,307,244.00
2015	\$3,270,000.00	\$1,048,844.00	\$4,318,844.00
2016	\$3,400,000.00	\$907,894.00	\$4,307,894.00
2017	\$3,520,000.00	\$790,544.00	\$4,310,544.00
2018	\$3,675,000.00	\$638,644.00	\$4,313,644.00
2019	\$3,840,000.00	\$479,944.00	\$4,319,944.00
2020	\$950,000.00	\$314,044.00	\$1,264,044.00
2021	\$1,115,000.00	\$276,044.00	\$1,391,044.00
2022	\$1,160,000.00	\$225,844.00	\$1,385,844.00
2023	\$1,215,000.00	\$173,594.00	\$1,388,594.00
2024	\$1,270,000.00	\$118,844.00	\$1,388,844.00
2025	\$1,330,000.00	\$60,813.00	\$1,390,813.00
	<u>\$33,895,000.00</u>	<u>\$8,815,645.00</u>	<u>\$42,710,645.00</u>

	<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
This Year's Requirement	2012	\$4,311,524.00	\$2,935,000.00	\$1,376,524.00
Maximum Requirement	2019	\$4,319,944.00	\$3,840,000.00	\$479,944.00

Certificates of Participation Outstanding
Includes Limited Obligation Bonds

<u>Fiscal Year</u>	<u>Bonds Payable</u>	<u>Interest Payable</u>	<u>Total</u>
2012	\$1,316,667.00	\$877,594.00	\$2,194,261.00
2013	\$1,326,667.00	\$837,225.00	\$2,163,892.00
2014	\$1,726,667.00	\$790,882.00	\$2,517,549.00
2015	\$1,771,667.00	\$722,826.00	\$2,494,493.00
2016	\$1,796,667.00	\$667,862.00	\$2,464,529.00
2017	\$1,166,667.00	\$609,514.00	\$1,776,181.00
2018	\$1,038,333.00	\$572,621.00	\$1,610,954.00
2019	\$915,000.00	\$542,977.00	\$1,457,977.00
2020	\$925,000.00	\$506,377.00	\$1,431,377.00
2021	\$935,000.00	\$467,873.00	\$1,402,873.00
2022	\$930,000.00	\$427,404.00	\$1,357,404.00
2023	\$520,000.00	\$386,315.00	\$906,315.00
2024	\$535,000.00	\$360,471.00	\$895,471.00
2025	\$550,000.00	\$333,079.00	\$883,079.00
2026	\$565,000.00	\$304,094.00	\$869,094.00
2027	\$585,000.00	\$270,239.00	\$855,239.00
2028	\$600,000.00	\$235,186.00	\$835,186.00
2029	\$620,000.00	\$199,234.00	\$819,234.00
2030	\$645,000.00	\$162,084.00	\$807,084.00
2031	\$665,000.00	\$123,435.00	\$788,435.00
2032	\$685,000.00	\$83,588.00	\$768,588.00
2033	\$710,000.00	\$42,543.00	\$752,543.00
	<u>\$20,528,335.00</u>	<u>\$9,523,423.00</u>	<u>\$30,051,758.00</u>

	<u>Year</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
This Year's Requirement	2012	\$2,194,261.00	\$1,316,667.00	\$877,594.00
Maximum Requirement	2014	\$2,517,549.00	\$1,726,667.00	\$790,882.00

BUDGET AMENDMENT PROCESS

The budget ordinance as adopted by the City Council may be amended in several ways: (1) line item transfers within a budget appropriation, or transfers between appropriations, (2) transfers between funds and (3) increases or decreases in revenues and/or expenditures. Procedure (1) can be approved by the Budget Administrator if it does not involve salary or travel and is less than \$10,000. The City Manager or his designee will approve transfers more than \$10,000 and using salary or travel sub accounts. A monthly report of Budget Transfers approved by the Budget Administrator shall be submitted to the City Manager. Procedures (2 & 3) can be approved only through City Council action.

Transfers Between Budget Appropriations (Procedure 1) To transfer funds within an appropriation, the requesting department requests a budget transfer number from the Budget Office, then completes a Budget Transfer in the Eden Administrative system, showing the account description, account number to be transferred to and from, the amount to be transferred and a reason for the transfer. Once the department head or their designee approves, the transfer is sent to the Budget Office. The transfer is then reviewed by the Budget Office for compliance with the current policies. The Budget Administrator approves and if required, the transfer is sent to the City Manager for approval. After approval, the request is posted into the general ledger system and the requesting department is emailed a notification that the transfer has been processed. If the transfer is more than \$10,000 and/or utilizes salary or travel line items, it will be forwarded to the City Manager or his designee for approval.

