

**LENOIR COUNTY
NORTH CAROLINA
FISCAL YEAR 2007-08
SUBMITTED BUDGET**



THE COUNTY GOVERNMENT OF LENOIR COUNTY

BOARD OF COMMISSIONERS

George W. Graham, Jr., Chairman, District 5

Paul H. Taylor Jr., Vice-Chairman, At-Large

Jackie Brown, District 4

Claude Davis, At-Large

Earl Harper, District 3

Chris Humphrey, District 2

Claude Stroud, District 1

COUNTY MANAGER

Michael W. Jarman

ASSISTANT COUNTY MANAGER/ FINANCE OFFICER

Tommy Hollowell

COUNTY ATTORNEY

Robert W. Griffin

COUNTY CLERK/ADMINISTRATIVE SECRETARY TO COUNTY MANAGER

Lashanda N. Aytch

ELECTED DEPARTMENT MANAGERS

William E. "Billy" Smith, Sheriff

Margaret Seymour, Register of Deeds

APPOINTED DEPARTMENT MANAGERS

Tom Miller, Solid Waste Director

Joey Bryan, MIS and Transportation Director

Roger Dail, Emergency Services Director

Tammy Kelly, Cooperative Extension Director

Joey Huff, Health Director

Mark Pope, Economic Development Director

Jack Jones, Social Services Director

Dana King, Board of Elections Supervisor

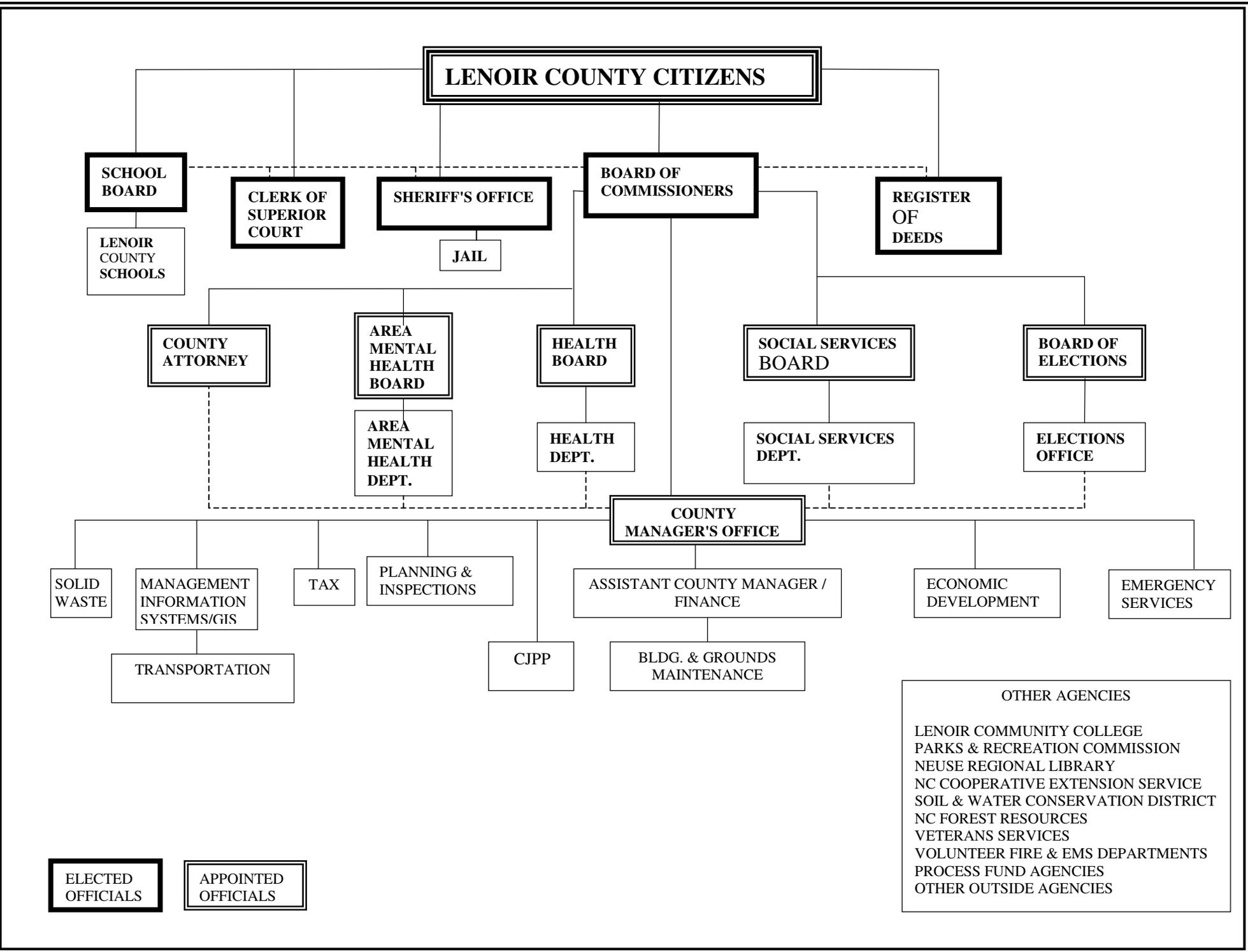
Gary O'Neal, Director of Planning and Inspections

Darrell Parrish, Tax Administrator

Prepared By:

All County Departments
And Agencies

Submitted Budget: May 21, 2007



LENOIR COUNTY CITIZENS

SCHOOL BOARD

LENOIR COUNTY SCHOOLS

CLERK OF SUPERIOR COURT

SHERIFF'S OFFICE

JAIL

BOARD OF COMMISSIONERS

REGISTER OF DEEDS

COUNTY ATTORNEY

AREA MENTAL HEALTH BOARD

AREA MENTAL HEALTH DEPT.

HEALTH BOARD

HEALTH DEPT.

SOCIAL SERVICES BOARD

SOCIAL SERVICES DEPT.

BOARD OF ELECTIONS

ELECTIONS OFFICE

COUNTY MANAGER'S OFFICE

SOLID WASTE

MANAGEMENT INFORMATION SYSTEMS/GIS

TRANSPORTATION

TAX

PLANNING & INSPECTIONS

CJPP

ASSISTANT COUNTY MANAGER / FINANCE

BLDG. & GROUNDS MAINTENANCE

ECONOMIC DEVELOPMENT

EMERGENCY SERVICES

OTHER AGENCIES

- LENOIR COMMUNITY COLLEGE
- PARKS & RECREATION COMMISSION
- NEUSE REGIONAL LIBRARY
- NC COOPERATIVE EXTENSION SERVICE
- SOIL & WATER CONSERVATION DISTRICT
- NC FOREST RESOURCES
- VETERANS SERVICES
- VOLUNTEER FIRE & EMS DEPARTMENTS
- PROCESS FUND AGENCIES
- OTHER OUTSIDE AGENCIES

ELECTED OFFICIALS

APPOINTED OFFICIALS

TABLE OF CONTENTS

County Organization Chart

Manager's Budget Message

..... 1

Budget Ordinance

..... 11

General Fund Revenues

General Fund Summary

..... 25

Property Taxes

..... 27

Sales Taxes

..... 31

Sales, Services, & Other Revenues

..... 32

Intergovernmental Revenues

..... 35

General Fund Appropriated Fund Balance

..... 38

General Fund Expenditures

General Fund Appropriations

..... 42

Summary of Expenditures

..... 43

General Fund: Expenditures by Department / Agency

Board of Commissioners / Governing Body

..... 47

County Administration

..... 49

Finance Department	.....	51
Tax Office	.....	53
County Attorney	.....	55
County Facilities / Public Buildings	.....	57
Board of Elections	.....	59
Register of Deeds	.....	61
Non-Departmental	.....	63
Process Funds	.....	64
School Fines – Forfeitures	.....	67
Kinston-Lenoir County Convention and Visitors Bureau	.....	68
Juvenile Crime Prevention Council	.....	69
Outside Agencies	.....	70
Community Council for the Arts	.....	72
Council on Aging	.....	73
Flynn Home	.....	74
North Carolina Division of Forest Resources	.....	75
National Guard	.....	76
Management Information	.....	77
Sheriff	.....	79

Jail	.....	81
Emergency Services Department	.....	83
Central Communications	.....	85
Emergency Management	.....	87
Emergency Medical Services	.....	89
Emergency Medical Non-Emergency	.....	91
Fire Protection	.....	92
Planning & Inspections Department	.....	94
Medical Examiner	.....	97
Economic Development	.....	98
Veteran Affairs	.....	100
Cooperative Extension	.....	102
Soil and Water Conservation	.....	104
Health Department	.....	106
Mental Health Department	.....	116
Criminal Justice Partnership Program	.....	119
Social Services Department	.....	120
Lenoir County Public Schools	.....	132
Lenoir Community College	.....	134

Kinston-Lenoir County Public Library	.....	135
Parks and Recreation Commission	.....	137
Contingency	.....	139
Five Year Financial Forecast		
Five Year Financial Forecast General Fund	.....	141
Revenues Expenditure General Fund Fund Balance	.....	146
Debt Service		
Debt Service	.....	149
Fund Outside General Fund		
Insurance Fund	.....	151
Vehicle Replacement	.....	154
Sheriff – Federal Forfeiture	.....	156
Sheriff – State Controlled Substance Tax	.....	157
Capital Reserve Fund	.....	159
Public School Capital Fund	.....	160
Transportation Department	.....	162
Scrap Tire Disposal Fund	.....	166
E-911 Funds	.....	168
Revaluation Fund	.....	170

Automation Preservation Fund	.....	171
Capital Improvement Fund	.....	172
Economic Development		
Masterbrand Cabinets	.....	175
Hangar Agreement	.....	176
Smithfield Packing Company	.....	177
West Pharmaceutical	.....	178
Best Diamond Packaging	.....	179
Lenox China #3	.....	180
Ferguson Enterprises	.....	181
Alside Window #2	.....	182
E.I. Dupont/Sorona	.....	183
Roger Carter Corporation	.....	184
Electrolux	.....	185
Spatial Integrated System, Inc. (SIS)	.....	186
Lenoir County Shell No. 3	.....	187

Community Development

Lenoir Community College: Capital Improvements	.....	188
Parks and Recreation: Capital	.....	189
Visitors Center and Historic Battlefield Overlook	.....	190
Lenoir Community College Debt Service	.....	191
Library Expansion Project	.....	192

Buildings and Grounds

Re-Roofing/HVAC	.....	193
Building Upgrades	.....	194

Fire District Funds	195
----------------------------	-------	------------

Special Grant Project Funds

2006 CDBG Concentrated Needs	.....	197
2006 CDBG Scattered Site	.....	198
Deep Run Water Sewer Operating	.....	199

Enterprise Fund

Solid Waste Management	202
-------------------------------	-------	------------

Special Project Funds

Lenoir/Greene Partnership for Children: Smart Start	206
--	-------	------------

Workload Statistics

Workload Statistics **208**

Appendices

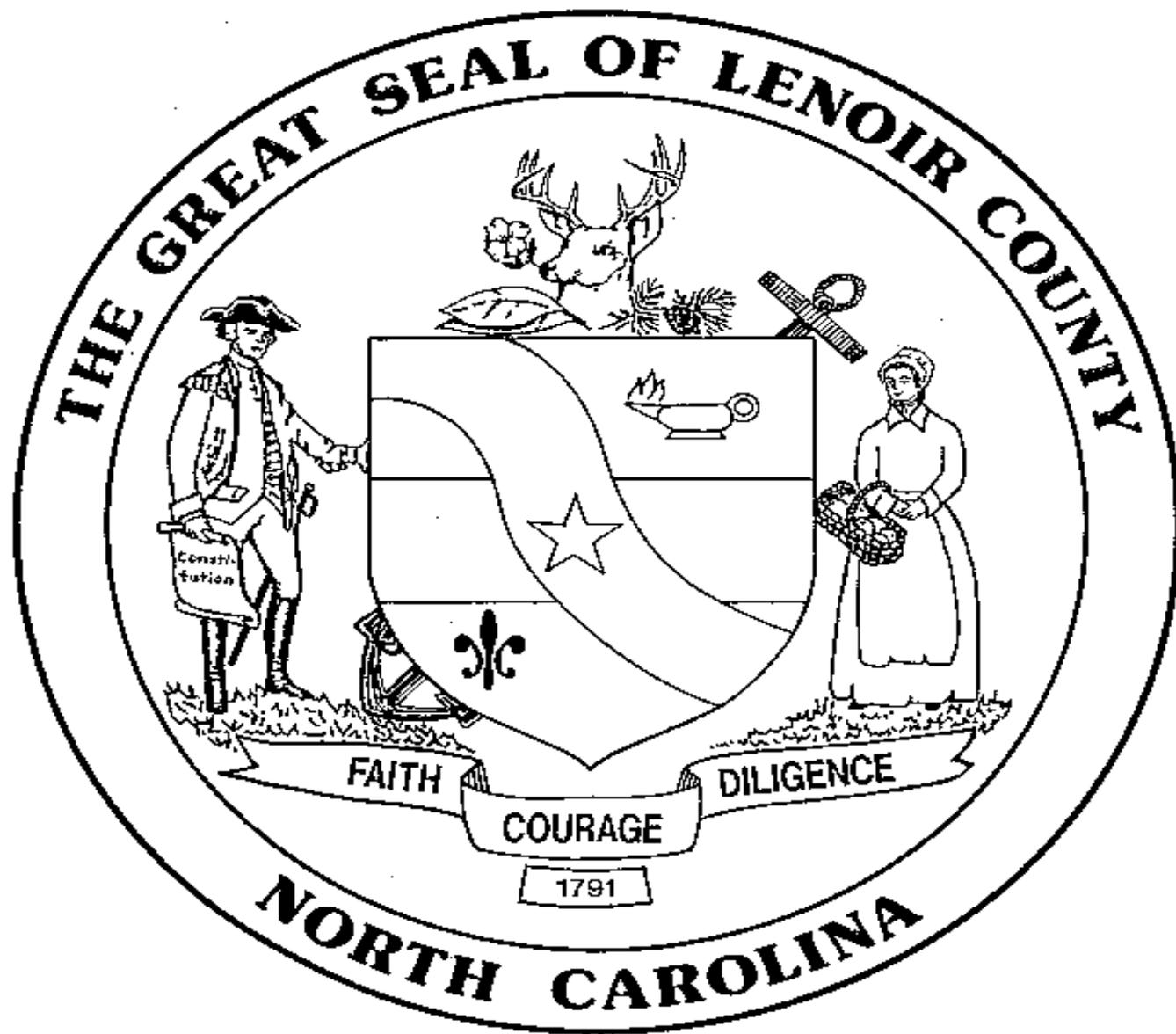
Fast Facts on Lenoir County **229**

Lenoir County Government Budget Calendar **230**

Lenoir County Fiscal Policy **231**

Minutes of the County Manager’s Retreat **235**

Glossary **239**



BUDGET MESSAGE

Mr. Chairman & Members of the Board:

We respectfully deliver and recommend for adoption the FY 07-08 Lenoir County Budget. By analyzing our current financial status, reviewing future predictions as well as historical trends, and following the guidelines set by you, the Lenoir County Board of Commissioners we have developed the budget we feel necessary for 2007-2008. After much time and effort we see the need for several points to be noted concerning this and future budgets.

The trend across our state in recent years has been for the county share of the tax burden to increase. Local tax bases continue to erode while state and federal burdens shift our way. Lenoir County is facing a reduction in intergovernmental revenues (state and federal dollars) of over \$1,000,000 in FY 07-08. An additional 3 cents would have to be added to our tax rate, to replace this lost funding. North Carolina remains the only state that has not removed the Medicaid burden from the local counties. Lenoir County's budgeted cost for Medicaid in FY 07-08 is \$5,420,958. In the last 3 years 72 counties across North Carolina have raised their tax rate to accommodate the increasing local burden. Lenoir County has not raised our tax rate to fund general government purposes since FY 03-04. The rate was raised in 2005 by 1.5 cent and in 2006 by 5 cents. These increases were voter approved and revenues were dedicated to funding Public Library improvements along with school projects, not general expenditures.

Currently our legislators are discussing several options that could provide relief. Multiple Bills have been introduced that provide a variety of options which increase county funding. These options include re-working the entire North Carolina tax system, lowering the states overall tax rate by spreading the burden more equitably through taxes on the service industry, local option sales taxes, land transfer taxes and the state assuming the \$600,000,000 local Medicaid burden.

This budget was developed to provide adequate services to our citizens with no tax increase this year. Reductions made to accomplish this task would have a profound impact on service to our citizens, future cost, and our ability to experience growth if continued for a longer period. While we feel this budget is the proper way for Lenoir County to proceed in FY 07-08 it must be noted that unless the General Assembly provides some relief soon we are facing tax increases in the near future.

SUMMARY

The FY 07-08 General Fund Budget of **\$56,514,013** is in balance with a tax rate of **\$.84** per 100 of assessed valuation. Other funds are also in balance. The **appropriation** from the Fund Balance of the General Fund is \$2,136,698.

The FY 07-08 General Fund Budget is \$1,390,405 more than the FY 06-07 adopted budget. This represents a two and one half percent (2.5%) increase. Most of this increase is a result of funding the debt service for the school and library bond referendums.

Referring to the " Summary of Expenditures Table":

- ◆ County General Fund Departments increased by .74% or \$269,668 from FY 06-07 adopted budget to FY 07-08 submitted budget
- ◆ Compared to FY 05-06 actual expenditures, County General Fund departments increased by 11.6% or \$3,827,742 with the FY 07-08 submitted budget
- ◆ Other Than County Departments: General Fund increased by 11.9% or \$1,706,420 from FY 06-07 adopted budget to FY 07-08 submitted budget
- ◆ Compared to FY 05-06 actual expenditures, Other Than County Departments: General Fund increased by 15.6% or \$2,168,638 with the FY 07-08 submitted budget

Overall compared to FY 05-06 actual expenditures, the total General Fund, i.e., the primary County tax-based fund, increased by 13.7% or \$6,827,051 in FY 07-08.

On the **revenue side**, comparing FY 06-07 to FY 07-08, the key points are:

Property Taxes – up \$1,211,818
Sales Taxes – up \$65,000
Sales, Services, and Other Revenues – up \$1,397,091
Inter-Governmental Revenues – down \$1,062,256

Additional highlights of key changes in the General Fund Budget from one year to the next included.

Legal – Down 41.38% due to settlement of pending litigation
MIS – Up 36.0% or \$230,274 due to necessary data transport infrastructure replacement
Jail – Up 13.47% or \$257,134 due to scheduled replacement of 2 cell block doors (this requires relocating and housing inmates)
Emergency Management – Up 37.33% or \$73,993 due to utilities for new building
Emergency Medical Services – Up 5.35% or \$156,222 due to purchase of medical equipment (defibrillators)
Non-Emergency Transport – Down 26.39% or \$233,680 due to reduction in crews
Health Department – Down 3.22% or \$106,037
NC Cooperative Extension – Up 12.92% or \$39,116 due to one (1) additional staff
Lenoir County Schools – Up 1.0% or \$91,310
Public Library – Up 2.32% or \$15,300 due to increased staff salaries
Recreation – Up 13.47% or \$68,000 due to increased staff salaries
Debt Service – Up 100% or \$1,375,897 due to library and school bond debts
Capital Improvements Fund – Down 7.88% or \$142,200 due to delaying building/ repairs
Vehicle Replacement Fund – Down 47.06% or \$200,000 due to delaying purchase of two (2) ambulances

The main difference in most departments was caused by a two and one half percent (2.5%) across-the-board salary increase plus increases in associated benefits. This 2.5% increase cost approximately \$336,292 in recurring expenditures in the General Fund.

KEY BUDGET MOVERS

Our local economy is not generating sufficient “**recurring revenues**” (property taxes, sales taxes, fees, etc). A quick review of our General Fund revenues next year indicates small increases in property and sales tax revenues. With the recent Economic Development successes we should begin to see this trend change.

We have been fortunate in FY 02-03, FY 03-04, FY 04-05, and FY 05-06 in that the Department of Social Services has significantly under-spent. Funds not spent roll into fund balance (savings). When we are appropriating fund balance to balance our budget and don’t use the fund balance due to under-runs, then we are able to push our “crisis” year as indicated in our five (5) year forecast further into the future. This allows additional time to grow our tax base and/or find additional revenue sources.

As we noted in last year’s message, we do have adequate fund balances in all our funds to serve their individual purposes.

Hopefully the worst local economic declines are behind us. There is a renewed spirit with the addition of new industries Spatial Integrated Services and A. G. Machining.

We were fortunate that this year major cost increases in health insurance were not impacted upon us. We did not have to increase premiums for employees’ nor the County as employer. This was a fortunate achievement. We will however have to look closely at our post employment benefits. We will need to make changes in OPEB to avoid excessive financial burdens in the future.

BUDGET PROCESS/HISTORY

This budget is a **plan** of policies, i.e., the "**why**" of local government, and **finances**, i.e., the "**what**" of local government - **what** it takes to raise money (taxes/fees) and **what** it costs to provide services, and **resources' allocation**, i.e., the "**for whom**" of local government - people get certain services allotted based on individual requirements.

On February 22, 2007, departments and other agencies were provided budget instructions and a budget calendar. All agencies were urged to hold constant and / or reduce their operational expenditure requests, and to hold non-personnel costs to a zero (0) increase. In most cases - exclusive of salary and benefits costs - we were able to hold to this criteria. Everyone was made fully aware of revenue constraints. All departments have been very realistic and professional in their budget preparation.

In the budget work session held March 5, the Board agreed on several basic parameters:

1. No need to increase employer nor employee contributions to Employee Health Insurance Fund;
2. Do not propose a budget which recommends increasing the tax rate;
3. Hold budgets other than direct general fund departments; i.e., Schools, Community College, etc. to 1% increases;
4. Hold operating expenditures (non-payroll) to as close to a zero increase as feasible;
5. Attempt to fund needed capital projects using fund balance.

At the March 5, 2007 regularly scheduled Board meeting, the Commissioners agreed on the following "Financial/Budget Philosophy: FY 07-08 Budget":

FINANCIAL / BUDGET

- View Expenditure - Revenue Decisions in Each Fiscal Year From a Five (5) Year Perspective
- Increase Annual Recurring Revenues, Where and When Necessary, to Pay for Existing Annual Recurring Expenses
- Rebuild Unrestricted/Unreserved Fund Balance to a Twenty Percent (20%) Minimum Level of General Fund Expenditures
- Minimize Future Tax Increases by Reducing Expenditures
- Use Pay-As-You-Go Financing (Savings) - Capital Projects - Capital Improvements Program
- Employee Pay Based on: Market Conditions, Job Standards, Workload, Merit
- Adequately Fund Schools - Operationally and Capital-Wise
- Increases, if any, in Funding any Operation, Shall be Tied to Increases to Ad Valorem Growth, i.e., Pay-As-You-Grow
- Use Fees to Offset Costs of Operations
- Enterprise Funds Shall be Supported by Fees, Not Taxes
- Begin Long-Range Planning..... - and its Implementation

BUDGET POLICIES & STRATEGIES

In the budget's construction, the above-referenced policy guidelines are provided below, coupled with responses to address each.

- POLICY 1: View Expenditure - Revenue Decisions in Each Fiscal Year from a Five (5) Year Prospective:**
Response: Prepared 5-year Financial Forecast/CIP Plan; reviewed; need to review again at future budget work sessions. Without growth or additional revenues there will be a day when the General Fund Fund Balance is actually consumed and cost under-runs will not carry us.
- POLICY 2: Increase Annual Recurring Revenues, Where and When Necessary, to Pay for Existing Annual Recurring Expenditures:**
Response: Possibly consider increases in E-911 fees to help pay for General Capital Improvements
- POLICY 3: Rebuild Unrestricted/Unreserved Fund Balance to a Twenty Percent (20%) Minimum Level of General Fund Expenditures:**
Response: Currently at 14%; Probably minimal appreciation in Unrestricted/Unreserved Fund Balance this fiscal year because we will use Designated Fund Balance as an appropriation to balance the budget.
- POLICY 4: Minimize Future Tax Increases by Reducing Expenditures:**
Response: Reducing expenditures means reducing services in some areas; Does the Board want to do that?
- POLICY 5: Use Pay-As-You-Go Financing (Savings) - Capital Projects / Capital Improvements Program:**
Response: Capital Projects/Capital Improvements Program: General Fund Designated Fund Balance will be used for Capital Improvements programs, Vehicle Replacement, Debt Service (as much as possible).
- POLICY 6: Employee Pay Based On: Market Conditions, Job Standards, Workload, Merit:**
Response: Salaries will to be reviewed in FY 07-08.
- POLICY 7: Adequately Fund Schools - Operationally and Capital-Wise:**
Response: Over the last several years, money for computers and capital outlay has been deleted from public schools' appropriations; there have been minimal increases. Lenoir Community College has requested a 6% increase in the County's share for operations and maintenance of facilities Lenoir County Public Schools desire an increase of 35%.
- POLICY 8: Increases, if any, in Funding any Operation, Shall be Tied to Increases in Ad Valorem Growth, i.e., Pay-As-You-Grow:**
Response: Increases in Ad Valorem growth; are at around 1%.
- POLICY 9: Use Fees to Offset Costs of Operations:**
Response: Solid Waste is doing this; Environmental Health, Inspections and 911 are not.
- POLICY 10: Enterprise Funds shall be supported By Fees, Not Taxes:**
- POLICY 11: Continue to Implement Long-Range Planning:**
Response: Possibly a "retreat" or "summit" meeting with **all elected officials** may be appropriate. We could do community-driven long-range planning.

RECOMMENDED VS. REQUESTED LISTS: FY 07-08

The Board is made aware of the decisions which were made in attaining the submitted balanced budget by the following list of appropriations which **are and are not included**:

Unit / Agency	Recommended	Requested	Difference
Pride of Kinston	\$ 0	\$50,000 100% Increase	\$50,000
Lenoir Community College	\$17,915 or 1% Increase	\$112,371 or 6.3% Increase	\$94,456
Lenoir County Public Schools	\$91,310 or 1% Increase	\$3,233,725 or 35.4% Increase	\$3,142,415
SPCA	\$1,515 or 2.5% Increase	\$36,908 or 60.9% Increase	\$35,393
Library	\$15,300 or 2.3% Increase	\$32,985 or 5% Increase	\$17,685
Library Capital Project	Utilize Bond Premium	\$60,000	0

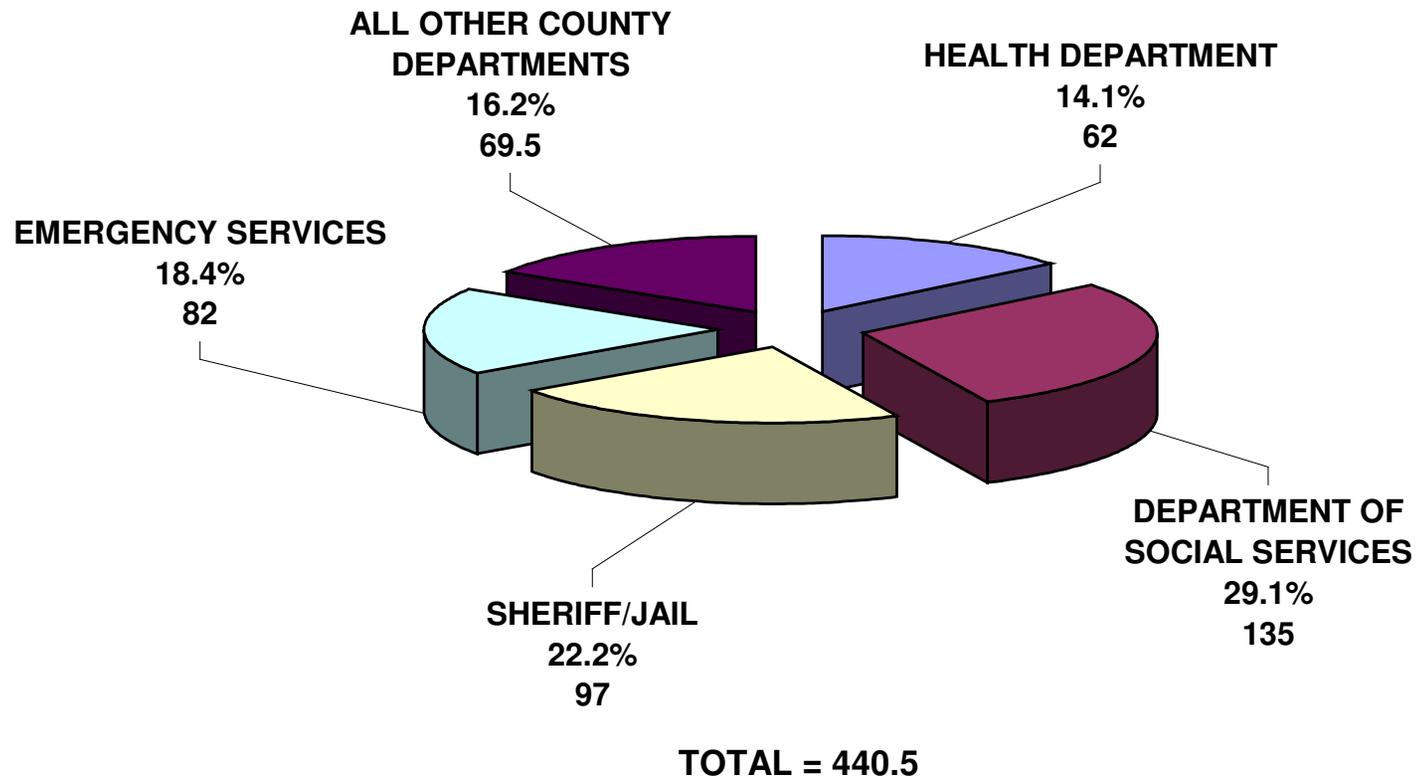
For the most part, the above list includes **recurring** expenditures. This list is not all inclusive. Also, many departments simply do not request more than the budgetary parameters which are established by the Board earlier in the process.

FUND BALANCE (S)

There are "fund balances" in every fund, but it is necessary to understand the "role" or functions for each fund balance.

1. **General Fund:** Undesignated/Unreserved/Unappropriated Fund Balance: Projected **\$6,845,044** (6/30/08) - This serves as working capital to assist the County in paying bills during "lean" revenue months or during hurricane events. Currently this balance would equate to 12.1% of recommended budget expenditures or slightly more than six (6) weeks working capital.
2. **Employee Insurance Fund:** Projected **\$1,300,000** (6/30/08) – Claims increased this past year.
3. **Vehicle Replacement Fund Balance:** Projected **\$30,000** (6/30/08) - This fund was created in FY 99-00 without a General Fund Transfer. \$225,000 is recommended to be transferred from the General Fund to this fund in FY 07-08 to support vehicle replacement. Unspent funds "rollover" from one fiscal year to the next. The fund balance reduces due to it being used to pay off debt service on three (3) ambulances in the upcoming year.
4. **Public School Capital Fund:** Projected **\$16,500,000** (6/30/08) - This fund balance can only be used for Schools capital projects/expansions.
5. **Emergency - 911 Fund Balance:** Projected **\$550,000** (6/30/08) - \$-0- Wireline
6. **Revaluation Fund Balance:** Projected **\$13,000** (6/30/08) - This fund always involves a transfer of General Fund Monies to support it.
7. **Automation Preservation Fund:** Projected **\$89,125** (6/30/08) - Per agreement with Register of Deeds, will continue to "build up" this fund prior to undertaking major automation project in Register's office.
8. **Capital Reserve Fund:** Projected **\$2,000,000** (6/30/08) - Designated by Board for Economic Development projects and Bond debt reserve.
9. **Capital Improvements Program Fund:** Projected **\$850,000** (6/30/08) - The entire fund balance is always carried over in the new year to support existing or future projects; not used as "working capital".
10. **Solid Waste Management Fund Balance:** Projected **\$1,800,000** (6/30/08) - To meet bond requirements, this fund balance must exceed \$1,000,000 through FY 07-08.

SUMMARY OF AUTHORIZED POSITIONS FY 2007-2008



SUMMARY OF AUTHORIZED REGULAR AND TEMPORARY POSITIONS

General Fund Departments	FY 2001-02 Regular/Temp (FTE)	FY 2002-03 Regular/Temp (FTE)	FY 2003-04 Regular/Temp (FTE)	FY 2004-05 Regular/Temp (FTE)	FY 2005-06 Regular/Temp (FTE)	FY 2006-07 Regular/Temp (FTE)	FY 2007-08 Regular/Temp (FTE)
Board of Commissioners	0	1	1	1	1	1	1
County Manager	3	3	3	3	3	1.5	1.5
Finance	5	5	5	5	5	4.5	4.5
Court Facilities/Public Buildings	3	3	3	3	3	4	4
Register of Deeds	5/5	5/5	5/5	5/5	5/5	5/5	5/5
Tax	17/5	17/5	17/5	17/5	17/5	17	16
Sheriff	57	57	57	57	62	62	61
Jail	28	27	27	27	27	35	37
Emergency Management	3	3	4	3	3	3	3
Communications	18	18	19/3	19/3	18/1	18/1	18/1
E-911	1	3	0	1	2	2	2
Emergency/Medical Services	30/3	29/9	38/10	38/10	43/6	59/11	58/11
Planning and Building Inspections	5	6	6	6	5.5	5	5
Resource Develop-Grants Division	0	0	0	0	0	0	0
Board of Elections	4	4	4	4	4	4	4
Health Department	68	63	63	63	62.5	62	62
Social Services Department	134	138	135	136	138	135	128
Mental Health Department	71	0	0	0	0	0	0
Management Information Systems	7	7	7	7	7	7	8
Economic Development Department	3	3	3	3	3	4	4
Transportation Department	2	2	2	2.3	2.3	2	2
Veterans Affairs	1	1	1	1	1	1	1
Cooperative Extension	0	0	0	0	0	0	0
Soil Conservation	4	3	3	3	2	2	2
Smart Start	3.5	3.5	0	0	0	0	0
Solid Waste	26/18	25.5/18.5	9.5/3	9.5/3	11.5/3	11.5/3	11.5/2
Community Development	3	0	0	0	0	0	0
Criminal Justice Partnership	0	0	0	0	0	2	2
Grand Total - All Funds	502/21.5	427/28.5	412.5/16	413.8/17	425.8/11	447.5/15.5	440.5/14.5

STAFFING / PERSONNEL

The following are highlights in changes in personnel and staffing during FY 06-07 and proposed for FY 07-08:

1. Tax Department reduced one (1) position
2. Planning & Inspections; did not fill planner position
3. Social Services abolished seven (7) positions
4. MIS added one (1) position
5. Solid Waste reduced one temp position
6. Net changes: abolished seven (7) regular and one (1) temporary position
7. As indicated in the Summary of Authorized Regular Positions FY 2007-08 pie chart, 83.8% of all County positions are concentrated in four (4) departments: DSS (29.1%); Sheriff/Jail (22.2%); Emergency Services (18.4%); and Health Department (14.1%)

FUTURE PLANNING AND EVALUATION

Prior to budgetary adoption, here are a few questions which the Board must evaluate and decide upon in work sessions in no particular order:

1. The Sheriff Department needs additional space to handle inmate volume.
2. For Lenoir County Public Schools, there is no operational funding beyond the **1% increase** the Board previously authorized. Board affirmation? Schools ADM continues to decline.
3. Do Board members have any suggestions for **additions / deletions** to recurring expenditures in any cost center which a Board member feels needs further exploration?
4. Will the Board approve the Capital Improvements Program budget as submitted which delays some recommended projects?
5. Will Board members continue to take an active Economic Development role in order to help get the local economy moving again?
6. For Lenoir Community College there is no operational funding beyond the 1% increase the Board previously authorized. (Enrollment numbers are increasing at the college).
7. If legislation is passed that provides Medicaid Relief, does the Board wish to utilize those monies to reduce the amount of fund balance appropriated?

The above are a few **key** questions we must deliberate in this and probably future budgetary years.

FINANCIAL/PROGRAMMATIC POLICIES & GOALS

In last year's budget message, we provided several near, mid-term, and long range concerns and issues. We are highlighting accomplishments and non-accomplishments and adding several others:

Near term (next twelve (12) months):

- ◆ Operating five (5) year new Subtitle D MSW landfill – *done – in compliance*
- ◆ Fighting for additional State/Federal revenue (non-property tax based) and/or reducing local share for Medicaid/Special Assistance – *the State may reduce Local Share for Medicaid – we are the only State left with Local Governments paying for this*
- ◆ Continuing market/merit based approach to pay for all positions
- ◆ Emergency Medical Services - *continue to improve service and revenue collections; building permanent Deep Run EMS station as well as additional “permanent” work force*
- ◆ Administer Land Use Plan, Subdivision, and Junkyard Ordinances
- ◆ Improve County's web page – *in process*
- ◆ Improve financial solvency of Employee Health Insurance Fund – *done – no increases in premiums this year*
- ◆ Prioritized County Capital Facilities'/Buildings' upgrades – *Courthouse improvements implemented*
- ◆ Undertake jail expansion feasibility study, continue to evaluate better methods of coping with inmate medical costs – *started electronic monitoring program*
- ◆ Implemented Space Plan: *Adult and Child Probation Moved*
- ❖ Building new schools – *sold series 2007 Bonds (\$30,000,000)*
- ❖ Support commercial air service
- ❖ Support all Economic Development initiatives
- ❖ Build new Shell Building – *in process*

Mid term (next five (5) years):

- ◆ Properly administering eight year revaluation of all real property - *started data collection*
- ◆ Fight for completion of Crescent Road and other highways in the Transportation Improvements Plan (TIP) - *continue lobbying for "roads for growth"*
- ◆ Build another Shell Building at the Global Transpark (GTP) and actively assure the GTP is a success
- ◆ Continue to make cost effective improvements in all County service areas and share savings with employees and citizens alike

Long term (next ten (10) years):

- ◆ Constant vigil to improve local economy
- ◆ Improving per capita income status of all residents
- ❖ County-wide sewer

CLOSING COMMENTS

It is a privilege to serve the Lord and the citizens and employees of Lenoir County. We wish to say “thank you” to all of the citizens we work with and for. We are all blessed to live in this great country and in particular, this County.

A special thanks to all of the Department heads and key staff personnel who developed this FY 07-08 budget.

Respectfully,

Michael W. Jarman
County Manager

Thomas L. Hollowell
Assistant County Manager

May 1, 2007

BUDGET ORDINANCE

**BOARD OF COMMISSIONERS
LENOIR COUNTY**

INTRODUCED BY: Michael W. Jarman, County Manager

**BUDGET ORDINANCE FOR THE FISCAL YEAR BEGINNING
JULY 1, 2007**

BE IT ORDAINED by the Board of Commissioners of Lenoir County, North Carolina:

Section 1 A. (Fund 10) The following amounts are hereby appropriated in the **General Fund** for the operation of the County Government and its activities for the fiscal year beginning July 1, 2007, and ending June 30, 2008, in accordance with the chart of accounts heretofore established for this County:

Governing Body	220,560
County Manager	201,530
Finance	284,121
Tax Office	777,706
Legal	42,500
Court Facilities/Public Buildings	767,560
Elections	344,778
Register of Deeds	313,269
Non-Departmental	787,700
Process Funds	903,712
Outside Agencies	120,598
Management Information Systems	869,881
Sheriff/Jail	5,821,026
Emergency Services	4,948,030
Fire Protection	51,660
Planning and Inspections	203,022
Medical Examiner	40,000
Economic Development	294,706
Veterans Service Office	31,155
N.C. Cooperative Extension Service	341,879
Soil Conservation	110,231

Health Department	3,231,714
Mental Health	240,139
CJPP-Day Reporting	111,631
Public Assistance	18,290,065
Lenoir County Schools Current Expense	9,222,265
Community College-Current Expense	1,809,421
Public Library	675,000
Recreation	573,000
Debt Service	1,375,897
Transfer to:	
Capital Improvements Fund	1,714,446
Revaluation Fund	49,811
Vehicle Replacement Fund	225,000
Capital Reserve Fund	1,500,000
Contingency	20,000
Total Expenditures	56,514,013

Section 1 B. It is estimated that the following revenues will be available in the **General Fund** for the fiscal year beginning July 1, 2007, and ending June 30, 2008:

Property Taxes	28,062,426
Sales Tax	8,000,000
Intergovernmental Revenues	12,153,296
Service Fees and Other Revenues	6,161,593
Appropriated Fund Balance	2,136,698
Total Revenues	56,514,013

Section 1 C. There is hereby levied a tax at the rate of eighty-four cents/.84 per one hundred dollars (\$100) valuation of property listed as of January 1, 2007, for the purpose of raising revenue included in "Property Taxes" in the General Fund in Section 1 B of this ordinance. This rate of tax is based on an estimated total valuation of property for the purpose of taxation of \$3,344,000,000 and an estimated collection rate of 93.78%.

Section 2 A. (Fund 11) The following amounts are hereby appropriated in the **Employee Insurance Fund** for the needs of the County for the fiscal year beginning July 1, 2007, and ending June 30, 2008, in accordance with the chart of accounts heretofore established for this County:

Claims Paid-Health Insurance	2,836,000
Premiums Paid-Life Insurance	55,000
Administrative Costs	264,000
Total Expenditures	3,155,000

Section 2 B. It is estimated that the following revenues will be available to the **Employee Insurance Fund** for the fiscal year beginning July 1, 2007, and ending June 30, 2008:

Payroll Deductions-From General Fund	3,000,000
Deductions –Life Insurance	55,000
Fund Balance Appropriated	0
Refunds	100,000
Total Revenues	3,155,000

Section 3 A. (Fund 14) The following amounts are hereby appropriated in the **Vehicle Replacement Fund** for the purchase of replacement vehicles for the fiscal year beginning July 1, 2007, and ending June 30, 2008, in accordance with the chart of accounts heretofore established for this County:

Capital Outlay - Vehicles	200,000
Capital Outlay – Other Vehicles	25,000
Total Expenditures	225,000

Section 3 B. It is estimated that the following revenues will be available to the **Vehicle Replacement Fund** for the fiscal year beginning July 1, 2007, and ending June 30, 2008:

Fund Balance Appropriated	0
Transfer from General Fund	225,000
Total Revenues	225,000

Section 4 A. (Fund 15) The following amounts are hereby appropriated in the **Federally Seized Property Fund** for the operation of the Sheriff's Department Drug and Controlled Substance Programs for the fiscal year beginning July 1, 2007, and ending June 30, 2008, in accordance with the chart of accounts heretofore established for this County:

Federally Seized Property Program	40,100
Total Expenditures	40,100

Section 4 B. It is estimated that the following revenues will be available to the **Federally Seized Property Fund** for the fiscal year beginning July 1, 2007, and ending June 30, 2008:

Forfeited Drug Proceeds	40,000
Interest on Investment	100
Fund Balance Appropriated	0
Total Revenues	40,100

Section 5 A. (Fund 16) The following amounts are hereby appropriated in the **Controlled Substance Program Fund** for the operation of the Sheriff's Department Drug and Controlled Substance Programs for the fiscal year beginning July 1, 2007, and ending June 30, 2008, in accordance with the chart of accounts heretofore established for this County:

Controlled Substance Program	25,500
Total Expenditures	25,500

Section 5 B. It is estimated that the following revenues will be available to the **Controlled Substance Program Fund** for the fiscal year beginning July 1, 2007, and ending June 30, 2008:

Controlled Substance Funds	25,000
Interest on Investment	500
Fund Balance Appropriated	0
Total Revenues	25,500

Section 6 A. (Fund 20) The following amounts are hereby appropriated in the **Capital Reserve Fund** for the fiscal year beginning July 1, 2007, and ending June 30, 2008, in accordance with the chart of accounts heretofore established for this County.

Lenoir Community College Capital	0
Economic Development Projects	500,000
Bond Debt Reserve	1,500,000
Total Expenditures	2,000,000

Section 6 B. It is estimated that the following revenues will be available to the **Capital Reserve Fund** for the fiscal year beginning July 1, 2007, and ending June 30, 2008.

Transfer from General Fund	1,500,000
Fund Balance Appropriated	500,000
Total Revenues	2,000,000

Section 7 A. (Fund 21) The following amounts are hereby appropriated in the **School Capital Fund** for the expenditures associated with the debt service and other school capital projects funded by the State and County for the fiscal year beginning July 1, 2007, and ending June 30, 2008, in accordance with the chart of accounts heretofore established for this County:

Capital Reserve	583,557
Transfer to General Fund Debt Service Fund	1,266,443
Total Expenditures	1,850,000

Section 7 B. It is estimated that the following revenues will be available to the **School Capital Fund** for the fiscal year beginning July 1, 2007, and ending June 30, 2008:

Sales Tax-Art 40	600,000
Sales Tax-Art 42	1,100,000
Interest on Investments	150,000
Total Revenues	1,850,000

Section 8 A. (Fund 22) The following amounts are hereby appropriated in the **Transportation Fund** for the maintenance of the County's Transportation system for the fiscal year beginning July 1, 2007, and ending June 30, 2008, in accordance with the chart of accounts heretofore established for this County:

Transportation Program	295,800
------------------------	---------

Section 8 B. It is estimated that the following revenues will be available to the **Transportation Fund** for the fiscal year beginning July 1, 2007, and ending June 30, 2008:

Reimb-State-Vehicles	29,962
Grant-State	121,080
Grant-Rural General Public	51,750
Rural General Public-Ticket Sales	20,000
Fuel Reimbursement/Surcharge	48,125
Cap Res-Surcharge Coll.	13,000
Transfer From General Fund	0
Sale of Mobile Advertising	1,920
Fund Balance Appropriated	9,963
Total Revenues	295,800

Section 9 A. (Fund 23) The following amounts are hereby appropriated in the **Tire Disposal Fund** for the fiscal year beginning July 1, 2007, and ending June 30, 2008, in accordance with the chart of accounts heretofore established for this County:

Tire Disposal	110,000
---------------	---------

Section 9 B. It is estimated that the following revenues will be available to the **Tire Disposal Fund** for the fiscal year beginning July 1, 2007, and ending June 30, 2008:

Tire Disposal - State Fees	60,000
Grant - Tire Disposal	20,000
Transfer from Solid Waste Fund	30,000
Total Revenue	110,000

Section 10 A. (Fund 24) The following amounts are hereby appropriated in the **E911 Fund** for the emergency telephone system during the fiscal year beginning July 1, 2007, and ending June 30, 2008, in accordance with the chart of accounts heretofore established for this County:

E911 Appropriation	818,178
--------------------	---------

Section 10 B. It is estimated that the following revenues will be available to the **E911 Fund** for the fiscal year beginning July 1, 2007, and ending June 30, 2008:

Interest	0
E911 Wireline Fees	450,000
E911 Wireless Fees	136,451
Fund Balance Appropriated - Wireline	231,727
Fund Balance Appropriated - Wireless	0
Total Revenues	818,178

Section 11 A. (Fund 25) The following amounts are hereby appropriated in the **Revaluation Fund** for the revaluation of property in Lenoir County for the fiscal year beginning July 1, 2007, and ending June 30, 2008, in accordance with the chart of accounts heretofore established for this County:

Revaluation	49,811
-------------	--------

Section 11 B. It is estimated that the following revenues will be available to the **Revaluation Fund** for the fiscal year beginning July 1, 2007, and ending June 30, 2008:

Transfer from General Fund	49,811
Total Revenues	49,811

Section 12 A. (Fund 27) The following amounts are hereby appropriated in the **Automation-Preservation Fund** for the fiscal year beginning July 1, 2007, and ending June 30, 2008, in accordance with the chart of accounts heretofore established for this County:

Automation-Preservation	32,500
-------------------------	--------

Section 12 B. It is estimated that the following revenues will be available to the **Automation-Preservation Fund** for the fiscal year beginning July 1, 2007, and ending June 30, 2008.

Automation-Preservation Fees	30,000
Fund Balance Appropriated	2,500
Total Revenues	32,500

Section 13 A. (Fund 30) The following amounts are hereby appropriated in the **MSW Landfill Cell #1 Fund** for the fiscal year beginning July 1, 2007, and ending June 30, 2008, in accordance with the chart of accounts heretofore established for this County.

MSW Landfill Cell #1 - Principal	619,549
MSW Landfill Cell #1 - Interest	10,079
Total Expenditures	629,628

Section 13 B. It is estimated that the following revenues will be available to the **MSW Landfill Cell #1 Fund** for the fiscal year beginning July 1, 2007, and ending June 30, 2008.

Interest on Investments	0
Transfer from Solid Waste Mgmt. Fund	629,628
Total Revenues	629,628

Section 14 A. (Fund 40) The following amounts are hereby appropriated in the **Capital Improvements Program Fund** for the capital projects for the fiscal year beginning July 1, 2007, and ending June 30, 2008, in accordance with the chart of accounts heretofore established for this County.