Transfers Between Funds and Fund Appropriation Increases and/or Decreases (Procedures 2 & 3) A budget ordinance amendment which results in either an increase or decrease in a fund's total budget or transfers monies between funds require City Council approval. For example, if revenue is received during the fiscal year that was not included in the original adopted budget, the City Council may appropriate this revenue and budget a corresponding expenditure for a stated purpose. Additionally, the City Council may elect to transfer, contribute to or reimburse one fund from another fund for a stated purpose. In any of these instances an increase in the fund's budget is the result. To process these amendments, the same process is followed as outlined above with the additional step of presentation to the City Council after the City Manager's approval. After Council deliberation, if approved, the Budget Amendment is filed with the City Clerk and returned to the Budget Office to complete the process of updating the general ledger.

ACCOUNTING SYSTEM and BUDGETARY CONTROL

All City funds are accounted for on the modified accrual basis in accordance with North Carolina General Statutes. Under the modified accrual basis, revenues are recognized in the accounting period in which they become measurable and available to pay liabilities of the current period. Expenditures are recognized in the accounting period in which a liability is incurred, if measurable, except for unmatured principal and interest on long-term debt which is recognized when due.

The proprietary funds (enterprise) are converted to the full accrual basis for presentation in the financial statements. Under this basis, revenues are recognized in the accounting period when earned and expenses are recognized in the period when incurred.

The accounts of the City are organized on the basis of funds and account groups. Each fund is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts comprised of assets, liabilities, fund equity, revenues and expenditures or expenses as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The City operates its various funds under three broad categories and six generic fund types. The two account groups are not funds but are used to establish accountability over the City's general fixed assets and general long-term debt.

Fund Accounting

Governmental Funds

This group of funds are accounting segregations of financial resources. Expendable assets are assigned to various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are to be paid; and the differences between governmental fund assets and liabilities (the fund equity) is referred to as "Fund Balance". The primary measurement focus is "flow of current financial resources". Put in other words, are there more or less resources that can be spent in the near future as a result of transactions of the period. Increases in spendable resources are reported in the operating statement as revenues or other financing sources, and decreases are reported as expenditures or other financing uses.

General Fund The General Fund is the general operating fund of the City. The primary revenue sources are ad valorem taxes, state-shared revenues and transfers from the Enterprise Funds. The primary expenditures are for public safety, streets and highways, sanitation, parks and recreation, museum and general government services.

Special Revenue Funds The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes. The City has ten Special Revenue Funds - the Community Development Block Grant Fund, the CD/Affordable Housing Revolving Loan Fund, the CD/Rehabilitation Revolving Loan Fund, the CD/Section 108 Guaranteed Loan Fund, the CD/Community Housing Development Organization Fund, the Occupancy Tax Fund, the Uptown Municipal Services District Tax Fund, the Technology Support Fund, the Solid Waste Disposal Tax Fund and the Infrastructure Rehabilitation Fund.

Accounting System; continued

Capital Project Funds The Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). The City has three Capital Projects Funds within the Governmental Fund types.

Proprietary Funds

These funds are sometimes referred to as “income determination,” “nonexpendable,” or “commercial type” funds and are used to account for a government’s on-going organizations and activities which are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses, and transfers relating to the government’s business and quasi-business activities, where net income and capital maintenance are measured, are accounted for through proprietary funds. The generally accepted accounting principles here are those applicable to similar businesses in the private sector, and the measurement focus is the economic condition of the fund as a result of the events and transactions of the period. Events and transactions that improve the economic position of a proprietary fund are reported as revenues or gains in the operating statement. Those that diminish the economic position are reported as expenses or losses.

Enterprise Funds Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City of Gastonia has six Enterprise Funds: the Water and Sewer Fund (with accompanying Renewal and Replacement Fund and Capital Expansion and Development Fund), the Electric Fund (with accompanying Renewal and Replacement Fund), the Stormwater Utility Fund, the Solid Waste Management Fund and the Transit System Fund.

Internal Service Funds Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis. An Internal Service Fund for Vehicle/Equipment Renewal & Replacement was instituted in Fiscal Year 1995. In 2005, a Technology Services Internal Service Fund was created and departments are being charged for hardware and internet access and over time will be charged for applications. In 2007 a Health Self-Insurance Internal Service Fund was created and during 2008 a Dental Self-Insurance Internal Service Fund was created.

Fiduciary Funds

These funds account for assets held by the City in a trustee capacity or as an agent for other governmental units and for other funds. Each trust fund is accounted for as either a governmental or a proprietary fund.

Accounting System, continued

Trust and Agency Funds (Expendable) This type of trust fund is one in which the principal and its earnings may be expended in the course of their designated operations. The City created a trust fund for Police Federal and State Asset Forfeiture in Fiscal Year 1995. During Fiscal Year 1998, the City created a trust fund for a Police Memorial.