Economic Development	
West Company	200,000
Master Brands Proj-County Cost	100,000
Hangar Agreement	40,000
Ferguson	6,800
Lenox China #3	12,000
Alside #2	30,500
Smithfield Deli	100,000
Workhorse	14,500
DuPont-Sorona-County	125,000
Alsco	15,500
Electrolux	100,000
SIS - County	3,000
GTP Sewer Extension	25,000
Shell Building #3-Interest	36,000
Subtotal	808,300
Community Development	
Lenoir Community College-Capital	100,000
Parks & Recreation-Capital	65,000
Hwy 70 Corridor Project	10,000
Battlefield Project - Principal	27,563
Battlefield Project - Interest	1,583
Lenoir Community College-Principal	400,000
Lenoir Community College-Interest	60,000
Subtotal	664,146
Buildings & Grounds	
Re-roofing HVAC	50,000
Building Upgrades	50,000
EMS Station Project	100,000
Hannibal Building	42,000
Subtotal	242,000
Library Expansion	
Library Expansion Construction	0
Subtotal	0
Total Expenditures	1,714,446

Section 14 B. It is estimated that the following revenues will be available to the **Capital Improvements Program Fund** for the fiscal year beginning July 1, 2007, and ending June 30, 2008:

Transfer from General Fund	1,714,446
Total Revenues	1,714,446

Section 15 A. (Funds 50-60) The following amounts are hereby appropriated in the **Fire District Funds** for the operation of volunteer fire departments for the fiscal year beginning July 1, 2007, and ending June 30, 2008, in accordance with the chart of accounts heretofore established for this County:

Fire Districts	1,104,336
----------------	-----------

Section 15 B. It is estimated that the following revenues will be available to the **Fire District Funds** for the fiscal year beginning July 1, 2007, and ending June 30, 2008:

North Lenoir	326,646
Southwood	110,817
Sandy Bottom	156,174
Deep Run	86,340
Seven Springs	15,601
Hugo	149,118
Sand Hill	64,743
Cherry Tree	75,721
Mosely Hall	83,958
Wyse Fork	22,556
Grifton	12,662
Total Revenues	1,104,336

Fund 50. There is hereby levied a tax at the rate of four and one-half cents/.045 per hundred dollars (\$100.00) valuation of property listed for taxes as of January 1, 2007, located within the **North Lenoir Fire District** for the purpose of supplementing the revenues of the **North Lenoir Fire Department**.

Fund 51. There is hereby levied a tax at the rate of six cents/.06 per hundred dollars (\$100.00) valuation of property listed for taxes as of January 1, 2007, located within the **Southwood Fire District** for the purpose of supplementing the revenues of the **Southwood Fire Department**.

Fund 52. There is hereby levied a tax at the rate of eight cents/.08 per hundred dollars (\$100.00) valuation of property listed for taxes as of January 1, 2007, located within the **Sandy Bottom Fire District** for the purpose of supplementing the revenues of the **Sandy Bottom Fire Department**.

Fund 53. There is hereby levied a tax at the rate of four cents/.04 per hundred dollars (\$100.00) valuation of property listed for taxes as of January 1, 2007, located within the **Deep Run Fire District** for the purpose of supplementing the revenues of the **Deep Run Fire Department**.

Fund 54. There is hereby levied a tax at the rate of four cents/.04 per hundred dollars (\$100.00) valuation of property listed for taxes as of January 1, 2007, located within the **Seven Springs Fire District** for the purpose of supplementing the revenues of the **Seven Springs Fire Department**.

Fund 55. There is hereby levied a tax at the rate of four cents/.04 per hundred dollars (\$100.00) valuation of property listed for taxes as of January 1, 2007, located within the **Hugo Fire District** for the purpose of supplementing the revenues of the **Hugo Fire Department**.

Fund 56. There is hereby levied a tax at the rate of seven cents/.07 per hundred dollars (\$100.00) valuation of property listed for taxes as of January 1, 2007, located within the **Sand Hill Fire District** for the purpose of supplementing the revenues of the **Sand Hill Fire Department**.

Fund 57. There is hereby levied a tax at the rate of eight cents/.08 per hundred dollars (\$100.00) valuation of property listed for taxes as of January 1, 2007, located within the **Cherry Tree Fire District** for the purpose of supplementing the revenues of the **Cherry Tree Fire Department**.

Fund 58. There is hereby levied a tax at the rate of four cents/.04 per hundred dollars (\$100.00) valuation of property listed for taxes as of January 1, 2007, located within the **Mosely Hall Fire District** for the purpose of supplementing the revenues of the **Mosely Hall Fire Department**.

Fund 59. There is hereby levied a tax at the rate of six and one-half cents/.065 per hundred dollars (\$100.00) valuation of property listed for taxes as of January 1, 2007, located within the **Wyse Fork Fire District** for the purpose of supplementing the revenues of the **Wyse Fork Fire Department**.

Fund 60. There is hereby levied a tax at the rate of three cents/.03 per hundred dollars (\$100.00) valuation of property listed for taxes as of January 1, 2007, located within the **Grifton Fire District** for the purpose of supplementing the revenues of the **Grifton Fire Department**.

Section 16 A. (Fund 66) The following amounts are hereby appropriated in the **Solid Waste Management Fund** for the operation of the collection and disposal of solid waste for the fiscal year beginning July 1, 2007, and ending June 30, 2008, in accordance with the chart of accounts heretofore established for this County:

Solid Waste Management	2,866,522
------------------------	-----------

Section 16 B. It is estimated that the following revenues will be available to the **Solid Waste Management Fund** for the fiscal year beginning July 1, 2007, and ending June 30, 2008:

Landfill Fees	1,988,522
Household User Fees	715,000
Recycling and Other Revenues	5,000
White Goods Tax Distribution	23,000
White Goods Grant	20,000
Sale of Scrap Metal	60,000
Interest on Investment	50,000
Miscellaneous	5,000
Retained Earnings Appropriated	0
Total Revenues	2,866,522

Section 17 A. (Fund 70) The following amounts are hereby appropriated in the **Smart Start-Family Caregiver Fund** for the operation of the Family Caregiver Program for the fiscal year beginning July 1, 2007, and ending June 30, 2008, in accordance with the chart of accounts heretofore established for this County:

Family Caregiver Program	134,628
--------------------------	---------

Section 17 B. It is estimated that the following revenues will be available to the **Smart Start-Family Caregiver Fund** for the fiscal year beginning July 1, 2007, and ending June 30, 2008:

Smart Start Revenues	134,628
----------------------	---------

Section 18. The Budget Officer is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a. He may transfer amounts between line item expenditures within a department without limitation and without a report being required. These changes should not result in increases in recurring obligations such as salaries.
- b. He may transfer amounts up to \$2,500 between departments, including contingency appropriations, within the same fund. He must make an official report on such transfers at the next regular meeting of the Board of Commissioners.
- c. He may not transfer any amounts between funds, except as approved by the Board of Commissioners in the Budget Ordinance as amended.

Section 19. Copies of this Budget Ordinance shall be furnished to the Clerk to the Board of Commissioners and to the Budget Officer and Finance officer to be kept on file by them for their direction in the disbursement of funds.

AMENDMENTS

MOVED _____ SECONDED _____

APPROVED _____ DENIED _____ UNANIMOUS _____

YEA VOTES: Graham _____ Taylor _____ Brown _____ Davis _____

Harper _____ Humphrey _____ Stroud _____

George W. Graham, Jr., Chairman Date

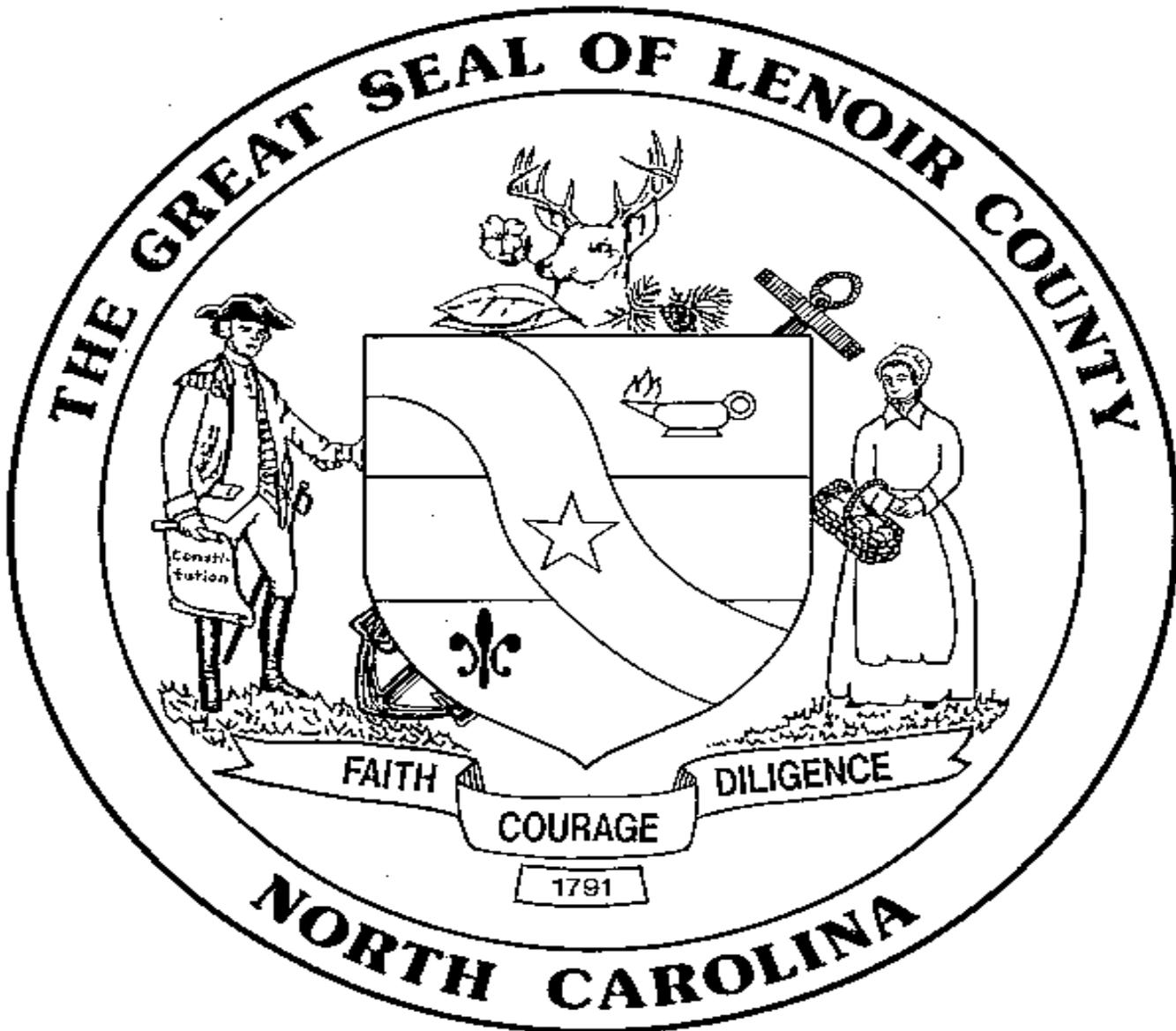
Attest-Clerk to Board of Comm. Date

County Manager

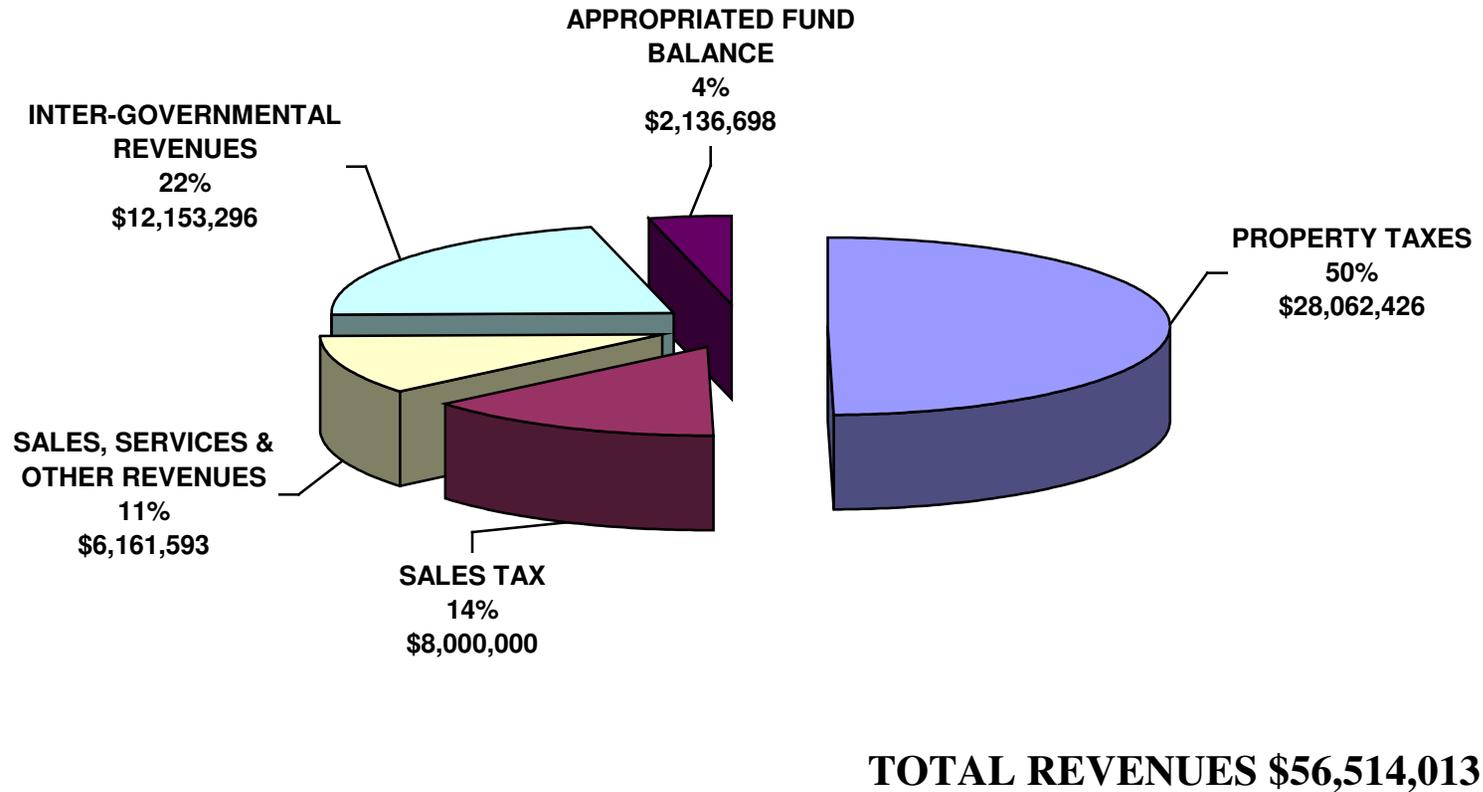
General Fund Revenues

The General Fund is used to account for resources traditionally associated with “general government” which are not required legally or by sound financial management principles, to be accounted for in another fund (special revenues, capital, enterprise).

General Fund revenues include the major categories of: property taxes, sales taxes, intergovernmental revenues, fees charged to offset costs of general governmental revenues, fees charged to offset costs of general government services and appropriated fund balance.



FY 07-08 SUMMARY OF REVENUE- GENERAL FUND



SUMMARY OF REVENUES

GENERAL FUND

REVENUE SOURCES	FISCAL YEAR 2005-06 ACTUAL	ORIGINAL FISCAL YEAR 2006-07 BUDGET	REVISED FISCAL YEAR 2006-07 BUDGET (AS OF 1/31/07)	SUBMITTED FISCAL YEAR 2007-08 BUDGET
PROPERTY TAXES	\$ 26,020,753	\$ 26,850,608	\$ 26,853,608	\$ 28,062,426
SALES TAX	\$ 8,215,618	\$ 7,935,000	\$ 7,935,000	\$ 8,000,000
SALES, SERVICES & OTHER REVENUES	\$ 4,986,896	\$ 4,764,502	\$ 5,172,202	\$ 6,161,593
INTER- GOVERNMENTAL REVENUES	\$ 12,314,550	\$ 13,215,552	\$ 13,618,295	\$ 12,153,296
APPROPRIATED FUND BALANCE	\$ -	\$ 2,357,946	\$ 2,108,427	\$ 2,136,698
TOTAL REVENUES	\$ 51,537,817	\$ 55,123,608	\$ 55,687,532	\$ 56,514,013

PROPERTY TAXES

DESCRIPTION: Ad Valorem property taxes are those taxes assessed and collected on real and personal property, as well as motor vehicles.

HISTORY: The property tax base for FY 07-08 is projected to be \$3,344,000,000 or \$59,416,000 more than the actual revised tax base for FY 06-07 of \$3,284,584,000. This is a plus (+1.81%) "growth rate". At the adopted tax rate (\$.84 per \$100 of assessed valuation) and a collection rate of (93.78%), this equates to a **gain** of \$468,050 in current year property tax revenues associated with the County's tax base "growth".

OUTLOOK: For several years the tax base has been basically flat, with moderate increases of approximately one percent (1%). With a recent upturn in economic development activity, management is optimistic regarding tax base growth in future fiscal years.

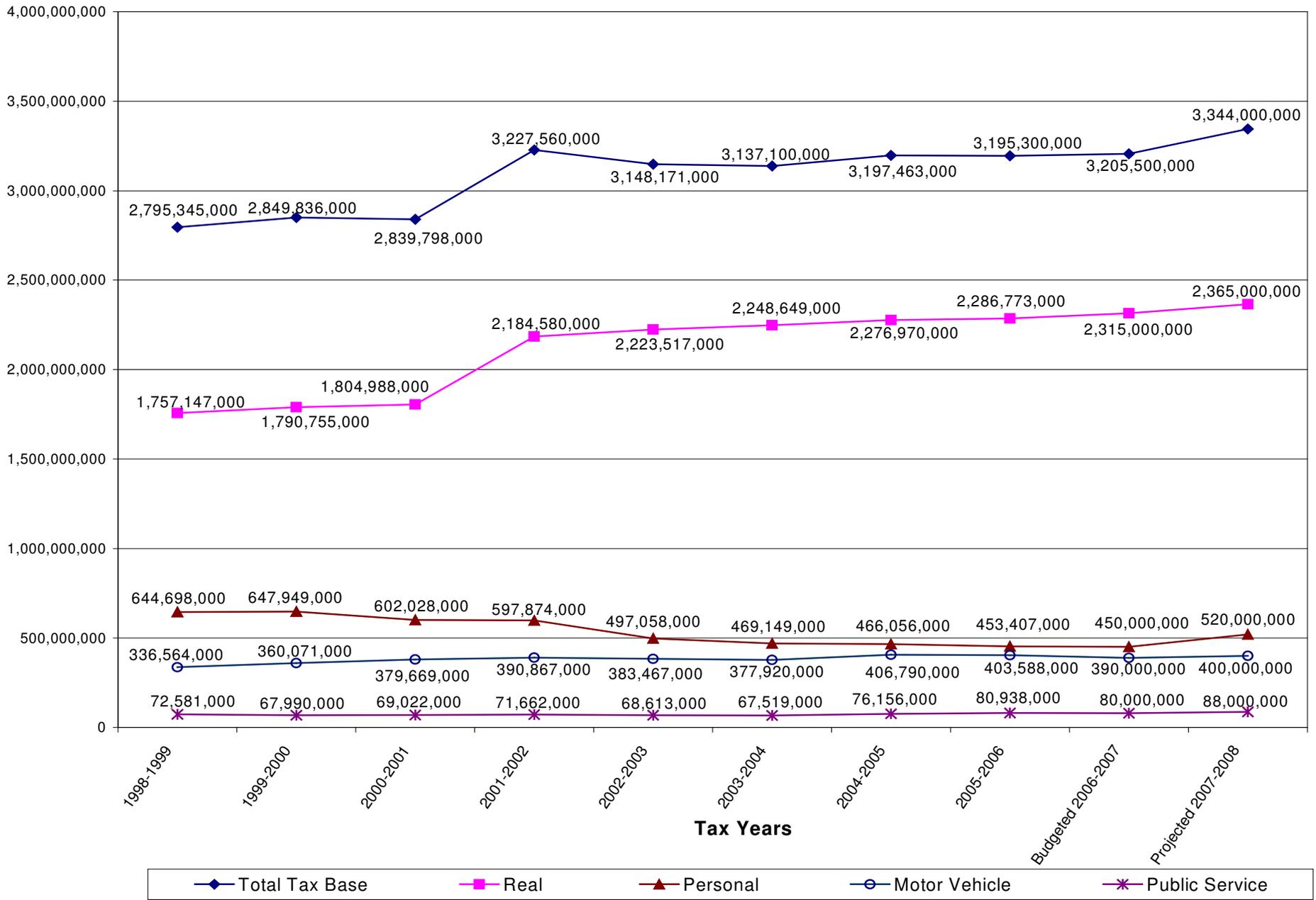
ASSUMPTIONS: The estimated net taxable value for FY 07-08 is \$3,344,000,000. Therefore, with a tax rate of .84 per \$100 of assessed valuation and a collection rate of 93.78%, the projected current year total property tax revenue is \$26,362,426 including tax on motor vehicle rentals using the following formula:

\$3,344,000,000 multiplied by .0084 multiplied by .9378 plus \$20,000 = \$26,362,426 rounded.

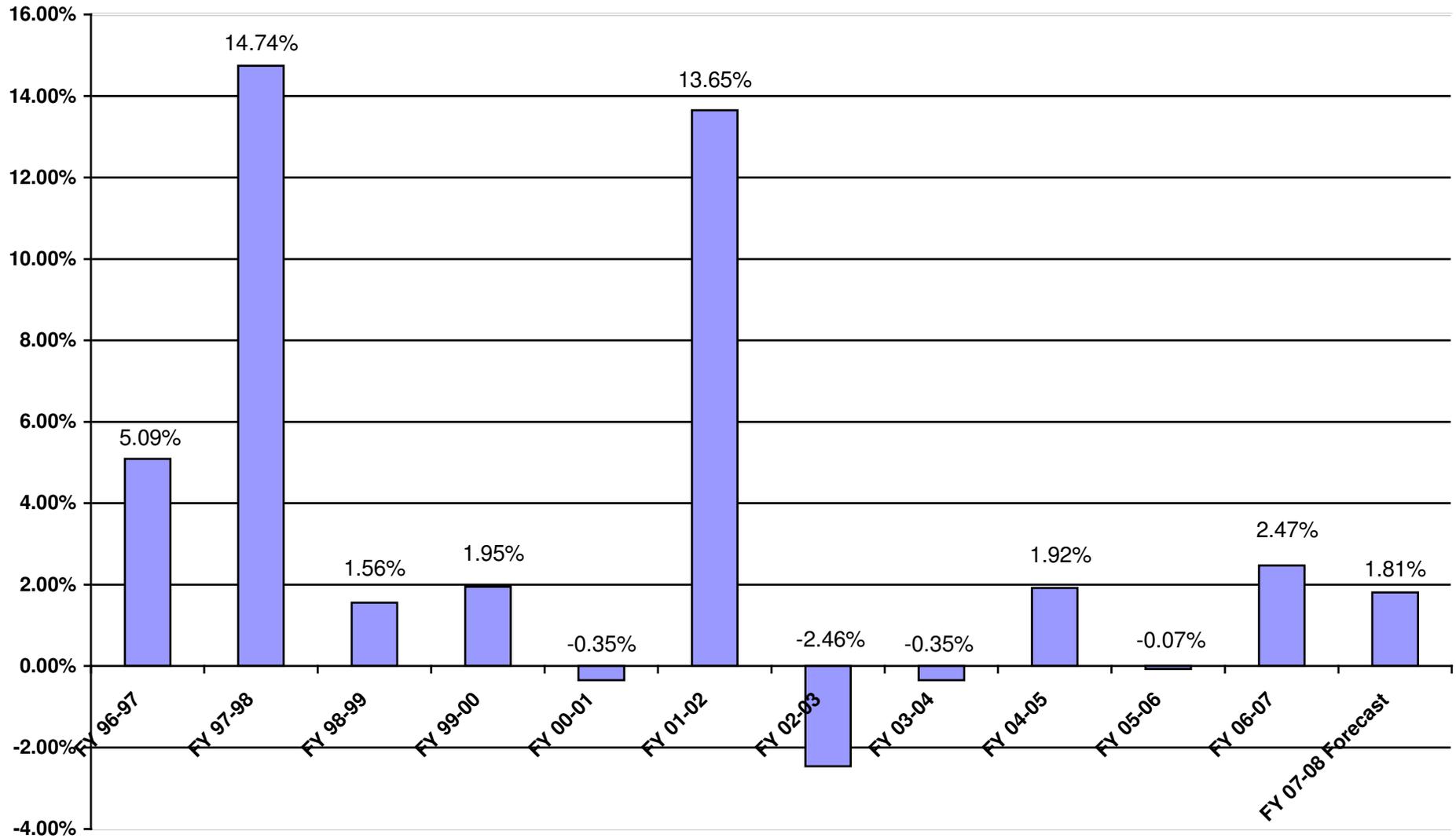
FUNDING LEVELS:

2005-06 Actual	Original 2006-07 Budget	Revised 2006-07 Budget		Adopted 2007-08
\$23,930,807	\$25,150,608	\$25,153,608	CURRENT YEAR	\$26,362,426
\$1,683,351	\$1,400,000	\$1,400,000	PRIOR YEARS	\$1,400,000
\$406,595	\$300,000	\$300,000	PENALTIES & INTEREST	\$300,000
\$26,020,753	\$26,850,608	\$26,853,608	TOTAL	\$28,062,426

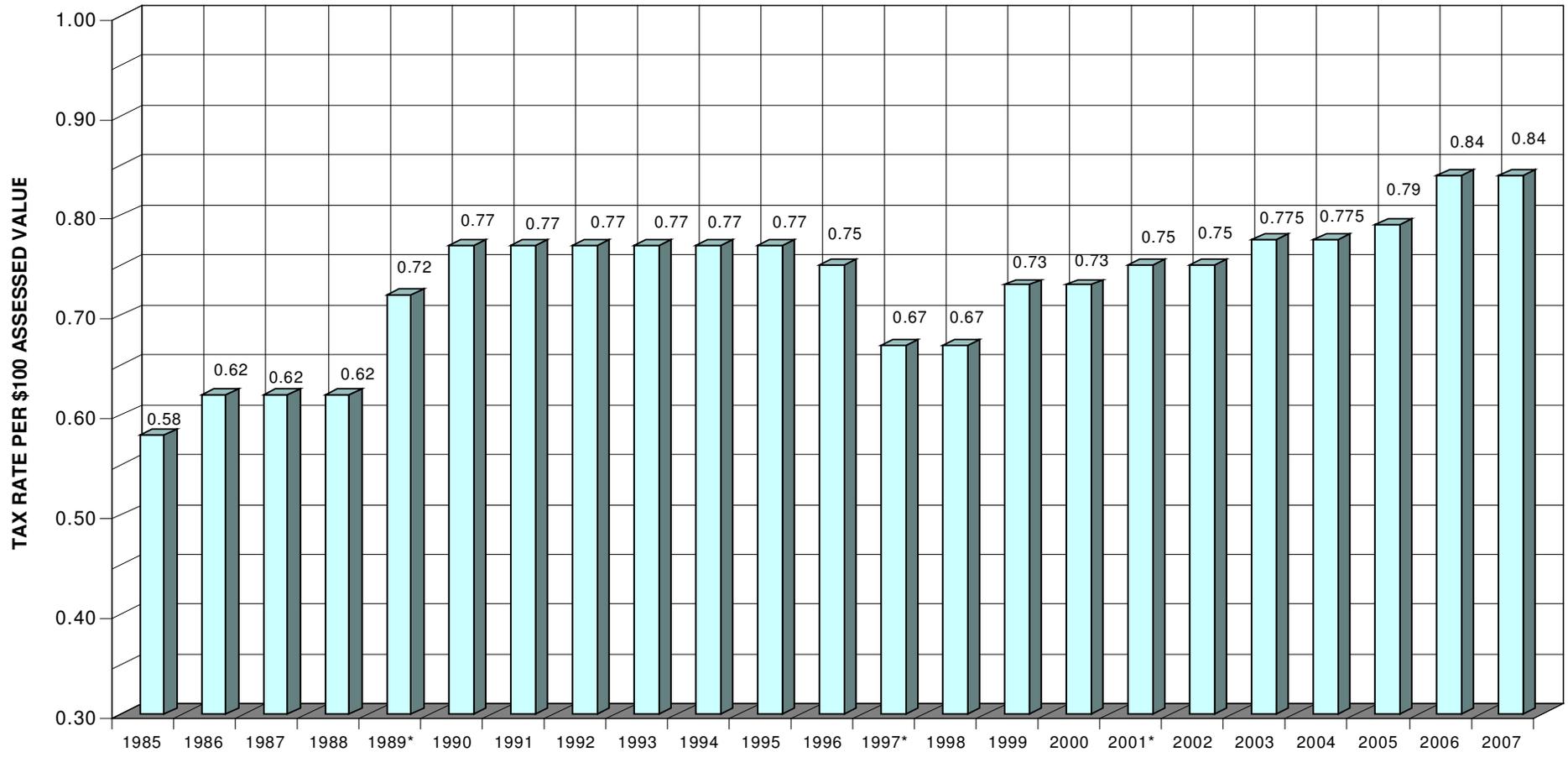
Tax Information - 10 Years



PROPERTY TAX BASE ANNUAL RATE OF INCREASE



COUNTY PROPERTY TAX RATES



RECOMMENDED FY 07-08 RATE = \$.84 / \$100 ASSESSED VALUATION

■ FISCAL YEAR (* Denotes Reval Year)

SALES TAX REVENUE

DESCRIPTION: Sales tax revenues are received by the County from the State of North Carolina based on ad valorem distributions. The County 1% local sales tax is utilized in its entirety for General Fund operations. Article 40 (commonly known as "schools 1/2 cent") sales taxes were initiated in part to help fund local school capital projects, with a mandatory transfer of 30% of these revenues to the schools. Article 42 (commonly known as "schools additional 1/2 cent") sales taxes were also initiated in part to help fund local school capital outlay projects, with a mandatory transfer of 60% of these revenues to the schools.

The Board of Commissioners earmarked the sales tax allocated for school capital purposes as the source of revenue to be used to repay the debt services issued to construct new schools and improve existing schools. These funds are now recorded directly in the School Capital Fund, a special revenue fund designed to account for revenues and expenditures earmarked for repayment of the debt service. The mandatory requirements for distribution of the sales tax for Article 40 and 42 have a "sunset" provision, meaning that after a certain period of time counties would not be required to use the funds for schools' capital outlay purposes; however, the schools' capital needs continue to grow with the replacement and repairs of existing facilities.

ASSUMPTIONS: Actual FY05-06 sales tax revenues were down by \$344,720 (-4.1%) from actual FY04-05 figures. Staff took a conservative but realistic approach to budgeting in the 5-Year Revenue Forecast by budgeting a decrease of \$9,479 (-.2%) for Article 39, one cent sales tax; a decrease for Article 40, one half cent sales tax, of \$80,946 (-.5%); a decrease for Article 42, one half cent sales tax, of \$3,252 (-.4%); and a decrease for Article 44, one half cent sales tax, of \$121,940 (-6%). This resulted in a **projected decrease** from actual FY05-06 sales tax revenue to projected FY07-08 sales tax revenue of (-2.6%) or \$215,617. Sales tax revenues will be monitored closely each month for positive or negative trends and adjusted accordingly if needed.

The County continues to contract with Tax Reduction Specialists to conduct an ongoing sales tax audit to assure that all sales tax revenue due to Lenoir County from the State of North Carolina is being properly disbursed to Lenoir County.

FUNDING LEVELS:

2005-06 Actual	Original 2006-07 Budget	Revised 2006-07 Budget *		Recommended 2007-08
\$4,009,479	\$4,000,000	\$4,000,000	Article 39 (1% County)	\$4,000,000
1,480,946	1,350,000	1,350,000	Article 40 (70%)	1,400,000
783,252	785,000	785,000	Article 42 (40%)	780,000
1,941,940	1,800,000	1,800,000	Article 44 (1/2% County)	\$1,820,000
\$8,215,617	\$7,935,000	\$7,935,000	Total	\$8,000,000

SALES, SERVICES & OTHER REVENUES

DESCRIPTION: Revenues in the sales, services, and other category encompass a wide range of local revenue sources. This category is important to the overall financial strength of the County because it includes revenue from quasi-"self-supporting", general governmental activities, such as building inspections, register of deeds, emergency and non-emergency medical fees, and court facility functions. Some functions of Lenoir County government are appropriately funded by fees, because they apply to a certain group of citizens, such as development-related services (septic tank permits, building permits, etc). The philosophy of the governing body is to have these services fund the direct cost of the provision of the services. In some cases, the fees may recover a portion of the indirect cost.

HISTORY: This category totals \$6,161,593, an increase of \$1,397,091 (29.3%) from the FY 06-07 adopted budget. This is misleading because the majority of the increase (\$1,266,443) is a transfer to the General Fund from the School Capital Fund to be used to pay debt service on the Series 2007 General Obligation School Bonds. This "other" revenue is merely a "pass-through" and does not represent an increase in spendable income. Other major changes include:

Emergency Medical Service Fees – up \$250,000

Reason – Increase in Emergency Medical responses and transports and improvements in billing / collections.

Inspection Permit Fees – up \$45,000

Reason – Updated schedule of fees and an increase in building permit activity

Arrest Fees – up \$10,000

Reason – Increase in arrests by law enforcement

OUTLOOK: Management will continue to look for opportunities to generate fees and other offsetting revenues to fund programs that benefit certain segments of the population or where demand exists to support fees.

ASSUMPTIONS: Sales, services, and other revenues were forecast with input from department managers, grant sources, and historical data. Each revenue was considered separately and forecast from a zero base, although recent three (3) year data was heavily relied upon.

SALES, SERVICES & OTHER REVENUES

	2005-06	2006-07	2006-07	2007-08
	Actual	Original Budget	Revised Budget	Adopted
Sales and Service Fees				
Cablevision Fees	110,767	96,000	96,000	96,000
Privilege License	14,465	15,000	15,000	15,000
Jail Fees/ FICA Benefits	110,699	55,000	55,000	55,000
Arrest Fees	87,446	60,000	60,000	70,000
Fines-Fire Code Viloations	0	0	500	200
Court Facility Fees	179,945	163,500	163,500	165,000
Register of Deeds Fees	276,528	250,000	250,000	250,000
Real Estate Transfer Fees	99,039	100,000	100,000	100,000
Sheriff Fees	64,953	50,000	50,000	60,000
Sheriff-Vehicle Storage	803	500	500	500
Sheriff-Process Fees	45,300	46,000	46,000	46,000
Sher-Concealed Weapon-County	6,060	3,000	3,000	3,000
Sheriff Fees-Tax Executions	0	0	3,000	3,000
Inspections-Permit Fees	152,200	130,000	130,000	175,000
Planning Fees	3,477	2,000	3,500	3,500
Emergency Med. Services-Fees	1,623,438	1,250,000	1,250,000	1,500,000
Non-Emergency Transport	429,045	1,200,000	1,200,000	1,000,000
Indirect Costs-From Landfill	80,227	83,002	84,661	85,000
Rent-Multi-Purpose Facility	31,200	31,200	31,200	31,200
Rent-Hwy 11/55	400	400	400	400
Rent-S Queen-Midyette	1,140	1,000	1,000	1,000
Continued Next Page				

Sales and Service Fees Continued				
Occupancy Tax-5% Collect Fee	8,695	7,000	7,000	7,500
Collection 1 1/2%-LaGrange Tax	8,523	7,000	8,500	8,000
Collection 1 1/2%-Pink Hill Veh	303	250	250	2,000
Collection 1 1/2%-Kinston Taxes	111,043	106,000	110,000	110,000
Collection 1 1/2%-Grifton Veh	60	50	50	50
Miscellaneous	8,303	20,000	17,000	20,000
File Fees-Elections	0	1,000	1,000	0
Tax Dept-Copy Sales	1,517	2,000	2,000	1,500
Floyd Buyout/ Land Lease	270	200	200	200
Commission-Jail Phone	30,807	30,000	30,000	30,000
Commission-Pay Phone	0	100	100	100
Sheriff-Vehicle Useage Fee	390	300	500	500
Subtotal	\$3,487,043	\$3,710,502	\$3,719,861	\$3,839,650
Other				
Interest on Investment	764,005	400,000	800,000	400,000
Jail Medical Attention	6,471	500	500	4,000
Sale of Fixed Assets-Equipment	5,504	500	500	500
Insurance-Miscellaneous	31,316	5,000	3,341	5,000
Hospital Annual Payment	500,000	500,000	500,000	500,000
Transfer from E-911 (Repay loan-5 yrs.)	0	140,000	140,000	140,000
Commission - Inmate Acct. Fund	3,500	8,000	8,000	6,000
Auditor Trans from Special Revenue	189,057	0	0	0
Transfer from School Cap Reserve				1,266,443
Subtotal	1,499,853	1,054,000	1,452,341	2,321,943
Total Sales, Services & Other	4,986,896	4,764,502	5,172,202	6,161,593

INTERGOVERNMENTAL REVENUES

DESCRIPTION: Intergovernmental Revenues consist of beer and wine tax distributions, ABC bottle taxes, ABC profits, and various categorical grant funds. Small grant funds to help support general fund operations such as revenues for emergency services, veterans, soil conservation, and community based alternatives are included in this category. Separate funds are received by the Health and Social Services Departments from both State and Federal sources-each detailed in respective departmental expenditure budgets. (Mental Health's State-Federal revenues are not budgeted in the General Fund, but are included directly in the Eastpointe Mental Health Regional Center).

HISTORY: Intergovernmental revenues are difficult to budget from year-to-year. Grantee agencies, such as the State and Federal governments, often tie funding to a certain match, or reduce the level of funding in the subsequent years in hopes that local governments will assume funding of the program. Federal and State revenues for Social Services and Health make up the largest portions of this category. In FY05-06 Social Services intergovernmental revenues totaled \$9,053,388 and Health intergovernmental revenues totaled \$1,439,775. Non-discretionary “process funds” (which are merely a pass-through) also make up a portion of revenues in this category. In FY05-06, Lenoir County received \$1,094,902 in “process funds”.

OUTLOOK: With the exception of Beer / Wine Taxes (\$140,000), all prior state reimbursement revenues have been replaced by Article 44 Sales Tax revenues (see sales tax section). Social Services (Federal-State) revenues are down \$864,315 (-9.3%) from the adopted FY06-07 budget and Health (Federal-State) revenues are down \$217,969 (-18.9%) from FY06-07 adopted levels. This is a disturbing trend and forces the County to make difficult decisions regarding future funding and continuation of programs.

INTERGOVERNMENTAL REVENUES				
	2005-06	2006-07	2006-07	2007-08
	Actual	Original Budget	Revised Budget	Adopted
Intergovernmental				
ABC Local Bottle Tax	\$0	\$11,000	\$11,000	\$0
ABC Tax - 3 1/2 Add	0	65,000	65,000	0
Beer/Wine Taxes	140,388	140,000	140,000	140,000
Gas Tax Refund	0	500	2,000	1,000
Allocation From GTP-Econ Dev	5,000	0	0	0
Safe Roads - DWI	9,597	8,000	8,000	8,000
Grant-Sheriff Vests	1,702	0	0	0
Reimburse-Emergency Mgmt	18,961	18,500	18,500	18,500
Reimburse-Soil Conservation	41,146	42,337	42,337	42,400
Reimburse-Veterans Office	2,000	2,000	2,000	2,000
Reimb-Elections-City of Kinston	44,665	0	0	50,000
Reimb-Elections-Town of LaGrange	2,432	0	0	3,000
Reimb-Elections-Town of Pink Hill	1,200	0	125	1,000
School Resource Officer	141,701	156,442	156,442	162,552
Housing Authority	16,285	12,000	12,000	12,000
Sheriff-Concealed Weapons-State	6,240	3,000	3,000	3,000
SCAAP-Sheriff	1,423	0	0	0
EMS-Medicaid Reimbursement	290,050	200,000	200,000	200,000
Eastpointe-CJPP	0	20,000	20,000	20,000
Grant-CJPP	0	88,422	91,631	91,631
Grant-CJPP Supplemental	0	0	900	0
ABC Profits	0	0	0	0
Law Enforcement Reserve	3,695	2,000	2,000	3,700
Intergovernmental-Subtotal	\$726,485	\$769,201	\$774,935	\$758,783
Process Funds-Intergovernmental				
State-Special Vehicle Interest	\$8,467	\$18,000	\$18,000	\$40,000
Fines	498,693	500,000	500,000	500,000
Forfeitures	2,740	1,000	1,000	1,000

Golden Leaf Grant 02	21,984	0	0	0
Golden Leaf Grant 05	0	0	41,552	0
Grant-Pesticide Trust Fund	12,500	0	4,250	0
Grant-Coop Ext - Ship	0	0	3,100	0
Grant-Elections - Supp Technology	7,264	0	0	0
JCPC Grant-Restitution	0	0	0	0
JCPC Grant-8th Judicial / Int Monitoring	143,207	93,660	93,660	0
Grant-JCPC-Parent Resp Program	19,499	0	0	0
JCPC Grant-Advisory	5,000	3,000	2,152	0
JCPC-Teen Court	29,727	31,400	31,400	0
JCPC-Family Preservation	0	32,000	32,000	0
JCPC-ADLA-Inc	0	40,000	40,000	0
JCPC Programs (For Budgeting Only)	0	0	0	212,712
Grant-CJPP-Eastpointe	93,056	0	0	0
JCPC Psychological	10,500	13,500	13,500	0
Grant-Homeland Security	6,481	0	0	0
Grant-Emergency Operations	0	0	0	0
Grant-Homeland Security 04	13,129	0	3,203	0
Grant-EMS-HRSA-05	16,620	0	0	0
Grant-2004 Citizens Corp	4,516	0	979	0
Grant-Boys and Girls Club	0	0	0	0
Grant-EMS HRSA BT-06-0935	0	0	13,350	0
Health-Bioterrorism - Prep	20,737	52,297	69,797	49,591
Health-Bioterrorism - 05	15,579	0	0	0
Occupancy/Tourism-3%	165,203	138,000	138,000	150,000
Process Funds-Subtotal	\$1,094,902	\$922,857	\$1,005,943	\$953,303
Health Intergovernmental	\$1,439,775	\$1,367,909	\$1,551,629	\$1,149,940
Social Services Intergovernmental	\$9,053,388	\$10,155,585	\$10,285,788	\$9,291,270
Total Intergovernmental	\$12,314,550	\$13,215,552	\$13,618,295	\$12,153,296

GENERAL FUND APPROPRIATED FUND BALANCE

DESCRIPTION: The adopted FY 2007-08 budget does appropriate fund balance (savings) in order to achieve a balanced budget. The necessity of having a fund balance is to provide adequate cash flow, given the erratic revenue cycle of the County's operations. According to the North Carolina Local Government Commission, a local government entering a fiscal year with less than 8% undesignated/ unreserved fund balance available will not have sufficient resources to meet its obligations until it begins receiving property taxes (in December-January). Lenoir County is above this minimum requirement. With an estimated \$56.5 million operating budget, the County's existing undesignated/ unreserved fund balance provides approximately six (6) weeks working capital.

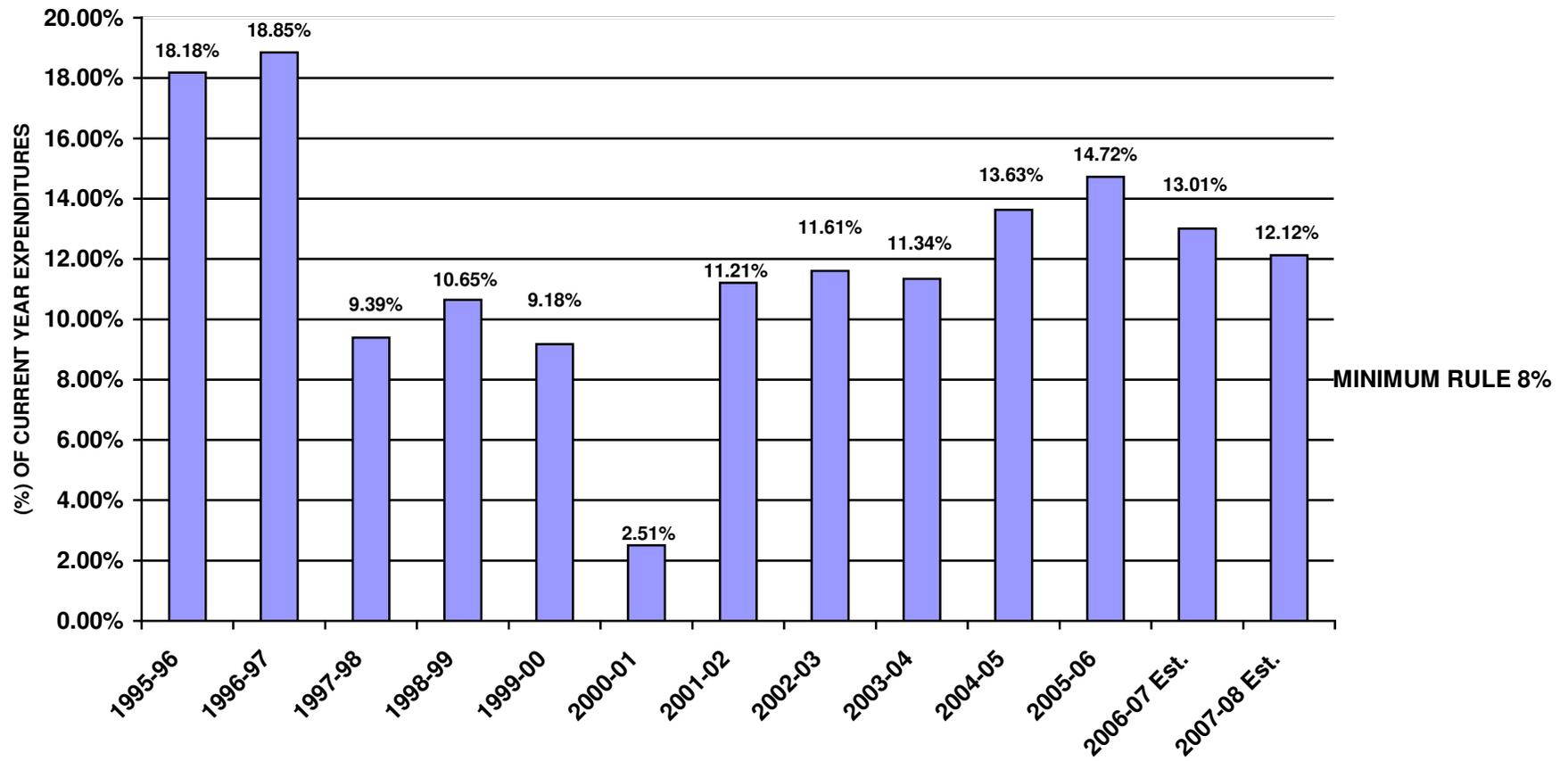
HISTORY: The following table shows the **undesignated/ unreserved** fund balance over the last eleven (11) years and the projected fund balance for the fiscal years which end June 30, 2007 and 2008. Note: This projected fund balance is based on budgetary assumptions being accurate and budgetary recommendations being approved.

Year Ending	Undesignated/Unreserved Fund Balance	Fund Balance as Percent (%) Of Current Year Expenditures
June 30, 1996	\$7,273,095	18.18%
June 30, 1997	\$8,032,482	18.85%
June 30, 1998	\$4,452,172	9.38%
June 30, 1999	\$4,545,416	10.65%
June 30, 2000	\$4,346,269	9.18%
June 30, 2001	\$1,093,520	2.51%
June 30, 2002	\$4,663,662	11.21%
June 30, 2003	\$4,781,836	11.61%
June 30, 2004	\$4,827,151	11.34%
June 30, 2005	\$6,344,224	13.63%
June 30, 2006	\$6,845,044	14.72%
June 30, 2007 (Est.)	\$6,845,044	13.01%
June 30, 2008 (Est.)	\$6,845,044	12.12%

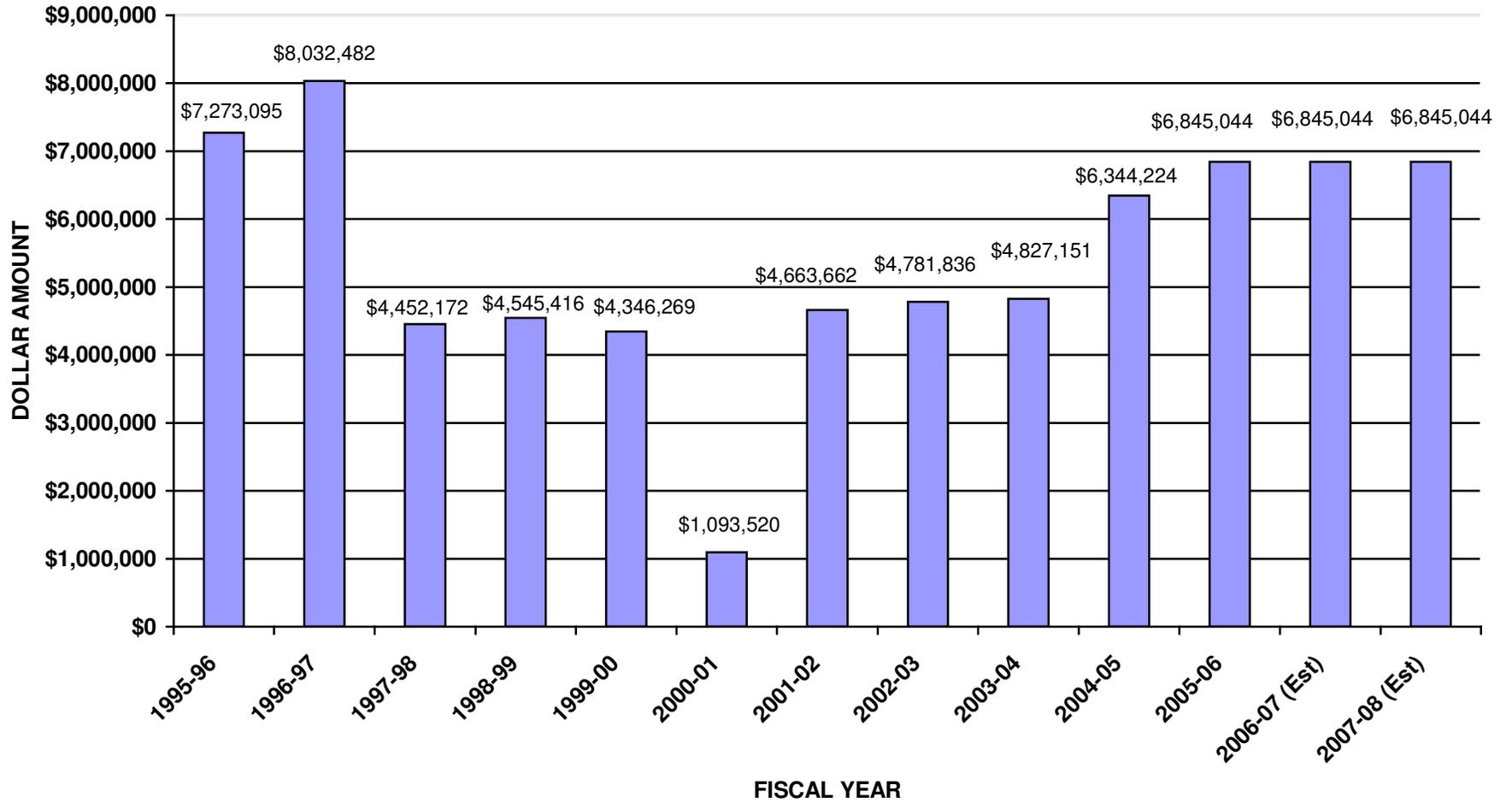
OUTLOOK: The County estimated the fund balance available for appropriation using the audited financial statements for FY 2005-06 and predicting the operating results for FY 2006-07. The low fund balance as of 6/30/01 was due to more than \$3 million in flood reimbursement revenues being received after that date. Since FY 1997-98, the County's fund balance has hovered just above the eight percent (8%) minimum. Over the next fifteen months, no improvement in this situation is forecast. The reason that the "undesignated/ unreserved" fund balance did not decline to a greater extent is that \$2,136,698 in "designated" fund balance is recommended for appropriation; after this action, \$5,596,127 in "designated" fund balance will remain, over and above the total \$6,845,044 undesignated/ unreserved fund balance.

2005-06 Actual	Original 2006-07 Budget	Revised 2006-07 Budget *	Adopted 2007-08
\$0	\$2,357,946	\$2,108,427	Appropriated Fund Balance \$2,136,698

**UNDESIGNATED FUND BALANCE HISTORY
PERCENT OF CURRENT YEAR EXPENDITURES
(GENERAL FUND)**



UNDESIGNATED FUND BALANCE (GENERAL FUND)

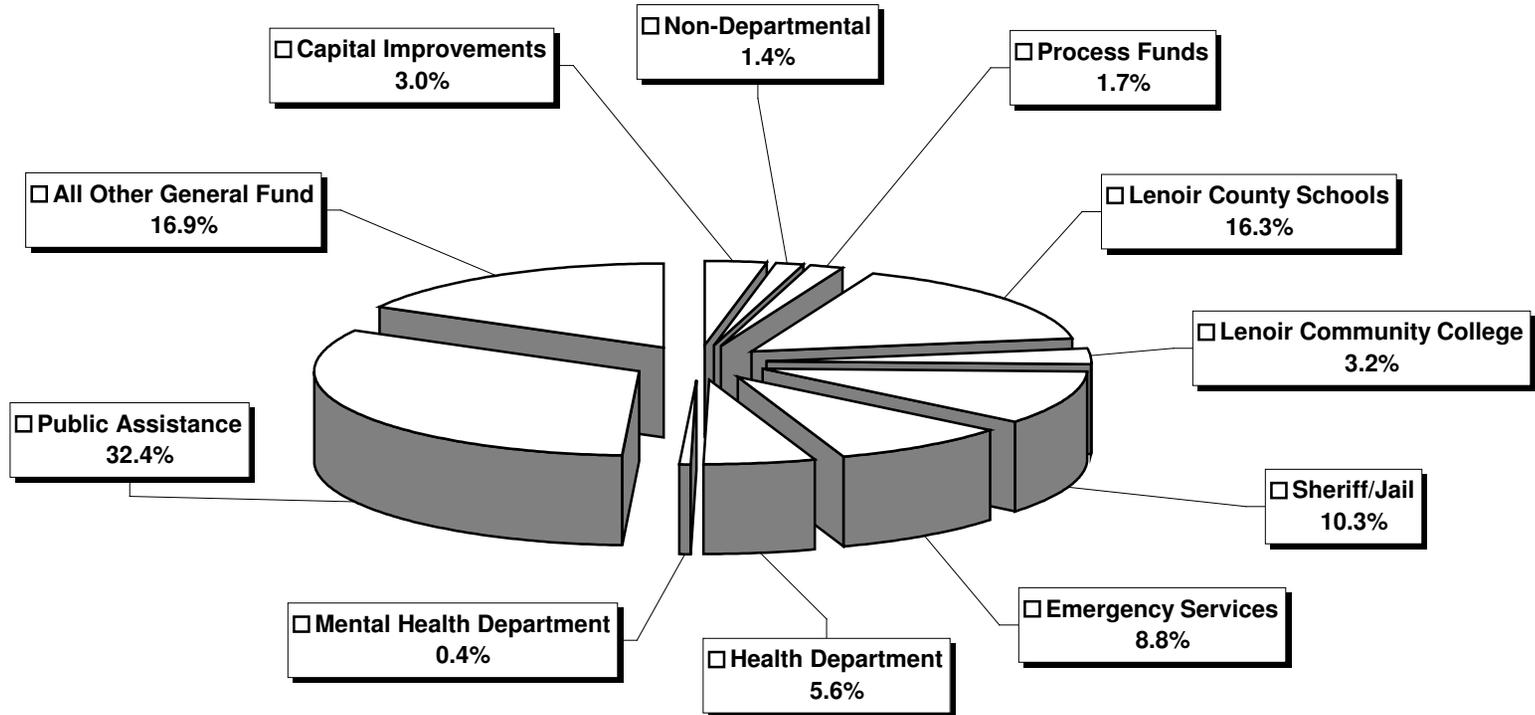




GENERAL FUND EXPENDITURES

General Fund expenditures finance governmental activities such as law enforcement; general administrative functions; grant-funded activities; and services mandated by the state, such as schools, social services, and health. Transfer to other funds support activities that are appropriately accounted for in single and multi-year special funds, enterprise funds, and capital funds.

FY 07-08 General Fund Appropriations



TOTAL \$56,514,013

SUMMARY OF EXPENDITURES

		BUDGET	BUDGET	BUDGET	FY 06-07 ORIGINAL
GENERAL FUND	FY 2005-06	FY 2006-07	FY 2006-07	FY 2007-08	VS
COUNTY DEPARTMENTS	ACTUAL	ORIGINAL	REVISED	ADOPTED	FY 07-08 ADOPTED
GOVERNING BODY	190,996	218,969	218,969	220,560	0.73%
COUNTY MANAGER	168,181	177,230	177,230	201,530	13.71%
FINANCE	249,209	277,941	277,941	284,121	2.22%
TAX	741,040	783,030	787,230	777,706	-0.68%
LEGAL	54,668	72,500	72,500	42,500	-41.38%
BUILDING & GROUNDS (CT FAC & PUB BLDGS)	651,247	749,393	815,693	767,560	2.42%
ELECTIONS	275,837	427,041	442,741	344,778	-19.26%
REGISTER OF DEEDS	265,252	309,283	309,283	313,269	1.29%
MANAGEMENT INFORMATION SYSTEMS	554,466	639,607	639,607	869,881	36.00%
SHERIFF	3,247,417	3,451,180	3,515,664	3,654,669	5.90%
CENTRAL COMMUNICATIONS	835,453	896,415	896,415	949,170	5.89%
JAIL	1,612,250	1,909,223	1,909,223	2,166,357	13.47%
EMERGENCY MANAGEMENT	181,649	198,204	198,204	272,197	37.33%
EMERGENCY MEDICAL SERVICE	2,720,764	2,918,749	2,928,749	3,074,971	5.35%
NON-EMERGENCY TRANSPORT	506,794	885,372	885,372	651,692	-26.39%
PLANNING AND INSPECTIONS	182,879	195,549	195,549	203,022	3.82%
MEDICAL EXAMINER	32,120	40,000	40,000	40,000	0.00%
ECONOMIC DEVELOPMENT	235,102	287,213	289,613	294,706	2.61%
HEALTH DEPARTMENT	2,958,287	3,288,160	3,474,028	3,182,123	-3.22%
MENTAL HEALTH	346,061	245,227	245,227	240,139	-2.07%
CJPP-DAY REPORTING CENTER	0	108,422	112,531	111,631	2.96%
PUBLIC ASSISTANCE	17,115,233	18,604,271	18,808,932	18,290,065	-1.69%
SUB-TOTAL	33,124,905	36,682,979	37,240,701	36,952,647	0.74%

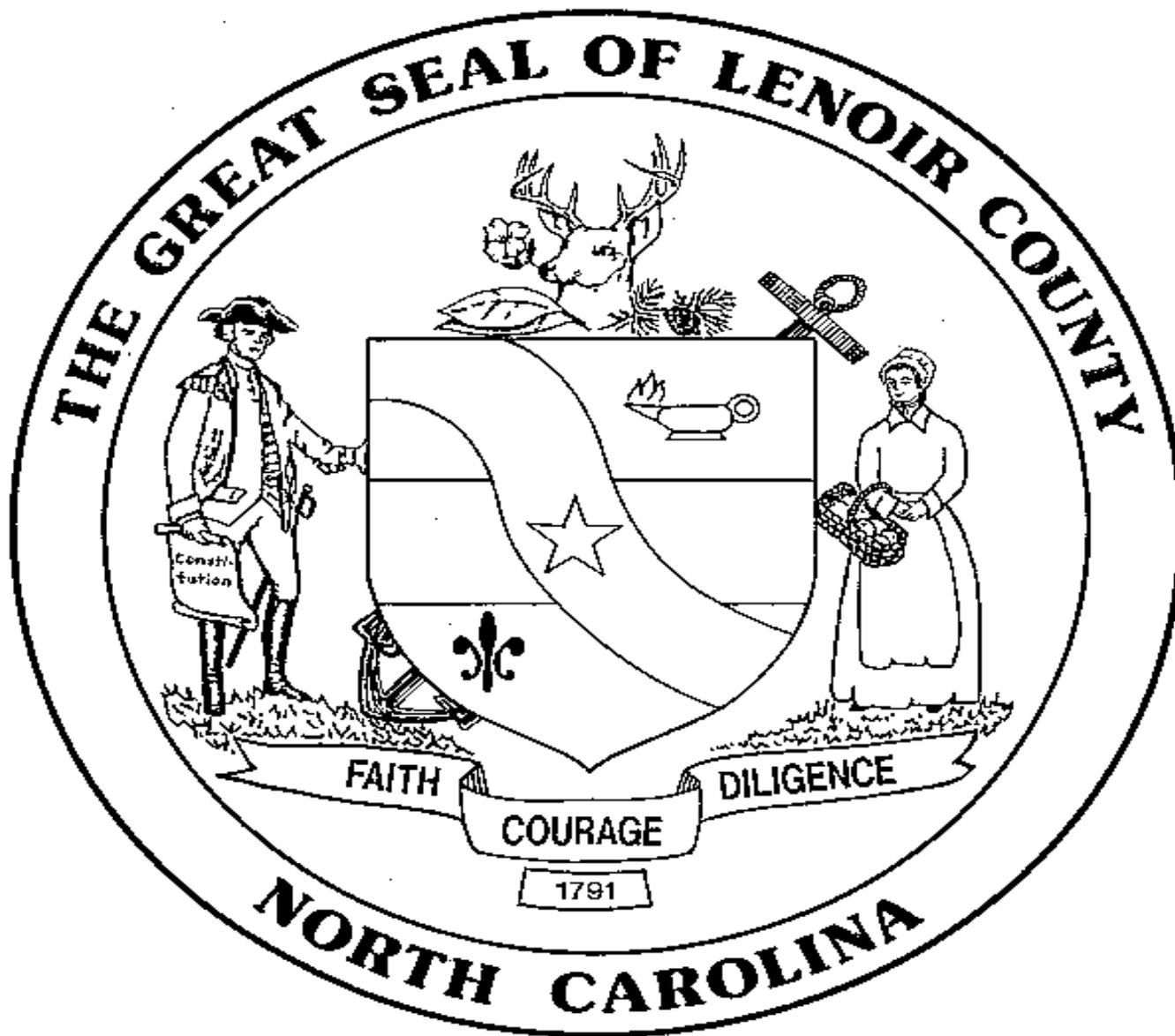
		BUDGET	BUDGET	BUDGET	FY 06-07 ORIGINAL
GENERAL FUND	FY 2005-06	FY 2006-07	FY 2006-07	FY 2007-08	VS
OTHER THAN COUNTY DEPARTMENTS	ACTUAL	ORIGINAL	REVISED	ADOPTED	FY 07-08 ADOPTED
NON-DEPARTMENTAL	547,448	728,900	747,642	787,700	8.07%
PROCESS FUNDS *	1,033,906	922,857	997,067	953,303	3.30%
OUTSIDE AGENCIES	108,250	121,417	121,417	120,598	-0.67%
FIRE PROTECTION	51,660	51,660	51,660	51,660	0.00%
VETERANS OFFICE	28,206	29,680	29,680	31,155	4.97%
NC COOPERATIVE EXTENSION SERVICE	268,346	302,763	302,763	341,879	12.92%
SOIL CONSERVATION	95,244	101,251	101,251	110,231	8.87%
LENOIR COUNTY SCHOOLS	9,040,549	9,130,955	9,130,955	9,222,265	1.00%
LENOIR COMMUNITY COLLEGE	1,575,748	1,791,506	1,791,506	1,809,421	1.00%
PUBLIC LIBRARY (CULTURAL)	653,167	659,700	659,700	675,000	2.32%
RECREATION	480,947	505,000	523,250	573,000	13.47%
DEBT SERVICE				1,375,897	100.00%
SUB-TOTAL	13,883,471	14,345,689	14,456,891	16,052,109	11.90%
TRANSFERS TO:					
CIP FUND	1,647,111	1,805,646	1,665,646	1,714,446	-5.05%
CIP FUND-LIBRARY DEBT SERVICE RESERVE	294,746	299,233	299,233	0	-100.00%
REVALUATION FUND	45,924	48,894	48,894	49,811	1.88%
INSURANCE FUND	0	0	0	0	0.00%
TRANSFER LOAN TO E-911	419,805	0	0	0	0.00%
VEHICLE REPLACEMENT FUND	271,000	425,000	425,000	225,000	-47.06%
CAPITAL RESERVE FUND-DEBT SERVICE	0	1,496,167	1,496,167	1,500,000	0.26%
TRANSPORTATION FUND	0	0	0	0	0.00%
CDBG 06-C-1515			35,000	0	
SUBTOTAL	2,678,586	4,074,940	3,969,940	3,489,257	-14.37%
CONTINGENCY	0	20,000	20,000	20,000	0.00%
TOTAL / GENERAL FUND	49,686,962	55,123,608	55,687,532	56,514,013	2.52%

* Process Funds 07-08 Include: All Process Funds Department \$903,712 and Health-Bioterrorism \$49,591

		BUDGET	BUDGET	BUDGET	FY 06-07 ORIGINAL VS FY 07-08 ADOPTED
	FY 2005-06 ACTUAL	FY 2006-07 ORIGINAL	FY 2006-07 REVISED	FY 2007-08 ADOPTED	
OTHER FUNDS					
EMPLOYEE INSURANCE	2,380,184	2,940,000	2,940,000	3,155,000	7.31%
VEHICLE REPLACEMENT	323,814	425,000	450,000	225,000	-47.06%
SHERIFF-FEDERALLY SEIZED PROPERTY	5,000	10,000	50,779	40,100	301.00%
SHERIFF-STATE CONTROLLED SUBSTANCE	19,121	25,000	27,500	25,500	100.00%
CAPITAL RESERVE FUND	0	517,922	517,922	2,000,000	286.16%
SCHOOL CAPITAL FUND	243,433	3,196,167	33,972,312	1,850,000	-42.12%
TRANSPORTATION	244,493	342,960	374,256	295,800	-13.75%
TIRE DISPOSAL	97,030	100,000	105,400	110,000	10.00%
E-911	1,666,867	566,460	651,460	818,178	44.44%
ECONOMIC DEVELOPMENT LOAN PROGRAM	6,724	0	0	0	0.00%
REVALUATION	44,217	48,894	48,894	49,811	1.88%
COMMUNITY DEVELOPMENT	25	0	0	0	0.00%
AUTOMATION-PRESERVATION	82,853	32,500	32,500	32,500	0.00%
GRANT-LLEBG-SHERIFF	0	0	0	0	0.00%
DEBT SERVICE-MSW LANDFILL	629,612	629,629	629,629	629,628	0.00%
CAPITAL IMPROVEMENTS	1,921,038	2,924,879	6,654,404	1,714,446	-41.38%
FLOOD RECOVERY GRANTS	812,195	0	74,433,316	0	0.00%
FIRE DISTRICTS	887,305	1,063,670	1,063,670	1,104,336	3.82%
DEEP RUN WATER & SEWER	24,623	0	61,070	0	-100.00%
CENTRAL LENOIR WATER & SEWER	0	0	35,000	0	0.00%
EAST LENOIR WATER & SEWER	12,690	0	45,000	0	0.00%
SOLID WASTE MANAGEMENT	0	2,576,045	2,857,040	2,866,522	11.28%
MSW LANDFILL CELL #1 CONSTRUCTION	2,439,732	0	4,297,617	0	0.00%
FAMILY CAREGIVER - SMART START	136,403	136,404	134,628	134,628	-1.30%
SUB-TOTAL	11,977,359	15,535,530	129,382,397	15,051,449	-3.12%
GRAND TOTAL - ALL FUNDS	61,664,321	70,659,138	185,069,929	71,565,462	1.28%

GENERAL FUND
EXPENDITURES BY DEPARTMENT

This section contains more detailed information about General Fund Departments/programs, including organizational charts, FY 05-06 highlights, and goals for FY 06-07.



BOARD OF COMMISSIONERS/ GOVERNING BODY

LENOIR COUNTY CITIZENS

CLERK TO THE BOARD/
ADMINISTRATIVE SECRETARY

BOARD OF COMMISSIONERS

DISTRICT 1 CLAUDE STROUD 2006-2010	DISTRICT 2 CHRIS HUMPHREY 2006-2010	DISTRICT 3 EARL HARPER 2004-2008	DISTRICT 4 JACKIE BROWN 2004-2008	DISTRICT 5 GEORGE GRAHAM 2006-2010	AT-LARGE CLAUDE DAVIS 2004-2008	AT-LARGE PAUL TAYLOR 2004-2008
Pink Hill # 1 Pink Hill # 2 Trent # 1 & # 2 (exclude W. of 903) Woodington Neuse	Moseley Hall Falling Creek Trent # 2 (W. of 903 only)	Kinston # 4 Kinston # 9 Institute Vance	Kinston # 1 Kinston # 8 Kinston # 2 Kinston # 3 Sand Hill Southwest	Kinston # 5 Kinston # 6 Kinston # 7 Contentnea	All County Townships	All County Townships

AUTHORIZED POSITIONS*

FY 2005-06	FY 2006-07	FY 2007-08
8	8	8
=	=	=
8	8	8

Effective the first meeting in December, 2006 Mr. George Graham and Mr. Paul Taylor were re-elected by fellow Commissioners as Chairman and Vice Chairman, respectively. Mr. Claude Stroud was elected to serve District 1 in the 2006 elections; taking the place of Mr. Wayne Pittman. Based upon the 2000 census and the approved re-districting plan, the above chart reflects the distribution of precincts for each district effective with the 2008 elections. In 2008 District 3, 4 and two (2) At-large positions are up for election.

BOARD OF COMMISSIONERS/ GOVERNING BODY

DESCRIPTION: The seven (7) member Board is the official policy-making body for Lenoir County Government. The Chairman, presiding officer of the Board, serves as the official and ceremonial leader of the County and as a voting member. The Chairman (Mr. George Graham) and Vice-Chairman (Mr. Paul Taylor) were selected by other Board members in December, 2006 and will serve one (1) year terms in these capacities. Five (5) of the Board members reside in five (5) different districts; these Board members are elected by citizens who also reside in the respective district. Two (2) Board members are elected at-large by the registered voters of the County. Partisan elections are held in even-numbered years. Four positions will be up for election in 2008. All official actions by the Board are made at public meetings, most normally held on the first (morning) and third (afternoon) Mondays of each month. Each meeting has an agenda and citizens are allowed to make presentations. The Board also conducts special meetings and work sessions on the County's budget and other issues of special interest.

FY 06-07 HIGHLIGHTS: The Board: 1) approved two (2) economic development performance contracts; 2) approved construction of a shell building; 3) approved purchase of additional office space for state personnel, and 4) continued cooperative efforts with municipalities, state officials, and federal agencies for the benefit of all Lenoir County citizens

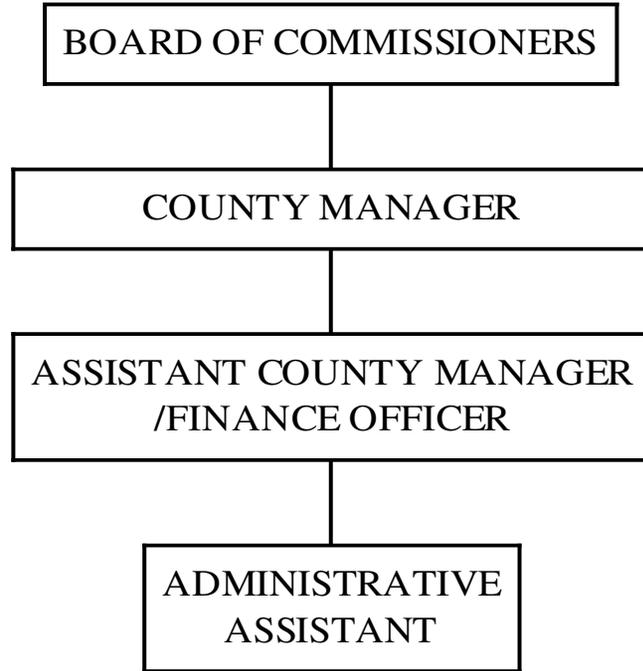
FY 07-08 GOALS: The Board will: 1) make key economic development decisions and allocate scarce resources in order to promote growth; 2) evaluate potential cost reductions to counteract against limited growth in the County's tax base, reductions in state & federal funding, and increasing recurring costs; 3) continue long-range (five-ten year) strategic, financial and capital improvement planning; 4) evaluate and continue to improve land use regulations; and 5) cooperatively work with the Lenoir County Public Schools in order to plan and fund needed schools' capital improvements.

FUNDING LEVELS:

2005-06 Actual	Original 2006-07 Budget	Revised 2006-07 Budget*		Adopted 07-08
\$126,015	\$132,166	\$132,166	SALARIES	\$135,428
\$18,897	\$19,803	\$19,803	BENEFITS	\$20,132
\$46,084	\$67,000	\$67,000	OPERATING	\$65,000
0	0	0	CAPITAL OUTLAY	0
\$190,996	\$218,969	\$218,969	TOTAL	\$220,560

- Revised as of 4/24/07

COUNTY ADMINISTRATION



AUTHORIZED POSITIONS

FY 2005-06	FY 2006-07	FY 2007-08
3	3	3
=	=	=
3	3	3

COUNTY ADMINISTRATION

DESCRIPTION: County Administration is responsible for overall leadership and administration of all County programs, policies and operations. County Administration also assists the Board by providing recommendations and background materials on programs, trends, and issues of concern to the Board, departments and citizens. The County Manager serves as the County's Budget Officer.

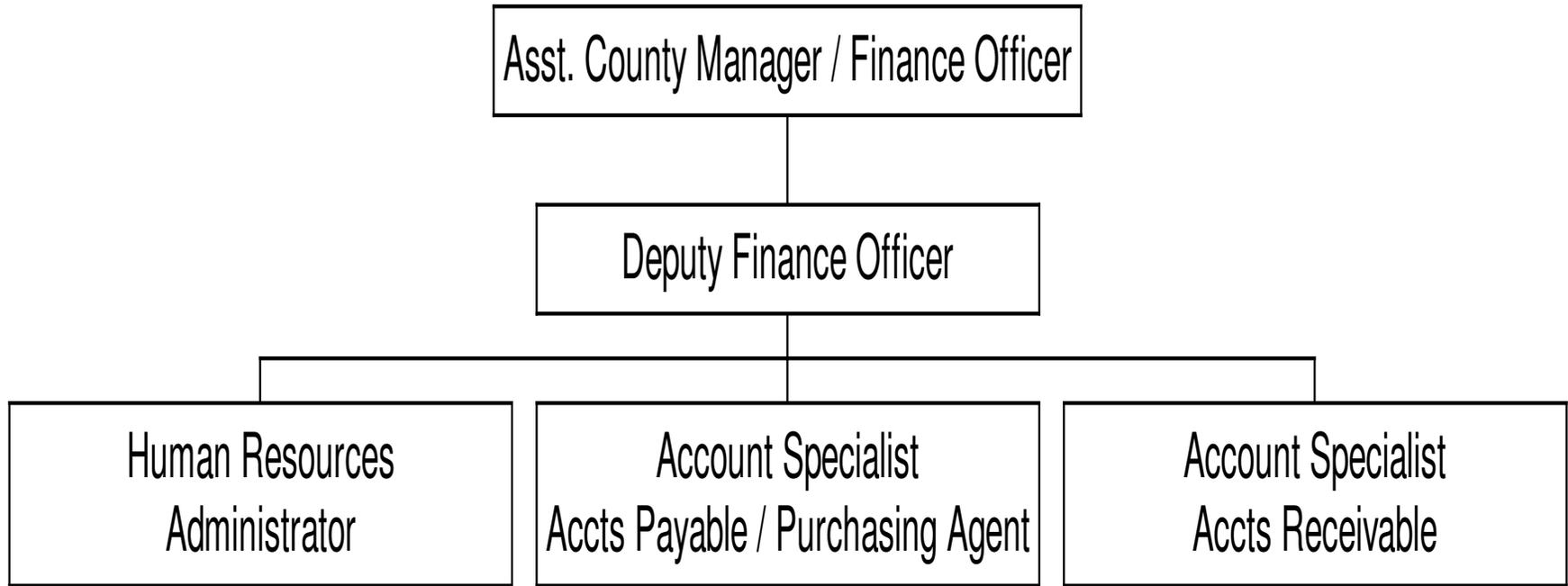
FY 06-07 HIGHLIGHTS: County Administration: 1) prepared FY07-08 Budget, five (5) year financial forecast, and other financial documents; 2) assisted with two (2) economic development performance contracts/projects; 3) assisted with the \$69,700,000 School Bond Referendum; 4) assisted with the Library Expansion Project; 5) oversaw completion and managed the transfer of ownership of the Deep Run Water and Sewer Project; 6) oversaw purchase of additional office space (Hannibal Bldg.), and 7) revised and implemented space plans including moving CJPP, Adult Probation and Child Probation to a new location in the Hannibal Building.

FY 07-08 GOALS: County Administration will: 1) manage FY07-08 Budget and Capital Improvements Plan; 2) facilitate/coordinate \$69,700,000 borrowing for school improvements; 3) continue to play an active role in inter-agency meetings beneficial to improving communication and goal setting county-wide; 4) assist with economic development projects including improvements to infrastructure (water, sewer, roads) and securing grants; 5) coordinate bids, awards, and purchases of major services and/or equipment; 6) oversee and initiate improvements to specific county operations to improve efficiency and effectiveness; and 7) revise and upgrade county personnel policies as necessary.

FUNDING LEVELS:

2005-06 Actual	Original 2006-07 Budget	Revised 2006-07 Budget*		Adopted 2007-08
\$121,449	\$122,389	\$122,389	Salaries	\$143,043
\$31,361	\$29,991	\$29,991	Benefits	\$33,637
\$15,372	\$24,850	\$24,850	Operating	\$24,850
-0-	-0-	-0-	Capital Outlay	-0-
\$168,112	\$177,230	\$177,230	Total	\$201,530

FINANCE



AUTHORIZED POSITIONS

FY 05-06	FY 06-07	FY 07-08
5	5	5
=	=	=
5	5	5

FINANCE

DESCRIPTION: The Finance Department supports the financial activities of the County by establishing and maintaining fiscal integrity and accurately reporting the financial condition of the County. The department is responsible for general accounting, accounts payable, accounts receivable, issuing receipts and disbursements, fixed assets accounting, payroll, benefits administration, cash management, financial reporting, budgetary compliance, internal control, financial management of numerous state and federal grants, preparation of the annual independent audit, and numerous special projects.

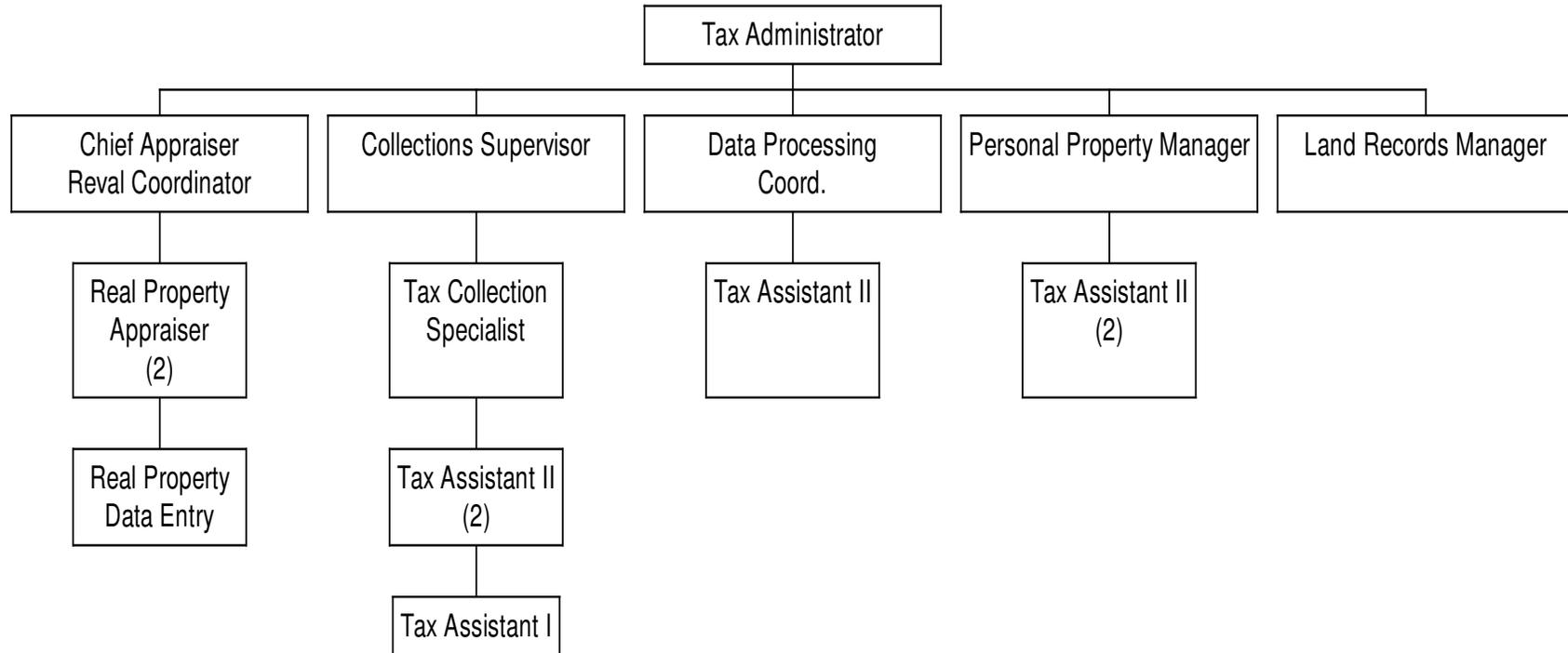
FY 2006-2007 HIGHLIGHTS: (1) As reported in the annual audit, there were no over-expenditures or significant non-compliance findings in any department; (2) Completed the sale of \$32.6 million General Obligation Public Improvement Bonds Series 2007 (\$30 million for school construction and \$2.6 million for expansion of the main public library in Kinston); (3) Completed conversion and upgrade of financial software to a windows based program; (4) Continued working with all departments to computerize requisitions for purchase orders, budget amendment requests, and other reports; (5) Continued program of proper disposition of old financial records; (6) Assisted in streamlining the budget process and preparing the FY07-08 budget.

FY 2007-2008 GOALS: (1) Continue education and training of employees in all computer functions; (2) Continue cross-training of all employees; (3) Explore options for better enhancement of the purchase order process and centralization of purchasing; (4) Implement additional electronic banking services including on-line wire transfers; (7) Assist in preparation of the FY08-09 budget.

FUNDING LEVELS

2005-06 Actual	Original 2006-07 Budget	Revised 2006-07 Budget		Adopted 2007-08
\$182,530	\$196,870	\$196,870	Salaries	\$204,750
\$54,758	\$66,271	\$66,271	Benefits	\$65,071
\$11,289	\$14,000	\$14,000	Operating	\$13,300
\$631	\$800	\$800	Capital Outlay	\$1,000
\$249,208	\$277,941	\$277,941	Total	\$284,121

TAX OFFICE



FY 2005-2006	FY 2006-2007	FY 2007-2008
17.5	17.0	16.0
=	=	=
17.5	17.0	16.0

TAX OFFICE

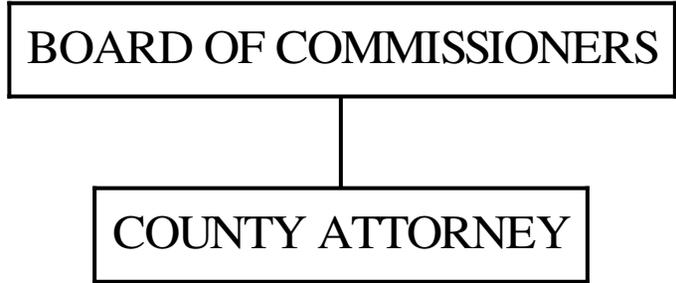
DESCRIPTION: The Tax Office is charged with the duty of the listing, appraisal, and assessment of all property in the county in accordance with the provisions of law. The office maintains records of real estate, personal property, property transfers, property tax exemptions, exclusions, deferrals, and billing information. Land record information includes cadastral mapping of the entire county maintained through a Geographic Information System. Assessments and bills are created and collected for all special taxing jurisdictions such as fire districts, municipal service districts, drainage districts, etc. Assessment and collection of solid waste fees and privilege licenses are administered by the Tax Office along with permits for moving mobile homes.

FY 2006-2007 HIGHLIGHTS: Tax 1) continued extensive review of parcels for unlisted /unreported improvements 2) started taking pictures of improvements that will be used in the revaluation process and can be tied to parcels on mapping software 3) successfully defended taxpayer appeal to the NC property Tax Commission 4) increased collection rate from 93.35% to 93.78%.

FY 2007-2008 GOALS: Tax will 1) review as many parcels as possible in beginning the revaluation that takes effect in 2009 2)continue auditing agricultural and forestry use-value parcels 3)begin audit of farmers for unlisted property and 4)strive to attain a 95% collection rate.

05-06 ACTUAL	ORIGINAL 06-07 BUDGET	REVISED 06-07 BUDGET		ADOPTED 2007-2087
461,801	494,410	494,410	\$	486,073
180,824	190,720	190,720	BENEFITS	182,033
89,198	93,900	93,900	OPERATING	104,600
9,218		4,000	CONTRACTED SER	5,000
741,041	779,030	783,030	TOTAL	777,706

COUNTY ATTORNEY



AUTHORIZED POSITIONS

FY 2005-06	FY 2006-07	FY 2007-08
NA = NA	NA = NA	NA = NA

COUNTY ATTORNEY

DESCRIPTION: The County Attorney provides legal advice and assistance to the Board of Commissioners, the County Manager and County Departments, related to the **conduct of their official duties**. The County Attorney is appointed by the Board and serves at the pleasure of the Commissioners. As legal advisor, the County Attorney prepares and reviews legal documents; informs the Board and departments of changes in laws affecting county operations; assists in the development of programs and procedures to ensure compliance with local, State and Federal laws; and assists in the review and enforcement of county resolutions, ordinances, and contracts.

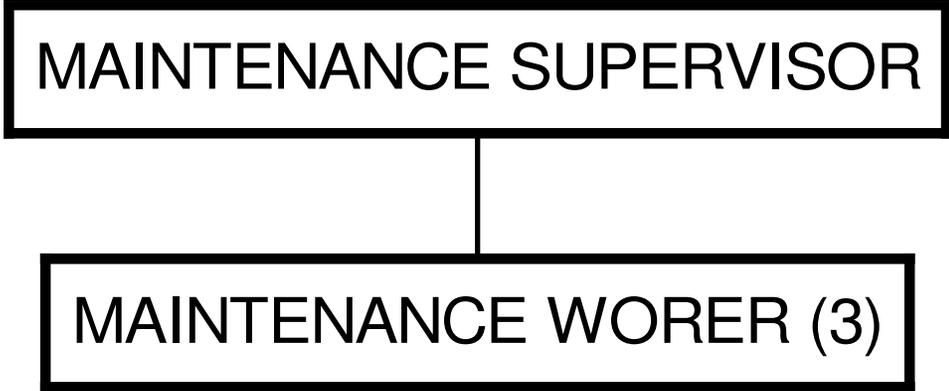
FY 06-07 HIGHLIGHTS: Mr. Robert W. Griffin, a private attorney of the law firm of Griffin & Griffin, was again selected as County Attorney in January 2006. Under a retainer (\$22,500 per year), Mr. Griffin attends regularly scheduled Board meetings and performs above-described duties. Mr. Griffin continues to serve under a two (2)-year contract. More complicated legal work is billed, as applicable, after securing Board approval.

FY 07-08 GOALS: This function will continue to be provided by this private attorney and his law firm. The above-referenced description continues to be used as a “road map” of tasks for the upcoming year.

FUNDING LEVELS:

2005-06 Actual	Original 2006-07 Budget	Revised 2006-07 Budget*		Adopted 2007-08
0	0	0	SALARIES	0
0	0	0	BENEFITS	0
\$54,668	\$72,500	\$72,500	OPERATING	\$42,500
0	0	0	CAPITAL OUTLAY	0
\$54,668	\$72,500	\$72,500	TOTAL	\$42,500

COURT FACILITIES/PUBLIC BUILDINGS

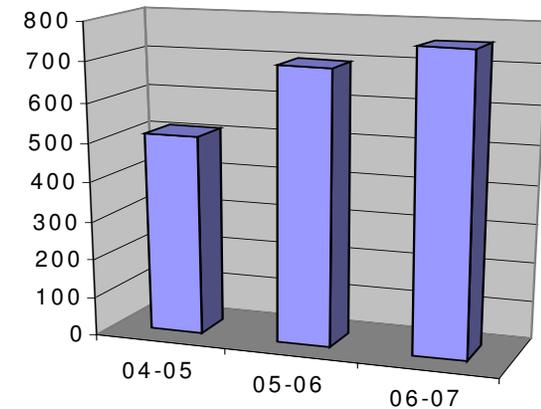
**AUTHORIZED POSITIONS**

FY 2005-06	FY 2006-07	FY 2007-08
3	4	4
=	=	=
3	4	4

Court Facility/Public Buildings

DESCRIPTION: The Building and Maintenance Department supports thirteen County-owned buildings in excess of 70,000 square feet of space. Responsibilities include light maintenance, preventive maintenance, cable routing, furniture moving and custodial duties. The department also oversees contracts with private companies for janitorial service, grounds maintenance, HVAC systems, and elevator service. The majority of usable office space in the Courthouse is dedicated to housing courtrooms and court related facilities. The largest two line items are utilities and maintenance/repairs which constitute approximately 70% of the total departmental budget.

WORK ORDERS PROCESSED



FY 2006-2007 WORK PLAN HIGHLIGHTS: In addition to routine maintenance and custodial services, some of the larger projects completed this fiscal year included the following: 1) Completed extensive renovations to the newly acquired Hannibal Office Building. 2) Assisted in the coordination and relocation of State Personnel from the Gordon Street Office Building to the Hannibal Office Building. 3) Completed the roof replacement project of the original courthouse. 4) Completed renovations to the Cooperative Extension Building and the Livestock Arena. 5) For the first time, conducted sale of surplus vehicles and equipment on the internet with GovDeals.com. 6) Completely pressure washed and cleaned the exterior of the Courthouse and the Multi-Purpose Building, which houses the Board of Elections and the ABC Board.

FY 2007-2008 GOALS: The Department plans to: 1) Make safety and American Disability Act improvements in buildings where necessary. 2) Complete exterior renovations to the Health Department. 3) Repair deteriorating granite wall around the perimeter of the Courthouse. 4) Clean and pressure wash the exterior of the Wachovia Building. 5) Continue to implement courthouse security measures as needed/funded.

Funding Levels:

2005-06 Actual	Original 2006-07 Budget	Revised 2006-07 Budget		Adopted 2007-08
\$80,873	\$97,564	\$97,564	Salaries	\$92,983
\$30,597	\$42,829	\$42,829	Benefits	\$41,927
\$539,778	\$608,150	\$602,500	Operating	\$632,150
0	\$500	\$500	Capital Outlay	\$500
\$651,248	\$749,043	\$749,393	Total	\$767,560

BOARD OF ELECTIONS

BOARD OF ELECTIONS

DIRECTOR OF ELECTIONS

1 SUPERVISOR OF ELECTIONS

2 DEPUTY DIRECTORS

AUTHORIZED POSITIONS*

FY 2005-2006	FY 2006-2007	FY 2007-2008
4	4	4
=	=	=
4	4	4
Additional: Temporary FTE = 5.14		

BOARD OF ELECTIONS

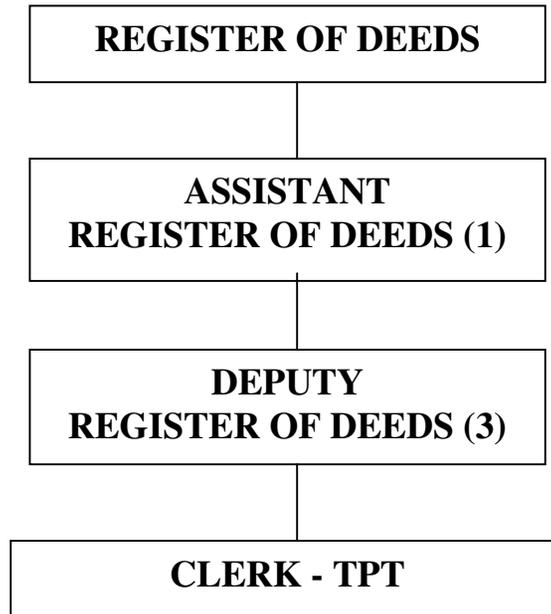
DESCRIPTION: The Board of Elections conducts Federal, State, County, Municipal and all special Elections, including the Municipal Elections for City of Kinston, LaGrange and Pink Hill. The Board of Elections maintains data for 9 Fire Districts and 2 that are partly in Lenoir County, Grifton and Seven Springs). Lenoir County has 22 precincts, with approximately 200 precinct workers. The Board of Elections adheres to the rules and regulations of the State Board of Elections, which is our governing authority.

FY 2006-2007 HIGHLIGHTS: 1) Held a New Election in September for the 10th House Seat and a General Election in November. These were both Countywide Elections; 2) Provided No-Excuse One Stop-Voting for all elections; 3) Completed the List Maintenance Report for the SBOE.

FY 2007-2008 GOALS: 1) Hold a Primary Election in September, a possible 2nd Primary in October and a General Election in November, 2007. These will be City Elections. 2) Continue to work on new applications, changes and cancellations.

05-06 ACTUAL	ORIGINAL 06-07 BUDGET	REVISED 06-07 BUDGET*		ADOPTED 2007-2008
191,734	167,643	183,343	\$	239,199
45,540	46,864	46,864	BENEFITS	47,468
38,562	31,483	31,483	OPERATING	58,111
0	181,051	181,051	CAPITAL OUTLAY	
275,836	427,041	442,741	TOTAL	344,778

REGISTER OF DEEDS



AUTHORIZED POSITIONS

FY 2005-06	FY 2006-07	FY 2007-08
5.5	5.5	5.5
=	=	=
5.5	5.5	5.5

REGISTER OF DEEDS

DESCRIPTION:

The Register of Deeds office is a Custodian and a “Records Manager”. The office maintains the real estate record transfers, loans, mortgages, vital statistical records and other records in an archival (100+/-years) fashion. The office maintains, preserves and issues birth, death and marriage certificates. For persons getting married in North Carolina, marriage licenses are issued. The office microfilms real estate records and other documents that are maintained in the register of deeds. Records that are recorded/filed are maintained forever. There is a very limited number/type of records that can ever be removed/destroyed from the office.

FY 2006-07 HIGHLIGHTS:

1. Purchased software and 2 user licenses for existing computer system
2. Over 16,700 licenses were indexed this past year to complete the indexing of all marriage license back to 1879
3. Recorded and indexed over 9,900 documents
4. Issued over 9,000 vital record certificates

FY 2007-08 GOALS:

1. Purchase a new wide format scanner/plotter to scan maps for computer system
2. Back scan maps currently on aperture cards and down load to existing computer data base
3. Purchase Quick-Key debit system for public copiers

2004-05 ACTUAL	ORIGINAL 2005-06 BUDGET	REVISED 2005-06 BUDGET		RECOMMENDED 2006-07
\$133,946	\$151,658	\$151,658	\$	\$154,197
\$48,804	\$70,225	\$70,225	BENEFITS	\$70,672
\$82,504	\$87,400	\$87,400	OPERATING	\$88,400
0	0	0	CAPITAL OUTLAY	0
\$265,254	\$309,283	\$309,283	TOTAL	\$313,269

NON DEPARTMENTAL

Non-departmental expenditures support the operations of the entire County and cannot readily be allocated to specific work areas. An explanation of the cost centers funded through the non-departmental account group follows
 Independent Audit: Adit contract with Pittard Perry & Crone has a cost of **\$20,500**, including continuing disclosure requirements; individual departments are charged their respective audit costs. This independent audit is mandated by State Law.

Group Insurance for Retirees: The County budgets **\$212,000** in support of paying premiums for approximately 30 retirees, little changed from FY 06-07 (\$180,000). This line item **does not** include the claims paid for these retirees.

Unemployment Compensation Benefit Cost: Normally this is based on data provided by the Employment Security Commission; however no estimate was received from NC ESC so **\$30,000** is allocated, similar to prior years.

Property and Casualty Insurance: This category includes property, vehicles, liability, worker’s compensation, general liability, voting machines, public officials, and other miscellaneous insurance. Recommended budget: **\$406,000** total, i.e., essentially the same as current year. It is proposed again to use **self-insurance** for non-catastrophic workmen’s compensation claims. The County has been fortunate this year in not experiencing major claims. This is a cost center which has “stabilized” for two (2) consecutive years.

Other Areas: The refunds of County taxes, the concealed weapons (sheriff), commissions on bonds, the contracted preparation of the cost allocation plan, the lease on the postage machine, and other miscellaneous expenses have a total recommended budget of **\$52,200**.

2005-06 Actual	Original 2006-07 Budget	Revised 2006-07 Budget *		Adopted 2007-08
\$ 547,447	\$ 728,900	\$ 747,642	Appropriation	\$ 787,700

PROCESS FUNDS

The County serves as the “receiving/disbursing” agency for funds which are passed along (for use) by various agencies. These programs have dedicated revenue sources and **do not include any local tax monies**. In general, these are State and/or federal revenues which are allocated to specifically designated organizations. The County has no discretion in expending the funds, other than not to participate as the conduit. As such, the County serves “to process” the funds, and for simplicity, appropriations on this page are termed “process funds.” Created in FY 99-00, this budgetary category is intended to help better illustrate the relationship between these appropriations and their corresponding revenue sources.