Account Groups

These represent another accounting entity used to establish accounting control and accountability for the City's general fixed assets and the outstanding principal of its general long-term debt (General Fixed Assets and General Long-Term Debt Account Groups). These records are accounted for in a self-balancing group of accounts because the City's general fixed assets -- all fixed assets except those accounted for in Proprietary Funds or Trust Funds -- are not financial resources available for expenditures, and because the outstanding principal of the general long term debt-long term liabilities not accounted for in the Proprietary Funds or Trust Fund does not require an appropriation or expenditure during the account year.

General Fixed Assets Account Group This group of accounts is established to account for all fixed assets for the City.

General fixed assets acquired are recorded as expenditures in the various funds at the time of purchase. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings; such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems, are excluded. No depreciation has been provided on general fixed assets.

General Long-Term Debt Account Group This group of accounts is established to account for all long-term obligations of the City except those which are accounted for in the proprietary funds.

Deposits and Investments

Deposits

All deposits of the City are made in board designated official depositories and collateralized as required by General Statute 159-31. The City may designate as an official depository any bank or savings and loan association whose principal office is located in North Carolina. Also, the City may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

All of the City's deposits are either insured or collateralized by using one of two options. Under Option 1, all deposits over the federal depository insurance coverage are collateralized with securities held by the City's agent in the City's name. Under Option 2, a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name to the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the City, these

Accounting System, continued

deposits are considered to be held by the City's agent in the City's name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest bearing deposits. Depositories using Option 2 report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the City or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the City under Option 2, the potential exists for undercollateralization, and the risk may increase in periods of high cash flow. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each Option 2 depository. The City utilizes one official depository which collateralizes public deposits in excess of the allowable federal insurance coverage by the Option 2 method.

Investments

G.S. 159-30 (c) authorizes the City to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and banker's acceptances; and the North Carolina Cash Management Trust, an SEC registered mutual fund. [Investments are stated at market value.] The City pools monies from several funds to facilitate disbursement and investment and maximize investment income.

Therefore, all enterprise fund cash and investments are essentially demand deposits and are considered cash and equivalents.

Budgetary Data

Budgetary Control The City's Financial Management System provides for excellent fiscal management. Through utilization of budgetary accounting methods, effective budgetary control and accountability can be maintained. The annual budget is adopted as required by state statute. An annual budget ordinance, which is adopted at the function level, authorizes and provides the basis for the City's financial management plan. The adopted appropriations constitute the maximum expenditure authorization during the fiscal year and can only be amended by action of the City Council. Project ordinances are adopted for capital project funds and are appropriated for the life of the project. The basis for budgeting is a cash basis.

Expenditures may not legally exceed appropriations at the function level for all annually budgeted funds and at the project level for the capital project funds. However, accounting control is exercised at the line item level by encumbering purchase amounts prior to the release of purchase orders to vendors. Purchase orders which would result in an overrun of line item balances are not released

Accounting System, continued

until additional appropriations are made available. Open encumbrances are reviewed at year-end, and, if deemed appropriate to carry forward, are treated as commitments, rather than expenditures, and such encumbered funds are appropriated for expenditure in the subsequent fiscal year.

Basis of Budgeting and Budget Structure The City of Gastonia does not distinguish between the Basis of Budgeting and the Basis of Accounting. The principles set forth as the Basis of Accounting are strictly observed in the budgeting process. A fund's Basis of Budgeting and Basis of Accounting determines when a transaction or event is recognized within a fund's operating statement. All funds are maintained on a Modified Accrual Basis in accordance with the North Carolina General Statutes.

RELATIONSHIP BETWEEN OPERATING AND CAPITAL BUDGETS

The Total Fiscal Year 2012 budget for the City of Gastonia is \$193,201,504. This incorporates both operating costs as well as funding for capital needs. The operating budget is \$189,354,072. These funds cover departmental operating expenses and human resources costs throughout the City. The Capital budget amounts to \$3,847,432 for both previously appropriated capital monies as well as new money for Fiscal Year 2012.

The City of Gastonia has several elements of capital expenditures incorporated in its annual budget which are distinguishable from its operating budget. Operating capital items which cost more than \$5,000 (office equipment, furniture, etc.) are included in the individual operating budgets where they were originally requested. All vehicles and large pieces of equipment are being "bought" through the Vehicle/Equipment Renewal & Replacement Fund and "leased" to the operating departments. The major capital expenditures (construction projects) are reported in the Capital Improvements section.

Each year as part of the budget preparation process, the City Manager's office, along with the Budget Office and affected departments, propose a five-year capital improvement program for each major capital fund. These projects usually represent expenditures that result in the acquisition, addition, or improvement to physical assets with an extended life greater than 5 years.

The program, which emerges after a series of coordination and planning sessions with the City Manager, is basically a planning tool for management and the City Council. The first year of the plan is the only year considered for budget adoption purposes since needs and priorities change from year to year. The projects listed in following years give an idea of future needs and to help facilitate future budget planning.

The Capital Project plan is adopted in the form of a Capital Projects Ordinance. This allows for long-range planning and multi-year appropriations for multi-year capital projects. The long range planning process also incorporates associated operating costs once construction is completed. An example of this planning is the upcoming Cramerton Consolidation. During the budget process, staffing needs and other operating cost projections are prepared to begin addressing potential long-term operating expenses. By planning ahead, the funding for these staff members and other day-to-day operating costs can be forecast in subsequent operating budgets.

Please note that with each capital project funded, there could be related operating costs. If applicable, these costs are funded in the departmental operating budgets and usually lead to bottom line increases in expenditures, although on occasion, a new capital project can actually reduce operating expenditures. This year's Capital Projects budget has appropriations budgeted of \$3,847,432.

It is the City's policy to substitute capital expenditures for operating expenditures whenever possible. Technology has been the principle method used to implement this policy. For example, conversion to Global Positioning System (GPS) Survey Instrumentation has helped reduce our survey crews from three-person crews to two-person crews, and at the same time, increasing overall efficiencies and production. Computer technology has also been responsible for minimizing increases in personnel as our municipal limits and service areas expand. City functions are evaluated periodically to determine if a capital expenditure can have a positive impact on operational procedures and either minimize or reduce annual operating costs.

Major Projects for Fiscal Year 2011 and 2012

	<u>Project</u>	<u>Capital Cost</u>	<u>Project Start Date</u>	<u>Estimated Completion Date</u>	<u>Estimated New Operating Personnel</u>	<u>Total New Estimated Operating Costs/(Savings)</u>	<u>Notes</u>
Water & Sewer	1) Water Treatment Plant Structural Improvements	\$525,000	7/1/04	On-going	0 FTE	\$0	Provides on-going critical structural, process, and related improvements to the Water Treatment Plant to insure reliability in overall operations.
	2) Replace Water and Sewer Lines along NCDOT Project at Bessemer City Road	\$425,000	On-going	On-going	0 FTE	\$0	Continues capital funding for water and sewer utility conflicts identified and a City cost responsibility for the NCDOT widening project along Bessemer City Road.
	3) Rolling Meadow Lane Sewer Line Assessment Project	\$100,000	FY 09/10	FY 11/12	0 FTE	\$0	Survey, design, permit, and construction of sewer line extension by the petition process.
	4) Firestone Outfall SSO	\$1,000,000	Field Work and Flow Monitoring	FY 11/12	0 FTE	\$0	Evaluation and repair of immediate SSO risk with new parallel sewer line for capacity recovery
	5) Southfork Regional Sewer Project	\$370,000	TBD	TBD	0 FTE	\$0	City participation in sewer consolidation project with Cramerton, McAdenville, Lowell and Pharr Yarns.

	<u>Project</u>	<u>Capital Cost</u>	<u>Project Start Date</u>	<u>Estimated Completion Date</u>	<u>Estimated New Operating Personnel</u>	<u>Total New Estimated Operating Costs/(Savings)</u>	<u>Notes</u>
Water & Sewer (Cont)	6) Long Creek O/F Manholes	\$550,000	In design phase	TBD	0 FTE	\$0	Rehab of approximately 150 manholes on North Side of Long Creek.
	7) Raw Water Line ARV-Interconnect to Rankin Lake	\$400,000	TBD	TBD	0 FTE	\$0	Repair and replacement of Air Release Valves that have reached the end of their life cycle, or are undersized.
	8) Cramerton Pipe Modifications	\$90,000	May 2010	Winter 2010	0 FTE	\$0	Connect 12" water line from Cramerton meters to the 16" line in Market St to bypass Cramerton meters. Install new water meter at Lakewood Rd. Meter installation may be completed as part of new high school construction.
	9) Raw Water Line ARV-Rankin Lake to WTP	\$250,000	TBD	TBD	0 FTE	\$0	Repair and replacement of Air Release Valves that have reached the end of their life cycle, or are undersized.
Electric	1) Electric Overhead to Underground Project (Main Avenue)	\$300,000	1/1/09	FY 11/12	0 FTE	\$0	Continue underground initiative to replace aged electric switch gear in downtown area.
	2) Cable Replacement in Residential Areas	\$200,000	7/1/09	FY 11/12	0 FTE	\$0	Continues replacement program related of old deteriorating electrical cable in older residential areas.