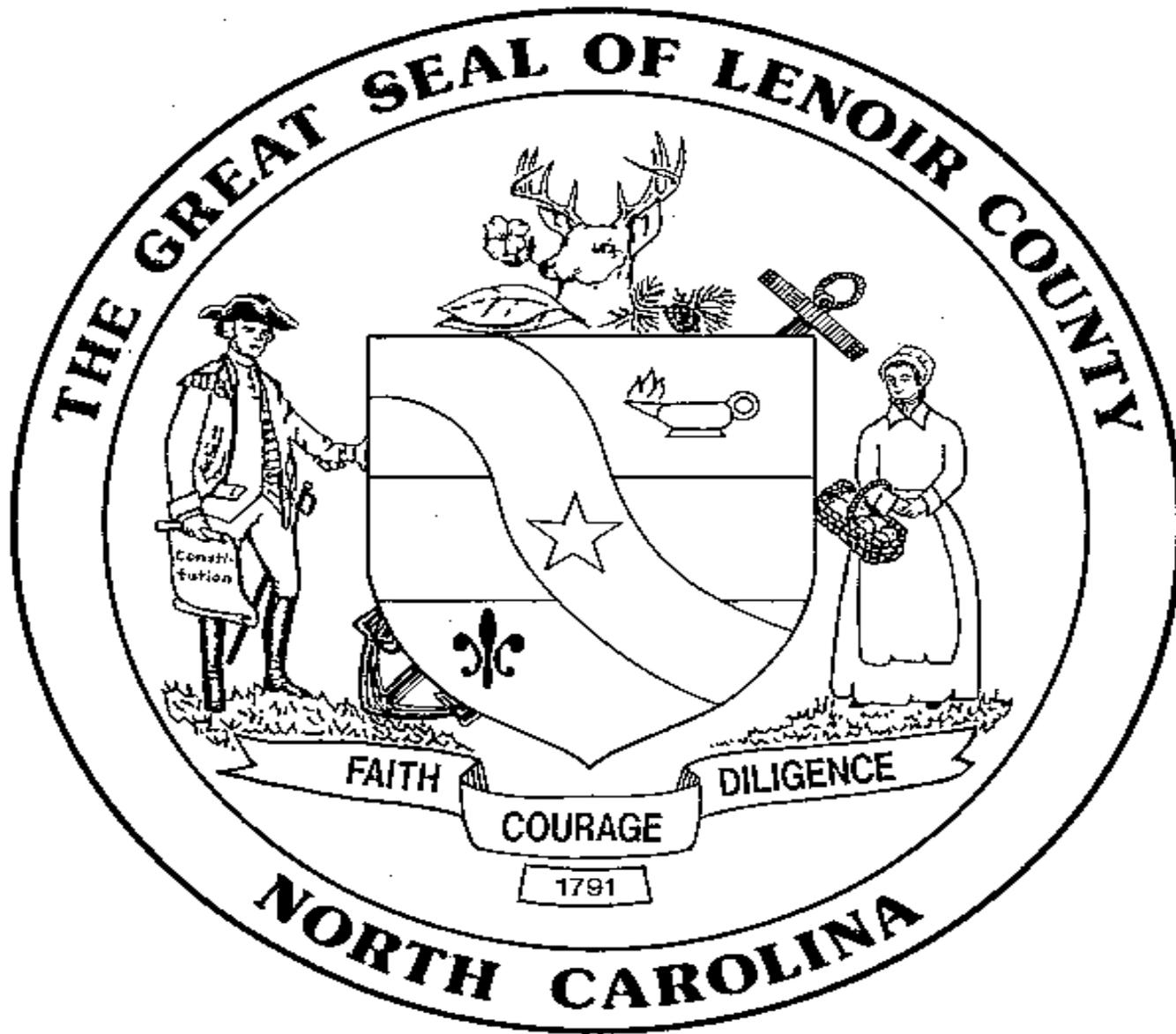
This category, in the General Fund, includes the following accounts: 1) Schools - Fines and County Schools - Forfeitures (in some County budgets, these funds do not even process through the General Fund, but go directly to the schools); 2) Occupancy and Tourism Tax (3%); 3) 8th Judicial District Day Program; 4) JCPC Administration; 5) Juvenile Restitution; and 6) JCPC Intensive Monitoring.

Special “pass through” Grants like the Golden Leaf Grant and Bio-Terrorism – Health Department Grant are also “housed” in this budgetary category.

PROCESS FUNDS

Program		Actual 2005-06	Original 2006-07 Budget	Revised 2006-07	Adopted Budget 07-08 Budget
6010	Schools – Fines	\$ 498,693	\$ 500,000	\$ 500,000	\$ 500,000
6012	Co. Schools - Forfeitures	0	\$1,000	\$1,000	\$1,000
6034	Cooperative Extension Ship Grant	0	0	\$3,100	0
6107	Kinston-Lenoir County Tourism Dev. Auth.: Occupancy & Tourism Tax	\$165,203	\$138,000	\$138,000	\$150,000
6356	JCPC Admin./Advisory Council	\$4,987	\$3,000	\$2,152	0
6352	JCPC – Teen Court	\$29,727	\$31,400	\$31,400	0
6342	JCPC – Psychological Services	\$10,500	\$13,500	\$13,500	0
6343	JCPC Parent Responsibility Program	\$19,499	0	0	0
6355	8 th Judicial Day Program Intensive Monitoring	\$143,207	\$93,660	\$93,660	0
6340	Juvenile Crime Prevention Council (JCPC) Programs	0	0	0	\$212,712
6026	Homeland Security '04	\$11,362	0	\$3,203	0
6021	Homeland Security – 03'	0	0	\$2,568	0
6030	Citizens Corp. 4	\$7,344	0	\$979	0
6031	Pesticide Trust Grant 05'	\$10,594	0	\$1,906	0
6033	Pesticide Trust Grant 06'	0	0	\$4,250	0
6013	Special Vehicle Interest Tax	\$8,472	\$18,000	\$18,000	\$40,000
6353	JCPC Family Preservation	0	\$32,000	0	0
6354	JCPC ADLA Inc.	0	\$40,000	0	0
Total Process Funds: General Fund		\$1,402,657	\$1,051,354	\$ 1,252,824	\$903,712

***Note:** Partnership for Children is not funded in the General Fund, but in a separate fund, all its own, but the County still only “processes” the funds. Therefore, this program is not included in the General Fund totals.



SCHOOLS - FINES - \$500,000 CO. SCHOOLS - FORFEITURES - \$1,000

DESCRIPTION: Traffic fines collected and certain forfeitures are returned to the Lenoir County School System to assist with operations. The revenues are appropriated in the General Fund; the above-referenced accounts appropriate corresponding expenditures.

FY 06-07 HIGHLIGHTS: These sources, processed by the County, have made a “turnaround” and are increasing. School – fines audit revenue in FY02-03 was \$417,159; in FY 03-04 \$623,556, FY 04-05 \$611,356; and FY 05-06 \$498,693.

FY 07-08 GOALS: Increases or decreases in these accounts **do not** affect operations or funding of other county departments. These are process moneys. However, \$500,000 is budgeted next year for Schools – Fines and \$1,000 for Schools – Forfeitures. Lower or fewer revenues in these areas translate into fewer dollars for public schools’ operations. Lenoir County Public Schools has been informed of the County’s estimates herein.

KINSTON-LENOIR COUNTY CONVENTION AND VISITORS BUREAU

DESCRIPTION: The purpose of the Kinston-Lenoir County Convention and Visitors Bureau is to expand and develop tourism in Kinston/Lenoir County through advertising, sponsoring, and promoting tourist-oriented events and activities, and sponsoring tourist-related capital projects. Receipts from the occupancy and tourism tax, estimated to be \$138,000 for FY 07-08, are processed through the County budget to fund 50 percent of the Tourism Development Authority's budget. Through the same tax, the City of Kinston funds the remaining balance. During the past year, some of the organizations that received funding from the Authority for projects were: Community Council for the Arts; Kinston Drag Strip; Kinston Indians; Winter Blue Grass Festival; CSS Neuse Foundation; and the Lenoir County Welcome Center.

FY 06-07 HIGHLIGHTS: The Kinston-Lenoir County Convention and Visitors Bureau accomplishments: 1) various billboards marketing our area; 2) numerous tourist magazine advertisements throughout North Carolina; 3) produced hotel/motel full-color visitor's map with restaurants, hotels, and tourist destination sites; 4) hosted tourism conference and marketed our area through press releases, radio, and www.visitkinston.com; and 5) awarded over \$112,000 in SETRAC grants to assist in tourism projects sponsored by area organizations to include the City of Kinston, CSS Neuse-Save the Neuse, Kinston Indians, La Grange Chamber of Commerce, Lenoir County Battlefields, Lenoir Community College, Neuse Regional Library, Pride, Neuseway Campground, and more.

FY 07-08 GOALS: To promote Kinston and Lenoir County as a North Carolina travel destination by supporting and expanding tourism with continued marketing and promotion through the Kinston-Lenoir County Convention and Visitors Bureau: 1) develop visitor's guide and tourism related brochures to be distributed throughout North Carolina; 2) update www.visitkinston.com website to include database, events calendar, and tourist packaging options; 3) gather statistical data to successfully direct marketing efforts; 4) create a film commission committee; and 5) award SETRAC grants to organizations with tourism development projects.

TOTAL FY 07-08 PROCESS FUNDS: OCCUPANCY AND TOURISM TAX: \$150,000 (EST.)

TOTAL FY 07-08 AGENCY BUDGET: \$276,000.00

JUVENILE CRIME PREVENTION COUNCIL: \$212,712

DESCRIPTION: The 1998 Juvenile Justice Reform Act was designed to prevent at-risk juveniles from being further involved in the juvenile justice system, and to provide intervention services so that youth can be served in their communities. The primary intent was to develop community-based alternatives to training schools and to provide quality intervention and prevention programs that best meet the risk factors identified in the community. Programs should provide non-institutional dispositional alternatives that will protect the community and juveniles. Also from this legislation were formed Juvenile Crime Prevention Councils (JCPC) that are responsible for assessing the needs in the community, prioritizing risk factors, and developing a funding plan that will best address the risks and needs in the community. The JCPC was appointed by the County Commissioners on 2-1-99 and will be reappointed every two years.

FY 06-07 WORK PLAN HIGHLIGHTS: Lenoir County's 06-07 appropriation was used to target identified needs in the community for home based services, structured day programs, restitution/community services, intensive monitoring programs, teen court, parent responsibility classes and psychological services. Program funds were approved and allocated as follows: Structured Day/Intensive Monitoring/ Juvenile Restitution programs combined, \$93,660, Teen Court \$31,400, Psychological Services \$13,500, ADLA Parent and Family Skill Building \$40,000, Family Preservation \$32,000 and JCPC Administrative Expense \$2,152.

FY 07-08 GOALS: The Lenoir County JCPC has recommended funding, subject to the approval of the County Commissioners, as follows: Structured Day/Restitution programs combined \$110,000, Teen Court \$31,617, Family Preservation \$54,883 and Psychological Services \$13,500. The Council has selected the following new program to further meet the needs of our youth: The Methodist Home for Children/Parent Training. The Council will strive to monitor selected programming for expected outcomes, as well as, expand its data collection and risk and needs process throughout the year. We will also endeavor to increase public awareness of the County's annual plan completed by the JCPC with the hope of increasing resources for adjudicated and at-risk youth within our community.

OUTSIDE AGENCIES

OVERVIEW: “Outside Agencies” is a budgetary category which “lumps together” appropriations from the County’s General Fund and provides these to various non-profit agencies. These organizations then provide services for and on behalf of Lenoir County’s residents and visitors. County funding of these organizations is somewhat **discretionary**, wherein there is **some degree of choice** on the County’s part as to the level(s) of funding and services to be provided. For this reason, under this budget category, the “amounts requested” by the various agencies are shown in the summary “Outside Agencies Table”.

Organizations funded under this budget category are, for the most part, non-recreational. (Recreation agencies are funded out of the Recreation Department’s budget or the Parks & Recreation Capital Project Account in the CIP). The agencies do operate, however, to provide a wide variety of programs and services to many, including: in-home aide / congregate meals / home delivered meals, cultural arts, assistance to men, protection of forests, and assistance to entrepreneurs.

2005-06 Actual*	Adopted 2006-07 Budget*	Requested 07-08*	Adopted 2007-08*
\$108,250	\$121,417	\$125,230	\$120,598

* General Fund appropriations only

OUTSIDE AGENCIES

	FY 05-06 Actual	FY 06-07 Approved Budget	FY 07-08 Requested	FY 07-08 Adopted
Community Council for Arts	\$ 4,900	\$ 5,000	\$ 5,000	\$ 5,000
Council on Aging - Local	\$ 21,841	\$ 22,000	\$ 22,200	\$ 22,200
Flynn Home	\$ 6,117	\$ 6,117	\$ 6,178	\$ 6,178
N.C. Forest Resources	\$ 69,649	\$ 82,500	\$ 89,352	\$ 85,000
National Guard	\$ 2,143	\$ 2,200	\$ 2,500	\$ 2,220
Micro Enterprise Loan Partnership(1)	\$ 10,000	\$ 6,724	\$ -0-	\$ -0-
Total	\$ 111,207	\$ 123,905	\$ 126,358	\$ 120,598

(1) Source of funds not General Fund and therefore not included in above total. Microenterprise Loan Partnership has been funded out of the proceeds of the Southwood Project; the \$6,724 approved amount in FY 05-06 exhausted the proceeds.

COMMUNITY COUNCIL FOR THE ARTS

DESCRIPTION: The Community Council for the Arts (CIA) serves as a conduit for the arts and cultural events, programs and special projects for the citizens of Lenoir County and the region. It's premier facility as well as the organization enjoys a solid and very positive relationship with the North Carolina Arts Council and many other numerous arts organizations in the state, particularly in eastern North Carolina. The Council provides various visual arts exhibits and performing arts programs annually and serves as an "umbrella" agency (for 9 volunteer arts groups, i.e. Cultural Heritage Museum, model trains, symphony) providing administrative and educational services to artists and art related nonprofit organizations in the county. Exhibits change every 6-8 weeks with approximately 300 pieces of artwork in the property at one time. During the 10 day "down time" between exhibitions one can frequently find unique shows in the gallery spaces. They include the Motorcycle Exhibition, Civil War memorabilia (during Civil War community activities) and War memorabilia (in conjunction with the SALUTE event each November). Over 750 artists are represented through these shows each year. Receptions are held to offer the community the opportunity to meet many of the exhibiting artists. Local & regional residents attend these receptions. Average reception attendance is 100-150.

FY 2006-07 HIGHLIGHTS: The CIA offers traditional arts classes and workshops in visual and performing arts for children and adults throughout the year. In addition the CIA offers numerous summer camps. Two very successful camps were added in the summer of 2006. Specifically, they were a craft camp – attracting 75 5 to 12 year olds and music camp for 5-18 year olds. The music camp was taught by an acoustical music ensemble from Anchorage, Alaska and completed with a community concert that was attended by approximately 250 people. While most campers are from this region, the music camp drew students from as far away as Ocracoke Island, Rocky Mount and Jacksonville. This group will return again this year to provide their only camp in the continental United States. Also offered in 2005-06 were the following programs: (1) a one week residency of "The Healing Force" for community and school groups including Rochelle Middle School students a community concert at St. Augustus Church and workshops for the Boys and Girls Club, (2) Performing Artists: "Bearfoot Bluegrass," the "NC Youth Tapp Ensemble," Caribbean Sound" and "Molasses Creek." Visual arts programs included our traditional regional and local artists, the 26th Annual National CIA Competition, the 3rd Annual Model Train Show, and two international exhibitions from the prestigious Meridian International Center, Washington, DC. These two shows: the Chinese Silk Road and Sudan: The Land and It's People had extensive educational components and special guests. Two Chinese artists lived in Kinston for 10 days and visited the community college, ECU and several schools where they presented programs. The Sudan exhibition featured 70 photographs by an internationally recognized National Geographic photographer. A recently retired US Ambassador wrote the narrative that accompanied this exhibition to Haiti and Sudan and his wife, who is a highly acclaimed writer and educator. All of these individuals spent three days in Kinston and gave presentations at the Arts Center, LCC and ECU. These are a few examples of the quality and extensive programming that the CIA plans and implements each year for the schools and community. In addition, we continued our work in the fields of public art – extending the number of sculptures and murals in our community (we remain the only organized public art program in eastern NC), Arts in Healthcare and specific programming for the under-served, minority population in the community.

FY 2007-08 GOALS: The CIA will continue to be the "point" organization for the establishment of an African American Music Trail in eastern North Carolina. This trail modeled after the highly successful tourism trails of western North Carolina – the Cherokee Indian Trail and the Appalachian Music Trail has been a newly developed project of the CIA in association with the North Carolina Arts Council. A folklorist hired by the CIA will continue to identify and document African American musicians, vocalists, and dancers who hail from this community with the completion of this project yielding tourism product. This is a high priority project for the CIA and is believed to serve as a tourism catalyst. The CIA's work with its numerous community partners will continue into next year. Examples of these partnerships are: Pride of Kinston, Lenoir County Tourism, the Kinston Convention & Visitors Bureau, the Kinston-Lenoir County Chamber of Commerce, Parks & Recreation, Boys & Girls Club, Lenoir Memorial Hospital, etc. Several performing arts programs have been scheduled and are awaiting successful grant applications, which are matched dollar for dollar by the CIA. Among these are the "North Carolina Ballet – Swan Lake" performances & "Opera Carolina" for the 3rd and 4th grade population, "The Healing Force" in a five week residency for the 7th graders, Marcy Mixer and Cathy Fink – Grammy Award Winners in a song program concentrating on nutrition and exercise for young families and the "David Leonhardt Jazz Ensemble" for the community and Jazz for Kids for the youth community with performances at the Boys & Girls Club. Additionally, we will continue the Grassroots Grant program, which in 2006-07 funded \$10,253 in sub grant dollars for non-profits in the arts business or non-profits with arts programming in our community. There were 14 applications with 13 funded. The 14th did not meet the parameters of the application process. Projects funded included: 7 public school projects, Friends of the Library – storytelling festival, Global Education Series – LCC and artists fees for the Chamber Music Series – Harmony Hall, the Holiday Pops concert of the NC Symphony, Grainger Hill's "On Stage" performances, and the Kinston Winter Bluegrass Festival.

TOTAL FY 07-08 AGENCY BUDGET: \$368,356.00

COUNTY RECOMMENDED FUNDING: \$5,000.00

LENOIR COUNTY COUNCIL ON AGING, INC.

Description: The Lenoir County Council on Aging (LCCOA) provides high quality services for the Senior Citizens of Lenoir County. Our goals include preventing premature institutionalization, promoting a positive attitude about aging, and fostering cooperation among local agencies for our Seniors.

LCCOA provides Congregate Nutrition in Kinston, Pink Hill, and LaGrange, for up to 60 seniors each weekday. We also provide approximately 250 Home Delivered Meals each week for Seniors who are shut-in. We manage Transportation Services and Medical Transportation . Our In Home Aide Service is the first line of defense in keeping Seniors safely in their own home, and we serve at least 300 hours each week. Other valuable services include activities that encourage Seniors to stay physically, mentally, socially, and emotionally healthy. These activities include Spanish Classes, exercise classes, music lessons, art lessons, choral groups, card player clubs, support groups, as well as educational/ safety programs.

FY 06-07 Work Plan Highlights: LCCOA increased units served from last year in every category. We added several educational and safety programs, such as the scheduled “Assault Prevention and Self Defense” seminar, and the “Arthritis Self Management” training hosted by UNC-Chapel Hill. We improved our visibility and therefore our outreach to the community by upgrading our website and newsletter, as well as garnering coverage and support from local media.

FY 07-08 Goals: The LCCOA plans to continue to garner support for our Senior Citizens by continuing to educate our community about the services offered here, as well as expanding and improving our services. We also hope to more actively educate our state and federal governments about the real challenges Senior Citizens face, in hopes of improving the types and amounts of funding.

As Lenoir County is now being marketed nationwide as a great place to retire, the LCCOA hopes to garner more support from many facets, including local government. We plan to rise to the challenge of providing for the needs of the already exploding local Senior population, and we feel this can best be accomplished with close partnerships between ourselves and Lenoir County agencies.

TOTAL FY 07-08 COUNTY RECOMMENDED FUNDING:\$22,220. \$4,848 goes to Coastal Community Action, Inc., for Senior Companion Services in Lenoir County, and \$17,372 to LCCOA.

FY 07-08 Budget Request: \$22,280

TOTAL FY 07-08 Agency Budget \$508,976

FLYNN HOME

DESCRIPTION: The County has historically provided funds to support the Flynn Home. The purpose of the Flynn Home is to serve the community by providing a home for men of all races, creed or color, destitute or not, who are recovering from substance abuse. Flynn Home will strive to stabilize, rehabilitate and give them the tools to sustain their personal recovery.

FY 06-07 HIGHLIGHTS: The Home: 1) replaced and repaired plumbing fixtures; 2) replaced dishwasher with commercial washer; 3) replaced ceilings that were damaged by leaks; 4) replaced water lines; and 5) replaced hot water heater and upgraded all faucets.

FY 07-08 GOALS: The Home plans to: 1) refinish hardwood floors; 2) re-paint the kitchen area; 3) inspect electrical wiring of home and replace as needed; 4) replace vinyl in dinning room area; and 5) upgrading freezers to commercial.

TOTAL FY 07-08 COUNTY RECOMMENDED FUNDING: \$6,178

TOTAL FY 07-08 AGENCY BUDGET: \$76,157

NORTH CAROLINA DIVISION OF FOREST RESOURCES

DESCRIPTION: The mission of the N.C. Division of Forest Resources is to develop, protect, and manage the multiple resources of North Carolina’s forests through professional stewardship, enhancing the quality of life for our citizens while ensuring the continuity of these vital resources. Services are provided in three (3) basic areas: 1) Forest Management—writing woodland management plans, at no charge, with recommendations for timber sales, tree planting, thinnings, site preparation, insect and disease problems maintaining water quality, etc.; 2) Forest Stewardship—how to participate in the program which emphasizes forest management, wildlife, aesthetics, soil and water quality; and 3) Forest Fire Control—prevention, pre-suppression and suppression of forest fires. The Division has a new 700 John Deere crawler tractor/plow unit and new lowboy (purchased entirely with state funds) at the Kelly’s Pond Headquarters for fire control. The County Ranger and Assistant County Ranger have 3/4 ton, 4 wheel-drive pickup trucks equipped with 150 gallon water/foam tanks, reels and 200' of hose each for fire control.

FY 05-06 HIGHLIGHTS: The Division accomplished the following: 1) 62 Forest Management Plans written for Lenoir County landowners at no charge (involving 800 acres); 2) 400 acres of forest regeneration (250 acres planted); 3) 75 inspections of forestry operations (Forest Best Management Practices) affecting 2,100 acres; 4) 15 Forest Management “cost-share” projects, which enabled Lenoir County forest landowners to receive funding.

FY 07-08 GOALS: The Division plans to: 1) write 75 Forest Management Plans in Lenoir County; 2) conduct 800 acres of forest regeneration in Lenoir County; 3) Inspect 75 tracts for Forest Water Quality; and 4) pursue construction of a new, entirely state - funded Lenoir County Forestry Headquarters.

FY 07-08 COUNTY RECOMMENDED BUDGET: \$85,000 (N.C. Division of Forest Resources requests \$85,081)

FY 07-08 AGENCY BUDGET: TOTAL = \$223,381

COUNTY FUNDING LEVELS:

2004-2005 Budget	2005-2006 Budget	2006-2007 Budget	2007-2008 ADOPTED BUDGET
\$77,802	\$78,580	\$82,500	\$85,000

NATIONAL GUARD

DESCRIPTION: This agency is HQ's 690th Maintenance Battalion, North Carolina National Guard, 2875 Dobbs Farm Road, Kinston, NC 28504-8992. This facility serves as a secure shelter for Emergency Management Operations during disaster relief efforts and a facility with meeting rooms and classrooms for meetings for County Commissioners, Boy/Girl Scouts, and various nonprofits, nonpolitical, nonreligious organizations. This is the most modern up-to-date National Guard Armory in the state of North Carolina today, having an exceptional maintenance facility for repair and upkeep of military trucks, trailers, generators and other essential equipment. Future plans include a distant learning center. It requires an extensive amount of money to keep the grounds and interior of this facility operational. Cleaning supplies average in excess of \$200 per month. Tools and supplies to maintain the exterior of the facility average approximately \$100 per month. According to the National Guard personnel, the County and City jointly funded 25% of the cost of construction of the facility. County funds are spent on cleaning supplies and facility maintenance supplies. The Guard exists to provide Home Land Security and assistance in case of State Emergencies and Federal Security and assistance in case of National or World Emergencies. The Guard produces the finest most qualified soldiers in the world. These soldiers benefit the community by being productive, motivated, qualified, hard working civilians.

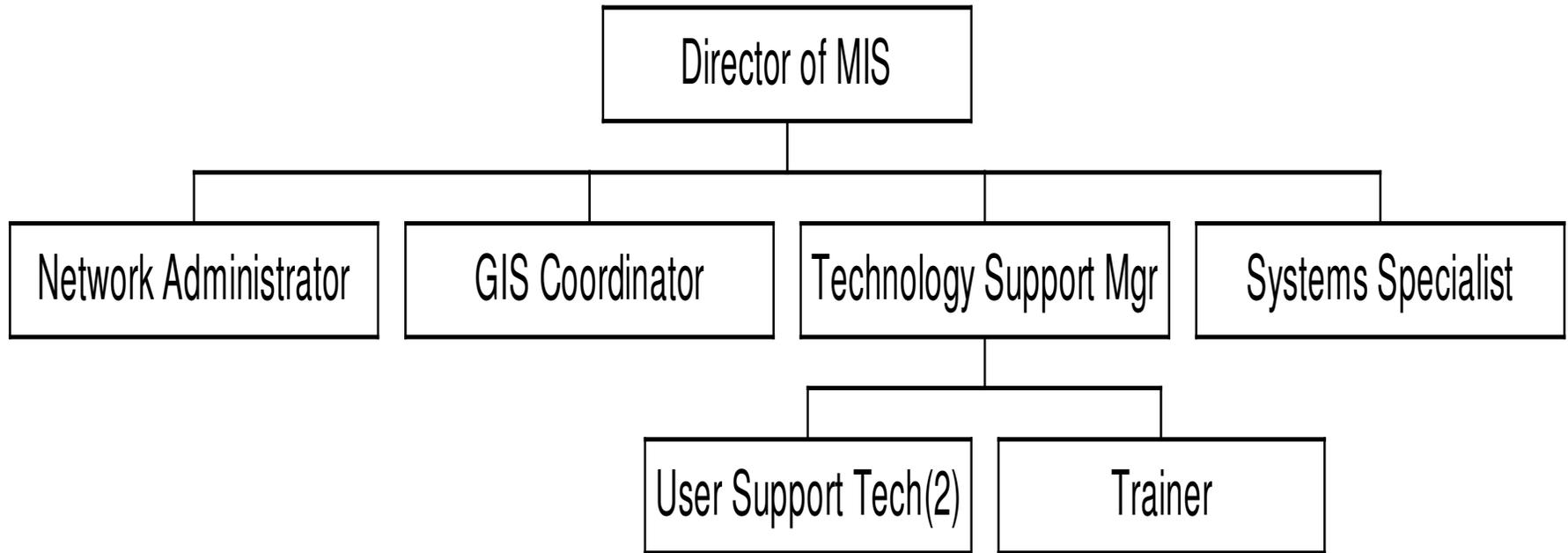
FY 06-07 HIGHLIGHTS: During the year, the following took place: 1) Mobilized and deployed several Soliders that are deployed overseas in support of the Global War on Terrorism and Operation Iraqui Freedom; 2) Mobilized and deployed several Soliders as part of the Southwest Border Mission for up to one year each; 3) Provided a meeting place for several non-profit, non-political, and non-religious Organziations (i.e. Boy Scouts, Girl Scouts, Veterans organizations, etc.); 4.) Successfully gave of time and facility for 4 different USDA Food giveaways that provided food to more than 2,800 families in Lenoir County and 5) Provided support during State Active Duty to local law enforcement agencies during several winter storms and hurricanes.

FY 07-08 GOALS: The Guard plans to: 1) Continue support for National Defense and Home Land Security through out the nation and world; 2) Successfully deploy and return units and troops back from the Global War on Terrorism; and 3) Provide this facility and manpower to successfully complete one (1) USDA Food Giveaway per quarter for the entire year.

TOTAL FY 06-07 COUNTY RECOMMENDED FUNDING: \$2,220

TOTAL FY 07-08 GUARD REQUESTED FUNDING : \$2,500

MANAGEMENT INFORMATION SYSTEMS- MIS



AUTHORIZED POSITIONS*

FY 2005-2006	FY 2006-2007	FY2007-2008
7	7	8
=	=	=
7	7	8
Major Changes: Adding a Trainer/Tech Position.		

MANAGEMENT INFORMATION SYSTEMS- MIS

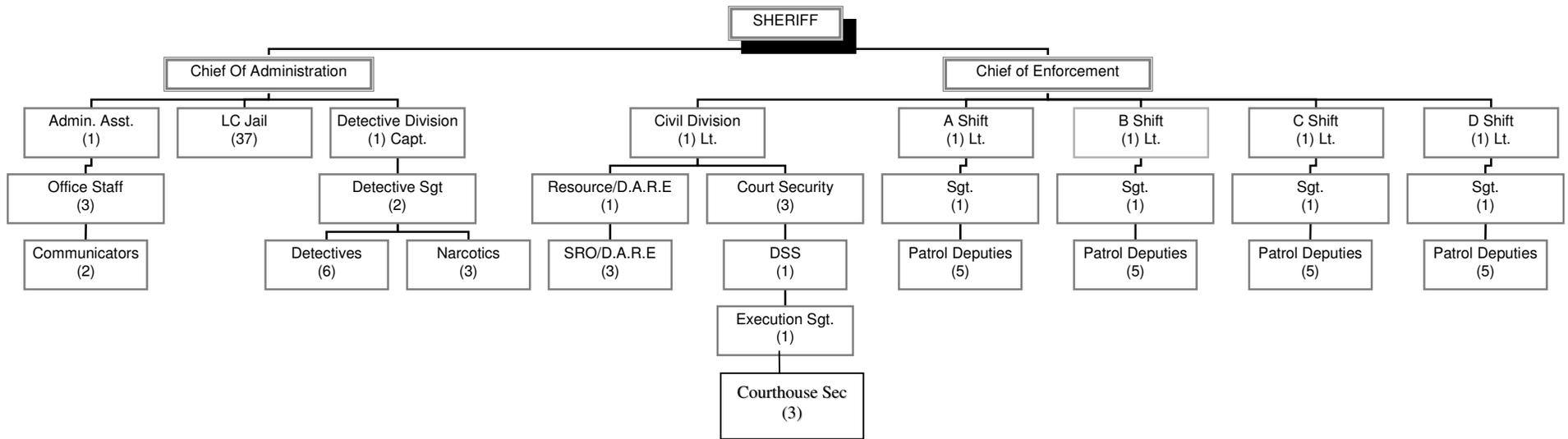
DESCRIPTION: Management Information Systems (MIS) is responsible for the on-going operations of existing County systems, as well as for the support and implementation of new initiatives. MIS primarily serves 5 major areas: (1) Training; (2) Information Technology and Telephony Standards; (3) Data Access; (4) On-Going Operations and Support for both local and state areas; (5) and Geographic Information Systems (GIS) support to all departments and agencies.

FY 2006-2007 HIGHLIGHTS: This year has been very busy. The year presented some major projects that the MIS implemented including: (1) Complete upgrade in the Finance office to the current version of LOGICS software including desktops and Server. (2) Register of Deeds new COTT install including online index search and image search, which included all new desktops and servers. (3) New Website which will be live March 14, 2007. (4) Completed ArcGIS Migration for Tax mapping dept along with new server installation and migration along with new automated tax to GIS ArcReader application for Tax Office. (5) Combined GIS and Planning functions. (6) Installed Ibeam software and hardware for Environmental Health.

FY 2007-2008 GOALS: As usual, our main goal will be to continue to provide outstanding support and training throughout all of the departments. In addition, provided funding, we have several new main projects coming up that include our most critical one of upgrading our Desktop Suite Software countywide, a technology refresh of upwards to 40 machines including those at tax and Health departments, reorganizing the MIS support division, hiring a trainer, doing a complete switch upgrade, updating the County Commissioners Meeting Room to handle electronic presentations, updating the Administration Meeting room to handle electronic presentations and allow for training meetings.

05-06 ACTUAL	ADOPTED 06-07 BUDGET	AMENDED 06-07 BUDGET		ADOPTED 2007-2008
269,239	295,451	295,416	SALARIES	322,882
89,948	95,738	95,738	BENEFITS	108,512
168,723	228,650	228,650	OPERATING	271,200
26,552	19,768	19,768	CAPITAL OUTLAY	180,500
554,462	639,607	639,607	TOTAL	893,094

OFFICE OF THE SHERIFF



Authorized Positions		
05-06	06-07	07-08
61	61	61

Lenoir County Sheriff's Office

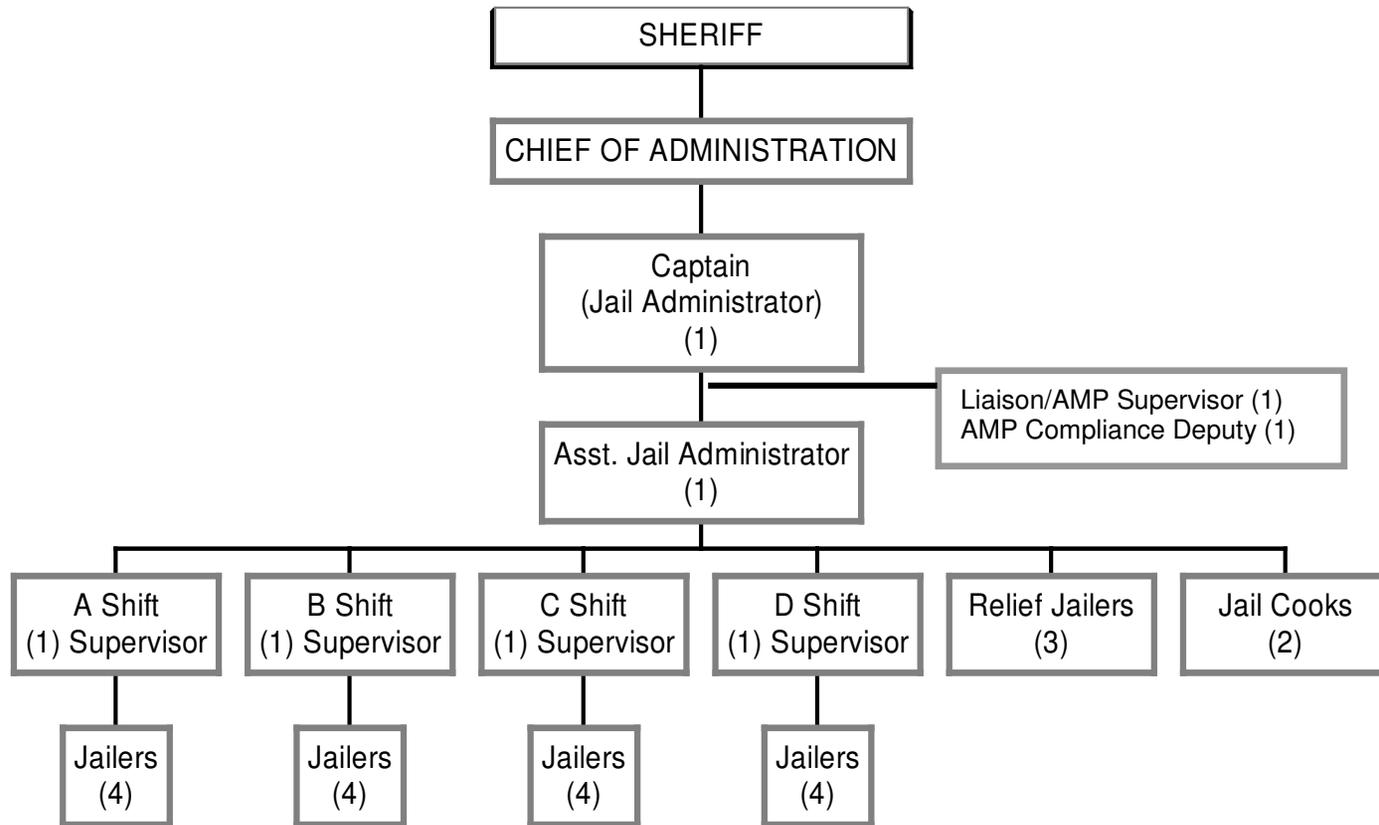
DESCRIPTION: The Office of Sheriff is a constitutional position elected by the people. Responsibilities include the enforcement of State laws, county ordinances, the service of all warrants issued by the Courts, civil process papers issued by the Clerk's Office, courtroom and courthouse security, jail operations, sex offender registry management, pistol permit issuance, and concealed weapon permit management. However, the primary responsibility is insuring the safety and well being of all citizens within Lenoir County. This office is training and community oriented and embraces the belief that excellence is a result of education, being provided with the necessary tools to perform the duty of a deputy sheriff and possessing the capacity to listen and work with the community it serves.

FY 2006-2007 HIGHLIGHTS: During the 2006-2007 fiscal year the Sheriff's Office utilized funding from the Edward Byrne Memorial grant to purchase stop sticks for every Sheriff's patrol vehicle, erect a structure over the newly remodeled mobile command bus, purchase a utility trailer to transport ATV's for search and rescue incidents or for drug eradication, and to upgrade the in-car camera server. Barcoding technology was implemented allowing the records staff to track every civil and criminal document that arrives at the Sheriffs Office for service. New mobile data terminals were purchased to replace damaged and aging computers. Finally, tasers were purchased for the patrol, court security and narcotics officers to enhance their protection.

FY 2007-2008 GOALS: The Sheriff expects to receive and utilize funds from the Edward Byrne Memorial grant to purchase additional Vision Hawk cameras in a continued effort to place an in-car camera in every marked patrol unit. Civil process funds are expected to be utilized to fund another records management position and to purchase additional MDT's that would replace older computers. The Sheriff's Office will be sending every officer for training in (0100) and (0200) National Incident Management System (NIMS) as well as training in meth awareness, juvenile laws, CPR, first aid, domestic violence, hazardous materials, criminal law update and gang awareness.

2005-2006 ACTUAL	ORIGINAL 2006-2007 BUDGET	REVISED 2006-2007 BUDGET		ADOPTED 2007-2008
2,163,234	2,204,385	2,204,385	SALARIES	2,331,722
706,809	778,295	778,295	BENEFITS	803,739
489,855	468,500	532,984	OPERATING	519,208
46,356	0	0	CAPITAL OUTLAY	0
3,406,254	3,451,180	3,515,664	TOTAL	3,654,669

LENOIR COUNTY JAIL



Authorized Positions		
05-06	06-07	07-08
27	35	37

Lenoir County Jail

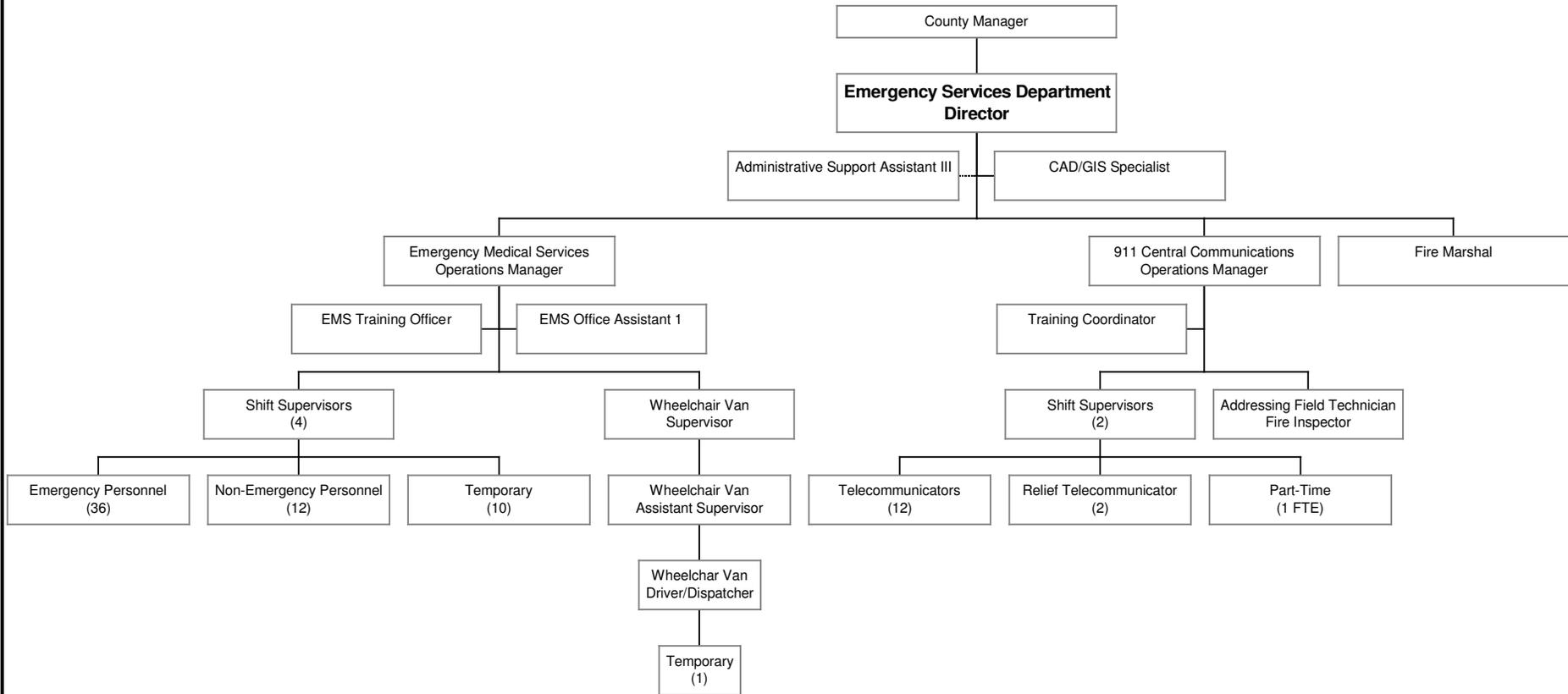
DESCRIPTION: The Lenoir County Jail serves a two-fold purpose: 1) to hold persons for pretrial appearances who cannot afford to post bond and 2) to hold those persons sentenced to less than 60 days confinement in the local facility. While holding these inmates, the jail is responsible for their health, safety, and protection. All inmates are supplied with meals, toilet facilities and hygiene items, uniforms, and bathing supplies. Additionally, this facility contracts with Southern Health Partners for inmate health care needs.

FY 2006-2007 HIGHLIGHTS: Jail overcrowding continues to be at the forefront of challenges for the Sheriff's Office. To combat this issue the Sheriff formed a committee to tackle the issue and to collectively create solutions to resolve the problem. As a result the Alternative Monitoring Program (AMP) was created as well as the funding of a liaison position that will oversee the monitoring program and expedite specific cases to the courts thereby reducing the jail's heavy population. In-house drug testing for narcotics cases also emerged during this time, which will allow trained deputy sheriff's to analyze and identify narcotics for evidentiary purposes. This will take some of the burden off of the SBI laboratory and will hasten the disposition of narcotic cases.

FY 2007-2008 GOALS: The construction of a larger jail facility is the only viable long-term solution to overcrowding. A preeminent goal of the Sheriffs Office is to see to the construction of a new jail facility. Replacing the sliding cell doors in the lower jail is paramount to the safety of the jail staff and the inmates. The current sliding doors are constantly undergoing repair. The locking systems of these old doors can be easily compromised. The Sheriff intends to have 24 sliding doors (2 cellblocks) replaced with swinging doors during the 2007-2008 fiscal year. Because of jail overcrowding the Sheriff was unable to have the jail painted during the 2006-2007 fiscal year. The painting of two cellblocks will occur following the installation of swinging doors in two of the five cellblocks. Dispensing pre-packed medication has historically fallen upon the detention staff. The Sheriff intends to end this practice by altering the health contract with Southern Health Partners, which will provide for additional medical personnel who will dispense all medication to the inmates.

2005-2006 ACTUAL	ORIGINAL 2006-2007 BUDGET	REVISED 2006-2007 BUDGET		ADOPTED 2007-2008
794,809	963,360	958,360	SALARIES	1,012,657
306,839	382,313	382,313	BENEFITS	403,832
523,150	563,550	561,240	OPERATING	640,530
21,000	0	7,310	CAPITAL OUTLAY	109,338
1,645,798	1,909,223	1,909,223	TOTAL	2,166,357

Emergency Services Department



FY 2005-06	FY 2006-07	FY 2007-08
66 FT	83 FT	83 FT
7 PT (FTEs)	12 PT (FTEs)	12 PT (FTEs)
73 Total	95 Total	95 Total

EMERGENCY SERVICES

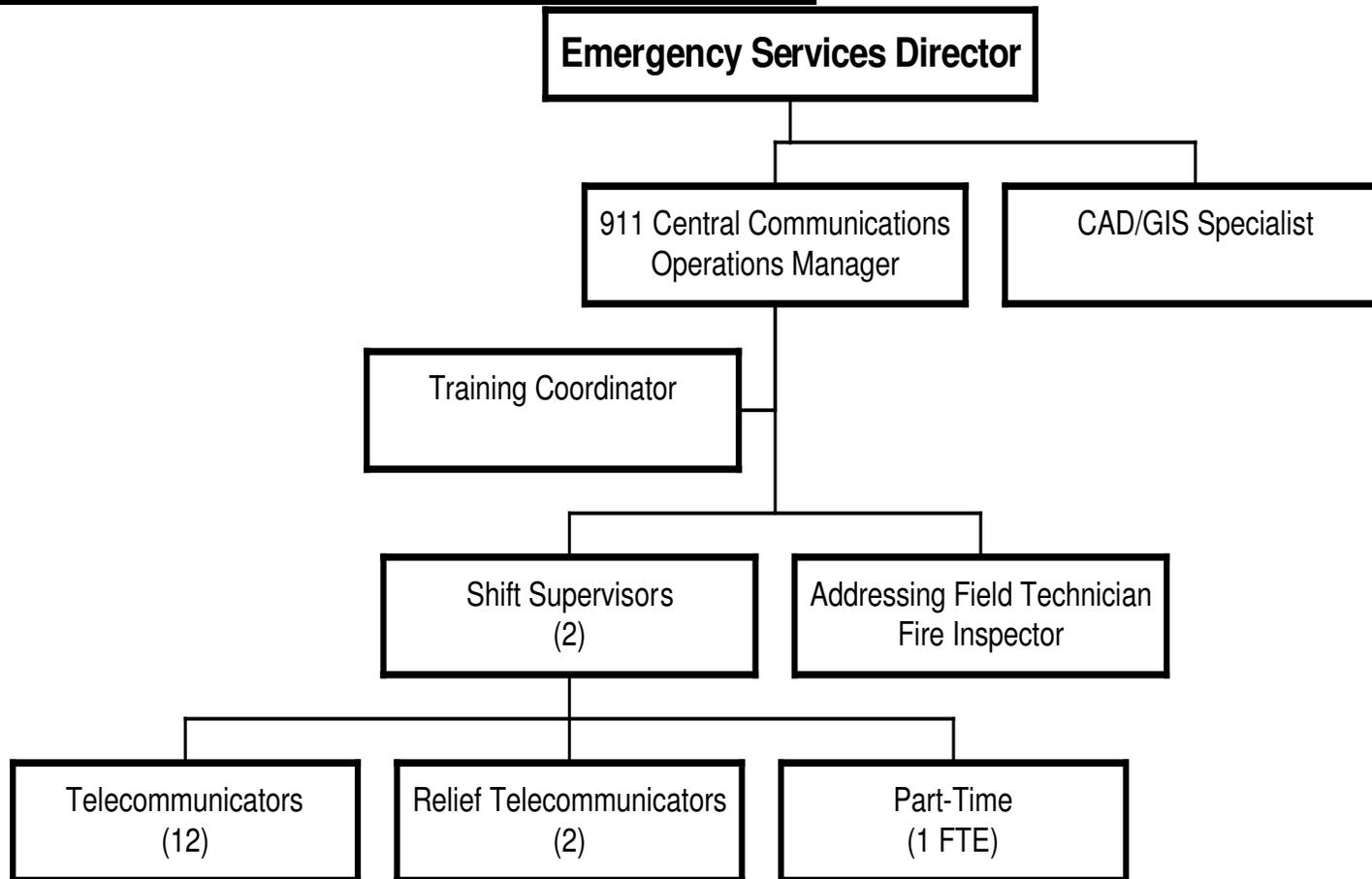
DESCRIPTION: The Lenoir Co. Dept. of Emergency Services is comprised of four (4) divisions: Emergency Management/Fire Marshall Emergency Medical Services, Non-Emergency Transport, and Central Communications (911). The Emergency Management Division is tasked with four (4) phases: preparedness, mitigation, response, and recovery of natural and man-made disasters. The Emergency Medical Services Division provides quality advanced life support care to all areas of Lenoir County. This division also coordinates our volunteer EMS providers and our private ambulance providers. The Central Communications Division dispatches for 18 emergency response agencies. As a centralized center, law enforcement, fire and EMS are dispatched out of the center. The Fire Marshal Division is tasked with fire inspections, investigations, public safety talks, exercise training, and coordinates with our volunteer fire departments.