	<u>Project</u>	<u>Capital Cost</u>	<u>Project Start Date</u>	<u>Estimated Completion Date</u>	<u>Estimated New Operating Personnel</u>	<u>Total New Estimated Operating Costs/(Savings)</u>	<u>Notes</u>
	4) Primary Tie Lines	\$85,000	Ongoing	FY 11/12	0 FTE	\$0	Extend primary infrastructure to balance existing load between delivery points.
General	1) West Davidson Avenue Bridge Replacement	\$1,200,000	1/1/05	Spring 2011	0 FTE	\$0	NCDOT Bridge Replacement Project, with 20% City participation. Construction to begin Spring 2010
	2) Marietta Street Pedestrian / Highland trail Improvements	\$850,000	July 2008	Winter 2011	0 FTE	\$0	Initiative to promote pedestrian friendly improvements along Marietta Street with sidewalk links to Highland Trail project.
	3) Conference Center and Parking Deck	\$10,013,887	Fall 2010	Fall 2011	0 FTE	\$0	21,600 sq. ft. stand alone Conference Center and 160 space parking deck facility. Project will build on the emerging growth and redevelopment of downtown Gastonia.
	4) Environmental Studies Center – Schiele Museum	\$2,400,000	In design phase	Fall 2011	0 FTE	\$0	7,675 sq. ft. of classroom/meeting space. This addition to the museum will be LEED Certified and serve as an information center for environmental science and energy efficiency.

BUDGET POLICIES

In recent years, changing conditions along with the demand for increased services, have forced a reevaluation of the role of local governments. As public officials, we are charged with the responsibility of ensuring that all local governmental services are provided in the most efficient and effective manner possible in order to maximize available resources. The budgetary process allows for the accumulation of financial and performance information relative to these services and provides the tools necessary to analyze the merits and cost implications of each.

Financial Policies

The City of Gastonia's financial policies set forth basic guidelines for the overall fiscal management of the City. Operating independently of changing circumstances and conditions, these policies provide a framework to assist in the decision-making process of the City Council and City Administration and guidelines for evaluating both current activities and proposed future programs.

1. City Council provides general guidance through the adoption of the annual budget while the City Manager is given the maximum flexibility to implement the budget throughout the fiscal year. To this end, City Council has adopted a series of policies designed to give the Manager authority to, among other things, transfer of funds within appropriations to meet changing operational needs and to move personnel positions during the year throughout the budget so long as total authorized head-count is not exceeded.
2. The budget process places emphasis on those personnel and management issues of critical importance to the City's fiscal health: Employee relations, office automation, implementation of new technologies, long-term work force planning and management incentives. In doing so, it provides for adequate levels of funding for all retirement systems and maintains the principle of avoiding layoffs to balance the budget by planning personnel reductions to come from attrition whenever possible.
3. Generally, expansion of existing service and programs, or the addition of a new service or program is considered in the proposed budget only when a new revenue source can support the ongoing costs or when the requesting department can identify an existing service or program which can be reduced or eliminated.
4. The City shall monitor departmental expenditures on a monthly basis to ensure conformity to adopted budgets and prepare monthly financial reports on all major funds comparing actual revenues and expenditures to budgeted amounts. This report shall be presented to City Council at public session.

5. Where possible, the City shall combine performance measurement and productivity indicators with the budget to enable the ongoing analysis of operating effectiveness and efficiency.
6. The City shall avoid budgetary practices or procedures that balance current period expenditures at the expense of future years' revenues or that utilize one-time revenues for on-going expenditures and it shall be general policy not to use prior year Fund Balance for operating and other on-going expenditures.
7. The budget shall provide for the satisfactory maintenance of capital facilities and equipment, and for their orderly replacement.
8. The Operating and Capital Budgets shall fully describe the major goals to be achieved by department and the services and programs to be delivered based upon the levels of funding anticipated or provided. They shall also provide brief descriptions of prior year accomplishments and mission statements for each department and division.
9. The City shall finance essential City services which have a City-wide benefit in the budget from revenue sources which are generated from a broad base, i.e., property taxes, sales taxes and other State shared revenues.
10. Minimize the impact in use of property tax financing by seeking alternative financing for City services, which focus on user fees for responsive services and upgrading and/or enhancement of the property tax base.
11. The City shall refine assessment financing formulas and user fee rate structures on a yearly basis to continually and accurately charge the cost of service provided to the benefiting user or customers served, while being sensitive to the needs of low-income citizens.
12. The City shall actively oppose any legislation which forces local service mandates without concurrent Federal, State or Regional funding or providing additional locally controlled funding sources.
13. Each operating fund shall budget a working capital reserve to ensure the timely meeting of unforeseen events and provide operational flexibility throughout the year.

Revenue Policies

1. The City shall make every attempt to maintain a diverse and stable revenue base to shelter it from short and long-term fluctuations in any one-revenue source.
2. The City shall project its annual revenues through an analytical process using historical data and conservative approaches for estimating future revenues.
3. The City shall establish user charges and set fees for services for its enterprise funds at a level that fully supports the total direct and indirect costs of the activities. The City

should review these, and all other fees/charges annually and modify them as necessary. Special care should be taken to include those costs associated with capital outlay and bond retirement and allow user charges to grow at a rate that keeps pace with the cost of providing the service.

4. The City shall follow aggressive policies to ensure the highest collection percentage for delinquent City revenues.

Reserve Policies

1. The City shall strive to maintain a minimum undesignated General Fund Balance at 8.33% or in an amount equal to at least one month of General Fund operations, and shall work towards the goal of matching the undesignated General Fund Balance at 12% to 15%.
2. The City shall respect the integrity of fund balances and allow each enterprise fund to retain all excess earnings as fund balance.

Accounting, Auditing and Financial Reporting Policies

1. An independent audit shall be performed annually.
2. The City shall produce a comprehensive annual financial report in accordance with Generally Accepted Accounting Practices (GAAP) as outlined by Governmental Auditing, Accounting and Financial Reporting (GAAFR).
3. The City shall maintain accounting control systems to ensure the safety of all assets held in the public trust and staff shall perform periodic unscheduled audits of all City departments that handle cash and negotiable instruments in the course of daily activities.

Investment Policies

1. The City shall make a cash flow analysis of all funds on a regular basis. Disbursement, collection and deposit of all funds will be scheduled such that investment capabilities are maximized and guidelines set forth under North Carolina General Statutes.
2. The City shall invest funds by using a specific, but flexible, investment strategy to secure high returns of income on cash flows that are in excess of current needs and, when permitted by law, will pool cash from several different funds to maximize its potential earnings. Investments will be structured according to the City's overall financial condition in anticipation of financial opportunities and obligations.

3. The City's accounting system will provide regular information concerning cash position and investment performance and will allow earnings to be reflected monthly on financial reports.

Debt Policies

1. The City shall confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues and where the issuance of long-term debt is required, it will repay the bonds within a period not to exceed the expected useful life of the project.
2. The City shall attempt to keep average maturity of general obligation bonds at or below 20 years.
3. When possible, the City shall use special assessment, revenue, or other self-supporting bonds.
4. When approving bonds for capital projects, Council shall increase the needed revenue for debt service at the time the project is approved.
5. The City shall not incur long-term debt to support current operations.
6. General obligation debt shall not be used for enterprise activities.
7. The City shall maintain a sound relationship with all bond-rating agencies and will keep them informed about current capital projects and other important fiscal events. Appropriate City staff shall endeavor to visit each agency and/or arrange for a local visit by agency officials once per year.

Capital Improvement Budget Policies

1. The City shall maintain the fiscal integrity of the City's operating, debt service and capital improvement budgets in order to provide services, construct and maintain public facilities, street and utilities.
2. The City shall make all capital improvements in accordance with an adopted capital acquisition program.
3. The City shall develop a five-year plan for capital improvements, with proposed funding sources identified for each project. The plan should be updated and extended annually.
4. The City shall coordinate decision making for the capital improvement budget with the operating budget to make effective use of the City's limited resources for operating and maintaining existing services and facilities as well as planning for future needs.

5. The City shall use intergovernmental assistance to finance only those capital improvements that are consistent with the adopted capital improvement plan, City priorities, and for which operating and maintenance costs have been included in the operating budget.
6. The City shall attempt to maintain all its assets at a level adequate to protect the City's capital investment, to minimize future maintenance and replacement costs, and to maximize operating efficiency.
7. The City shall maintain a responsible and prudent fiscal condition to minimize long-term interest expense when financing capital improvements with an ongoing systematic bonding program, which spreads the costs of the improvements to benefiting citizens, present and future.

Intergovernmental Policies

1. The City shall continuously review its programs and procedures in light of savings or other efficiencies to be gained through cooperation and consolidation opportunities with the County and the surrounding municipalities.
2. The City shall take advantage of public and private grant opportunities that support approved programs and projects.
3. The City shall maintain and enhance, where appropriate, incentives for surrounding municipalities to abandon their water/sewer systems and become long-term utility customers of the City.

LONG RANGE PLANNING

Gastonia has become a model for long-range and strategic planning in all areas of City Government. The City's long-range planning process is citizen driven. The City has a long tradition of acknowledging the importance of citizen input on major capital improvement decisions. During the past two decades, the City Council has appointed a number of citizen committees to study and recommend major capital improvements to the City Council and voters.

These major committees include: Capital Projects Study Committee, Committee on Surface Transportation, Citizens' Committee for Economic Progress, the Water and Sewer Capital Needs Study Committee, and the Citizens Stormwater Advisory Committee. Every priority identified by these committees has been subsequently approved by City Council and/or the voters. These projects include: Mountain Island Lake Water Supply (\$12 million - voter approved), Road Bond Improvement Program (\$35 million - voter approved), Long Creek Wastewater Treatment Plant Upgrade/Expansion (\$22 million - Revenue Bond), Police Headquarters (\$8 million - Council approved and dedicated a 2-cent tax increase to cover debt service), four Fire Stations, including a new Headquarters (\$8.2 million and raised taxes to cover debt service), Martha Rivers Youth Complex (\$4.5 million - Council approved and funded through existing 3-cent Capital Improvement Program), and the recent completion of renovations at the old Gaston County Courthouse. These renovations have resulted in the opening of the Garland Municipal Business Center, a customer friendly, one-stop development center that coordinates all development initiatives throughout Gastonia's jurisdictional area.