FY 2006-2007 HIGHLIGHTS: Relocated to Rhodes Ave. building. Assisted fire departments in lowering their ISO Ratings. Completed certifications with Communications personnel, i.e. EMD, EPD & EFD. Moved into the new EMS Station located at Hugo. Continued to give public education talks dealing with fire, EMS & communications. Continued close monitoring of the non-emergency service to maintain a healthy revenue and expenditure ratio. Director was voted President of the N.C. Emergency Management Association. Emergency Management completed our EMGP and received the program funds.

FY 2007-2008 GOALS: To relocate the Pink Hill EMS crew to Deep Run. To actively pursue a deployment package for EMS. To work with our volunteer fire departments for lowering their insurance classification, for those that have not already done so. To write a comprehensive debris management plan, as well as a comprehensive emergency operations plan. To begin certifications with the new N.C. Emergency Management standards, as well as ensure Lenoir County is in compliance with NIMS/ICS standards. Conduct one full-scale exercise for Lenoir County.

05-06 ACTUAL	ORIGINAL 06-07 BUDGET	REVISED 06-07 BUDGET		ADOPTED 2007-08
\$ 2,590,628	\$2,932,431	\$2,802,696	SALARIES	2,865,774
\$ 815,947	\$1,003,925	\$ 960,336	BENEFITS	992,028
\$838,089	\$926,384	\$962,931	OPERATING	979,487
	\$36,000	\$ 57,000	CAPITAL OUTLAY	110,741
\$ 4,244,664	\$4,898,740	\$4,782,963	TOTAL	4,948,030

Emergency Services Department - Communications Division



FY 2005-06	FY 2006-07	FY 2007-08
20 Regular	20 Regular	20 Regular
1 FTE	1 FTE	1 FTE
21 Total	21 Total	21 Total

COMMUNICATIONS

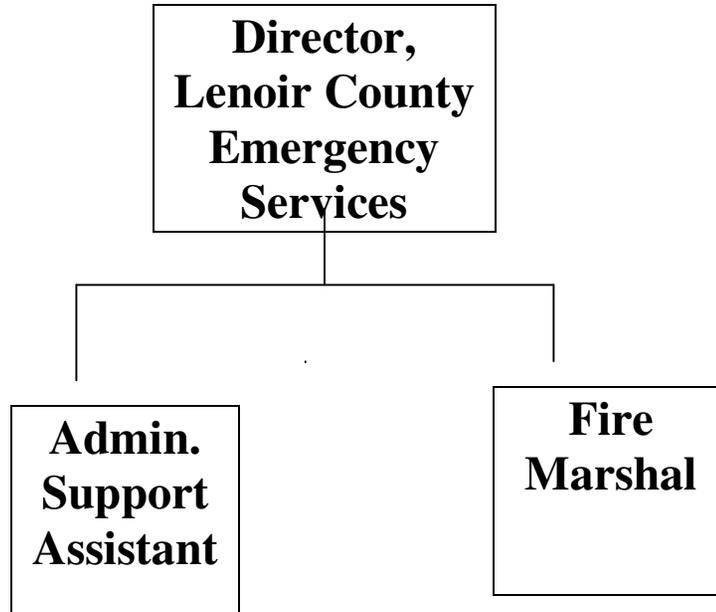
DESCRIPTION: The Emergency Services Department – Communications Division answers calls for service from citizens of Lenoir County and dispatches the appropriate emergency response agency. The Communications Division operates 24 hours a day, 7 days a week. All salaries, benefits and operating expenses of this division are funded here; E-911 related expenses are funded from the E-911 fund.

FY 2006-2007 WORK PLAN HIGHLIGHTS: The Communications Division completed the certification process of all employees in CPR and EMD, recertifying when required. The Communications Division also certified all personnel in the Emergency Police Dispatch (EPD) and Emergency Fire Dispatch (EFD). Wireless Phase II completion for all carriers in Lenoir County area was completed by the second quarter of 2006. Communications relocation to Emergency Services Building was completed in March 2006.

FY 2007-2008 GOALS: This division plans to 1) continue to upgrade the EMD education for Telecommunicators; 2) certify remaining personnel in Priority Dispatch Emergency Telecommunicator Certification; 3) upgrade City Fire Conventional Repeater; 4) continue the maintenance phase of the emergency service numbers project.; 5) continue with the 800MHz radio rebanding project; and 6) update the Emergency Services G.I.S. coverage, which will enable the communications staff to better assist all agencies with locating callers and incidents.

ACTUAL 2005-2006	ORIGINAL 06-07 BUDGET	REVISED 06-07 BUDGET		ADOPTED 2007-2008
536,745	553,808	553,808	SALARIES	602,887
191,028	218,019	218,019	BENEFITS	221,295
71,248	87,750	87,750	OPERATING	101,247
0	0	0	CAPITAL OUTLAY	23,741
799,021	859,577	859,577	TOTAL	949,170

LENOIR COUNTY EMERGENCY SERVICES
DIVISION OF EMERGENCY MANAGEMENT
ORGANIZATIONAL STRUCTURE



FY 05-06	FY 06-07	FY 07-08
TOTAL: 3 FT	TOTAL: 3 FT	TOTAL: 3 FT

LENOIR COUNTY EMERGENCY MANAGEMENT

DESCRIPTION: This division is responsible for all coordinated responses to natural and man-made disasters, hazardous materials Response, public safety/community education, fire inspections/investigations/reporting, as well as the Dept. of Homeland Security Grant Program, which includes quarterly reports, equipment purchases and conducting exercises. DHS Directive V states that all governments are to be trained in the National Incident Mgmt. System (NIMS)-Incident Command, in which most in Lenoir Co. have obtained the 700 & 800 series, and many are continuing on to take the ICS 100-400. The EM Division oversees the county's emergency operations plan, incident reporting, fire department budgets/contracts, standard operating procedures, special-needs registry, maintaining equipment and updating the disaster resource listing. Also, continued with the LEPC training, exercises and Tier II reporting requirements. The Director and the Fire Marshal are on call 24/7, 365 days per week and work on a rotational basis.

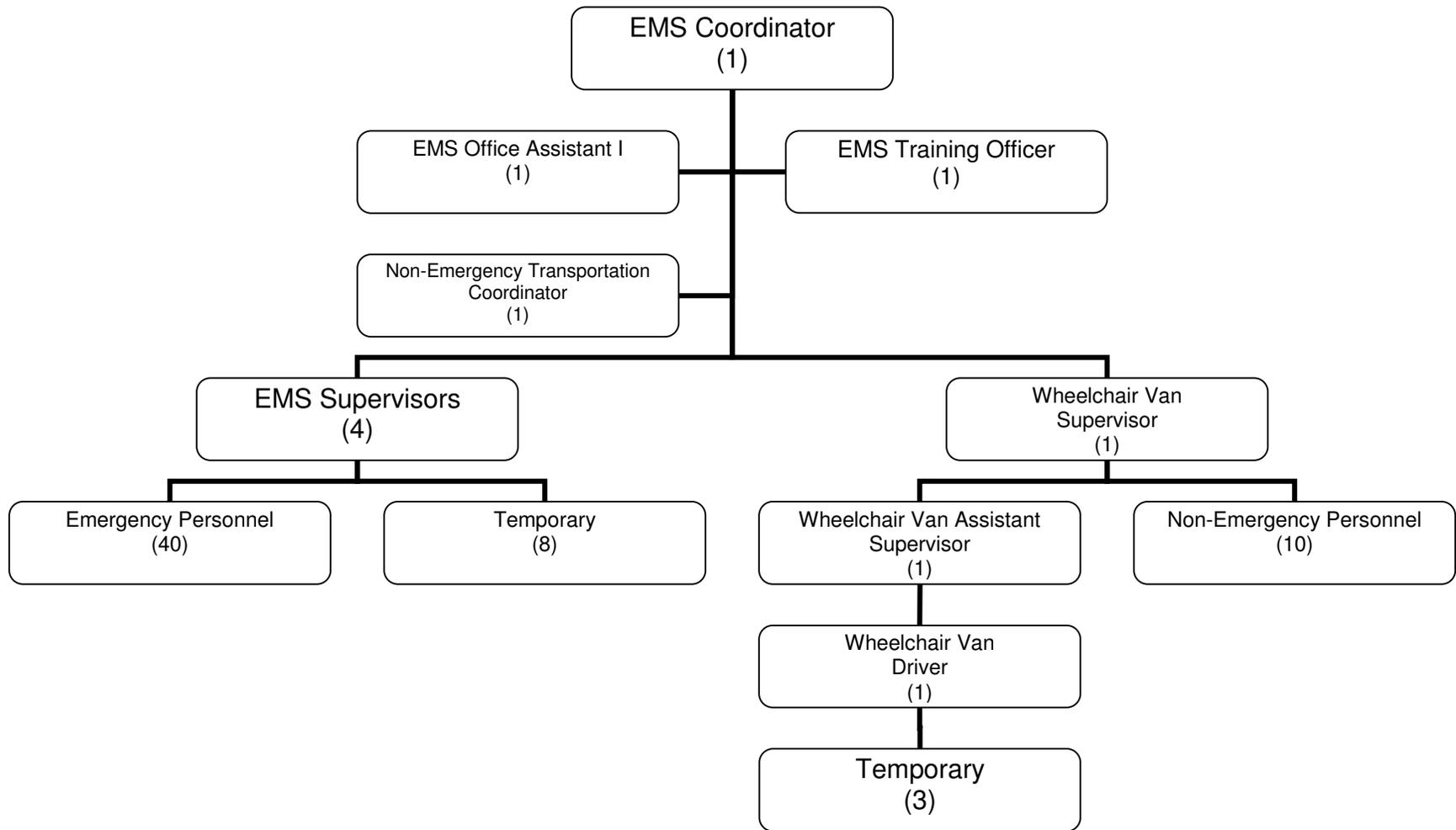
FY 2006-07 HIGHLIGHTS: Updated the county's emergency operations plan; continued homeland security committee meetings and grant reports; completed fire department budgets and contracts; worked with vendors on the move into the Emergency Services building; participated in Youth Shadow Day, Senior Expo, Career Day, Farm Safety Day, continued public safety presentations, as well as other public safety functions; and attended required conferences and training program guidelines. Our goal as a county is to continue the NIMS-ICS training for all of our first responders and partners in emergency services. This division continues fire inspections and investigations; working with special-need clients; continuing the exercise and drill training to meet state and federal guidelines; maintaining the county SCBA system for first responders; gas detection instrument, as well as office equipment. Completed the Lenoir County Stormready application and received approval. Completed the EM Application for funding. Maintaining readiness status for potential EOC activation for any emergency/disaster that can affect our county. ES Director now President of the NC Emergency Management Association.

FY 2007-08 GOALS: 1) To purchase WEBEOC, an interactive software & hardware package that will be used for daily operations, as well as any emergency/disaster events. This program is being utilized across the state now. It is designed to enhance interoperability between government and its partners. 2) To hire a planner for the ES Department. This position would be required to update existing plans, enhance new plans and ensure that these plans are compatible for all jurisdictions. These plans will then have to be utilized in order to meet the objectives set forth in the plans. The planning process is the most critical and the most overlooked.

FIRE DIVISION: 1) For volunteer fire departments to lower their insurance classifications; 2) To obtain countywide requirements for key positions with the departments, such as training officers and chiefs; and 3) to recruit new volunteers in the fire service to ensure adequate fire response during the daytime hours.

2005-2006 ACTUAL	ORIGINAL 2006- 2007 BUDGET	REVISED 2006-2007 BUDGET		ADOPTED 2007-2008
109,276	117,047	117,047	SALARIES	120,111
38,307	39,955	39,955	BENEFITS	40,496
33,122	41,202	41,202	OPERATING	111,590
0	0	0	CAPITAL OUTLAY	0
160,491	173,162	173,162	TOTAL	272,197

EMS Division Organizational Chart



FY 05-06	FY 06-07	FY 07-08
43 Regular	59 Regular	61 Regular
6 Temporary (FTE)	11 Temporary (FTE)	11 Temporary (FTE)
49 Total	70 Total	72 Total

EMS

DESCRIPTION: The Lenoir County EMS Division was formed July 1, 2001 to provide professional and courteous Emergency Medical Care to all citizens of Lenoir County. The EMS division is comprised of both paid and volunteer professionals. It operates twenty-four hours a day, seven days a week. It operates (5) ambulances out of (5) station.

FY 2006-07 HIGHLIGHTS: The EMS Division answered 7192 calls for service in calendar year 2006. This was a 3 % increase from calendar year 06. We accomplished this with an overall 10-minute response time for both Emergency and Non-Emergency calls. We participated in (2) two public education events. We participated in two countywide drills. Construction on the Hugo EMS station was completed in September of 2006. The EMS Coordinator completed training to become a Regional Instructor for Priority Dispatch. He taught EMD continuing education for the communications center and conducted two initial education classes.

FY 2007-2008 GOALS: 1) The EMS division anticipates responding to 7,400 calls in the calendar year 07. This will be a 3% increase from the previous calendar year. 2) Construct a new Deep Run EMS station and relocate a crew to the Deep Run area so they will be center their response district. 3) Participate in two countywide drills in FY 07-08.

2005-06 ACTUAL	ORIGINAL 2006-07 BUDGET	REVISED 2006-07 BUDGET		ADOPTED 2007-08
1,594,531	1,715,660	1,620,981	SALARIES	1,761,156
501,497	559,839	516,250	BENEFITS	608,565
624,738	607,250	645,579	OPERATING	618,250
0	36,000	57,000	CAPITAL OUTLAY	87,000
2,720,766	2,918,749	2,918,749	TOTAL	3,074,971

EMS-Non-Emergency

DESCRIPTION: The Lenoir County EMS Division was formed October 31, 2005 to provide professional and courteous Non-Emergency Medical Care to all citizens of Lenoir County. The non-emergency branch: operates sixteen hours a day, six days a week. It operates (4) four ambulances eight hours a day with varying hours to assure units during peak periods. Other units are added with part-time staff as needed. It also operates (3) Wheelchair Vans.

FY 2006-2007 HIGHLIGHTS: The non-emergency branch answered 7000 calls for service in calendar year 2006. This is a combination of wheelchair and stretcher patients.

FY 2007-2008 GOALS: 1) The non-emergency branch anticipates responding to 8,000 calls in the fiscal year 07-08 and will strive to operate efficiently utilizing all staff during peak periods for transports.

2005-06 ACTUAL	ORIGINAL 2006-07 BUDGET	REVISED 2006-07 BUDGET		ADOPTED 2007-08
\$ 314,196	\$ 510,869	\$ 510,860	SALARIES	\$ 381,620
\$ 85,117	\$ 186,112	\$ 186,112	BENEFITS	\$ 121,672
\$ 107,481	\$ 188,400	\$ 188,400	OPERATING	\$ 148,400
0	0	0	CAPITAL OUTLAY	0
\$ 506,794	\$ 885,372	\$ 885,372	TOTAL	\$ 651,692

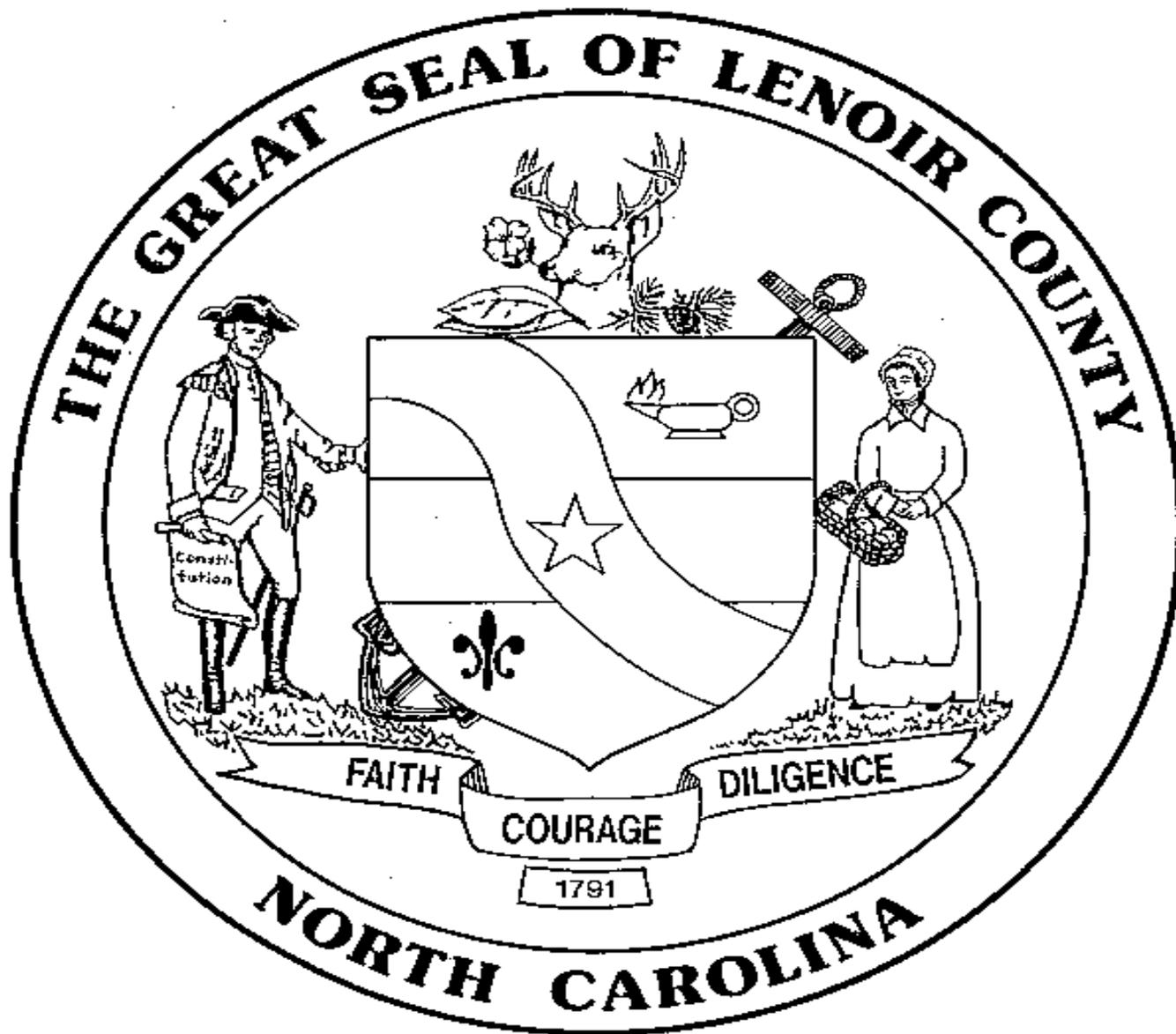
FIRE PROTECTION

DESCRIPTION: This category may allocate additional operating and capital outlay in General Fund Tax Funds (outside of each District’s tax base / rates) to the volunteer fire departments which serve the unincorporated areas of the county.

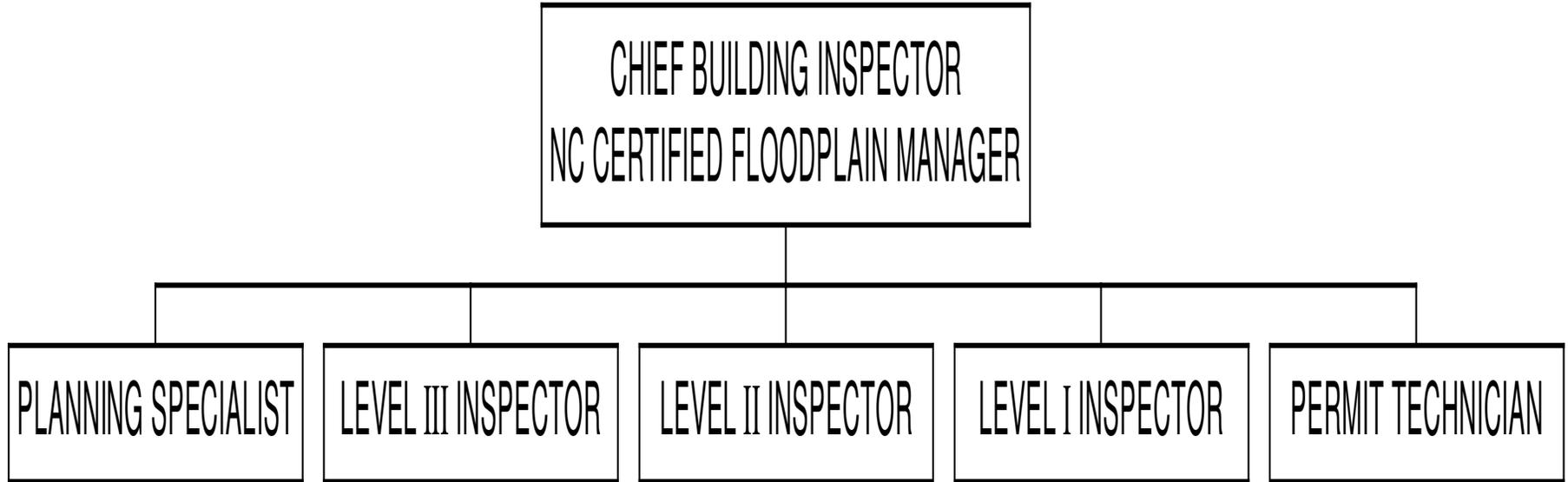
FY 03-04 HIGHLIGHTS: In FY03-04 departments went to six (6) mile districts (from five-mile districts) thereby decreasing non-fire taxed “no man’s land.”

FY 07-08 GOALS: To allow the departments to modify each individual tax rate in order to adequately fund operating and capital needs. To resolve lingering problems with the six (6) mile districts. Develop a good working relationship between the Fire Task Force and the Volunteer Fire Departments.

2005-06 Actual	Original 2006-07 Budget	Revised 2006-07 Budget		Adopted 2007-08
\$51,660	\$51,660	\$51,660	Operating	\$51,660
0	0	0	Capital	0
\$51,660	\$51,660	\$51,660	Total	\$51,660



PLANNING AND INSPECTIONS DEPARTMENT



AUTHORIZED POSITIONS*

FY 2005-2006	FY 2006-2007	FY2007-2008
6	6	6
=	=	=
4	4	3

Major Changes: Only three (3) positions are funded. Level I and Level II Inspector jobs are presently vacant. Planning Specialist is a split position between two employees (Gary O'Neal & Wayland Humphrey).

LENOIR COUNTY PLANNING & INSPECTIONS

DESCRIPTION: The Lenoir County Planning and Inspection Department exists to provide the citizens of Lenoir County with state-mandated inspections for all phases of construction and the administration and enforcement of all Board adopted legislation, including the Land Use Plan, County Zoning, Subdivision, Manufactured Housing and Junkyard ordinances. The issuance of permits for construction and the provision of inspection services as required under N.C.G.S. 153a-351 will help ensure the public's life, safety, health and welfare in the building and land use environment. The department also enforces the requirements of the National Flood Insurance Program and the Community Rating System for FEMA. The department provides owners and builders with plan review, answers to code-related questions and investigations of complaints.

FY 2006-2007 HIGHLIGHTS:

1. Developed and maintained a high quality Planning and Inspection Department for Lenoir County.
2. Successfully maintained a Class 7 Certification from the Community Rating System, provided by the National Flood Insurance Program. A Class 7 Certification entitles the citizens of Lenoir County to a 15 % rate reduction in flood insurance.
3. Chief Inspector maintained certification by North Carolina as a Certified Floodplain Manager through required continuing education conferences and seminars.
4. Maintained high level of Inspector Certification through required code refresher courses / seminars / conferences.
5. Successfully enforced, developed and/or revised the Lenoir County Planning and Zoning Ordinances.
6. Gary O'Neal and Wayland Humphrey successfully performed the responsibilities of Planning Specialist.

FY 2007-2008 GOALS:

1. Assure customer satisfaction while maintaining public safety.
2. Acquire Planning Intern services, from East Carolina University. Intern will help with zoning and code enforcement.
3. Continue to enforce the Lenoir County Land and Zoning Ordinances.
4. Maintain Floodplain Manager certification through required continuing education seminars and conferences.
5. Maintain highest possible Inspection Certification through required code refresher courses / seminars / conferences.
6. Work to maintain efficient schedules to offset rising cost of gasoline.
7. Work to reduce the County's Community rating System (CRS) Classification to a 6.
8. Work to provide public health and safety, while ensuring adequate opportunity for economic development growth, by developing regulatory ordinances.

2005-2006 ACTUAL	ORIGINAL 2006-2007 BUDGET	REVISED 2006-2007 BUDGET		ADOPTED 2007-08 BUDGET
124,044	127,711	127,711	SALARIES	137,889
40,124	41,838	41,838	BENEFITS	42,933
18,712	26,000	26,000	OPERATING	22,200
0	0	0	CAPITAL OUTLAY	0
182,880	195,549	195,549	TOTAL	203,022



MEDICAL EXAMINER

Funds are budgeted to pay for the contracted services of a medical examiner(s). The responsibility of this service provider(s) is to review and evaluate the causes of suspicious deaths in Lenoir County and to report the findings to the appropriate authorities. The contractor(s) conducts independent autopsies where warranted.

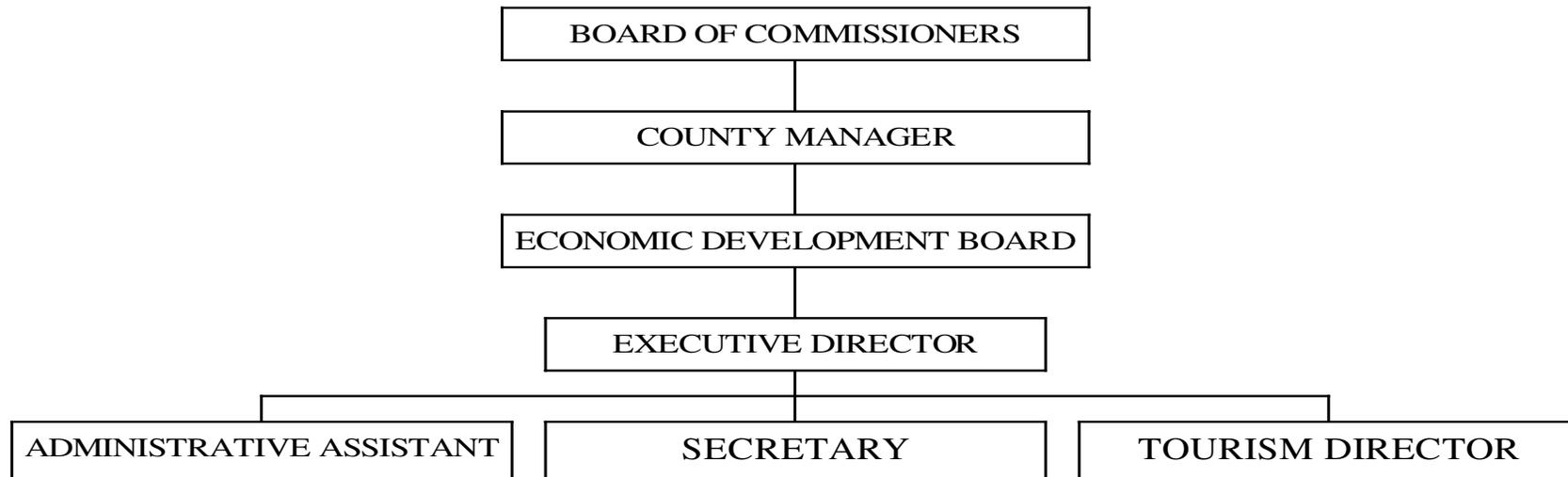
With the possible exceptions of including this cost center in the Sheriff's, Health Department's, or Emergency Service's budgets, there is no logical "home" for it to be budgeted; therefore, it is provided a separate budget page and account number.

HISTORY: The average cost for this service is either \$75 or \$1,000 per autopsy, depending on whether or not the deceased is sent to a pathology lab. This is a cost center which is difficult to control. During the current fiscal year, actual expenditures are running less than budgeted appropriations. However, this is an unpredictable cost center, based upon a review of "original" vs. "final" appropriations over recent years.

FUNDING LEVELS:

2004-05 Actual	Original 2006-07 Budget	Revised 2006-07 Budget*		Adopted 2007-08
\$32,120	\$40,000	\$40,000	Appropriation	\$40,000

ECONOMIC DEVELOPMENT DEPARTMENT



AUTHORIZED POSITIONS*

FY 2005-06	FY 2006-07*	FY 2007-08
4	4	4
=	=	=
4	4	4

*Major changes-added Tourism Director's Position in February, 2006.

Economic Development Department

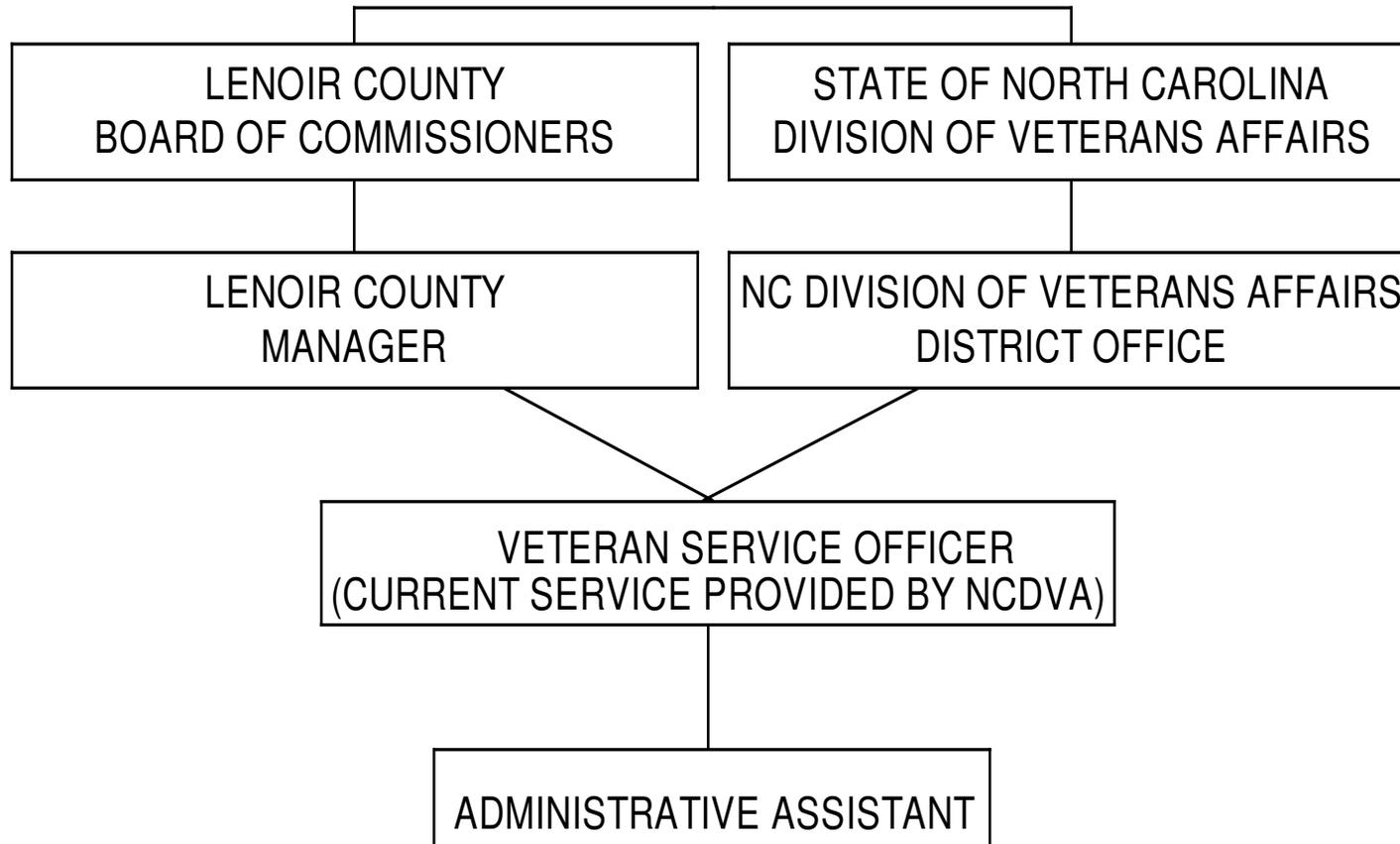
DESCRIPTION: Economic Development exists to stimulate and coordinate increases in “good paying” jobs, expansion of the tax base, growth and retention of industry and businesses, improvements in infrastructure, and assistance in the development of the Global TransPark.

FY 06-07 HIGHLIGHTS: The Economic Development Department played an active role in the recruitment, announcement and relocation of Spatial Integrated Systems (SIS) and A.G. Machning. SIS announced it will invest \$2,750,000 in a leased facility at the GTP and create 37 new jobs over the next three years. A. G. Machining will be assisting Chatsworth Products, Inc. of New Bern, NC in developing a new market product. The company will locate in the former Buehler building on US 70, installing industrial machinery and equipment that represents a non-depreciated investment of \$1,650,000 and create 29 new jobs over the next three years. Allegiant Air began flights twice weekly to Orlando, Florida from the Kinston Regional Jetport. The Economic Development department launched its new website with “*your global connection*” being the theme. In 2007 all departments of Lenoir County along with the City of Kinston will follow. The William S. Lee Act will sunset in December 2007. The NC Department of Commerce replaced the Lee Act with Article 3J. Lenoir County is now designated as a Tier 1 community and can offer additional credits for new and expanding industry. The department continues to work with the Lenoir Committee of 100 to overcome the loss of Delta Airlines, and to promote “*we’re on the way*” a local marketing/image campaign designed for the purpose of helping the local citizens improve our self-image and recognize the successes of Lenoir County. Another major highlight of FY 06-07 was a 16-page supplement in the *Retirement Lifestyles Magazine* depicting what a great community Kinston/Lenoir County is to live, work, raise a family and retire. Lenoir County was also in *Our State Magazine* with an article on our famous fish stew, the article includes King’s Restaurant, Ken’s Grill in LaGrange and the Shad Festival in Grifton.

FY 07-08 GOALS: The Economic Development Department plans 1) to recruit one or more manufacturing prospects for Lenoir County, that will generate at least \$100 million in capital investment and add 150 new jobs, 2) work with existing companies encouraging them to expand here generating at least \$20 million in capital investment and 120 new jobs and 3) continue to work with the NC Global TransPark to help locate industry. We will continue to work to implement the following economic development plan objectives: 1) Prepare Lenoir County and its municipalities to effectively compete for economic development projects, 2) Market Lenoir County’s strategic assets to potential economic development prospects and allies, 3) Call on existing industry to build/maintain relationships and encourage retention and expansion in Lenoir County, 4) Oversee the construction of Shell No. 3 (a 40,000 SF basic industrial building in the 70 West Industrial Park) , and 5) Assist the Tourism Director as needed to oversee the construction of the new visitors center.

FY 05-06 ACTUAL	ORIGINAL FY 06-07 BUDGET	REVISED FY 06-07 BUDGET		ADOPTED FY 07-08
148,633	180,724	180,724	SALARIES	187,453
46,810	56,989	56,989	BENEFITS	57,753
34,639	49,500	49,500	OPERATING	49,500
4,932	--0--	--0--	CAPITAL OUTLAY	--0--
235,103	287,213	287,213	TOTAL	294,706

LENOIR COUNTY - NC DIVISION OF VETERANS AFFAIRS
ORGANIZATIONAL CHART



VETERANS AFFAIRS

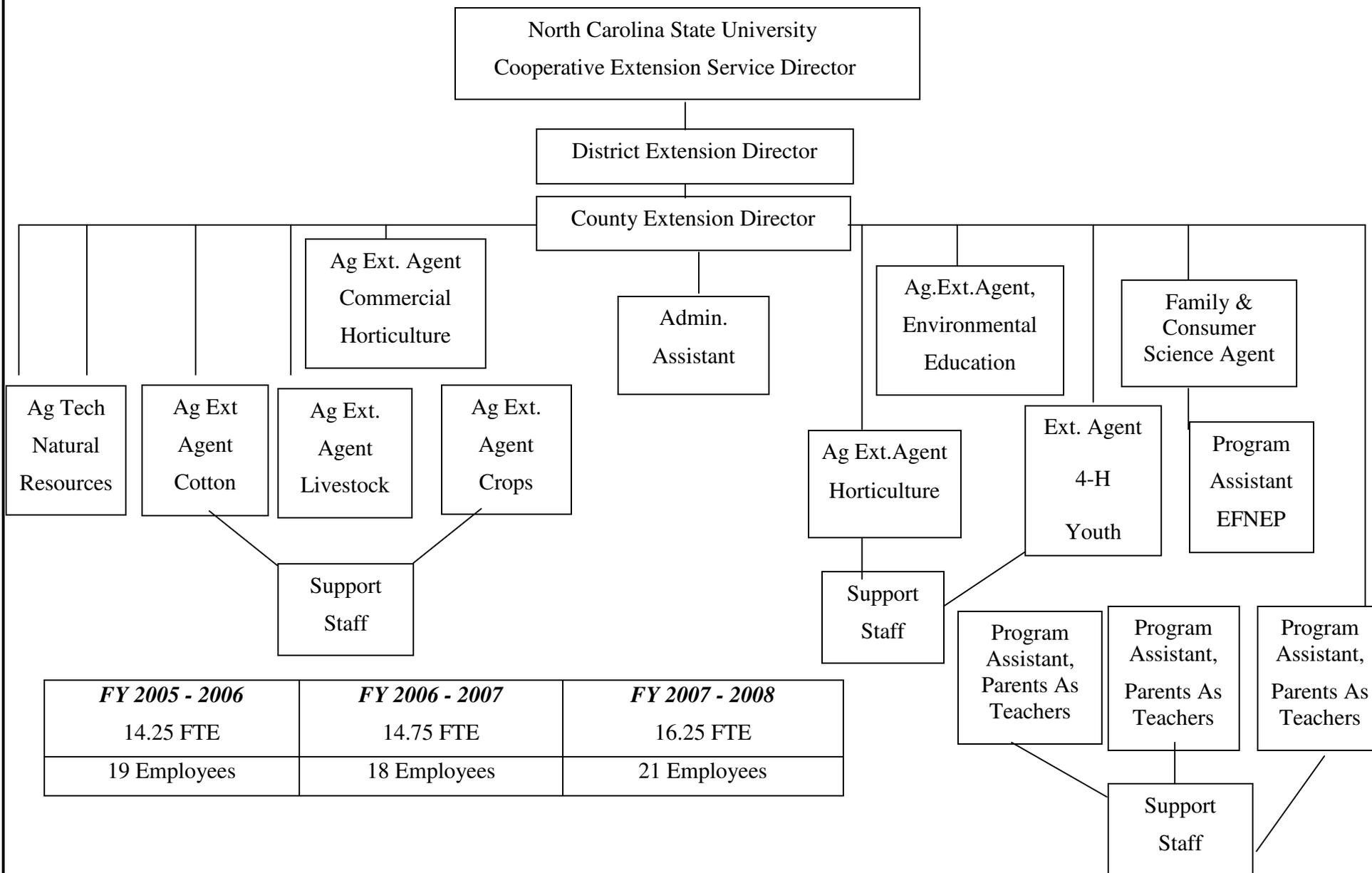
DESCRIPTION: The North Carolina Division of Veterans Affairs and Lenoir County work in partnership to assist Lenoir County Veterans in the presentation, processing, proof, and establishment of claims, privileges, rights, and benefits to which they may be entitled under Federal, State, and Local laws. The VA estimates the population of veterans in Lenoir County who have utilized VA benefits to be excess of 5,300 (this figure does not include spouses, widows, and children). This population estimate also does not include a number of veterans (many of them military retirees) who live in Lenoir County but have never applied for VA benefits. The VA estimate of veteran population has dropped somewhat due to the loss of many of our WWII Veterans but is expected to rise in years to come due to the deployment of our Armed Forces for current conflicts and operations as well as Homeland Security. Our department also cooperates and works in conjunction with various government agencies (Department of Defense, Social Security Administration, County Department of Social Services, County Health Department, etc.) in seeking to serve veterans and their families. The work is complex and exacting because of numerous Federal and State laws that apply. These statutes cover various benefits such as: compensation, pension, insurance, medical (inpatient / outpatient), home loans, and education. The Veterans Office focuses on participation in and support of the veterans' organizations of the county, with the goal of open and free lines of communication and a better informed veterans' population.

FY06-07 HIGHLIGHTS: This office assisted in achieving: (1.) Expenditures by the VA in Lenoir County in excess of \$14,700,000; this does not include medical expenditures (prescribed drugs, fee basis medical services, emergency hospitalization and prosthetic equipment); (2.) Served a veterans' population in excess of 5,300; which did not include spouses, dependents and widows; (3.) Worked closely with local businesses to ensure assistance rendered to those agencies in processing VA monetary benefits; i.e. banks, funeral homes and Department of Social Services; (4.) Continued assisting Lenoir County Veterans to enroll in the VA Health Care System; (5.) Sponsored a seven county District Training Seminar in Lenoir County; (6.) Interviewed and assisted in the application process for the North Carolina Division of Veterans Affairs College Scholarship Program; 45 children of war-time veterans applied for scholarships in our District and 15 were awarded; 9 four-year academic scholarships were awarded to children of Lenoir County War-Time Veterans to attend North Carolina Colleges and Universities.

FY07-08 GOALS: This office plans to: (1.) Continue training for both District and County Veterans Affairs Service Officers to enhance knowledge of claims and requirements due to constantly changing VA laws and regulations; (2) Continue training with the Federal VA VPN Computer Network System as it continues to be updated and upgraded; (3) Enhance awareness of the NCDVA College Scholarship Program for children of certain deceased, disabled or POW/MIA North Carolina War-Time Veterans; (4) Enhance awareness of health benefits available to veterans through the VA Medical Centers in Fayetteville and Durham and Community Based Outpatient Clinics located in Greenville, Morehead City and Jacksonville that are available for local veterans.

2005-2006 Actual	Original 2006-2007 Budget	Revised 2006-2007 Budget*		Adopted 2007-2008
\$21,461	\$22,000	\$22,000	SALARIES	\$23,970
\$1,594	\$1,685	\$1,685	BENEFITS	\$1,835
\$2,871	\$5,740	\$5,740	OPERATING	\$5,350
\$27,676	\$29,425	\$29,425	TOTAL	\$33,155

Lenoir County Cooperative Extension



N. C. Cooperative Extension – Lenoir County Center

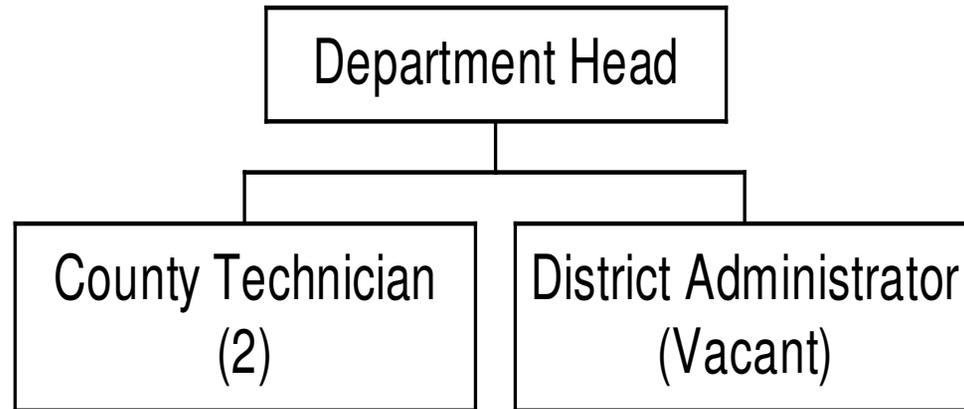
DESCRIPTION: North Carolina Cooperative Extension is an educational organization with its support base a partnership between North Carolina State University, the state of North Carolina and Lenoir County Government. Lenoir County Cooperative Extension Staff, with the support of university-based subject-matter specialists, conduct informal educational programs within five major program areas: 1) Sustaining agriculture and forestry, 2) Protecting the environment, 3) Maintaining viable communities, 4) Developing strong, healthy and safe families, and 5) Developing responsible youth.

FY 2006-2007 HIGHLIGHTS: 578 children were impacted by Extension livestock programming efforts in Lenoir County and over \$80,000 dollars were raised for Livestock educational efforts. Lenoir County 4-Hers, 6,706 youth increased knowledge in science, math, language, and communication skills through participation in educational programs, workshops and demonstrations. 134 4-H Adult Volunteers and 58 youth volunteer leaders engaged in program implementation, facilitating more than 25,000 hours, over 50 received training from Cooperative Extension staff. 1,025 area producers participated in workshops related to improved production practices, meat quality assurance, and improved forage production. An estimated 54 producers adopted tobacco production improvement practices. Over 6,200 lbs. of unused pesticides collected and properly disposed, to ensure improved quality of our environment. In addition, over 9,200 plastic pesticide containers were recycled. Of the 1,351 adults participating in the Expanded Foods and Nutrition Education Program (EFNEP), 95% showed positive dietary changes, 95% showed improved nutrition practices and 95% showed improved food safety practices. Through Parents As Teachers program, 122 families and 167 children have been reached by home visits, 85 % of the parents reported gained knowledge of parenting skills. Lenoir County Master Gardeners have contributed expertise and 2,431 volunteer hours, as a result of training and the Master Gardener Program, this is valued at \$48,990.00. Over 86 Senior citizens have increased their knowledge for better nutrition and health practice.

FY 2007-2008 GOALS: Conduct Environmental Scan to determine the needs of Lenoir County citizens and meet those needs by providing research based information and programs. Strategic priorities will include; to strengthen the economy through profitable, sustainable and safe food, forest and green industry systems. To provide opportunities to protect the environment and natural resources, and to empower youth and families to lead healthier lives and become community leaders

05-06 ACTUAL	ORIGINAL 06-07 BUDGET	REVISED 06-07 BUDGET		ADOPTED 2007-2008
\$171,492	\$190,031	\$190,031	SALARIES	\$205,146
\$40,741	\$43,182	\$43,182	BENEFITS	\$50,198
\$41,430	\$56,100	\$56,100	OPERATING	\$82,735
			CAPITAL OUTLAY	\$3,800
\$268,345	\$302,763	\$302,763	TOTAL	\$341,879

Lenoir Soil and Water Conservation District



FY 04-05 Two technical positions and one county administrative position.

FY 05-06 Two technical positions and administrative position vacant.

FY 06-07 Two technical positions and administrative position (vacant)

FY 07-08 Two technical positions; Administrative position (vacant)

Lenoir Soil and Water Conservation District

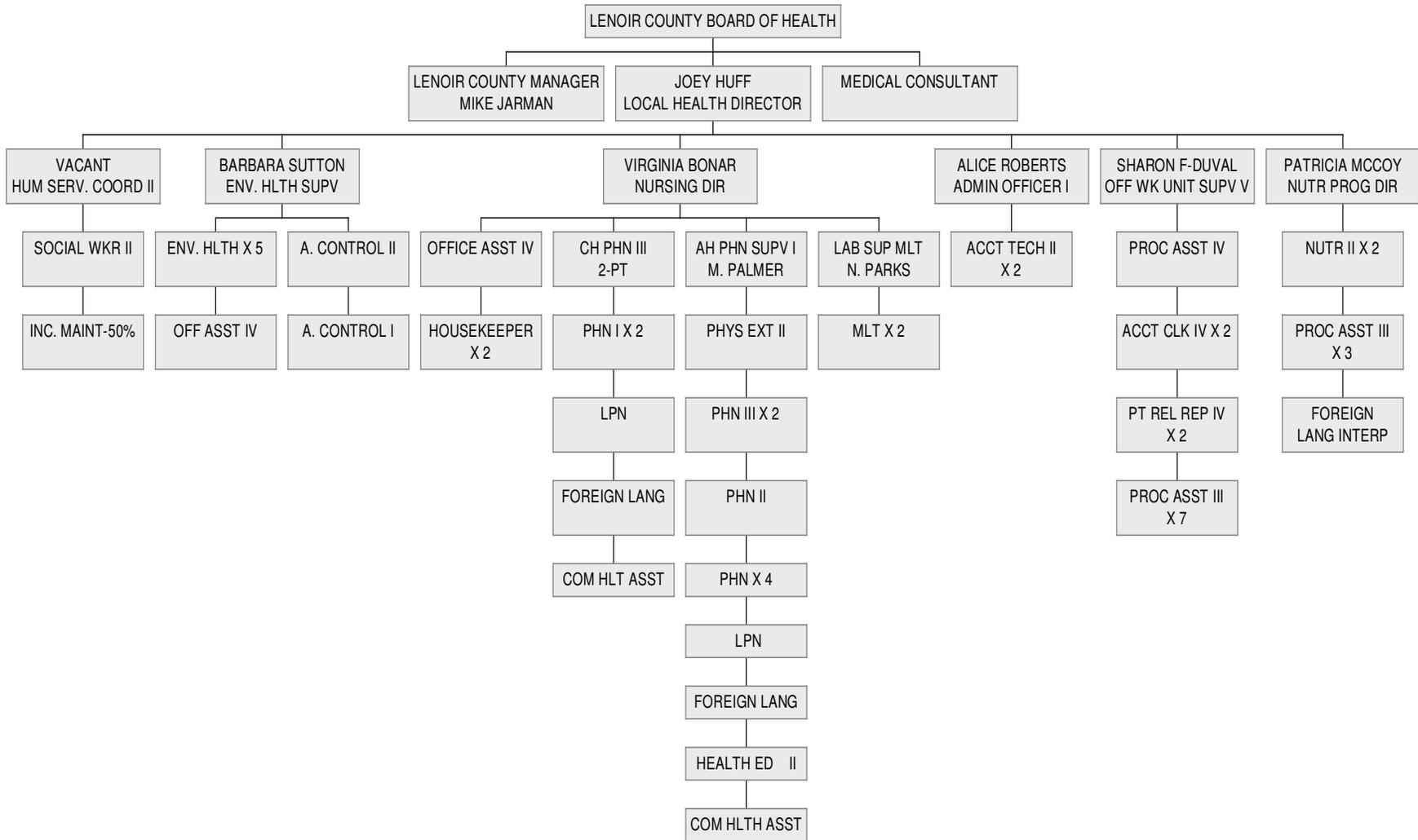
DESCRIPTION: The Lenoir Soil and Water Conservation District is an organization which provides technical and financial assistance to land users in Lenoir County, particularly farmers and producers who have soil erosion and water quality problems associated with their operations. It utilizes both State and Federal Programs to provide cost-share assistance for producers who are willing to install conservation and water quality practices which meet the Natural Resources Conservation Service Standards. The District staff provides service to producers who must comply with ever-increasing State Regulations. Staff also provided conservation education to the Lenoir County School System where the County's future leaders are being shaped and influenced. The County is reimbursed approximately 44% of the salaries and benefits costs of two (2) Agricultural Program Technicians; the County pays 100% of all other District operating costs.