There are currently four (4) citizen committees studying future plans for the City. They are as follows: The 2020 Comprehensive Plan Update Committee, Long Range Recreation Planning Committee, the Citizens Stormwater Committee and the Schiele Museum Board of Trustees. The Long Range Recreation Planning Committee has completed its work.

2020 Comprehensive Plan

City Council adopted Gastonia's first Comprehensive Plan, *CityVision 2010*, in July 1995. Since the adoption of the award-winning plan, the City has successfully implemented many of the goals and objectives, such as the sphere of influence agreement with Dallas, the new Avon and Catawba Creeks Greenway, and the Gateway Corridor Overlay. In January 2001, the City began the process to update the plan. The new plan, *Gastonia 2020: Our Place in the Future*, has two phases. The first phase was the formulation of 11 "key guiding principles" that have become the plan's foundation as it is being written. The second stage is writing the actual plan, which includes goals and objectives to achieve the key guiding principles and land use analysis by sector. A steering committee of 25 people from throughout the community has led the process, receiving technical support from the Planning Department. The final topic was reviewed summer 2005 with sector analysis starting immediately thereafter. The completed plan was submitted to City Council this fiscal year.

Corridor and Transportation Plans

In 1999, the City Council adopted its third of a series of local “corridor” development plans. These comprehensive staff studies address problem areas around the City in an effort to spur development and stabilize neighborhoods. The most recently adopted plans include - the North US 321 Corridor Study, addressing long standing neglect to this major entrance to the City and the North New Hope Road Corridor Plan, identifying appropriate future land uses along the new five lane facility. Landscaped medians, decorative crosswalks and other improvements to this important US 321 gateway into the City are presently under construction. The Planning Department completed a major corridor study for Franklin Boulevard in 2007. The City completed a Multi-Modal Transportation Center and Development Plan in 2009, plus a preliminary cost study for a commuter rail system between Gastonia and Charlotte on the NCDOT P & N rail corridor. The City also completed a preliminary Rapid Transit to Charlotte study, in 2005. In conjunction with the Gaston Urban Area Metropolitan Planning Organization, the City maintains a long range Transportation Plan, updated every three years.

Parks and Recreation Facility Master Plan

In April 1996, the City’s Parks and Recreation Department, in conjunction with the Citizen’s Advisory Committee on Parks and Recreation, completed a first ever Parks and Recreation Facility Master Plan. This plan was a comprehensive analysis of current Parks and Recreation facilities and programs, current trends and issues in recreation demand, and goals and objectives for future recreational decision-making. It concluded with a facility-by-facility needs analysis for development of a coordinated budgetary approach to meeting these needs. In late 2002 the City Council formed a committee to undertake the task of preparing a Long Range Plan for Parks, Recreation, and Open Spaces, with the assistance of city staff. The committee consisted of the Recreation Advisory Commission (RAC), plus additional members appointed by the City Council. Councilman and RAC Chair, Dave Kirlin chaired the planning group. The City’s Parks and Recreation and Planning Departments worked together to support the Committee. A completed plan was approved by the committee in the Spring of 2005 and was adopted by Council on November 15, 2005. It was given the title *GASTONIA- VISION FOR A HEALTHY COMMUNITY – A Plan for Parks, Recreation and Open Spaces, 2005-2020*. The implementation of the Facility Master Plan began with the Lineberger Park Renovation and Revitalization Project. The Council unanimously approved revisions to Phase I of the Lineberger Park Master Plan and a \$500,000 matching grant application to the North Carolina Parks and Recreation Trust Fund in January 2006. The PARTF Grant Awards was announced in June 2006 and the City is a grant recipient. Project planning and utility site work began in early 2007 and the Skate Park has been relocated to a permanent home at Phillips Center. Construction of the \$1.3 million project was completed in June 2009.

Fire Department Facility Master Plan

In February 2000, the Fire Department became one of only 28 departments nationwide to receive departmental accreditation by the International Commission on Fire Accreditation. A key component of this process was their development of a five-year operational

and capital development plan. This was completed as part of the department's successful national certification program. The centerpiece of the capital portion of the plan was the construction and relocation of four stations, including a new headquarters facility. In 2005, the City of Gastonia Fire Department was reaccredited.

Sidewalks, Bikeways and Greenways Plan

In late 1996, City Council approved a Citizens Study Committee on Sidewalks, Bikeways and Greenways. This Citizen's Committee effort culminated in April 1998, with a completed Strategic Plan presented to City Council for their acceptance. As a result of the planning process, the City has subsequently been awarded a 1998 North Carolina Clean Water Trust Fund Grant of \$347,000 to establish the City's first greenway, a 1999 DOT Grant of \$548,320 for construction of the greenway and a 2000 Community Foundation of Gaston County grant of \$130,000 for development of access points for the greenways. The 2-½ mile Greenway was dedicated in 2002. Using funds from a small NCDENR grant, the City paved an additional 625' of trail in 2004. This summer, using some additional grant money and assistance from city crews, the City will bring the trail through the Union Road culvert. A greenway system is a never-ending project with trails weaving together all parts of the city. In 2009, the City updated its Greenway Plan, as part of the region wide Carolina Thread Trail Planning process.

Economic Development

In 1997, The Partnership for Economic Growth, a Council Citizens Committee proposed that the City purchase and develop a new 300+ acre industrial park to ensure sufficient industrial growth for the City into the 21st century and the City is identifying suitable parcels for purchase. The Council secured three-year options on almost 400 acres of land surrounding Gaston College for the site. Early in 1998, the City transferred their options to Gaston County for development of the Park through their Economic Development Office. The City and County jointly funded the entrance road to the Park. The first major tenant, Pass and Seymour LeGrand, opened a \$30 million facility in July 1999. A new electric substation to serve the park was completed in fiscal year 2002. Today the economic development plans for the City are coordinated with the Gaston County Economic Development Commission, the Gaston County Chamber of Commerce and all Gaston County Municipals through the Gaston 2012 Economic Development Plan.

Utility Strategies

In addition to the traditional budgetary planning tools used by the City's Water/Sewer and Electric utilities, both systems have implemented forward looking programs to address long term issues.

Water and Sewer Combined Utility

The City currently provides water service to the Town of Ranlo, the City of Lowell, the Town of McAdenville, the Town of Cramerton and the Town of Clover. The City also provides sewer service to the City of Bessemer City, The Town of Ranlo, The Town of Clover, and portions of the Town of Lowell and portions of the City of Kings Mountain. The water and sewer services are provided through municipal agreements. With the loss of many textile customers since the early 1990's, the City has excess capacity at the Water Treatment

Plant and at both Wastewater Treatment Plants. In an effort to increase the economy of scale for the water and sewer utility operations for the City of Gastonia, discussions concerning regionalization of utility systems have begun with some of the municipalities in the County.

The City consolidated systems with the Town of Cramerton, creating Two Rivers Utility (TRU) and also has been approached by the Town of Dallas, the Town of McAdenville, and the Town of Ranlo concerning utility consolidations. A utility consolidation study with the Town of Dallas has been completed.

The City continues to complete improvements to the water and wastewater treatment plants that were identified in the 2004 water and sewer master plans.

In FY 08/09 a water and sewer rate study was completed by a consultant. The rate study includes a change from a declining block water rate structure to a structure that will promote water conservation and decrease the fluctuation of revenues due to the reliance on volume charges to generate a majority of water and sewer revenues. The new rate structure was approved by City Council to be effective January 1, 2010. The rate study also includes a schedule of rate increases for the next 5 years to provide funding for system operations and capital improvements.

Electric Utility

The Electric System faces some of the same challenges as the water and sewer utility, and in addition, it faces problems specific to the electric industry. In 2007, City Council adopted a policy to address emerging issues that will be facing all electric utilities.

Over a period of 15 years, the City has met its goal of reducing transfers to the General Fund to less than 3% of gross fixed assets as recommended by the State Treasurers Office. Increases in wholesale electric costs, as well as, projected increases through the next 10 years, have led City Council to adopt a policy passing on these wholesale increases through to retail customers. This policy addresses the concern of possible rate shock by delaying increases, and ensuring operation and maintenance funding are not compromised.

In 2007, City Council adopted a policy to place 1.2% of retail revenue in fund balance. In addition, City Council adopted a 2.2% of retail revenue to be allocated to capital projects.

Gastonia is fortunate that it is essentially a residential-based system – of its 26,000 customers, 90 are industrial. Of the top ten users, only two are industrial customers totaling less than 5% of total system revenue.

The City continues to adopt innovative economic rates that better serve our customers. Recent additions include: Generation riders, On-Peak rates, a restructuring of both commercial and industrial rates to better correlate to wholesale costs and maintaining minimum demand charges.

The City continues to market and promote its fiber optic network. This network is also used to promote its economic development efforts by offering alternatives for both voice and data services.

City Council implemented several programs developed by ElectriCities to encourage energy conservation. Programs include; residential heat pump and solar-thermal rebates, as well as, a commercial and industrial site-specific rebate program. In addition to energy conservation programs, Council elected to participate and promote NC GreenPower to offer customers the choice to purchase green alternative energy.

The City has also worked in conjunction with ElectriCities and Gaston County Economic Development Commission to promote development of our Gastonia Technology Park, which has received "Prime Power Park" status by providing backup generation.