FY 2006-2007 HIGHLIGHTS: The District: 1) Developed cost share contracts totaling \$450,000 for the implementation of Best Management Practices through Federal and State Programs; 2) Provided Technical and/or Financial assistance on more than 21,000 acres; 3) – Provided Technical and/or Financial assistance for the installation of a) 40 acres of Filter Strips, b) 250 acres of Riparian Forest Buffers, c) 12,000 acres of Nutrient Management, d) 9,000 acres of Pesticide Management, e) 5 Incinerators for Mortality Management, g) 10,000 acres of No-Till Conservation Planning, h) and numerous other erosion control practices; 4) Provided Environmental Education to the Schools of Lenoir County through our Poster, Speech and Essay Contests as well as our Envirothon Competition.

FY 2007-2008 GOALS: The District plans to 1) Administer the North Carolina Agricultural Cost Share Program; 2) Administer Federal Cost Share Programs (EQIP – Environmental Quality Incentives Program, CRP – Conservation Reserve Program, CREP – Conservation Reserve Enhancement Program, WRP – Wetland Reserve Program, WHIP – Wildlife Habitat Incentives Program, GRP – Grassland Reserve Program, CSP – Conservation Security Program); 3) Provide technical assistance to Livestock Farmers in order to keep their waste utilization plans current and in compliance with State and Federal regulations; 4) Expansion of Environmental Education program with emphasis on better participation in the essay and speech contests as well as Envirothon competition; 5) Expand conservation program outreach and educational efforts to include minority landowners.

05-06 ACTUAL	ORIGINAL 06-07 BUDGET	REVISED 06-07 BUDGET		RECOMMENDED 2007-2008
67,837	70,643	70,643	SALARIES	72,623
24,791	25,333	25,333	BENEFITS	25,683
2,616	5,275	5,275	OPERATING	11,925
0	0	0	CAPITAL OUTLAY	
95,244	101,251	101,251	TOTAL	110,231

HEALTH DEPARTMENT



Authorized Positions

FY 05-06	FY 06-07	FY 07-08
63	62	61

LENOIR COUNTY HEALTH DEPARTMENT

DESCRIPTION:

The Lenoir County Health Department provides local public health services and programs to county residents. Services and programs include Adult Health/Breast and Cervical Cancer Prevention/Health Promotion, Animal/Rabies Control, Child Health, Child and Maternal Care Coordination, Childhood Lead Prevention, Environmental Health, Family Planning, Immunizations, Laboratory Services, Prenatal Care, Public Health Social Work, Vital Records, and WIC. The department was relocated to the current two-story, 19,000 sq.ft facility at 201 N. McLewean Street in December 1984 after a major capital improvement renovation was completed. The agency has 61 staff positions, the majority possessing a degree and/or a professional license or registration. The submitted FY 06-07 budget is approximately \$3.3 million.

FY06-07 WORK PLAN HIGHLIGHTS:

- Awarded one-time and multi-year grants to address youth obesity and tobacco use by students in school and community college.
- Completed Community Health Assessment.
- Continued planning for Accreditation due in '08-'09.
-

FY07-08 GOALS:

- Report/present and promote Community Health Assessment within community.
- Develop business plan outlining short-term and long-term goals for agency; staffing, funding, program/service delivery.
- Evaluate operational improvements on an ongoing basis to reduce expenditures and enhance revenues.
- Collaborate with school system and community college to address tobacco use by students.
-

FUNDING LEVELS:

Actual 2005-06	Original 2006-07 Budget	Revised 2006-07 Budget		Adopted 2007-08 Budget
1,816,898	1,864,773	1,864,773	SALARIES	1,843,715
719,222	735,389	729,889	BENEFITS	686,151
670,341	687,998	920,968	OPERATING	701,848
15,700			CAPITAL OUTLAY	
3,222,161	\$3,288,160	3,515,630	TOTAL	3,231,714

Bio-terrorism Processing Acct, grant amount \$45,591 included in 07-08 total.

Health Department Immunization Amount \$39,770 included in 2007-08 total.

**LENOIR CO. HEALTH DEPT. BUDGET
2007/2008 REVENUES**

ACCT. NO.	DESCRIPTION	DHHS	CO. APPRO.	MEDICAID	FEES	TOTAL
5110	General	51,540.	536,020.		7,200.	594,760.
5114	Immunization	22,918.	10,654.	6,150.		39,722.
5150	Adult Hlth	383,076.	743,219.	162,500.	60,900.	1,354,134.
5160	Lead Program					***
5162	Child Hlth/CSC	31,510.	274,100.	55,000.	1,450.	362,060.
5167	W.I.C.	292,121.				292,121.
5180	Environmental Hlth	6,750.	320,407.		60,000.	387,157.
5182	Animal Control		155,631.			155,631.
5190	Bioterrorism Prog	49,591.				49,591.
TOTAL		837,506.	2,044,470.	223,650.	129,550.	3,235,176.

	<u>FY 06-07</u>	<u>FY 07-08</u>	<u>Decrease</u>	<u>Percentage</u>
Total Budget	3,352,544.	3,235,176.	117,368.	(4%)
Co. Approp.	1,932,338.	2,044,470.	112,132.	6%

****Lead Program funding undetermined at this time

GENERAL ADMINISTRATION

Description: General Administration is comprised of the offices of the health director, director of nursing, business office and vital records staff (3), clerical support supervisor (1), switch board and front reception staff (2), a secretary, housekeeping staff (2). General Administration budget covers the daily operational expenses of the agency and other expenditures where there is no corresponding line item in another programmatic budget.

FY06-07 WORK PLAN HIGHLIGHTS:

- Maintained expenditures within approved budget for office supplies through comparative pricing and seeking competitive pricing from vendors.
- Initiated agency assessment in preparation of upcoming accreditation.
- Successful compliance with review/audit of laboratory operations for compliance with federal Clinical Laboratory Improvement Act.
- Completed Community Health Assessment.
- Board of Health adopted local rule prohibiting use of tobacco products inside of and within 50 feet of agency.
- Board of Health adopted local rule regulating construction and repair of private drinking water wells.

FY07-08 GOALS:

- Evaluate operational improvements on an ongoing basis to reduce expenditures and enhance revenues.
- Complete agency assessment in preparation of upcoming accreditation process.
- Update Strategic Plan.
- Revise employee performance evaluation tool and review evaluation process.
- Review disaster preparedness plans and update.

FUNDING LEVELS:

2005-2006 Actual	Original 2006-07 Budget	Revised 2006-07 Budget		Adopted 2007-08 Budget
306,990	324,730	324,730	SALARIES	319,098
129,186	132,573	128,073	BENEFITS	126,635
138,700	144,300	149,400	OPERATING	144,362
			CAPITAL OUTLAY	
574,876	601,603	602,203	TOTAL	590,095

ADULT HEALTH SERVICES

DESCRIPTION: Adult Health Services consists of Women’s Health Programs including Family Planning, Low-Moderate Risk Maternity , High Risk Maternity, and Maternity Care Coordination; Breast and Cervical Cancer Control and Prevention; Health Promotion (community); Maternity Care Coordination, and Communicable Diseases Control (Tb/STDs/HIV/AIDS). Staffing includes one nurse practitioner, a supervisor, eight public health nurse positions, one licensed practical nurse position, three nurse assistant positions, two laboratory technicians, two social workers, a health educator, an interpreter, and clerical support staff. Family Planning services are for females of child bearing age who are in need of routine birth control services. Clients receive an annual physical exam that includes a pap smear and their method of contraception. Comprehensive prenatal care is available to low-income females who are pregnant. Pregnant women who may be experiencing any psycho/social issues during the pregnancy can receive enhanced psycho/social counseling from our trained public health social work staff. Case management is offered to pregnant clients through the Maternity Care Coordination (MCC) program. Pregnant women who develop or have a medical condition that can complicate the pregnancy are enrolled in the agency’s High Risk Maternity clinic. We offer a modified/limited gynecological exam to post-menopausal women that includes a pap smear and breast exam to check for the presence or sign of developing abnormal tissues. Women who receive BCCCP services must be between 40-65, low-income, and not have third-party coverage. Women who have abnormal findings/results are referred to local specialists for follow-up care. The Health Promotion program includes community outreach projects such as cholesterol, blood pressure, and diabetes screenings at nominal cost to the general public during health fairs and other public events. A nurse or health educator conducts presentations to civic organizations, senior meal sites, and other small groups about a variety of health topics and distributes health maintenance information. The health department provides free screening/diagnostic and treatment services for the detection and prevention of communicable diseases such as tuberculosis, syphilis, gonorrhea, HIV/AIDS, and other sexually transmitted diseases. There are no eligibility requirements for these services. The health department also provides low cost flu and pneumonia shots to the general public at annual immunization clinics during the fall.

FY06-07 WORK PLAN HIGHLIGHTS:

- Eliminated appointment waiting lists for Family Planning and Maternity programs.
- Nursing staff completed enhanced training modules.
- Hired registered nurses, filling vacant positions.
- Started colposcopy clinic.

FY07-08 GOALS:

- Continue recruiting efforts to fill vacant positions.
- Increase patient caseload in Family Planning and Maternity programs
- Evaluate success of colposcopy clinic.

FUNDING LEVELS:

2005-2006 Actual	Original 2006-07 Budget	Revised 2006-07 Budget		Adopted 2007-08 Budget
772,476	765,861	739,352	SALARIES	704,197
291,878	292,485	281,368	BENEFITS	249,682
393,391	404,329	*594,879	OPERATING	400,255
-0-	-0-	0	CAPITAL OUTLAY	
1,457,745	1,462,675	1,615,599	TOTAL	1,354,134

*Includes grants of \$123,198 and HIV NTS grant of \$36,069

CHILD HEALTH

DESCRIPTION:

The Child Health Programs provide routine, periodic, well-child physical assessments and other health maintenance services to children such as developmental screenings and immunizations. There are no eligibility requirements to receive state mandated immunizations. Public health nurses who have received enhanced training conduct the well-child physicals which include a medical history, complete physical examination, age-appropriate developmental screening, and administering state mandated immunizations according to schedule. Low-income children who are identified as being “ at-risk of a developmental delay”, qualify for Child Services Coordination, a case management program that involves regular home visitations by a public health nurse. Children who are identified through laboratory screening as having elevated blood lead levels are enrolled in the Lead Prevention Program. A public health nurse works with the family on ways to prevent further lead toxicity and monitors the child’s subsequent blood lead levels. Newborn Home Assessments, home visits by a trained nurse who assesses conditions of the post-partum mother and her newborn within two weeks of delivery is also provided.

FY06-07 WORK PLAN HIGHLIGHTS:

- The health dept achieved 91% immunization rate for 0-2yr olds in CY 2006; 92% in CY 05; 88% in CY 04, 87% in CY 03, 88% in CY 02, 87% in CY 01.
- Local health care providers achieved 66% immunization rate compared to 44%, statewide.
- Retirees continued to work part-time in Child Health clinic.
- Two registered nurses obtained Medicaid nurse screener certification.
- Resumed Child Services Coordination (CSC) services and Newborn Home Assessment services.

FY07-08 GOALS:

- Achieve immunization rate of 95% for 0-2 year olds and maintain 100% immunization rate for 2-3 year olds.
- Monitor Child Services Coordination (CSC).
- Train staff for certification as SIDS counselor.

FUNDING LEVELS:

2005-06 Actual Budget	Original 2006-07 Budget	Revised 2006-07 Budget		Adopted 2007-08 Budget
270,038	277,205	303,714	SALARIES	242,258
117,820	119,697	130,814	BENEFITS	94,211
26,145	25,975	49,473	OPERATING	25,975
			CAPITAL OUTLAY	
414,003	422,877	484,001	TOTAL	362,444

WIC

DESCRIPTION: WIC is a federally funded, state administered supplemental foods and nutrition program provided by the health department. Eligibility is based upon residence, income, and documented medical/nutritional need. Eligible participants include pregnant women, post-partum and breast-feeding women, infants to 1 yr old, and children 1-5 yrs old. Participants receive vouchers they redeem at approved grocery stores and pharmacies to purchase WIC approved foods such as infant formula, baby cereal, baby food, milk, fruit juices, low sugar breakfast cereals, cheese, eggs, and dried beans. There are 7.0 FTE, including two Registered Dieticians.

FY06-07 WORK PLAN HIGHLIGHTS:

- Assigned caseload for fiscal year is 1984 clients. Must maintain 97% participation which equals 1,924 clients.
- WIC director to review efficient operation of program

FY07-08 GOALS:

- Meet or exceed required 97% participation rate.

FUNDING LEVELS:

2005-06 Actual Budget	Original 2006-07 Budget	Revised 2006-07 Budget		Adopted 2007-08 Budget
182,154	196,690	196,690	SALARIES	201,666
76,990	79,743	79,743	BENEFITS	80,620
18,025	13,714	15,324	OPERATING	10,173
			CAPITAL OUTLAY	
277,169	290,147	291,757	TOTAL	292,459

ENVIRONMENTAL HEALTH

DESCRIPTION: Environmental Health Program conducts state mandated investigation, permitting, and inspection services. Programs include: Food, Lodging, and Institution involves the permitting and quarterly grading inspections of all food establishments and annual inspections of hotels/motels and institutional facilities such as the local jail and hospital; On-Site Wastewater involves the evaluation of soil suitability for the installation of a septic tank system; Public Swimming Pools involves the annual permitting and periodic inspection of public swimming pools; Tattoo Parlor involves the permitting of tattoo artists and quarterly inspections of the establishment which include instruments, sterilizer/autoclaver, records/documents; Residential and Day Care involves the periodic inspections of licensed day care and residential facilities; and the Lead Investigation involves the investigation for the presence and the abatement of lead contaminated paint in residences, day care facilities, and other locations where children under six years old stay and who have elevated blood lead levels. The Environmental Health Program is staffed with six environmental health specialists (registered sanitarians) including the supervisor, and a secretary. Budgetary total for FY06-07 includes Lead Program state funds.

FY06-07 WORK PLAN HIGHLIGHTS.

- Food and Lodging staff conducted 1,145 mandated inspections, maintaining 100% compliance with required quarterly inspections of food establishments and other facilities which resulted in additional state funding of \$10,712.45.
- Applications for new lot evaluations increased 32% and lot evaluations conducted increased over 30% compared to CY 05.
- Purchased laptops and support devices for Food and Lodging staff in preparation for IBEAM, web-based reporting system.

FY07-08 GOALS:

- Maintain response time from receiving application to conducting lot evaluation to less than 10 business days.
- Maintain 100% compliance with mandated inspections.
- Enforce local private drinking water well rules and develop fee schedule.

FUNDING LEVELS:

Actual 2005-06	Original 2006-07 Budget	Revised 2006-07		Adopted 2007-08 Budget
240,670	240,670	255,110	SALARIES	271,418
82,660	82,660	90,048	BENEFITS	92,925
21,000	21,000	22,500	OPERATING	23,150
			CAPITAL OUTLAY	
344,330	344,330	378,870	TOTAL	387,493

ANIMAL CONTROL

DESCRIPTION: ANIMAL/RABIES CONTROL

The Animal/Rabies Control program enforces the local Lenoir County Animal/Rabies Control Ordinance adopted July 1992 with an effective date October 1992; state rabies control laws, NCGS 130A-184 through 200 and NCGS 67-4.1 through 4.4; and other related state laws. The health department employs two Animal Control Officers; each is equipped with a vehicle, a rifle, and an assortment of cages, traps, snares, and personal protective gear. The jurisdiction of the local ordinance is countywide, including the townships of LaGrange and Pink Hill but excludes the town limits of Kinston. Included in the FY 07-08 budget is a \$62,095 allocation to the SPCA for operation of the animal shelter.

FY 06-07 WORK PLAN HIGHLIGHTS:

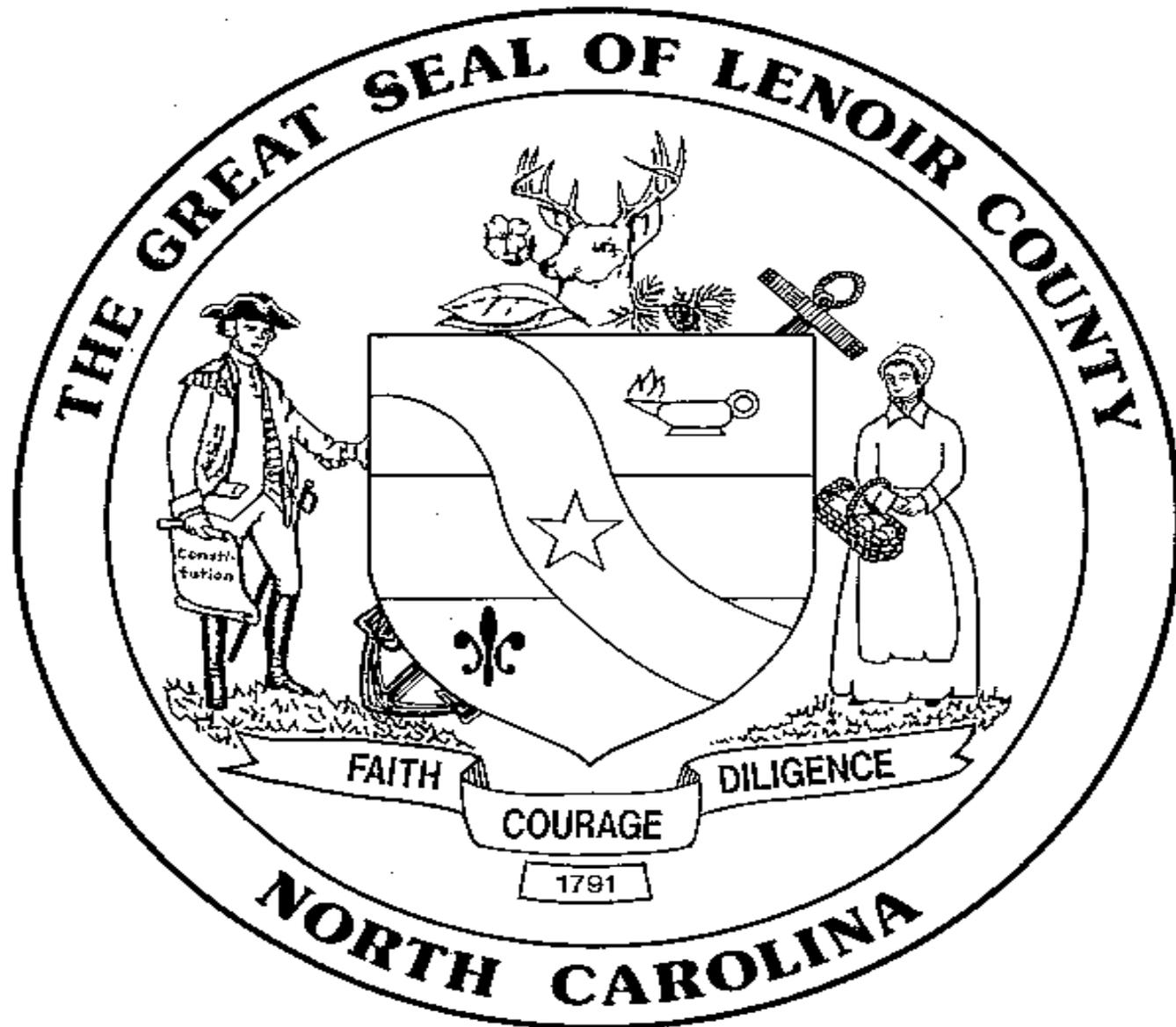
- The number of reported cases of animal rabies in 2006 was 4.
- 38 animal bites reported in 2006.
- Responded to 1,242 complaints/requests for services in 2006.
- The number of cats and dogs picked up and impounded at the SPCA shelter decreased 10% in 2006.

FY 07-08 GOALS:

- Stress safety to reduce the number of workmen’s comp claims.
- Continue collaborating with reorganized local chapter of SPCA regarding animal policies.

FUNDING LEVELS:

2005-06 Actual Budget	Original 2006-07 Budget	Revised 2006-07 Budget		Adopted 2007-08 Budget
44,570	45,177	45,177	SALARIES	46,289
20,688	20,843	19,843	BENEFITS	25,269
73,080	77,180	78,180	OPERATING	84,170
			CAPITAL OUTLAY	
138,338	143,200	143,200	TOTAL	155,728



**Duplin, Sampson, Lenoir, Wayne
Board of Commissioners**

**EastPointe
Area Board**

**EastPointe
CEO**

**LME Administration includes:
Finance, QI, Provider Relations, IT,
Advocacy, Utilization Management,
Access, and Customer Services**

**Contracted Services include:
Comprehensive Mental Health,
Developmental Disabilities and
Substance Abuse Services (with this
including ADVP, Residential Living,
Community Support, TASC,
Psychosocial Rehabilitation, and
Assertive Community Treatment
Team**

**EASTPOINTE CENTER
FY 06-07: 127 FTEs
FY 05 – 06: 184 FTEs
FY 04 – 05: 326 FTEs**

LENOIR COUNTY MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE CENTER

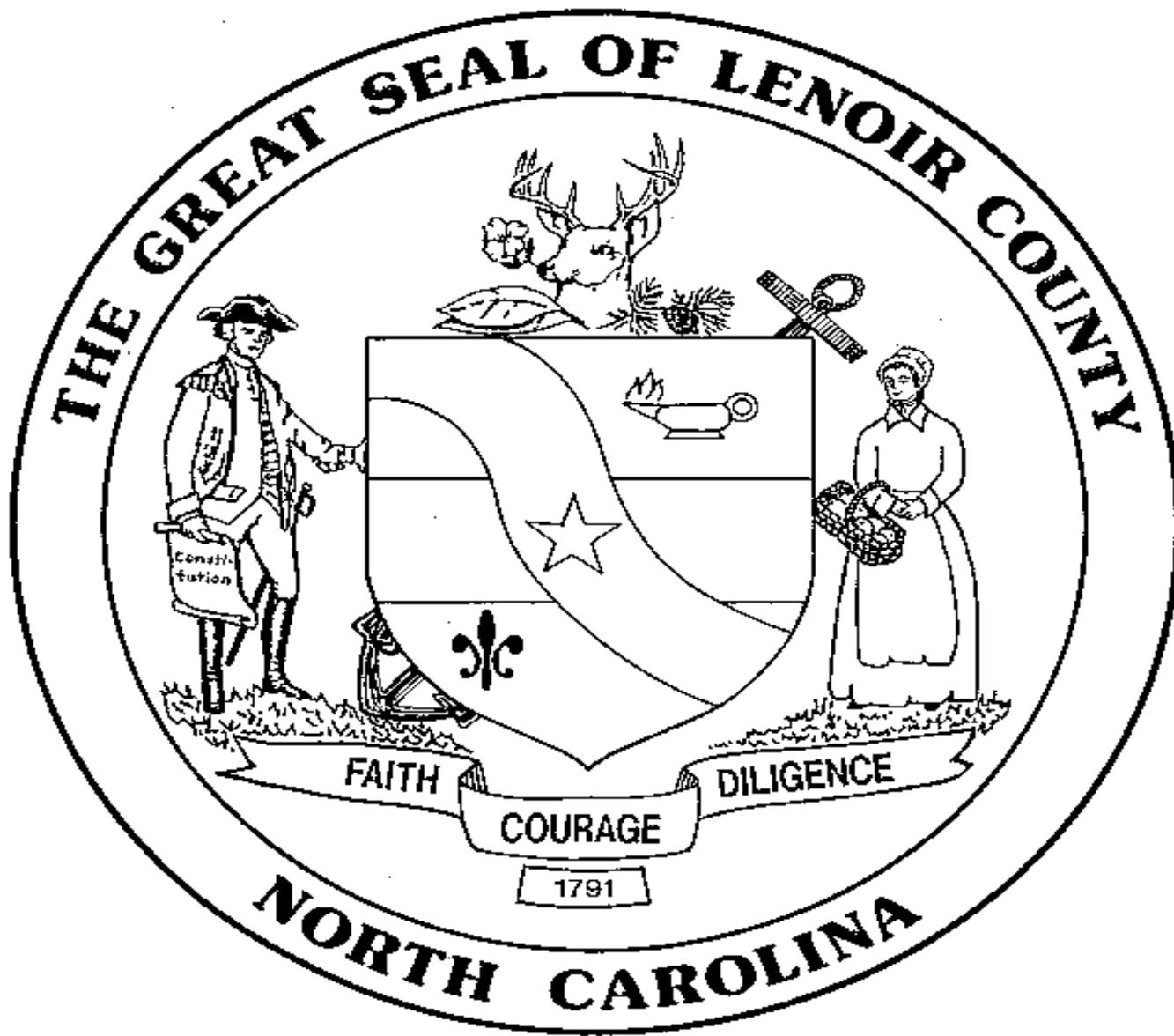
DESCRIPTION: The Lenoir County Mental Health Center exists, under the direction of the Eastpointe Area Board, to provide or contract for the provision of mental health, developmental disabilities, and substance abuse services for the citizens of Lenoir County under the rules and applicable statutes governing licensing of facilities and accreditation of programs and services, General Statute 122C and APSM 30-1.

FY 06-07 HIGHLIGHTS: Eastpointe continued to develop as a Local Management Entity through the continued fulfillment of its Business Plan and divestiture of services to the private care community. In Lenoir County many private provider agencies have developed and evolved in an effort to continue to serve the citizens of Lenoir and consumer needs were met. All services previously provided in Lenoir County through the Mental Health Agency are now being contracted to private providers. The LME is continuing to develop a full array of services in Lenoir County and to ensure that the available services are delivered in a The quality and quantity of services remained unchanged and Eastpointe continued to ensure the highest level of behavioral health care for Lenoir County.

FY 07-08 GOALS: The Lenoir County Mental Health Center will continue to ensure consumers receive quality services delivered in a manner that facilitates client growth. Staff will continue to work with the local community, the Lenoir County Commissioners and appropriate state officials to ensure that privatization of services does not equate to a reduction in services or quality of service delivery. Furthermore, Eastpointe will further enhance itself as an LME and as a behavioral health advocate by ensuring that county local funds are appropriately used to provide services for the uninsured or underinsured.

FUNDING LEVELS

	2005-2006 Actual	Adopted 2006-2007	Adopted 2007-2008
Total	\$4,769,262	\$4,769,262	\$4,769,262
County Share	\$244,649	\$245,227	\$240,139
Mental Health Bonds	\$101,413	-0-	-0-



Lenoir County Criminal Justice Partnership Program

Description: The Lenoir County Day Reporting Center has been officially operating since March 1, 2007. As a part of the Criminal Justice Partnership Program, it is design to work with the Department of Community Corrections to reduce incarceration of offenders and to offer substance abuse treatment, GED, Job placement/job skills training through Lenoir Community College and other service to aid the offenders in becoming productive citizens. The goal of the program is to serve approximately 70 offenders this fiscal year. If we are successful in achieving this goal, we expect a savings to the county/state of approximately 1.5 million dollars vs. the cost on incarceration.

FY 07-08 GOALS: To build and increase service to the offenders in order to meet most of their needs in a One-Stop Shop concept.

TOTAL FY 07-08 EASTPOINTE MENTAL HEALTH \$20,000

TOTAL FY 07-08 GRANT FUNDS: \$91,631

DEPARTMENT OF SOCIAL SERVICES

DESCRIPTION:

The Lenoir County Department of Social Services is a County Operated, State Supervised, Public, Non-Profit, Human Services Delivery Organization which provides Economic Support, Health Care Financing, Child Support Enforcement, Employment and Training, and Professional Social Work Services to the citizens of Lenoir County. The primary mission and purpose of Social Services (the reason it exists) is to assist the county in coping with the social and economic conditions with which it is faced.

In fulfilling its mission and purpose, the Lenoir County Department of Social Services operates a large number of complex programs authorized by Chapter 108A of the North Carolina General Statutes and/or the Lenoir County Board of Social Services. And while the Department of Social Services operates over seventy different programs, these programs can be grouped into the following nine major categories: **Medicaid, Special Assistance, Food Stamps, Child Support, Work First Family Cash Assistance, Work First Employment, Child Daycare, Adult Social Work, and Child Welfare Social Work.**

In providing these programs and services, the Lenoir County Department of Social Services produces goods and services that promote the “general well-being” of the citizens of Lenoir County.

FY 06-07 WORK PLAN HIGHLIGHTS:

- 1) Work First provided over \$3 million in Daycare Services and continued Parenting classes;
- 2) Implemented a management Contract for the Child Support Program; Child Support Program improves;
- 3) Continued services to non-custodial parents in Work First and Child Support;
- 4) Food Stamp applications continue to increase;
- 5) Child Welfare Program cited as most improved program in the Region; and,
- 6) Medicaid cases for Families/Children/Adults continue increasing;

FY 07-08 GOALS:

- 1) To Cope with the **Exodus** by improving recruitment and retention of expert staff;
- 2) To improve benefits for all DSS employees in an effort to be more competitive in the actual market;
- 3) To meet Federal and State Program Standards;
- 4) To assist the County in coping with its many social and economic problems;
- 5) To improve Program performance in the Child Support Program; and,
- 6) To reorganize effectively in the face of Budget cuts and a Reduction-in-Force.

SUMMARY OF EXPENDITURES/REVENUES

<u>PROGRAM AREA</u>	<u>FY 05-06</u>	<u>FY 06-07</u>	<u>FY 07-08</u>
MEDICAID	\$6,811,877	\$7,694,545	\$7,963,322
SPECIAL ASSISTANCE	\$960,215	\$983,913	\$1,026,803
FOOD STAMPS	\$1,203,966	\$1,368,810	\$1,371,709
CHILD SUPPORT	\$1,123,416	\$1,203,122	\$1,300,781
WORK FIRST FAMILY ASSISTANCE	\$487,072	\$473,663	\$352,956
WORK FIRST EMPLOYMENT	\$708,744	\$724,584	\$309,482
CHILD DAY CARE	\$3,260,375	\$3,158,465	\$3,114,276
ADULT SOCIAL WORK	\$1,186,286	\$1,052,872	\$974,786
CHILD WELFARE SOCIAL WORK	\$2,388,344	\$3,000,672	\$2,751,080
BUILDING PRINCIPAL	\$0	\$0	\$0
SUBTOTAL-ALL DSS RELATED COSTS	\$18,130,295	\$19,660,646	\$19,165,195
LESS INDIRECT COST*	\$887,490	\$1,056,380	\$875,130
NET BUDGETED EXPENDITURES	\$17,242,805	\$18,604,266	\$18,290,065
STATE/FEDERAL REVENUES	\$9,215,658	\$10,155,585	\$9,291,270
COUNTY SHARE (LOCAL ONLY)	\$8,027,147	\$8,448,681	\$8,998,795

*Note: Revenues realized from Indirect Costs are included in the row entitled "State/Federal Revenues"

MEDICAID

Description: “Medicaid”, also referred to as Title XIX or the Medical Assistance Program, provides comprehensive and necessary medical care for all categorically needy and medically needy low-income recipients. A “categorically needy” individual is one who is entitled to medical assistance by category or grouping (TANF, Special Assistance, and Foster Care, etc.) A “medically needy” individual is one whose income and resources fall within or below the State’s 100% to 250% of poverty income guidelines and is in need of medical care. The total Medicaid dollars as shown in the Social Services budget includes payments made to the following providers: hospitals, pharmacies, physicians, clinics, transportation, and the Lenoir County Health Department. Social Services serves as the mechanism for determining eligibility for all Medicaid recipients.

FY 06-07 HIGHLIGHTS: The Lenoir County Medicaid Unit experienced many changes during the current FY. (1) Effective September 1, 2006, Citizenship and Identity must be verified for all applications and reviews; (2) Medicaid raised the prescriptions limit from 6 to 8 prescriptions with an additional of 3 prescriptions at the pharmacist request; (3) The CAP/AIDS waiver was terminated and these clients are managed under CAP/DA and CAP/C.

FY 07-08 GOALS: Medicaid will strive to (1) Continue to exceed the 75% compliance threshold for processing denials, inquiries, withdrawals, and discouragement at application; (2) Continue to process applications timely; (3) Adequately train staff in the Medicaid Unit to provide timely and accurate benefits to all eligible applicants and to maintain a low or no error rate.

FUNDING LEVELS

FY 05-06	FY 06-07	Adopted FY 07-08
\$6,811,877	\$7,694,545	\$7,963,322

FOOD STAMPS

Description: The USDA Food Stamp Program is designed to promote the general welfare and safeguard the health and well-being of the County’s population by raising the levels of nutrition among the County’s low-income individuals. Social Services serves as the mechanism for determining eligibility for and providing benefits to all Food Stamp eligible households. The Department also conducts performance reviews, including tracking, spending and issuing the EBT benefits. As a part of the Food Stamp Program, the Department of Social Services also provides Employment and Training to all recipients not exempt as a primary caretaker. The Department also distributes USDA Surplus Commodities under contract with the local National Guard Armory.

FY 06-07 HIGHLIGHTS: Lenoir County’s Food Stamp Program experienced little changes during the current fiscal year. (1) USDA approved to align the change reporting time frames for change reporting households. The change permit Standard, Simplified, and Semi-Annual households to report changes by the 10th of the month, following the month of change; (2) Revision of the DSS-2435SR form to capture more household data used to determine the household’s previous eligibility automatically populated from the Food Stamp Information System (FSIS); (3) The North Carolina Education Lottery is now used to collect on a claims.

FY 07-08 GOALS: Food Stamps will strive to: (1) Have zero overdue emergency applications by ensuring that all recipients receive accurate and timely benefits; (2) Increase Food Stamp Fraud Collections by 50%; (3) Continue the Department’s joint venture with ESC and LCC in its very successful operation of the Career Start Program; (4) Continue the distribution of USDA Commodities under contract with the National Guard Armory.

FUNDING LEVELS

FY 05-06	FY 06-07	Adopted FY 07-08
\$1,203,966	\$1,368,810	\$1,371,709

SPECIAL ASSISTANCE

Description: Special Assistance is a state and county funded program that provides payments for the cost of care for Aged and Disabled residents of groups homes and rest homes. Eligible recipients receive a check to help pay the cost of care. Special Assistance recipients also receive full Medicaid benefits. This type of care is divided into two levels: ambulatory for patients who are capable of independent ambulation and semi-ambulatory for patients who require assistance with ambulation. The current payment rate is \$1,231 per month.

FY 06-07 HIGHLIGHTS: The Special Assistance Program had few changes during the current fiscal year. The In-Home program continues to grow. The SA rate increased from \$1,118 to \$1,148.

FY 07-08 GOALS: The Special Assistance Unit will strive to (1) Continue to process applications accurately and timely for all eligible applicants; (2) Continue to have good communication with the community and rest homes that provide care to the Aged and Disabled.

FUNDING LEVELS

FY 05-06	FY 06-07	Adopted 07-08
\$960,215	\$983,913	\$1,026,803

WORK FIRST FAMILY ASSISTANCE

Description: The Work First Family Assistance Program is built on the premise that “all people have a responsibility to their families and to the community to work and to provide for their children”. As an “Electing County”, this program provides a time-limited subsidy payment and Medicaid benefits to families while the parent participates in work-related activities designed to help the parent to find and maintain gainful employment. This program also provides short-term emergency assistance on a one-time basis in the form of Benefit Diversion payment. All program services are intended to prevent long-term welfare dependency.

FY 06-07 HIGHLIGHTS: The unit’s focus has shifted to services that are more diversionary and fewer WFFA cases. The WFFA caseload continues to slowly decline. Lenoir County remains an “Electing County.” This has proven to be a very positive move fore the WFFA program by making more funding available to serve WFFA families and families at risk of welfare dependency. The average WFFA check is \$212 per family. Today, 68.7% of the 253 WFFA households are children living with a relative other than a parent, most often their grandparents. The average WFFA parent is a single mother between 20 to 29 years old, with one child under age six years. This average family has received WFFA payments less than six months. Beginning in February, all WFFA checks paid to a parent are issued at the end of the month, provided the parent has completed the required number of program activity hours.

FY 07-08 Goals: The Work First Family Assistance Program plans to: (1) Aggressively pursue all available alternative resources for applicants in order to divert families from long-term dependency upon welfare; (2) Provide supportive services to employed families in order to prevent a return to welfare; (3) Ensure that all WFFA children receive required immunizations and regular medical and dental care; (4) Ensure that all WFFA children remain in school until graduation and that all teen parents finish high school; (5) Ensure that teen parents remain in the care of a responsible adult while receiving WFFA benefits.

FUNDING LEVELS:

FY 2005-06	FY 2006-07	Adopted FY 2007-08
\$487,072	\$473,663	\$352,956

WORK FIRST EMPLOYMENT SERVICES

Description: As a component of the Work First Program, The Work First Employment Services Unit (WFE) provides employment services to WFFA parents. The WFE social workers aid the participants to realize self-sufficiency by obtaining employment. To accomplish this, the social workers identify and resolve barriers to employment and coordinate the participant's efforts to gain the skills necessary to obtain gainful employment or to find a better paying job. There are currently three social workers and one Human Resource Placement Specialist (HRPS) assigned to the component. The HRPS solicits and monitors work experience placements for WFE recipients and provides employment services to participants with lower level barriers while the social workers provide services for participants with higher level barriers. DSS contracts with public, non-profit, and private-for-profit employers who provide on-the-job training for program participants. Unit staff provides case management and supportive services for employed families whose income is below 200% of the federal poverty levels and non-custodial parents of WFFA children.

FY 06-07 HIGHLIGHTS: DSS began a partnership with Life of N. C. to provide STRIVE classes for WFE participants, unemployed parents with income below 200% of poverty, and non-custodial parents of WFFA children. Seventy-five percent of individuals completing the STRIVE classes have obtained full-time employment. As of March 2007, DSS has met six of the seven program goals.

FY 07-08 Goals: The WFE component plans to: (1) Assist 100 participants to find employment; (2) Offer supportive services sufficient to allow 90% of families leaving WFFA for employment to remain off WFFA for one year; (3) Providing Employment Services to 80% of single parent WFFA families and 100% of two-parent WFFA families; (4) Ensure that 50% of all single parent families and 100% of all two-parent families meet federal participation requirements; and (5) Ensure that 60% of participants who leave WFFA due to employment, remain employed six months after leaving WFFA.

FUNDING LEVELS:

FY 2005-06	FY 2006-07	Adopted FY 2007-08
\$708,744	\$724,584	\$309,482

ADULT SOCIAL WORK SERVICES

DESCRIPTION: Adult Social Work provides specialized services to the aged/ disabled to enhance independence in one's own home or in placement. Services include Level II and III In Home Services, rest/nursing home placements, guardianship, adult protective services, adult home case management, Medicaid case management, and group homes monitoring for compliance issues. In-Home Aide services are funded by the Home and Community Care Block Grant, State In Home and Social Services Block Grant and are contracted. Adult Protective services are provided to adults who are aged / disabled and are being abused, neglected or exploited. Adult Care Case Management services assist residents in rest homes to receive enhanced services. Medicaid case management services provide services to individuals, who are at risk of becoming abused, neglected or exploited. Nursing and Family Care Home placement assists in out- of-home placement for individuals unable to live in their own home. Adult Care Case Management Services provides help in group placement to maintain independence. Guardianship services provide help to those unable to manage their own affairs and have no one to help.

FY 06-07 HIGHLIGHTS: The Adult Services Unit filled two vacant positions ; however, due to budget cuts two positions were abolished. Due to the re-structuring of the Adult Services Unit plans are underway to develop new areas of job responsibilities for staff. Adult Services interviewed and assessed over 448 individuals at Intake. The State-County Special Assistance for In-Home clients were increased from 13 to 15 slots. The Unit has been able to maintain a small donation fund to meet the needs of certain adult/elderly clients at Christmas or special needs that are not covered by medicaid/medicare. The Unit was very conservative while managing the \$18,000 GA monies.

FY 07-08 Goals: Adult Services will (1) Continue with all the above; (2) Maintain an attitude that is conducive to a positive work environment while experiencing the re-structuring of the unit (3) Continue to provide more in-service training opportunities for the workers to include medical/psychological aspects of aging, retardation, sexual abuse/exploitation, etc; (4) Present information to community groups; and (5) Continue to develop a team spirit between the Adult Services and the Child Welfare Units.

FUNDING LEVELS

FY05-06	FY 06-07	Adopted FY 07-08
\$1,186,286	\$1,052,872	\$974,786.00

CHILD SUPPORT ENFORCEMENT

Description: The Child Support Enforcement Program (CSE) was established in 1975 by Public Law 93-647, Part B (Title IV-D of the Social Security Act) and N. C. General Statute 110-128-141 to ensure that the children of Lenoir County receive the support from both parents to which they are entitled. The CSE program seeks to ensure that non-custodial parents support their children. If the child is receiving Work First Family Assistance (WFFA), the state retains collected support and treats this as reimbursement for WFFA funds. The state distributes this money to county, state, and federal governments in a percentage amount equal to their participation in financing the WFFA program. For children who do not receive WFFA, the child support collected is paid to the custodial parent or caretaker of the child. The CSE program offers a wide range of services that include Location of Absent Parents, Establishment of Paternity and/or Support, Enforcement of Support Orders, and Collection of Support Payments. CSE services are provided free of charge to families receiving WFFA and Medicaid. All other families pay a small one-time fee ranging between \$10.00 to \$25.00 based on the family's income. Just over six thousand Lenoir County families depend upon the Child Support Unit for these services.

FY 06-07 HIGHLIGHTS: The Lenoir County CSE Unit operated with 81.7 percent of total cases under order and established paternity for 89.4% of children born out of wedlock. Total collections have increased and are expected to reach \$7,000,000 by the end of the fiscal year. In February, DSS began a partnership with Young Williams, P. A. to provide management services for the CSE Program. In the second month of this partnership, total collections increased by \$210,000 per month.

FY 07-08 Goals: Child Support will strive to (1) Establish Paternity for 100.3% of children born out of wedlock in open CSE cases; (2) Establish a support order for 88.5% of CSE cases; (3) Collect 71.4% of current support due; (4) Collect 69.8% of arrears due; and (5) Collect a total of \$7,098,120 in support for Lenoir County children.

FUNDING LEVELS:

FY 2005-06	FY 2006-07	Adopted FY 2007-08
\$1,123,416	\$1,203,122	\$1,300,781

CHILD CARE SUBSIDY SERVICES

Description: Using a combination of funds from the Division of Child Development, Smart Start, and Work First, DSS provides subsidized child care services to eligible families. Based on parental choice, subsidized care is provided in approved child care arrangements. Families must be income eligible to receive a subsidy to support employment or education and training to enhance employment. DSS provides child care services to support child protective services or child welfare services, to children in DSS custody, and to families in emergency situations without regard to family income. Eligible families are given a voucher to help purchase appropriate child care. Parents pay a portion of the child care costs by paying 8%, 9%, or 10% of their income as a parent fee. Enrolled providers submit attendance reports to DSS for reimbursement of child care services. Child Care Services are funded by 35% state dollars and 65% federal dollars.

FY 06-07 Highlights: Funding was sufficient to serve all of the eligible families who requested assistance without a waiting list; however, this represents only 20.1% of all eligible Lenoir County children. DSS contracted with 51 licensed child care centers, 29 licensed child care homes, and 12 non-licensed child care homes. Eighty-six percent of families receiving subsidy services are employed full-time and eighty-two percent of recipient families earn less than \$25,000 per year.

FY 2007-08 Goals: (1) Ensure that vulnerable Lenoir County children have access to a safe, nurturing, financially stable environment; (2) Provide Child Care Subsidy Services in a prompt and timely manner; (3) Maximize Child Care funding; (4) Avoid county charge-backs due to worker error. (4) Ensure that good quality child care is available, accessible, and affordable for all Lenoir County children who need it to support employment, education and training to enhance employment, child welfare, and child well-being; (5) Ensure compliance with Division of Child Development standards for fiscal control and subsidy related management by enrolled providers; and (6) Enable parents to maintain employment in order to support their family and achieve economic independence.

FUNDING LEVELS:

FY 2005-06	FY 2006-07	Adopted FY 2007-08
\$3,260,375	\$3,158,465	\$3,114,276

CHILD WELFARE SERVICES

DESCRIPTION: Child Welfare is a continuum of services for families and children who are in need of being in a safe environment and who need permanent families/homes. Families and children involved with issues of abuse, neglect, and dependency come to the attention of the Department of Social Services. Primary services provided to these families are investigations, assessment/treatment services, foster care, and adoption. Other child welfare services include recruitment, development, training and licensing of foster homes for children who are in the legal custody of the Department of Social Services. Court ordered home studies and Interstate Compact placement studies are other activities of child welfare.

FY 06-07 HIGHLIGHTS: Child Welfare Services continues to utilize an unsatisfactory rating on the Child and Family Services Review to set goals to improve the level of social work practice and services to families and children in Child Welfare. After the implementation of the Program Improvement Plan on September 1, 2006 the Child Welfare Unit achieved substantial conformity in 7 out of 7 areas ;therefore, substantial compliance with federal performance measures was achieved. This included improving the screening process of Child Protective Services Reports, improving response time and thoroughness of CPS Assessments, and developing more thorough In-Home/Out -Of-Home Services Agreements with families/children and conducting more purposeful and helpful follow-up family/child visits. We continued to strengthen supervisory performance through individual and group training. Social Worker practices were improved through the provision of regular in-service training, utilizing State training, and available experts. Community relationships were improved by establishing a more cooperative and collaborative relationship and conducting scheduled informational meetings. Also, social workers were encouraged to get formal social work education.

FY 07-08 Goals: Children’s Services will **(1)** Continue all of the above; **(2)** Prepare staff for the upcoming Child and Family Services Review in September 2007 **(3)** Continue to diligently gain permanence for children currently in foster care through reunification with their families, relative placement, or adoption; **(4)** Continue to utilize the Multiple Response System which changes the focus of child welfare investigations to CPS Assessments utilizing the family centered approach.

FUNDING LEVELS

FY 05-06	FY 06-07	Adopted FY 07-08
\$2,388,344	\$3,000,672	\$2,751.080

LENOIR COUNTY PUBLIC SCHOOLS

DESCRIPTION: Lenoir County Public Schools is comprised of ten (10) elementary, four (4) middle, three (3) high, two (2) alternative schools, and beginning with the 2007-08 school year, one Early College High School. The State of North Carolina views the operation of school systems as a partnership between Federal, State, and Local agencies. In that regard, the State views its responsibilities to provide for the education and views the responsibilities of the Local agencies to provide for the schools' operating expenses and capital building needs. Appropriated through the Lenoir County Board of Commissioners, the majority of funds are used for costs associated with utilities, maintenance of school facilities, custodial services, legal services, the Board of Education, and administrative costs. In addition, local funds go to pay for salaries and supplements for staff. These funds have also enabled the Lenoir County Board of Education and Lenoir County Public Schools to provide a lower student/teacher ratio in most of our schools than required by the State. Funds appropriated for capital outlay support construction and renovation of sites owned by the Board of Education and include maintenance of boilers, roofs, classroom furniture, and new additions. Funds have also been expended for the replacement of activity buses and maintenance department equipment and vehicles.

FY 06-07 HIGHLIGHTS: Spending for the 2006-07 school year was guided by the following programs: (1) International Baccalaureate and Advanced Placement, (2) AVID, (3) Algebraic Thinking, (4) LEAP Grant, (5) SAS in School Implementation and SAS Data-Driven Warehouse, (6) Annenberg Educational Programming (7) Bright Ideas (8) SuccessMaker, (9) Reading First, (10) Waterford, (11) Even Start and More at Four, (12) Thinking Maps, (13) IMPACT Model Training, (14) ISTE Technology Partnership, (15) DIBELS, (16) Early College High School, (17) Project Lead the Way, (16) Distance Learning (Cyber Campus), and (17) Parent Involvement.

Additional Highlights: (1) The Public School Building Capital Fund and Sales Tax Funds financed nearly \$900,000 in Capital Projects for Lenoir County Public Schools, (2) Bids were let and contracts signed on three new schools and one renovation project--the first fruits of the \$64.9 million bond issue that was approved by Lenoir County voters, (3) Over 350 new classroom computers were purchased, (4) Nearly 70% of all expended funds for Lenoir County Public Schools was expended in the classroom, (5) The level of local supplements for instructional staff was raised by nearly 63% during the year, (6) Despite a decline in attendance and state allotments, Lenoir County Public Schools provided a relatively stable instructional staffing level, and (7) Contracts for various maintenance-related services, totaling nearly \$750,000, were awarded to local contractors.

FY 07-08 GOALS: The mission of Lenoir County Board of Education and the Lenoir County Public Schools is "Preparing all students to be competitive and productive citizens in a global economy." To achieve this mission, the funds appropriated locally will assist in accomplishing the following: (1) Attain high academic achievement for all students, (2) Provide safe and orderly learning environments, (3) Attract, retain, and develop an exceptional workforce, (4) Provide excellent school facilities that are conducive to teaching and learning, (5) Increase collaboration and partnerships with the community, and (6) Ensure fiscal responsibility and equity.

SCHOOLS' PERFORMANCE: For the most recent results provided by the State Accountability Program (known as the ABCs), in 2005-2006 twelve (12) schools met expected or high growth. Ten (10) schools also met federal expectations of adequate yearly progress (AYP).

School of Distinction – Banks Elementary was recognized as a School of Distinction. This achievement characterized schools which met expected or high growth with more than 80% of the students scoring at a level of proficiency.

Schools of Progress – Nine schools were recognized as Schools of Progress. Having more than 70% of students proficient and achieving high growth earned this designation. Schools of Progress were Contentnea Elementary, LaGrange Elementary, Moss Hill Elementary, Northwest Elementary, Southwood Elementary, Frink Middle, Savannah Middle, Woodington Middle, and South Lenoir High Schools.

LENOIR COUNTY SCHOOLS

Revenue Source	2005-06 Actual	Original 2006-07 Budget	Revised 2006-07 Budget	Adopted 2007-08
Current Expense	\$9,040,549	\$9,130,955	\$9,130,955	\$9,222,265

LENOIR COMMUNITY COLLEGE

DESCRIPTION: Lenoir Community College is a comprehensive, open-door institution offering quality educational programs and services that provide opportunities for the intellectual, economic, social, and cultural development of students and the community. The College exists to train, retrain, and maintain a skilled educated workforce to meet the needs of business and industry in the three-county service area. The College provides one of the best training recruitment packages in the nation.

FY 06-07 HIGHLIGHTS: The College 1) accommodated an enrollment this year of approximately 20,000 students; 2) offered 3,257 classes and had 691 graduates; 3) managed a total budget of \$31,652,769.25 of which \$4,422,531 was financial aid provided to over 1,680 students; 4) secured six new endowed scholarships and seven new funds held for endowments; 5) begun planning for a new \$800,000 Maintenance Facility on the main campus and completed major roof project of \$94,000 on the Learning Resources Center using 2000 higher education bond funds; 6) received the Award for the Small Business Center (three times) sponsored by the NCCCS Small Business Center Network; and 7) served 157 employers and 12,012 employees through the Job Link Center.

FY 07-08 GOALS: The College plans to 1) increase public awareness of the role the Community College plays in economic development; 2) seek additional local funding from the county commissioners to cover the additional cost associated with the new construction; 3) expand the College's role in the recruitment of business and industry; 4) seek to improve the quality of life for citizens in the service area by expanding the cultural and performing arts programs of the College and increasing the number of students who matriculate to graduation; and 5) seek additional funding through grant opportunities and the LCC Foundation to enhance the programs of the College.

TOTAL FY 07-08 RECOMMENDED OPERATIONS FUNDING - \$1,809,421 3

TOTAL FY 07-08 REQUESTED OPERATIONS FUNDING - \$1,903,877

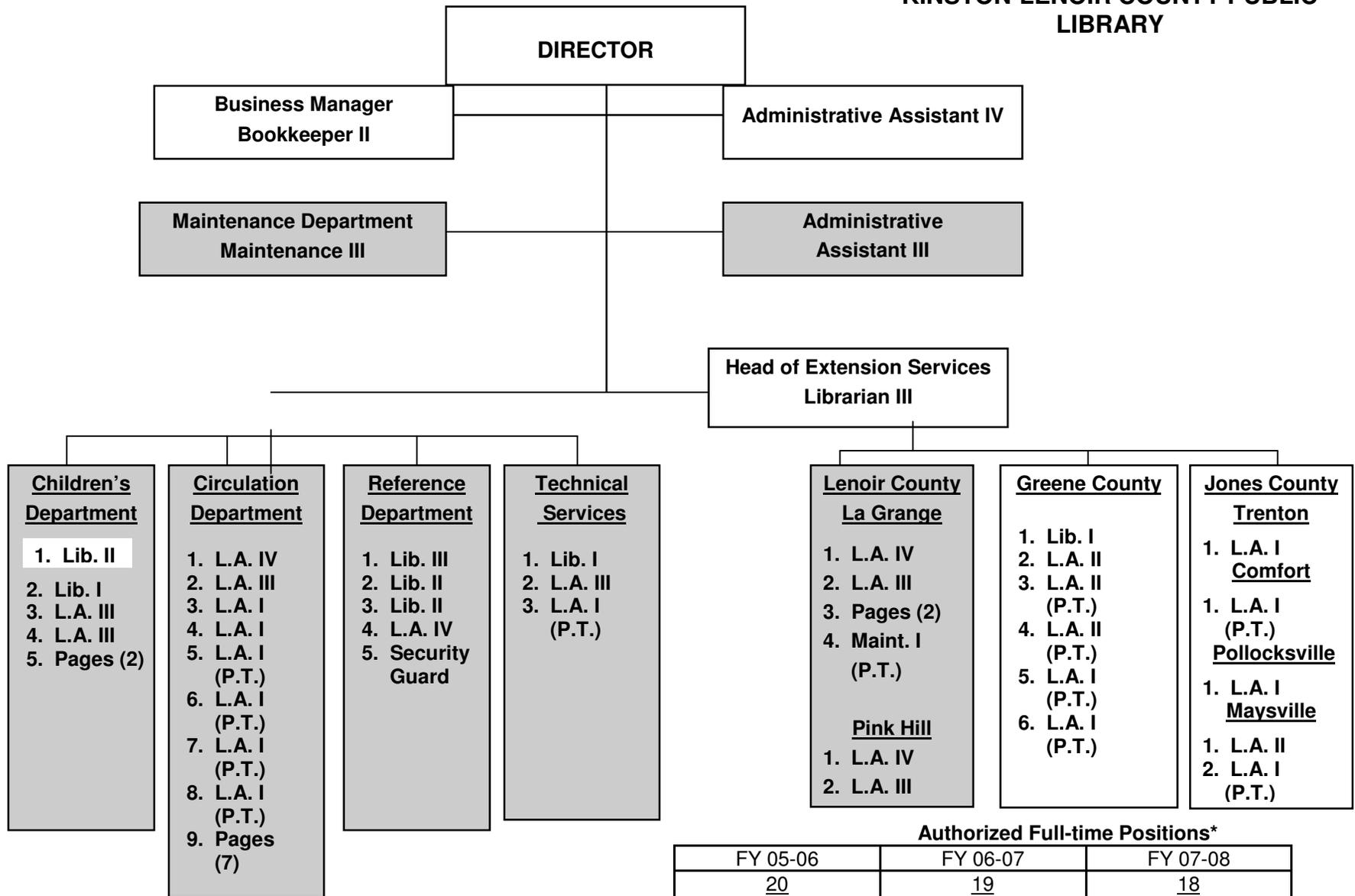
TOTAL FY 07-08 AGENCY BUDGET - \$30,000,000 PLUS (Estimated)

TOTAL FY 07-08 RECOMMENDED COUNTY CAPITAL FUNDING - \$100,000

TOTAL FY 07-08 REQUESTED COUNTY CAPITAL FUNDING - \$100,000

**NEUSE REGIONAL LIBRARY
ORGANIZATIONAL CHART**

**HEADQUARTERS AT THE
KINSTON-LENOIR COUNTY PUBLIC
LIBRARY**



 Funded by Kinston-Lenoir County

Authorized Full-time Positions*

FY 05-06	FY 06-07	FY 07-08
20	19	18
20	19	18

*Plus part-time positions to equal 7.50 FTE

LIBRARY



**KINSTON-LENOIR COUNTY PUBLIC LIBRARY
HEADQUARTERS OF THE NEUSE REGIONAL LIBRARY**

DESCRIPTION: The Neuse Regional Library supports, strengthens, and enriches the residents and communities of Lenoir, Greene, and Jones Counties by systematically acquiring, organizing, and distributing a select collection of print and non-print materials; by providing traditional and emerging technologies; and by expanding services to meet their informational, educational, recreational, and cultural needs. The Library prioritizes to make each person who enters the Library feel valued and respected in an atmosphere of freedom and support. The Kinston-Lenoir County Public Library’s circulation statistics

FY 06-07 HIGHLIGHTS: The Library accomplished the following: (1) Worked with the architectural firm J. Hyatt Hammond Associates and Group III, the contractor selected for the Kinston-Lenoir County Public Library’s expansion and renovation project, to finalize the building plan, to develop a timetable for construction, and to ensure the project proceeded as efficiently as possible with a minimum of interruption of service to library patrons during Phase One of the project; (2) Held a groundbreaking ceremony and began construction of the expanded and renovated library; Phase One began in July of 2006 and will end in May of 2007; (3) Raised sufficient funds, through donations from the community and a \$5,000 Wachovia Community Development Grant, for the construction of a covered walkway that will facilitate entering and exiting the Library during periods of inclement weather, and will add a touch of architectural flair to our new home; (4) Applied for LSTA Internet Infrastructure Improvement and Basic Equipment Grants for the implementation of a computer lab for public use and training sessions for both patrons and staff; and (5) Collaborated with Friends of the Library to plan and present a successful programming schedule and fundraising events for the Library’s Building Enhancement Campaign Fund, which will help furnish the completed library.

FY 07-08 GOALS: The Library plans to: (1) continue to work with the architect, general contractor, and sub-contractors selected for the Kinston-Lenoir County Public Library’s expansion and renovation project during Phase Two and Phase Three of the project and prioritize to limit inconvenience to the Library’s patrons. The completion of Phase Three, the final phase of the Library’s expansion and renovation project, is scheduled for December of 2007; (2) install an RFID system which will allow for more accurate inventories, a more efficient check out/check in process for patrons, and a reduction in theft of library materials; this system will allow the library to maintain high-quality, cost-efficient service that provides even greater access to materials and technological resources for all patrons; (3) strengthen the Library’s collection of materials in order to take advantage of the additional space and increased circulation that will result from the library’s expansion and renovation project; (4) continue seeking funding from federal sources and various grants to enhance the Library’s collection and services; and (5) continue working with Friends of the Library to support their endeavors to raise funds for programming, special projects, and building expansion expenses not funded by the bond referendum.

FUNDING LEVELS:

2005-06 Actual Budget	2006-07 Current Budget		2007-08 Requested Budget
519,913	578,217	SALARIES	587,970
145,219	179,200	BENEFITS	183,820
145,589	166,907	OPERATING	177,600
61,206	66,970	LIBRARY MATERIALS	63,020
268	500	CAPITAL OUTLAY	500
872,195	991,794	TOTAL	1,012,910

Actual Funding

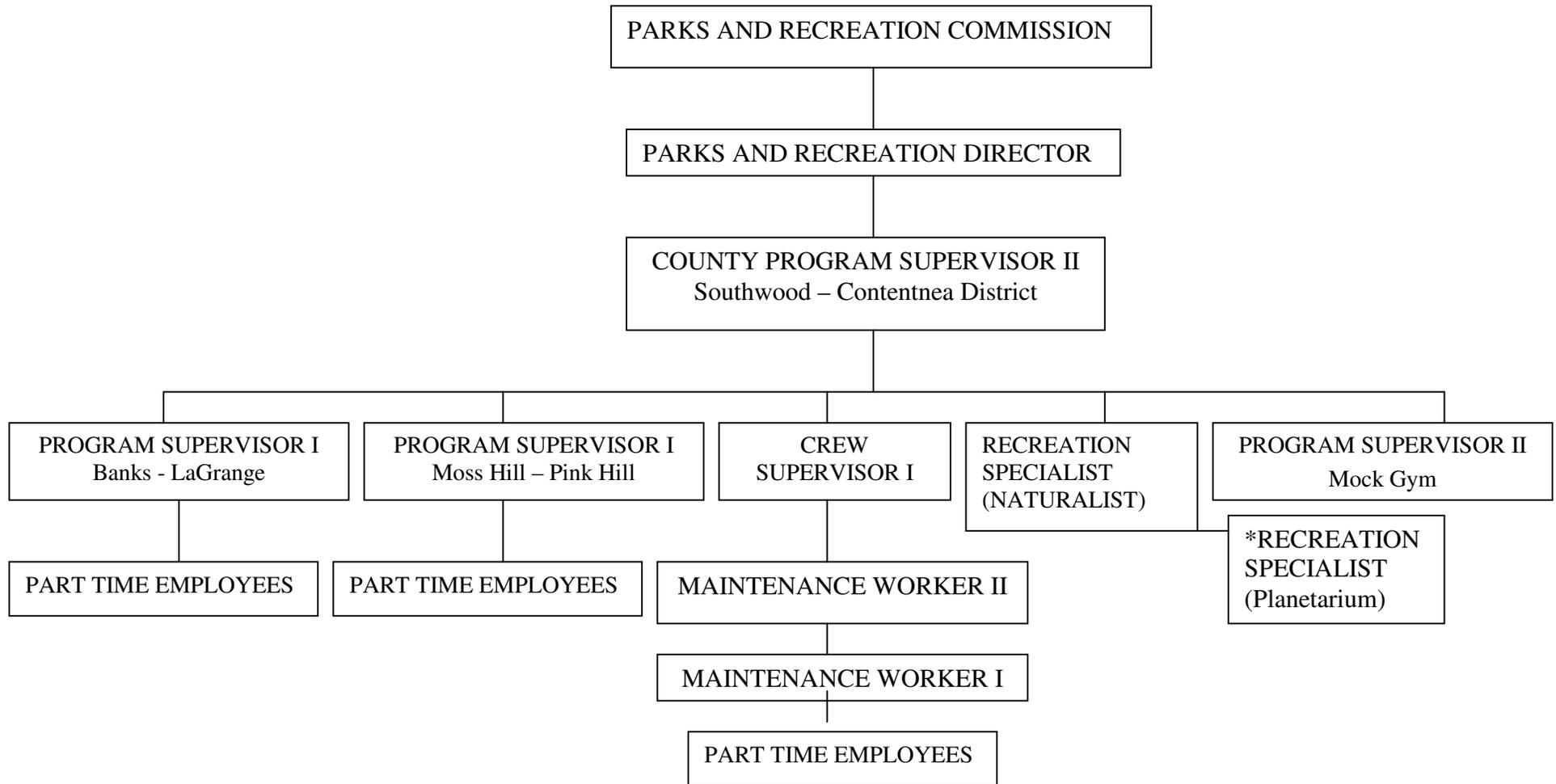
2005-06 \$653,167 county \$193,890 city
 2006-07 \$659,700 county \$193,890 city

Requested Funding

2007-08 \$692,685 county \$203,592 city

Recommended Funding \$675,000

PARKS AND RECREATION COMMISSION



AUTHORIZED POSITIONS

FY 2004-05	FY 2005-06	FY 2007-08
7	7	8

* Position is funded by Lenoir County Schools.

PARKS AND RECREATION: KINSTON/LENOIR COUNTY RECREATION COMMISSION

DESCRIPTION: The Kinston/Lenoir County Parks and Recreation Commission is a unique partnership of county, city and volunteer groups which offers creative outlets for developing physical fitness, sportsmanship, leadership, family unity, and community spirit. County funds are targeted at six (6) districts (Moss Hill/Pink Hill, Banks/LaGrange, and Southwood/Contentnea) using facilities at six (6) county elementary schools, plus a county-wide Nature Center, Planetarium, Health & Science museum and Bill Fay Park utilities. County funds are allocated to several cost centers: salaries and benefits for seven (7) full time employees and approximately (5) seasonal/temporary employees; utilities/fleet maintenance/fuel expenses; athletic program supplies; and officials and booking fees.

FY 2006-07 Work Plan Highlights: The Kinston/Lenoir County Parks & Recreation Commission completed the following: 1) Hosted twenty-four (24) baseball/softball tournaments with an estimated 2.8 million dollar impact to Lenoir County; 2) constructed a playground at the Neuseway Nature Park; 3) constructed boat ramp at the Neuseway Nature Park; 4) cleared land at the camp sites at the Neuseway Nature Park for the installation of miniature train, donated by a Lenoir County citizen; 5) expanded the camp sites at the Neuseway Nature Park Campground; 6) Expanded the programs and hired a part-time fitness instructor at Mock Gymnasium; 7) started construction on the Lenoir County Visitor’s Center; 8) Provided recreational opportunities from 5 years of age through adults, which included 106 baseball teams, 68 basketball teams; and 100 football/soccer teams and a six (6) week day camp program for approximately 300 you throughout the county.

FY 2007-08 GOALS: The Kinston/Lenoir County Parks & Recreation Commission plans to: 1) Host (26) baseball/softball tournaments; 2) Complete construction on the Visitor’s Center; 3) Develop a county-wide soccer complex; 4) developed the five (5) acres of cleared land adjacent to Pink Hill Elementary School to expand the Pink Hill athletic program; 4) Continue to improve the athletic park at Moss Hill School; 5) Expand the programs offered at Mock Gymnasium; 6) Replace lighting at two (2) county gymnasiums.

Funding Levels:

2005-06 Actual	Original 2006-07 Budget	Revised 2006-07 Budget	Requested 2007-08 Budget	Adopted 2007-08 Budget
\$480,947	\$505,000	\$523,250	\$573,000	\$573,000

CONTINGENCY

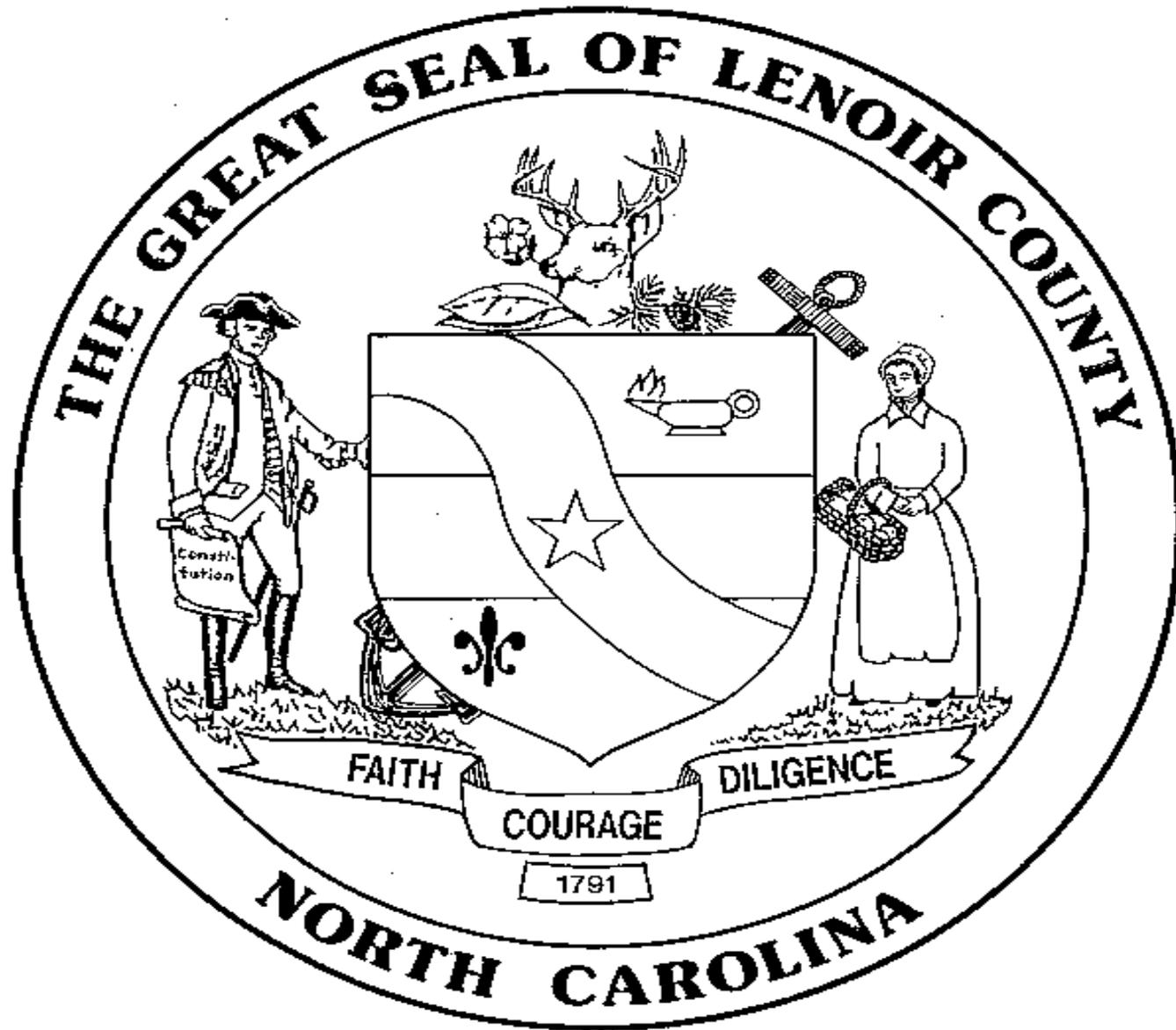
The “Contingency” General Fund appropriation is used in the budget ordinance to allow for unanticipated modifications to be made to departmental, functional, or program budgets. The movement of funds to a department or program requires a board-approved budget ordinance amendment. North Carolina General Statute (N.C.G.S. 159-13(b)(3)) restricts the allowable amount for “contingencies” to 5% of all other appropriations in the fund, or approximately \$2,825,700 based on an estimated FY 07-08 General Fund budget of \$56,514,013. The FY 07-08 appropriation is below the limit, but sufficient to provide for very minor shortfalls.

HISTORY: During the current fiscal year, as of 3/31/07, the contingency account has not been modified. Similar to prior fiscal years, the Board and Manager have not spent from this account. As such, this sum could “roll into” Fund Balance on June 30, 2007.

FUNDING LEVELS:

2005-06 Actual	Original 2006-07 Budget	Revised 2006-07 Budget*		Adopted 2007-08
-0-	\$20,000	\$20,000	Contingency	\$20,000

FIVE YEAR FINANCIAL FORECAST



FIVE YEAR FINANCIAL FORECAST LENOIR COUNTY GENERAL FUND

This forecast uses a one- percent (1%) annual growth rate for current year property tax revenues. The Economic Development announcements of the last 12 months show a positive trend.

As the data and graphs indicate, we continue to predict to be borrowing money by FY 09-10 in order to pay for our county government's daily operations. Obviously the NC Local Government Commission will not allow this to happen.

The decline in future years of the General Fund Fund Balance continues to be steep and accelerating, indicating that recurring revenues (static-minimal growth) are not even keeping pace with conservative annual expenditure projections.

By holding down expenditures each year we have been able to delay the fiscal year in which we will have to borrow to meet our operations budget. Local tax base continue to erode while state and federal burdens shift our way.

The Fund Balance could be below the eight percent (8%) minimum by FY 09-10, and is projected to be negative by FY 10-11.

**REVENUE FORECAST
FISCAL YEAR 2007-08**

	DESCRIPTION	ACTUAL 05-06	ADOPTED BUDGET 06-07	REVISED BUDGET 06-07	ADOPTED BUDGET 07-08	PLANNING BUDGET 08-09	PLANNING BUDGET 09-10		PLANNING BUDGET 11-12
10 3100 1100	INSOLVENT TAXES	276,773	200,000	200,000	200,000	200,000	200,000	200,000	200,000
10 3260 1100	TAX-MOTOR VEHICLE RENTALS	21,529	15,000	18,000	20,000	21,000	22,000	22,000	22,000
10 3100 1700	TAX / PENALTIES	406,595	300,000	300,000	300,000	300,000	300,000	300,000	300,000
10 3204 1100	2ND PRIOR YEAR-2004 LEVY	320,693	250,000	250,000	250,000	250,000	250,000	250,000	250,000
10 3205 1100	1ST PRIOR YEAR-2005 LEVY	1,085,885	950,000	950,000	950,000	1,000,000	1,000,000	1,000,000	1,000,000
10 3206 1100	CURRENT YEAR LEVY	23,909,278	25,135,608	25,135,608	26,342,426	26,605,850	26,871,908	27,140,627	27,412,034
	PROPERTY TAXES - TOTAL	26,020,753	26,850,608	26,853,608	28,062,426	28,376,850	28,643,908	28,912,627	29,184,034
10 3231 1100	LOCAL OPTION SALES TAX - 1%	4,009,479	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
10 3232 1101	LOCAL OPTION SALES TAX -1/2% AR40	1,480,947	1,350,000	1,350,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
10 3232 1102	LOCAL OPTION SALES TAX -1/2% AR42	783,252	785,000	785,000	780,000	780,000	780,000	780,000	780,000
10 3232 1103	LOCAL OPTION SALES TAX -1/2% AR44	1,941,940	1,800,000	1,800,000	1,820,000	1,820,000	1,820,000	1,820,000	1,820,000
	SALES TAX - TOTAL	8,215,618	7,935,000	7,935,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
10 3250 1000	ABC LOCAL BOTTLE TAX	0	11,000	11,000	0	0	0	0	0
10 3250 1002	ABC TAX-3 1/2 ADD	0	65,000	65,000	0	0	0	0	0
10 3322 3100	BEER/WINE TAXES	140,388	140,000	140,000	140,000	140,000	140,000	140,000	140,000
10 3325 3520	GAS TAX REFUND	0	500	2,000	1,000	1,000	1,000	1,000	1,000
10 3328 2999	GRANT-EAST REGION TECH UPGRADE	5,000	0	0	0	0	0	0	0
10 3328 3100	SAFE ROADS ACT-DWI-STATE	9,597	8,000	8,000	8,000	8,000	8,000	8,000	8,000
10 3328 3216	GRANT-SHERIFF VESTS	1,702	0	0	0	0	0	0	0
10 3329 8901	GRANT-REIMB-EMERGENCY MGT	18,961	18,500	18,500	18,500	18,500	18,500	18,500	18,500
10 3329 8902	GRANT-REIMB-SOIL CONSERVATION	41,146	42,337	42,337	42,400	42,500	42,600	42,700	42,800
10 3329 8903	GRANT-REIMB-VETERANS OFFICE	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
10 3329 8905	REIMB-ELECTIONS-CITY OF KINSTON	44,665	0	0	50,000	0	50,000	0	50,000
10 3329 8906	REIMB-ELECTIONS-TOWN OF LAGRAN	2,432	0	0	3,000	0	3,000	0	3,000
10 3329 8907	REIMB-ELECTIONS-TOWN OF P HILL	1,200	0	125	1,000	0	1,000	0	1,000
10 3329 8910	SCH RESOURCE OFFICER-BD OF ED	141,701	156,442	156,442	162,552	170,000	175,000	180,000	185,000
10 3331 3100	HOUSING AUTHORITY-CITY OF KINS	16,285	12,000	12,000	12,000	12,000	12,000	12,000	12,000
10 3431 4110	SHERIFF-CONCEAL WEAPONS-STATE	6,240	3,000	3,000	3,000	3,000	3,000	3,000	3,000
10 3432 2100	SCAPP-SHERIFF	1,423	0	0	0	0	0	0	0
10 3437 3100	EMS-MEDICAID REIMBIRSEMENT	290,050	200,000	200,000	200,000	200,000	200,000	200,000	200,000
10 3522 3201	EASTPOINTE-CJPP	0	20,000	20,000	20,000	20,000	20,000	20,000	20,000
10 3522 3601	GRANT-CJPP	0	88,422	91,631	91,631	92,000	92,000	92,000	92,000

**REVENUE FORECAST
FISCAL YEAR 2007-08**

10 3522 3602	GRANT-CJPP SUPPLEMENTAL			900	0	0	0	0	0
10 3837 3100	ABC PROFITS	0	0	0	0	0	0	0	0
10 3838 3300	LAW ENFORCEMENT RESERVE	3,695	2,000	2,000	3,700	3,700	3,700	3,700	3,700
	INTER-GOVERNMENTAL - TOTAL	726,485	769,201	774,935	758,783	712,700	771,800	722,900	782,000
10 3100 1800	STATE-SPECIAL VEHICLE INTEREST	8,467	18,000	18,000	40,000	40,000	40,000	40,000	40,000
10 3320 3300	FINES	498,693	500,000	500,000	500,000	500,000	500,000	500,000	500,000
10 3320 3302	FORFEITURES	2,740	1,000	1,000	1,000	1,000	1,000	1,000	1,000
10 3329 3617	GRANT-GOLDEN LEAF-02	21,984	0	0	0	0	0	0	0
10 3329 3621	GRANT-GOLDEN LEAF-05	0	0	41,552	0	0	0	0	0
10 3329 3622	GRANT-PESTICIDE TRUST FUND	12,500	0	4,250	0	0	0	0	0
10 3329 3624	GRANT-COOP EXT-SHIP		0	3,100	0	0	0	0	0
10 3329 8916	GRANT-ELECTIONS SUPP TECHNOLOGY	7,264	0	0	0	0	0	0	0
10 3402 3603	GRANT-EIGHTH JUDICIAL DAY / INTEN MON	143,207	93,660	93,660					
10-3402-3608	GRANT-JCPC-PARENT RESP PROGRAM	19,499	0	0					
10 3402 3609	GRANT-JCPC-ADVISORY COUNCIL	5,000	3,000	2,152					
10 3402 3611	GRANT-JCPC-TEEN COURT	29,727	31,400	31,400					
10 3402 3612	GRANT-CJPP-EASTPOINTE (OR OTHER)	93,056	0	0					
10 3402 3613	GRANT-JCPC PSYCHOLOGICAL	10,500	13,500	13,500					
10 3402 3614	GRANT-JCPC-FAMILY PRESERVATION	0	32,000	32,000					
10 3402 3615	GRANT-JCPC-ADLA-INC	0	40,000	40,000					
10 3402 3619	JCPC PROGRAMS (FOR BUDGETING ONLY)	0	0	0	212,712	215,000	215,000	215,000	215,000
10 3402 3621	GRANT-HOMELAND SECURITY	6,481	0	0	0	0	0	0	0
10 3402 3624	GRANT-HOMELAND SECURITY 04	13,129	0	3,203	0	0	0	0	0
10-3402-3625	GRANT-EMS HRSA-05	16,620	0	0	0	0	0	0	0
10-3402-3626	GRANT-2004 CITIZENS CORP	4,516	0	979	0	0	0	0	0
10 3402 3627	GRANT-EMS HRSA BT-06-0935	0	0	13,350	0	0	0	0	0
10 3511 3301	BIOTERRORISM-HEALTH / PREP / RESP	20,737	52,297	69,797	49,591	0	0	0	0
10 3511 3302	BIOTERRORISM-HEALTH 05	15,579	0	0	0	0	0	0	0
10 3840 4011	OCCUPANCY & TOURISM	165,203	138,000	138,000	150,000	151,000	152,000	153,000	154,000
	PROCESS FUNDS IN/OUT - TOTAL	1,094,902	922,857	1,005,943	953,303	907,000	908,000	909,000	910,000
10 3221 1000	CABLEVISION FEES	110,767	96,000	96,000	96,000	97,000	98,000	99,000	100,000
10 3260 1090	PRIVILEGE LICENSE	14,465	15,000	15,000	15,000	15,000	15,000	15,000	15,000
10 3320 3100	JAIL FEES/FICA BENEFITS	110,699	55,000	55,000	55,000	55,000	55,000	55,000	55,000
10 3320 3101	ARREST FEES	87,446	60,000	60,000	70,000	72,000	74,000	76,000	78,000
10 3320 3301	FINES-FIRE CODE VIOLATIONS	0	0	500	200	200	200	200	200
10 3323 3300	COURT FACILITY FEES	179,945	163,500	163,500	165,000	166,000	167,000	168,000	169,000
10 3418 4100	REG DEEDS FEES	276,528	250,000	250,000	250,000	255,000	260,000	265,000	270,000
10 3418 4101	REAL ESTATE TRANSFER FEES	99,039	100,000	100,000	100,000	102,000	104,000	106,000	108,000

**REVENUE FORECAST
FISCAL YEAR 2007-08**

10 3431 4100	SHERIFF FEES	64,953	50,000	50,000	60,000	60,000	60,000	6,000	60,000
10 3431 4101	SHERIFF-VEHICLE STORAGE FEE	803	500	500	500	500	500	500	500
10 3431 4102	SHERIFF-CIVIL PROCESS FEE	45,300	46,000	46,000	46,000	46,000	46,000	46,000	46,000
10 3431 4111	SHERIFF-CONCEAL WEAPONS-COUNTY	6,060	3,000	3,000	3,000	3,000	3,000	3,000	3,000
10 3431 4112	SHERIFF FEES-TAX EXECUTIONS		0	3,000	3,000	3,000	3,000	3,000	3,000
10 3433 4110	INSPECTIONS-PERMIT FEES	152,200	130,000	130,000	175,000	136,000	137,000	138,000	139,000
10 3433 4130	PLANNING FEES	3,477	2,000	3,500	3,500	3,500	3,500	3,500	3,500
10 3437 4100	EMERGENCY MED SERVICES - FEES	1,623,438	1,250,000	1,250,000	1,500,000	1,350,000	1,400,000	1,450,000	1,500,000
10-3437-4101	EMS NON-EMERGENCY TRANSPORT	429,045	1,200,000	1,200,000	1,000,000	1,250,000	1,300,000	1,350,000	1,400,000
10 3471 4300	INDIRECT COSTS-FR LANDFILL	80,227	83,002	84,661	85,000	85,000	85,000	85,000	85,000
10 3834 8601	RENT-MULTI PURPOSE FACILITY	31,200	31,200	31,200	31,200	31,200	31,200	31,200	31,200
10 3834 8605	RENT-HIGHWAY 11 & 55 - SIGN	400	400	400	400	400	400	400	400
10 3834 8607	RENT-S QUEEN-MIDYETTE	1,140	1,000	1,000	1,000	1,000	1,000	1,000	1,000
10 3840 4012	OCCUPANCY TAX - 5% COLLECT FEE	8,695	7,000	7,000	7,500	7,550	7,600	7,650	7,700
10 3840 4013	COLLECT FEE-1.5%-LAGRANGE TAX	8,523	7,000	8,500	8,000	8,000	8,000	8,000	8,000
10 3840 4014	COLLECT FEE-1.5%-P HILL VEH TAX	303	250	250	2,000	2,000	2,000	2,000	2,000
10 3840 4015	COLLECT FEE-1.5%-CITY OF KINSTON	111,043	106,000	110,000	110,000	111,000	112,000	113,000	114,000
10 3840 4016	COLLECT FEE-1.5%-GRIFTON VEH TAX	60	50	50	50	50	50	50	50
10 3842 8900	MISCELLANEOUS	8,303	20,000	17,000	20,000	20,000	20,000	20,000	20,000
10 3842 8903	FILE FEES-ELECTIONS	0	1,000	1,000	0	1,000	0	1,000	0
10 3842 8905	TAX DEPT-COPY SALES	1,517	2,000	2,000	1,500	1,500	1,500	1,500	1,500
10 3842 8906	FLOYD BUYOUT/LAND LEASE	270	200	200	200	200	200	200	200
10 3842 8910	COMMISSION-JAIL PHONE	30,807	30,000	30,000	30,000	30,000	30,000	30,000	30,000
10 3842 8912	COMMISSION-PAY PHONE	0	100	100	100	100	100	100	100
10 3842 8913	SHERIFF-VEHICLE USAGE FEE	390	300	500	500	500	500	500	500
	SERVICE FEES - TOTAL	3,487,043	3,710,502	3,719,861	3,839,650	3,913,700	4,025,750	4,085,800	4,251,850
	SOCIAL SERVICES (1%)	9,053,388	10,155,585	10,285,788	9,291,270	9,385,000	9,500,000	9,600,000	9,700,000
	HEALTH	1,439,775	1,367,909	1,551,629	1,149,940	1,200,000	1,200,000	1,200,000	1,200,000
10 3920 8201	HOSPITAL ANNUAL PAYMENT (20 YEARS)	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
10 3930 9100	TRANSFER FROM E-911 (REPAY LOAN-5 YEARS)	0	140,000	140,000	140,000	140,000	140,000	140,000	0
10 3981 9800	TRANSFER FROM SCHOOL CAP RESERVE				1,266,443	1,500,000	1,500,000	1,500,000	1,500,000
10-3981-9801	TRANSFER FROM CAP RES- DEBT SERVICE					988,975	2,450,000	4,477,375	5,456,750
10 3831 4910	INTEREST ON INVEST	764,005	400,000	800,000	400,000	400,000	400,000	400,000	400,000

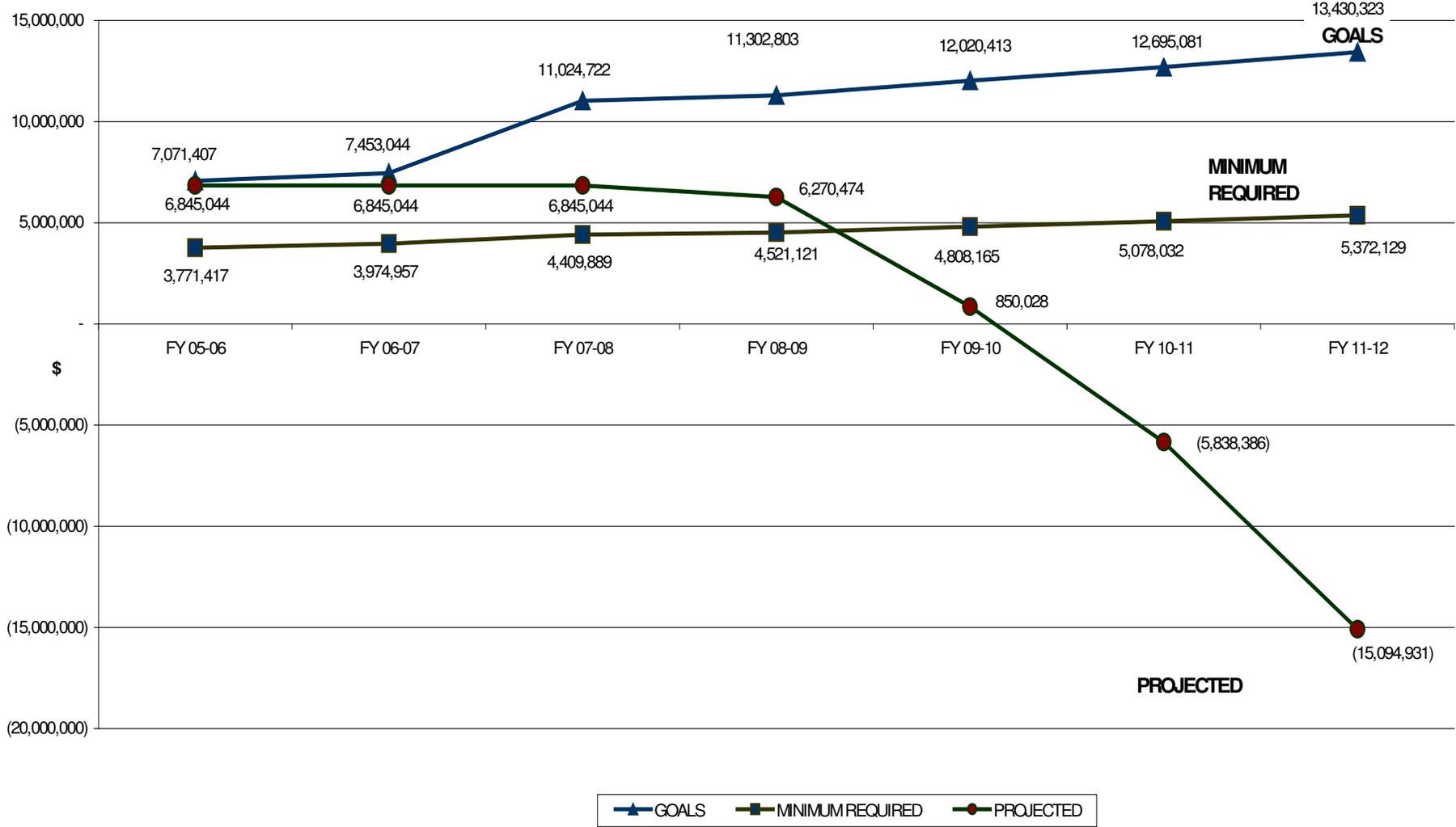
**REVENUE FORECAST
FISCAL YEAR 2007-08**

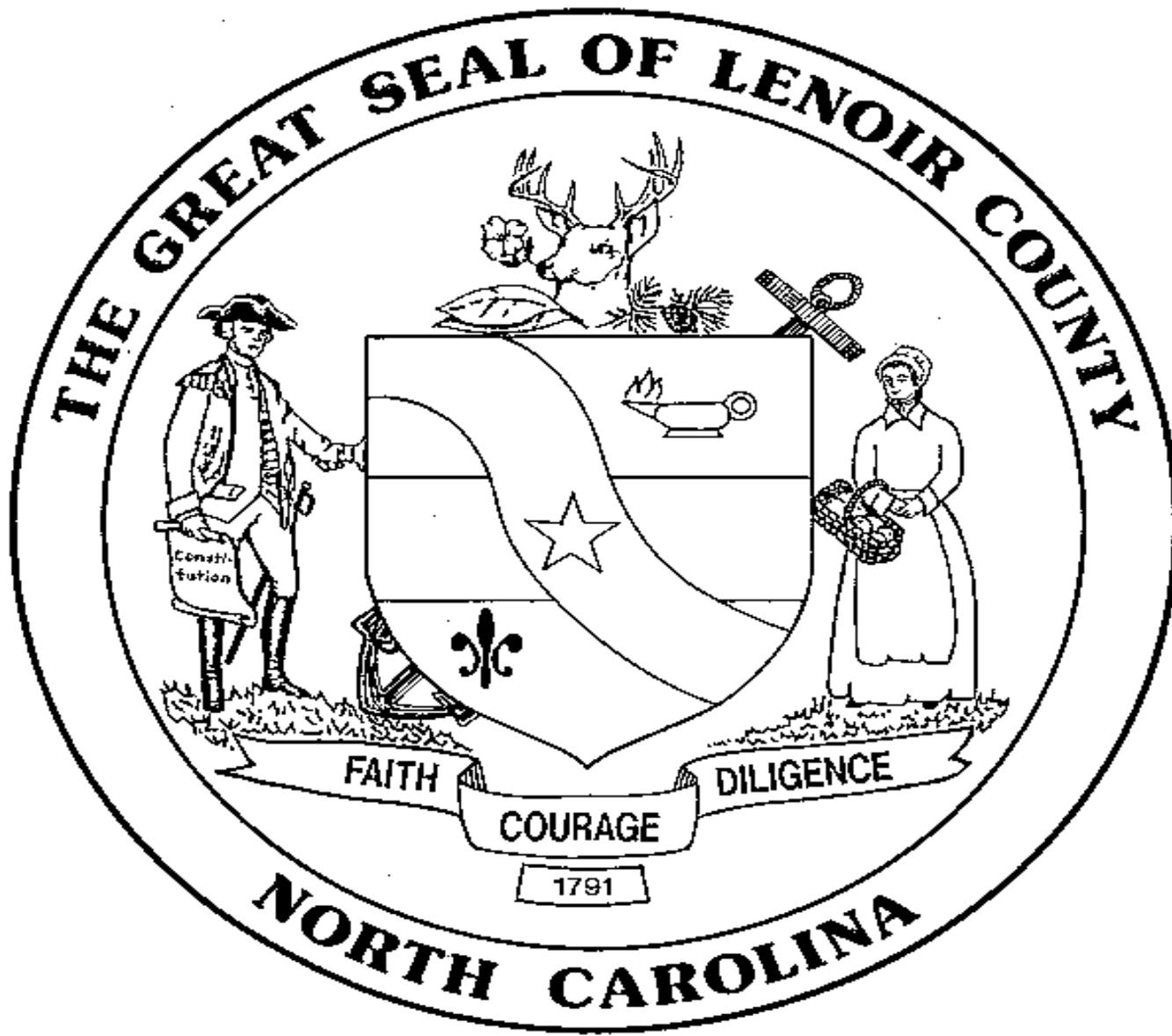
10 3320 3103	JAIL MEDICAL ATTENTION	6,471	500	500	4,000	4,000	4,000	4,000	4,000
10 3835 8201	SALE OF FIXED ASSETS-EQUIPMENT	5,504	500	500	500	500	500	500	500
10 3842 8500	INSURANCE-MISCELLANEOUS	31,316	5,000	3,341	5,000	5,000	5,000	5,000	5,000
10 3842 8914	COMMISSION-INMATE ACCT FUND	3,500	8,000	8,000	6,000	6,000	6,000	6,000	6,000
10 3930 9102	AUDITOR TRANSFER FROM SPECIAL REV	189,057	0	0	0	0	0	0	0
	OTHER - TOTAL	235,848	14,000	12,341	15,500	15,500	15,500	15,500	15,500
	TOTALS	51,537,817	52,765,662	53,579,105	54,377,315	56,039,725	58,054,958	60,463,202	61,900,134
10 3991 9910	Fund Balance Appropriated	0	2,357,946	2,108,427	2,136,698	4,062,340	5,420,446	6,688,414	9,256,545
	TOTAL REVENUE	51,537,817	55,123,608	55,687,532	56,514,013	60,102,065	63,475,404	67,151,616	71,156,679

Revenue/Expenditure General Fund/Fund Balance Forecast

		ADOPTED	REVISED	ADOPTED	PLANNING	PLANNING	PLANNING	PLANNING
	ACTUAL	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
	05-06	06-07	06-07	07-08	08-09	09-10	10-11	11-12
GENERAL FUND AGENCIES-160K/YR + LGVTY	33,153,111	36,682,979	37,240,701	36,952,647	37,262,653	37,594,637	37,952,286	38,343,300
OUTSIDE AGENCIES - 1%/Year	523,500	606,771	606,771	655,523	662,078	669,000	675,386	682,140
PROCESS FUNDS - (Pass Through)	1,033,906	922,857	997,067	953,303	953,000	953,000	953,000	953,000
NON-DEPARTMENTAL - 15%/Year	547,448	728,900	747,642	787,700	905,855	1,041,733	1,197,993	1,377,690
SCHOOLS-OPER & CAP - 1%/Year	9,040,549	9,130,955	9,130,955	9,222,265	9,314,488	9,407,632	9,501,708	9,596,725
COMMUNITY COLLEGE - 1%/Year	1,575,748	1,791,506	1,791,506	1,809,421	1,827,515	1,845,790	1,864,248	1,882,890
CULTURAL - 1%/Year	653,167	659,700	659,700	675,000	681,750	688,567	695,453	702,407
RECREATION - 1%/Year	480,947	505,000	523,250	573,000	578,730	584,517	590,365	596,270
DEBT SERVICE	0			1,375,897	2,754,650	4,209,675	6,231,050	7,204,425
CONTINGENCY - No Growth	0	20,000	20,000	20,000	20,000	20,000	20,000	20,000
TRANSFERS TO:								
INSURANCE FUND - 2%/Year	0	0	0	0	300,000	306,000	312,000	320,000
REVALUATION FUND -2%/Year	45,924	48,894	48,894	49,811	75,000	50,953	52,227	53,532
CAPITAL IMPROVEMENTS FUND	1,647,111	1,805,646	1,665,646	1,714,446	1,451,346	2,001,400	1,580,900	1,567,300
CAP IMP FUND-LIBRARY DEBT SERVICE	294,746	299,233	299,233	0	0	0	0	0
VEHICLE REPLACEMENT FUND	271,000	425,000	425,000	225,000	425,000	425,000	425,000	425,000
CAPITAL RESERVE FUND		1,496,167	1,496,167	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
CDBG 06-C-1515	0	0	35,000	0	0	0	0	0
LOAN TO E-911 FUND	419,805	0	0	0	0	0	0	0
DSS - INCREASES-LOCAL-5%					290,000	304,500	320,000	336,000
EMPLOYEES' HLTH INS. INCREASES-15%					420,000	840,000	1,260,000	1,680,000
SALARY INCREASES-2.5%					680,000	1,033,000	1,395,000	1,766,000
JAIL EXPANSION DEBT (\$20,000,000 PROJECT)				0	0	0	625,000	2,150,000
TOTAL CURRENT YEAR EXPENDITURES	49,686,962	55,123,608	55,687,532	56,514,013	60,102,065	63,475,404	67,151,616	71,156,679
DESIGNATED FUND BALANCE APPROPRIATED	0	2,357,946	2,108,427	2,136,698	3,487,770	0	0	0
UNDESIGNATED FUND BALANCE APPROPRIATED	0	0	0	0	574,570	5,420,446	6,688,414	9,256,545
TOTAL CURRENT REVENUE	51,537,817	52,765,662	53,579,105	54,377,315	56,039,725	58,054,958	60,463,202	61,900,134
PROJECTED UNDES/UNRES FUND BALANCE	6,845,044	6,845,044	6,845,044	6,845,044	6,270,474	850,028	-5,838,386	-15,094,931
	6/30/2006		6/30/2007	6/30/2008	6/30/2009	6/30/2010	6/30/2011	6/30/2012

**FY 07-08 GENERAL FUND
FUND BALANCE - 20% GOAL
FORECAST BUDGET - REVISED 5/4/07**





DEBT SERVICE

DEBT SERVICE

General Fund Debt is included in specific departments and Funds; ie, Debt Service Department, Capital Improvements Fund, and the School Capital Building Fund.

HISTORY: General Fund Debt includes Community College Bonds sold in October 1995 and to be paid in full in 2010 and Series 2007 Public Improvement Bonds sold in February 2007 and to be paid in full in 2028.

Other General Fund Debt includes: Loan to purchase 3 Ambulances originated in 2003 and will be paid in full in 2008; Visitor's Center/ Battlefield Site Acquisition, loan originated in 2004 and will be paid in full in 2009; and loan to purchase a John Deere Finisher Mower, loan originated in 2007 and will be paid in full in 2008.

STATUTORY REQUIREMENTS:

North Carolina General Statute 159-55 prohibits counties from issuing general obligation debt in excess of 8% of the appraised value of property subject to its taxation. The statutory limit reported by the County's independent auditors as of 6/30/06 was \$257,218,951 and the existing debt was \$2,122,874, well within the statutory limit. Additional debt was issued by the County after June 30, 2006. The projected statutory limit for FY07-08, based on estimates, is \$267,520,000 with existing debt of \$33,919,633, also well within the statutory limit. This calculation is shown below:

Assessed Value of taxable property (real and personal)	\$3,344,000,000
	<u> x 0.08</u>
Debt limit (8% of assessed value)	\$267,520,000
Gross Debt:	
Total General Obligation	\$33,800,000
Installment Purchases	<u> 115,633</u>
Total amount of debt applicable to debt limit (net debt)	\$33,916,633
Legal debt margin (debt limit "minus" total debt)	\$233,603,367

DEBT SERVICE					
FISCAL YEAR	PRINCIPAL PAYMENT	INTEREST PAYMENT	* TOTAL GENERAL FUND DEBT SERVICE		
FY 05-06	\$ 604,520	\$ 127,592	\$ 732,112		
FY 06-07	\$ 812,287	\$ 98,412	\$ 910,699		
FY 07-08	\$ 1,106,839	\$ 1,528,157	\$ 2,634,996		
FY 08-09	\$ 1,885,025	\$ 1,496,177	\$ 3,381,202		
FY 09-10	\$ 1,700,000	\$ 1,422,650	\$ 3,122,650		
FY 10-11	\$ 1,700,000	\$ 1,350,650	\$ 3,050,650		
FY 11-12	\$ 1,700,000	\$ 1,282,650	\$ 2,982,650		
FY 12-13	\$ 1,700,000	\$ 1,214,650	\$ 2,914,650		
FY 13-14 THRU 28-29	\$ 24,900,000	\$ 9,051,275	\$ 33,951,275		
*Note: includes - Mental Health Bonds sold in 1989 and paid in full in 2006.					
Community College Bonds sold in 1995 and will be paid in full in 2010.					
Administration Building loan originated in 2001 and paid in full in 2007.					
Purchase of three (3) ambulances, loan originated in 2003 and will be paid in full in 2008.					
Computer Equipment loan originated in 2003 and paid in full in 2006.					
Acquisition of land- Visitors Center/ Battlefield Site, loan originated in 2004 and will be paid in full in 2009					
Series 2007 Public Improvement Bonds sold in 2007 and will paid in full in 2028.					
Purchase of John Deere Finisher Mower, loan originated in 2007 and will be paid in full in 2008.					

FUNDS OUTSIDE GENERAL FUND



INSURANCE FUND

The Insurance Fund operates as an “internal service” fund for health and life insurance for employees, their dependents, and families. The county is self-insured. Piedmont Administrators, under contract with the county, currently administers and pays claims. Expenditures include the claims made and paid related to medical costs and life insurance premiums. Revenues include employer (county) contributions and employee contributions.

HISTORY / TRENDS: Local governments and private employers are experiencing a geometric increase in health insurance costs. This situation could occur in Lenoir County Government particularly because of: 1) an increasingly aging work force; 2) some significant medical claims; 3) increasingly high drug costs; and 4) increasing medical/hospitalization costs.

BUDGETARY STRATEGY: For the upcoming fiscal year, no changes in the employee nor employer contributions are recommended nor are any changes in the benefits’ structure recommended.

INSURANCE FUND

FUND TYPE: INTERNAL SERVICE

SUMMARY OF REVENUES

2005-06 Actual	Original 2006-07 Budget	Revised 2006-07 Budget		Adopted 2007-08
0	0	0	Transfer From General Fund	0
\$258,521	\$30,000	\$50,000	Life Ins. Premiums	\$55,000
\$2,758,768	\$2,900,000	\$2,300,000	Health Ins. Deductions	\$3,000,000
0	0	\$622,000	Fund Balance Appropriated	0
\$65,228	\$10,000	\$610,000	Refunds / Interest	\$100,000
\$3,082,517	\$2,940,000	\$3,582,000	Total	\$3,155,000

SUMMARY OF EXPENDITURES

2005-06	2006-07	2006-07		Adopted 2007-08
\$25,000	\$30,000	\$52,000	Life Insurance Premiums	\$55,000
\$2,816,000	\$2,910,000	\$3,530,000	Claims Paid – Health Ins. & Administrative Costs	\$3,100,000
\$2,841,000	\$2,940,000	\$3,582,000	Total	\$3,155,000

Fund Balance at 6/30/99 **\$ 134,729 Audit**
Fund Balance at 6/30/00 **\$ 256,120 Audit**
Fund Balance at 6/30/01 **\$ 447,570 Audit**
Fund Balance at 6/30/02 **\$ 403,242 Audit**
Fund Balance at 6/30/03 **\$ 251,134 Audit**
Fund Balance at 6/30/04 **\$ 289,018 Audit**
Fund Balance at 6/30/05 **\$ 1,208,740 Audit**
Fund Balance at 6/30/06 **\$ 1,911,073 Audit**
Fund Balance at 6/30/07 **\$ 1,300,000 Est.**
Fund Balance at 6/30/08 **\$ 1,300,000 Est.**

INSURANCE RATES FOR FY07-08

PPO SELECT CO-PAY 16

	EMPLOYEE (293)	EMP/1 CHILD (53)	EMP/SPOUSE (24)	FAMILY (43)
Total FY06-07	553.75	663.75	833.75	883.75
Employee Contribution (FY06-07)	20.00	130.00	300.00	350.00
Employer Contribution (FY06-07)	533.75	533.75	533.75	533.75
Total for FY06-07	553.75	663.75	833.75	883.75
Employer Contribution (FY07-08)	533.75	533.75	533.75	533.75
Employee Contribution (FY07-08)	20.00	130.00	300.00	350.00
Increase for Employees (FY07-08)	0.00	0.00	0.00	0.00
Increase for Employer (FY07-08)	0.00	0.00	0.00	0.00
BENEFIT CHANGES		PLAN 16		
Deductible - In-Network/Out-of-Network		\$700/\$1300		
Out of Pocket Limit - In-Network/Out-of-Network		\$3500/\$6500		
Office Visit Co-Pay - PCP/Specialist		\$30/\$45		
Inpatient Care		80%		
Surgery/Out/In		80%		
Preventive Care - In Network		\$30/\$45		
Hospital Services - In Network		80%		
Emergency Room		\$75/80%		
Prescription Drug		\$10/\$25/\$40		
	** Please refer to plan booklet for more detail			

VEHICLE REPLACEMENT PROGRAM

FUND TYPE: CAPITAL FUND

DESCRIPTION: The Vehicle Replacement Program Fund serves to pay for the scheduled, predicted replacement of vehicles. Monies are appropriated on an annual basis in order to “save” money for vehicle replacement and to pay for annual vehicle replacement, as is necessary and applicable, on a “pay-as-you-go” basis. Expenditures from and appropriations to the fund are recommended by the County Manager and approved by the Board of Commissioners. The fund does not normally pay for additions to the fleet; these are budgeted in individual departments. However, as additions are made, they are then put on a replacement schedule.

HISTORY: During FY 01-02, eight (8) Sheriff’s vehicles were replaced; during FY 02-03, eight (8) Sheriff’s vehicles, one (1) Animal Control pick-up truck, and three (3) Emergency Medical Service (EMS) ambulances were replaced. During FY 03-04, nine (9) Sheriff’s vehicles were replaced - one (1) was funded by insurance proceeds and controlled substance funds, and two (2) vehicles in the EMS Department were replaced: the Director’s vehicle and the Fire Marshall’s vehicle. In FY 04-05, eleven (11) Sheriff’s vehicles were replaced; for three (3) of these, 50% of the purchase price originated from the Sheriff’s controlled substance fund; all other costs for the vehicles were paid with “local dollars.” In FY 05-06 ten (10) Sheriff’s vehicles were replaced and three (3) wheelchair vans were purchased. In FY 06-07 two (2) ambulances nine (9) sheriff’s vehicles were replaced.

GOALS: During FY 07-08, \$185,000 is appropriated to pay for the replacement of nine (9) vehicles (\$21,000 est. each) within the Sheriff’s Department. The Sheriff and County Manager agree that vehicles are **actually replaced** when their mileage is in the 125,000 to 150,000 range. The Board has adopted this policy, and clear direction is now provided to the Manager and Sheriff with regard to vehicle replacement. The last of five (5) payments towards the lease-purchase of the ambulances acquired in FY 02-03 will be made (\$56,585 per year). Funds from this fund’s Fund Balance will be utilized for this last payment.

VEHICLE REPLACEMENT PROGRAM FUND

TYPE: CAPITAL FUND

SUMMARY REVENUES:

2005-06 Actual	Original 2006-07 Budget	Revised 2006-07 Budget		Adopted 2007-08
0	0	0	Insurance Reimbursements	0
0	0	0	Trnsf from Controlled Substance	0
\$3,750	0	0	Interest on Investments	0
\$271,000	\$425,000	\$446,000	General Fund Transfer	\$225,000
0	0	\$25,000	Sale of Vehicles	0
0	0	0	Vehicle Fund Balance Transfer	0
\$274,750	\$425,000	\$471,000	Total	\$225,000

SUMMARY EXPENDITURES:

2005-06 Actual	Original 2006-07 Budget	Revised 2006-07 Budget		Adopted 2007-08
\$267,229	\$368,414	\$410,414	Capital Outlay / Vehicles	\$225,000
\$56,585	\$56,586	\$56,586	Ambulance Debt Service	0
0	0	\$4,000	Miscellaneous Expenditures	0
\$323,814	\$425,000	\$471,000	Total	\$225,000

Fund Balance	6/30/99	\$ 8,312	Audit
Fund Balance	6/30/00	\$ 20,309	Audit
Fund Balance	6/30/01	\$ 16,546	Audit
Fund Balance	6/30/02	\$ 35,228	Audit
Fund Balance	6/30/03	\$ 150,498	Audit
Fund Balance	6/30/04	\$ 79,837	Audit
Fund Balance	6/30/05	\$ 88,489	Audit
Fund Balance	6/30/06	\$ 39,425	Audit
Fund Balance	6/30/07	\$ 30,000	Estimated
Fund Balance	6/30/08	\$ 30,000	Estimated

Sheriff – Federal Forfeiture

Fund Type: Special Revenues

DESCRIPTION: The Office of Sheriff is a constitutional office elected by the people. Responsibilities include the enforcement of State laws, county ordinances, the service of all warrants issued by the Courts, civil process papers issued by the Clerk's Office, courtroom security, jail operations, and all alcohol beverage control laws and narcotics laws. By working and concentrating on reducing drug related crime in Lenoir County, this agency also seizes drug money which is returned to the agency as a revenue asset to supplement the agency by purchasing equipment and other items which was not originally budgeted.

FY06-07 HIGHLIGHTS: The Sheriff's Office was able to use funds from Federal Forfeitures to enhance funding to pay informants or others during criminal investigations and to purchase surveillance equipment and a laptop computer for narcotic investigations.

FY07-08 GOALS: The Sheriff's Office intends to use revenues received from Federal Forfeitures to purchase specialized equipment for surveillance and undercover operations.

REVENUES

2005-2006 ACTUAL	ORIGINAL 2006-2007 BUDGET	REVISED 2006-2007 BUDGET		ADOPTED 2007-2008
0	0	40,779	FORF. DRUG PROC.	40,000
0	100	100	INTEREST	100
5,000	9,900	9,900	FUND BALANCE APP.	0
5,000	10,000	50,779	TOTAL	40,100

EXPENDITURES

2005-2006 ACTUAL	ORIGINAL 2006-2007 BUDGET	REVISED 2006-2007 BUDGET		ADOPTED 2007-2008
0	0	0	SALARIES	0
0	0	0	BENEFITS	0
5,000	5,000	20,000	OPERATING	10,100
0	5,000	30,779	CAPITAL OUTLAY	30,000
5,000	10,000	50,779	TOTAL	40,100

Sheriff - State Controlled Substance Tax

Fund Type: Special Revenues

DESCRIPTION: The Office of Sheriff is a constitutional office elected by the people. Responsibilities include the enforcement of State laws, county ordinances, the service of all warrants issued by the Courts, civil process papers issued by the Clerk's Office, courtroom security, jail operations, and all alcohol beverage control laws and narcotics laws. By working and concentrating on reducing drug related crime in Lenoir County, this agency also seizes drug money which is returned to the agency as a revenue asset to supplement the agency by purchasing equipment and other items which was not originally budgeted.

FY06-07 HIGHLIGHTS: The Sheriff's Office was able to use State Controlled Substance Tax revenues to purchase tasers, which were provided to patrol, court security, and narcotics detectives. These tasers provide yet another tool to enhance a deputy's ability to protect themselves or others from eminent harmful behavior.

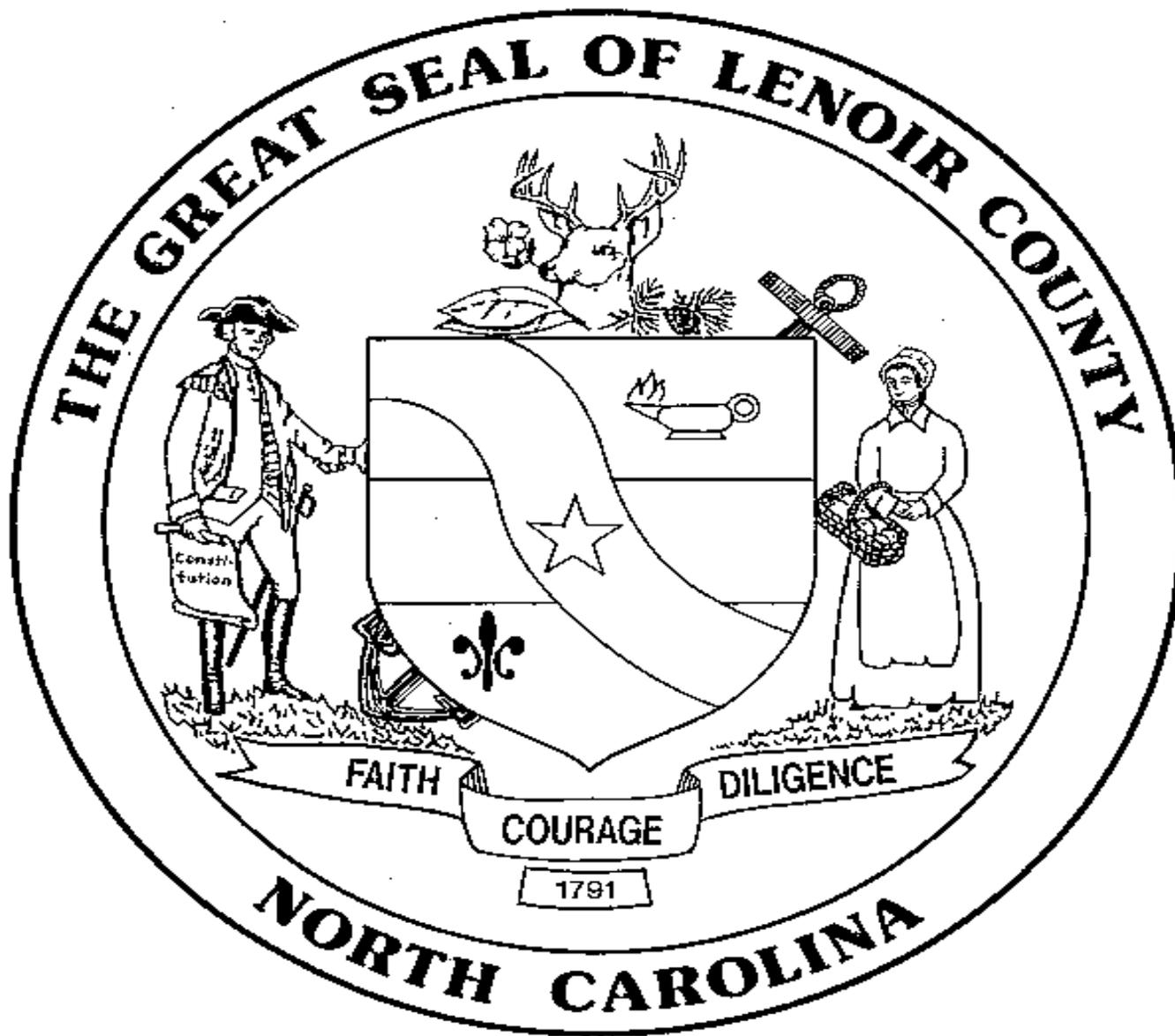
FY07-08 GOALS: With funds budgeted from the State Controlled Substance Tax, the Sheriff's Office plans to use a portion of the proceeds to purchase equipment such as in-car cameras, weapons, and other investigatory equipment.

REVENUES

2005-2006 ACTUAL	ORIGINAL 2006-2007 BUDGET	REVISED 2006-2007 BUDGET		ADOPTED 2007-2008
20,000	20,000	22,500	CONT. SUBS. TAX	25,000
0	500	500	INTEREST	500
3,000	4,500	4,500	FUND BALANCE APP.	0
22,300	25,000	27,500	TOTAL	25,500

EXPENDITURES

2005-2006 ACTUAL	ORIGINAL 2006-2007 BUDGET	REVISED 2006-2007 BUDGET		ADOPTED 2007-2008
0	0	0	SALARIES	0
0	0	0	BENEFITS	0
693	5,000	7,500	OPERATING	15,500
22,307	20,000	20,000	CAPITAL OUTLAY	10,000
23,000	25,000	27,500	TOTAL	25,500



CAPITAL RESERVE FUND

On December 1, 2003, the Lenoir County Board of Commissioners approved a resolution which authorized and organized a Capital Reserve Fund pursuant to NCGS 159-18 and NCGS 159-49. Appropriations from this fund can only be made for designated capital purposes and cannot be used to supplement the operating income of the county.

On February 16, 2004, the Lenoir County Board of Commissioners approved the sale of land and building to Lenoir Memorial Hospital, Inc. (LMH, Inc.) for \$12,000,000. Two million dollars (\$2,000,000) was to be paid “up front” with the balance to be made in \$500,000 annual installments over a twenty (20) year time frame beginning in July 2005. On March 15, 2004, by budget ordinance amendment, \$2,000,000 was appropriated to this fund.

In FY 06-07 \$1,496,167 was transferred to the fund balance of this fund for future bond debt (Public Improvement 2007 Series).

In FY 07-08 \$1,500,000 will be transferred for future bond debt (Public Improvement 2007 Series).

REVENUES

FY 05-06 Actual	Original FY 06-07 Budget	Revised FY 06-07 Budget		Adopted FY 07-08
-0-	-0-	-0-	Transfer from General Fund	\$1,500,000
-0-	-0-	-0-	Sale of Real Estate	-0-
-0-	\$517,922	\$517,922	Fund Balance Appropriated	\$500,000
-0-	\$517,922	\$517,922	Total	\$2,000,000

EXPENDITURES

FY 05-06 Actual	Original FY 06-07 Budget	Revised FY 06-07 Budget		Adopted FY 07-08
-0-	\$500,000	\$500,000	Economic Development Projects	\$500,000
-0-	\$17,922	\$17,922	Lenoir Community College/Schools	-0-
-0-	-0-	-0-	Bond Debt Reserve	\$1,500,000
-0-	\$517,922	\$517,922	Total	\$2,000,000

Fund Balance as of 6/30/05 = \$517,922 Audit
 Fund Balance as of 6/30/06 = \$517,922 Audit
 Fund Balance as of 6/30/07 = \$1,900,000 Estimated
 Fund Balance as of 6/30/08 = \$3,400,000 Estimated

PUBLIC SCHOOL CAPITAL FUND

FUND TYPE: SPECIAL REVENUE FUND

The Public School Capital Fund exists to report the on-going revenues, debt service, and capital improvements for the Lenoir County Public Schools. In previous years, there were **debt service expenditures** to fund projects built with proceeds from the 1992 Refunded School Bonds. This is not a capital project fund; rather, it accounts for the annual revenues **earmarked** for specific school construction projects as determined by the School Board and possibly the electorate. By accounting for these revenues and expenditures in a special revenue fund, any unused monies will carry over to the next year, **funding deficits in some years and building a positive fund balance in others**, as well as to pay for schools' major capital facilities' improvements. The intent of this fund is to report on an annual basis the **mandatory earmarked capital** funding for schools.

PROJECTED REVENUES FOR FY 07-08:

Revenues are earmarked and legally restricted for school capital facilities (30% of the Article 40, ½ cent sales tax, and 60% of the Article 42, additional ½ cent sales tax). Based on FY 04-05 actual collections, limited growth is predicted for five (5) upcoming fiscal years. This is a safe, conservative approach, recommended at this time. If conditions change positively, or if more revenues accrue beyond projections, it will only benefit and accelerate completion of designated capital uses in this fund. On May 2, 2006 a referendum was passed by the citizens of Lenoir County for a \$69,700,000 School Bond which is to be used for school construction.

REVENUE SOURCES	Actual FY 2005-06	Original Budget FY 2006-07	Revised Budget FY 2006-07	Adopted FY 2007-08
30% Article 40 Sales Tax	\$ 722,688	\$550,000	\$ 550,000	\$ 600,000
60% Article 42 Sales Tax	\$ 1,406,906	\$1,050,000	\$ 1,050,000	\$ 1,100,000
Interest on Investments	\$172,544	\$100,000	\$100,000	\$150,000
Debt Service Reserve	0	0	0	0
Fund Balance Appropriated	0	0	\$1,648,079	0
State School Building Capital Fund	0		\$444,233	0
Series 2007 Bond Proceeds/Premium	0		\$30,830,307	0
TOTAL	\$ 2,302,138	\$ 1,700,000	\$ 34,622,619	\$ 1,850,000

Fund Balance as of June 30, 2004 -	\$1,714,894	Audit
Fund Balance as of June 30, 2005 -	\$3,620,673	Audit
Fund Balance as of June 30, 2006 -	\$5,679,377	Audit
Fund Balance as of June 30, 2007 -	\$36,000,000	Estimated
Fund Balance as of June 30, 2008 -	\$16,500,000	Estimated

PUBLIC SCHOOL CAPITAL FUND

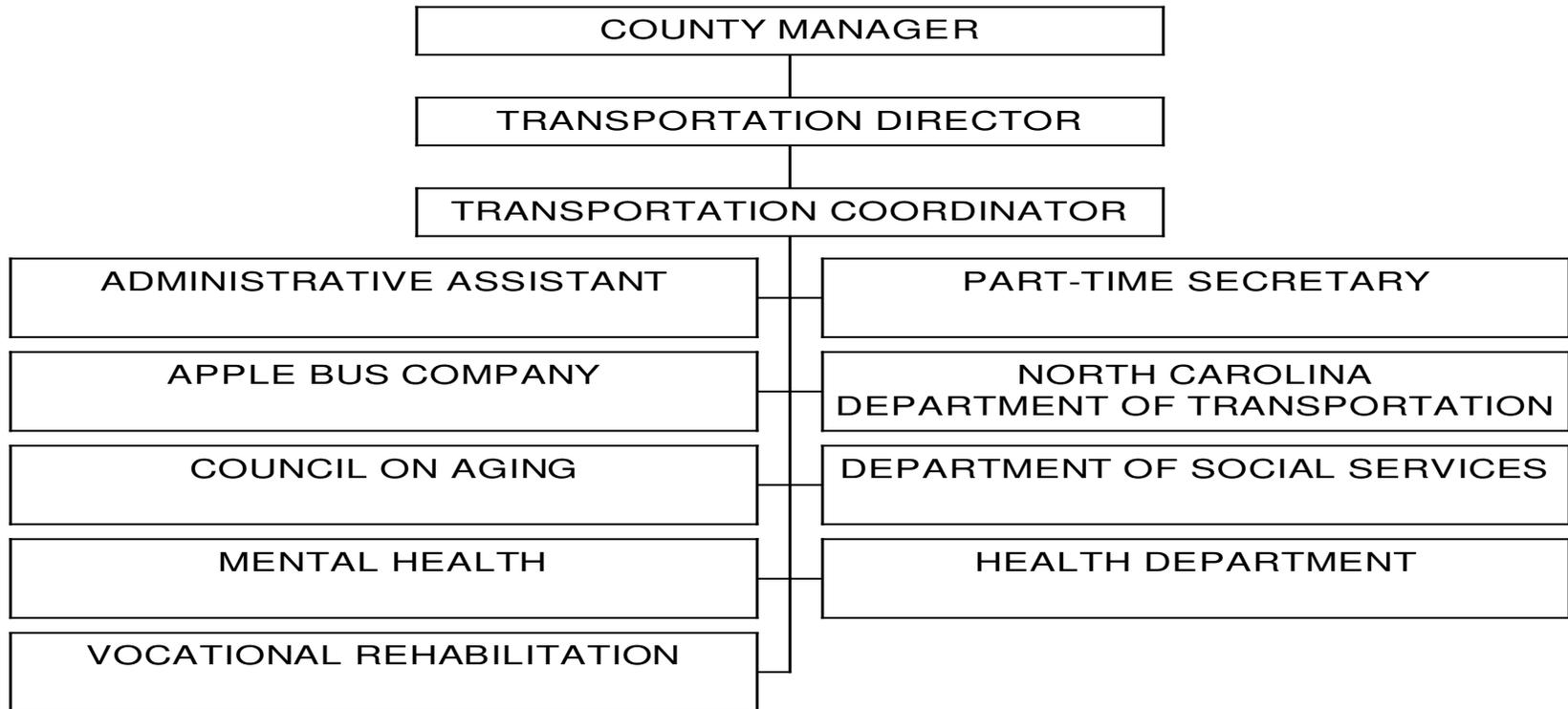
FUND TYPE: SPECIAL REVENUE

PROJECTED EXPENDITURES FOR FY 07-08 AND BEYOND:

May 2, 2006 a referendum was passed by the citizens of Lenoir County for a \$69,700,000 School Bond with is to be used for school construction.

EXPENDITURES	Actual FY 2005-06	Original* Budget 2006-07	Revised FY 2006-07	Adopted FY 2007-08
Debt Service – Principal	0	0	0	0
Debt Service - Interest	0	0	0	\$1,266,443
Special Capital Improvements	\$235,433	0	\$592,312	0
Capital Reserve/ Debt Service	\$8,000	\$1,700,000	\$3,803,657	\$583,557
Series 07' School Construction	0	0	\$30,226,619	0
TOTAL	\$243,433	\$ 1,700,000	\$34,622,619	\$1,850,000

TRANSPORTATION DEPARTMENT



Notes:

Agency blocks beneath Transp. Coord. are all liaison.
 The Administrative Assistant Position continues to be funded at 100% for FY 2007-2008 and NCDOT has reinstated the Part-Time Secretary Position FY 2007-2008

AUTHORIZED POSITIONS

FY 2005-06	FY 2006-07	FY 2007-08
2.30	2.30	2.30

TRANSPORTATION DEPARTMENT FUND

FUND TYPE: SPECIAL REVENUE

DESCRIPTION: In October 1994, the Lenoir County Board of Commissioners created the Lenoir County Transit Advisory Board as well as the Transportation Department, commonly referred to by the general public as LCT (Lenoir County Transit) to provide coordinated human service transportation. During the first year of operations LCT began with six (6) vehicles and provided 13,367 trips through the use of Demand Responsive routes. In October 2000, LCT implemented a Rural General Public (RGP) transportation program through assistance from the NCDOT/Public Transportation Division's Rural Operating Assistance Grant (ROAP). General Public transportation in Lenoir County has grown significantly since the implementation of the RGP program. Today, LCT has expanded operations to include subscription routes and service to the general public by utilizing a fleet of twelve (12) vehicles providing an estimated average of 45,497 passenger trips traveling 323,843 miles annually based on the FY 06-07 monthly statistical reports provided by the contractor. LCT's current fleet consists of five (5) lift-equipped conversion vans, four (4) standard vans, two (2) 22ft Light Transit Vehicles and one (1) 25ft Light Transit Vehicle. The diversity of vehicles is an integral part in providing services and accessibility to all passengers. LCT continually strives to provide safe, efficient and reliable transportation options to all passengers using the system. The system continues to grow and expand. Contracted services are provided to the following human service agencies located in Lenoir County: Department of Social Services, Council on Aging, Health Department, Mental Health, and Vocational Rehabilitation.

FY 06-07 WORK PLAN HIGHLIGHTS: 1) "Project Transit" Deviated Fixed Route started on July 3, 2006 operating only three (3) days a week from 7:45am – 5:00pm; 2) February 5, 2007 increased "Project Transit" Deviated Fixed Route to five (5) days a week operating from 7:00am – 5:30pm and expanding our services to Lenoir Community College; 3) Lenoir County Transit (LCT) received Supplemental Funding from North Carolina Department of Transportation (NCDOT) \$31,296 in Rural General Public (RGP) and \$18,480 in Elderly and Disabled Transportation Assistance Program (EDTAP) for project; 4) LCT operating the sale of mobile advertising to increase in revenues for our local matches; 5) Retired and replaced two (2) lift equipped vehicles and 6) Continued to promote and expand the transit system in the Deep Run, Pink Hill, & LaGrange areas;

FY 07-08 GOALS: 1) Continue "Project Transit" Deviated Fixed Route; 2) Expand services to include deviated fixed routes in the County; 3) Retire and replace one lift-equipped vehicle; 4) Continue to promote the transit system by attending community fairs and speak with groups and agencies; 5) Continue to expand services in the Deep Run, Pink Hill and LaGrange areas; 6) Safety goal of zero vehicle accidents/personal injuries.

TRANSPORTATION DEPARTMENT FUND**FUND TYPE: SPECIAL REVENUES****SUMMARY OF REVENUES**

2005-06 Actual	Original 2006-07 Budget	Revised 2006-07 Budget*		Recommended 2007-08
-0-	-0-	-0-	Smart Start	0
73,927	100,039	115,609	NCDOT State Grant	121,080
45,882	48,125	48,125	Fuel - Reimb. - Vehicles	48,125
12,490	11,000	11,000	Capital Reserve - Surcharge	13,000
52,996	52,996	51,750	Grant Rural General Public	51,750
-0-	-0-	31,296	Grant - RGP Discretionary	-0-
22,758	21,250	20,000	Rural General Public Ticket Sales	20,000
5,823	-0-	-0-	Interest	-0-
9,309	1,920	1,920	Other Revenue	1,920
28,420	38,205	60,373	Reimb - State - Vehicles	29,962
-0-	8,979	34,183	Fund Balance Appropriated	9,963
251,605	282,514	374,256	Total	295,800

SUMMARY OF EXPENDITURES

2005-06 Actual	Original 2006-07 Budget	Revised 2006-07 Budget		Recommended 2007-08
50,896	54,000	55,500	Salaries	60,675
15,371	23,954	23,843	Benefits	24,482
146,731	162,110	216,095	Operating	177,352
31,495	42,450	78,818	Capital Outlay	33,291
244,493	282,514	374,256	Total	295,800

Revised 3/09/07

Fund Balance as of 6/30/06: \$119,784

Fund Balance as of 6/30/07:

\$85,601

Fund Balance Projected as of 6/30/08:

\$75,271



SCRAP TIRE DISPOSAL FUND

DESCRIPTION: Effective January 1, 1990, all new tires purchased in North Carolina or purchased for use within the state have been subject to a 1% state scrap tire disposal fee. This fee is collected by tire retailers and remitted to the State Department of Revenue on a monthly basis. Each quarter, the Department distributes the proceeds of the 1% state fee, less the cost of administration, as follows:

- ◆ 10% of the net proceeds is transferred to the Solid Waste Management Trust Fund; and
- ◆ 90% is distributed to county governments on a per capita basis.

Proceeds of the fee, which are distributed to county governments, must be used to solely defray the costs of scrap tire disposal incurred by the county.

FY 06-07 HIGHLIGHTS: Lenoir County has designated a portion of its landfill as the disposal site and requires that tires be delivered to the landfill where they are held for later shipment (under contract with a commercial hauler) to a processing facility.

FY 07-08 GOALS: 1) To collect and properly dispose of scrap tires; 2) To dispose of tires only using revenues received for this purpose; 3) To apply for state grants to properly offset tire collection / disposal costs as well as any costs associated with illegal tire dumps. A major goal is added this year – to aggressively obtain state grants to offset hauling/contracting costs so this fund does not need supplements from the Solid Waste Management Fund.

SCRAP TIRE DISPOSAL FUND**FUND TYPE: SPECIAL REVENUE****SUMMARY REVENUES:**

2005-06 Actual	Original 2006-07 Budget	Revised 2006-07 Budget*		Adopted 2007-08
\$44,464	\$59,000	\$59,000	Tire Disposal - State	\$60,000
0	0	0	Interest on Investments	0
0	\$11,000	\$16,400	Tire Grants	\$20,000
\$85,000	\$30,000	\$30,000	Transfer from Landfill	\$30,000
\$129,464	\$100,000	\$105,400	Total	\$110,000

SUMMARY EXPENDITURES:

2005-06 Actual	Original 2006-07 Budget	Revised 2006-07 Budget*		Adopted 2007-08
\$97,030	\$100,000	\$105,400	Operating	\$110,000

Fund Balance 6/30/98 \$ 20,239 Audit
 Fund Balance 6/30/99 \$ 10,014 Audit
 Fund Balance 6/30/00 \$ 20,699 Audit
 Fund Balance 6/30/01 \$ 27,279 Audit
 Fund Balance 6/30/02 \$ 22,019 Audit
 Fund Balance 6/30/03 \$ 19,522 Audit
 Fund Balance 6/30/04 \$ 13,022 Audit
 Fund Balance 6/30/05 \$ 12,376 Estimated (\$12,376) Audit
 Fund Balance 6/30/06 \$ 20,058 Audit
 Fund Balance 6/30/07 \$ 0 Estimated
 Fund Balance 6/30/08 \$ 0 Estimated

E-911 FUNDS

FUND TYPE: SPECIAL REVENUE

DESCRIPTION: To make available enhanced 911 services to all County residents. This critical service allows Telecommunicators to identify the caller's location without the necessity of the caller verbally explaining the location of the incident.

HISTORY: In 1989, the General Assembly authorized counties and cities to put a separate charge on telephone subscribers to pay for certain costs associated with 911 services. Lenoir County adopted an E-911 Ordinance on May 21, 1990. The charge is collected by the local telephone company and remitted to the County. The monies may be used either for the non-recurring costs of establishing a system, such as the lease, purchase, or maintenance of emergency telephone equipment, including necessary computer hardware, software, and database provisioning, or to pay the charges imposed by the telephone company for operation of service. Effective July 1, 1999 based on Board approval in FY98-99, the monthly charge increased from \$0.25 to \$1.00. This fund now operates as a true "enterprise fund" without General (Tax) Fund Subsidy. (Salaries, benefits and other operating expenses of the telecommunicators are included elsewhere under the General Fund's Communications' Division budget.

FUTURE TRENDS: The County will annually evaluate the Fund's "financial health" and make recommendations to reduce costs or increase revenues as necessary. The N.C. General Assembly may expand the uses of the telephone charges.

FY 2006-2007 HIGHLIGHTS: Effective July 1, 2005, based on Board approval in FY04-05, the monthly charge increased from \$1.00 to \$1.50, to meet increased demands for advanced technology. The primary goal is to allow E-911 services to better serve the community and the citizens of Lenoir County. The Wireless Phase II project will continue to be improved upon. The E-911 Center moved into new facility at 200 Rhodes Ave, with new upgrades of all equipment. Capital Outlay purchase included: 1) G.I.S. equipment to include a plotter/printer to outfit the CAD/GIS Specialist position with necessary equipment to complete mapping projects for Emergency Services; 2) purchase of VisionAir GEOLynx for mapping upgrade to E-911 Center.

FY 2007-2008 GOALS: This division plans to 1) continue with the maintenance on the mapping system for the Emergency Services Department; 2) continue to upgrade the E-911 Center with capabilities to ensure accurate and timely dispatches for the Wireless Phase II; and 3) complete the GeoLynx mapping project.

E-911 FUNDS**FUND TYPE: SPECIAL REVENUE****SUMMARY REVENUES:**

05-06 ACTUAL	ORIGINAL 06-07 BUDGET	REVISED 06-07 BUDGET		ADOPTED 2007-2008
0	0	0	WIRELINE 911 FUND BALANCE	0
0	0	\$85,000	WIRELESS 911 FUND BALANCE	\$231,727
\$482,199	\$456,864	\$456,864	WIRELINE 911 FEES	\$450,000
\$136,452	\$109,596	\$109,596	WIRELESS 911 FEES	\$136,451
\$419,805	0	0	GENERAL FUND LOAN	0
\$35,486	0	0	INTEREST	0
\$1,073,942	\$566,460	\$651,460	TOTAL	\$818,178

SUMMARY EXPENDITURES:

05-06 ACTUAL	ORIGINAL 06-07 BUDGET	REVISED 06-07 BUDGET		ADOPTED 2007-2008
\$59,991	\$58,327	\$58,327	SALARIES	\$62,045
\$26,252	\$23,162	\$23,162	BENEFITS	\$23,724
\$249,963	\$340,020	\$340,020	OPERATING	\$493,367
\$318,534	\$229,951	\$229,951	CAPITAL OUTLAY	\$239,042
\$656,740	\$651,460	\$651,460	TOTAL	\$818,178

Actual Fund Balance as of 6/30/98	\$196,8967	Audit
Actual Fund Balance as of 6/30/99	\$23,647	Audit
Actual Fund Balance as of 6/30/00	\$217,951	Audit
Actual Fund Balance as of 6/30/01	\$376,168	Audit
Fund Balance as of 6/30/02	\$595,095	Audit
Fund Balance as of 6/30/03	\$820,856	Audit
Fund Balance as of 6/30/04	\$852,127	Audit
Fund Balance as of 6/30/05	\$1,350,296	Audit
Fund Balance as of 6/30/06	\$757,375	Audit
Fund Balance as of 6/30/07	\$775,000	Est.
Fund Balance as of 6/30/08	\$550,000	Est.

REVALUATION FUND

FUND TYPE: SPECIAL REVENUE

DESCRIPTION: This fund is designed to pay for the costs of revaluating all real property, on eight (8) or four (4) year cycles. In FY 03-04, the Board agreed that it would not be cost beneficial to conduct a revaluation in 2005, since values have remained fairly stable. The next revaluation is scheduled for 2009 and will be completed within existing staffing levels. This fund is totally supported by a transfer from the General Fund.

FY 2006-2007 WORK PLAN HIGHLIGHTS: The review of parcels for the 2009 revaluation has begun.

FY 2007-2008 GOALS: Review of parcels for 2009 revaluation and take pictures of improvements that can be tied to the parcels on the new mapping software.

05-06 ACTUAL	ORIGINAL 06-07 BUDGET	REVISED 06-07 BUDGET *		ADOPTED 2007-2008
29,110	31,331	31,331	SALARIES	32,111
11,492	11,963	11,963	BENEFITS	12,100
3,615	5,600	5,600	OPERATING	5,600
0	0	0	CAPITAL OUTLAY	0
44,217	48,894	48,894	TOTAL	49,811

FUND BALANCE \$46,138 as of 06/30/01 Audit
FUND BALANCE \$ 5,766 as of 06/30/02 Audit
FUND BALANCE \$ 5,934 as of 06/30/03 Audit
FUND BALANCE \$ 7,724 as of 06/30/04 Audit
FUND BALANCE \$11,162 as of 06/30/05 Audit
FUND BALANCE \$12,872 as of 06/30/06 Audit
FUND BALANCE \$13,000 as of 06/30/07 (Est.)
FUND BALANCE \$13,000 as of 06/30/08 (Est.)

AUTOMATION PRESERVATION FUND

FUND TYPE: SPECIAL REVENUE FUND

DESCRIPTION: The Automation Enhancement and Preservation Fund is a relatively new fund that was created in January 2002 pursuant to General Statute 161-11.3 for the Office of Register of Deeds. Ten percent of the fees collected by the Register of Deeds Office are to be set aside in this fund annually. These funds are to be used to help with the expense of computer and imaging technology in the Office of the Register of Deeds. This fund can also be used to preserve the records (births, deaths, marriages, etc.) from deterioration of age or public use. By accounting for these revenues and expenditures in a special revenue fund, any unused monies will carry over to the next year. Nothing in this section shall be construed to effect the duty of the Board of Commissioners to furnish supplies and equipment to the Office of the Register of Deeds.

FY 2006-2007 HIGHLIGHTS: The Automation Enhancement and Preservation Fund was used this year to purchase 2 user's licenses so that all personnel would have access to the data base. All unused revenues generated under this fund "rolls" into the fund's Fund Balance.

FY 2007-2008 GOALS: The Automation Enhancement and Preservation Fund will be used to purchase a wide format scanner/plotter to replace current map reader and copier. Also, to purchase the Quick-Key debit system for the public copiers.

REVENUES

2005-06 ACTUAL	ORIGINAL 06-07 BUDGET	REVISED 06-07 BUDGET		ADOPTED 2007-2008
\$30,704	\$30,000	\$30,000	Fees Collected	\$30,000
3,102	2,500	\$2,500	Interest on Investments	\$2,500
0	0	0	Fund Balance App.	0
\$33,806	\$32,500	\$32,500	Total	\$32,500

EXPENDITURES

2005-06 ACTUAL	ORIGINAL 06-07 BUDGET	REVISED 06-07 BUDGET		ADOPTED 2007-2008
\$74,390	\$30,000	\$30,000	Capital Outlay-Equipment	\$30,000
\$8,463	\$2,500	\$2,500	Operating	\$2,500
\$82,853	\$32,500	\$32,500	Total	\$32,500

Fund Balance as of 6/30/04 \$ 84,073
 Fund Balance as of 6/30/05 \$117,022
 Fund Balance as of 6/30/06 \$ 67,975
 Fund Balance as of 6/30/07 \$ 89,125 Estimated
 Fund Balance as of 6/30/08 \$ 89,125 Estimated

CAPITAL IMPROVEMENT FUND

FUND TYPE: CAPITAL FUND

DESCRIPTION: This fund provides monies for significant, long-term improvements to the County's infrastructure, either its major upgrade or its expansion, and also provides monies to improve the capital assets of "the County" for the purpose of increasing economic development through industrial / GTP-related recruitment / retention actions and community development opportunities.

HISTORY: The fund was initiated in FY 99-00. Projects are identified and highlighted because of their high dollar impact and the long-term benefits that they reap. The Board votes publicly on all projects.

OUTLOOK: For the next five- (5) years, including this fiscal year, \$8,315,392 total is projected for this fund.

OPERATIONAL IMPACT: Projects which **expand** the County's infrastructure, generally **increase** operational costs; projects which **renovate or rehabilitate** existing facilities tend to **decrease** annual maintenance costs. The economic development (recruitment / retention) projects listed require minimal additional operating costs because industries / businesses generally pay more in taxes than the services they require. Capital improvements and debt service for the Lenoir Community College and Parks and Recreation facilities generally have as goals to reduce operating and maintenance costs. In fact, annual expenditure increases for P & R and LCC continue to mimic low inflationary cost rates; however, this is not without complaint from the service providers.

Future: We continue to be concerned that the Board realizes that the annual transfer from the General Fund to this fund is a **recurring obligation**. We are incurring contractual (re: mandatory) long-term commitments to stimulate economic development / tax base growth / jobs creation. These commitments **require recurring revenues**. Certainly they are performance-driven in that the benefits of securing or retaining private enterprises are in excess of the costs. Nevertheless, for the short-term, the County is "breaking even" in this most significant arena, as well as using **savings to pay for recurring expenditures**. A key example of this budgetary practice involved the sale of the Industrial Shell Building #2. The net proceeds increased the CIP Fund Balance to a June 30, 2003 audit total of \$1,645,443; however, a \$200,000 per year annual payment to West Pharmaceuticals remains a county obligation for eleven (11) years, beginning in FY05-06. The Board must always pay heed to future commitments when using savings to pay off recurring costs.

LENOIR COUNTY CAPITAL IMPROVEMENTS PROGRAM

APPROPRIATIONS IN FUTURE FISCAL YEARS

		Adopted Budget 2006-07		Revised Budget 2006-07		Adopted 2007-08		2008-09		2009-10		2010-11		2011-12		5-Year Totals
	Community Development 40-4930															
5100	Lenoir Community College : Capital	100,000	(1)	118,071	(1)	100,000	(1)	100,000	(1)	100,000	(1)	100,000	(1)	100,000	(1)	500,000
5101	Parks & Recreation / Capital	70,000	(1)	70,399	(1)	65,000	(1)	65,000	(1)	65,000	(1)	65,000	(1)	65,000	(1)	325,000
5109	Visitors Center: Construction	220,000		399,170	(5)	-		-		-		-		-		-
5110	Hwy 70 Corridor	10,000		10,000	(1)	10,000	(1)	-		-		-		-		10,000
7100 7200	Lenoir Community College - Debt Service	480,000	(1)	480,000	(1)	460,000	(1)	440,000	(1)	420,000	(1)	-		-		1,320,000
7101 7202	Battlefield Visitors Center Debt Service	29,146		29,146	(1,2)	29,146	(1,2)	29,146	(1,2)	-		-		-		58,292
7501	Library Debt Service Reserve	299,233		299,233	(1)	-		-		-		-		-		-
40-6110	Library Expansion Project: Bonds/D.S.	-		3,305,106	(1,6,8)	-		-		-		-		-		-
	Total Community Development	\$ 1,208,379		\$4,711,125		\$ 664,146		\$ 634,146		\$ 585,000		\$ 165,000		\$ 165,000		\$ 2,213,292

Last Payment

		Adopted Budget 2006-07		Revised Budget 2006-07		Adopted 2007-08		2008-09		2009-10		2010-11		2011-12		5-Year Totals
5800	Re-roofing / HVAC	100,000	(1)	233,913	(1)	50,000	(1)	-	(1)	100,000	(1)	100,000	(1)	100,000	(1)	450,000
5801	Building Upgrades	75,000	(1)	222,710	(1)	50,000	(1)	-	(1)	100,000	(1)	100,000	(1)	100,000	(1)	450,000
5804	EMS Station Project	-		82,377	(1)	100,000	(1)	-		-		-		-		100,000
5960	Wachovia Building Loan	313,000	(1)	313,000	(1)	-		-		-		-		-		-
5970	Hannibal Building	36,000		36,000	(1)	42,000	(1)	36,000	(1)	36,000	(1)	36,000	(1)	36,000	(1)	186,000
	Jail Project	-		-		-		-		400,000		400,000		400,000		1,600,000
	Total Buildings & Grounds	\$ 524,000		\$ 888,000		\$ 242,000		\$ 36,000		\$ 636,000		\$ 636,000		\$ 636,000		\$ 2,786,000
	Total - All Projects	\$ 2,324,879		\$6,421,625		\$1,714,446		\$1,451,346		\$2,001,400		\$1,580,900		\$ 1,567,300		\$ 8,915,392

Last Payment

KEY: 1 General Fund Transfer 2 Land Reimbursement 3 Fund Interest 4 Sales of Assets 5 Grants 6 Donations/Contributions 7 CIP Fund Balance Appropriated 8 Bonds/Loan Proceeds

LENOIR COUNTY CAPITAL IMPROVEMENTS PROGRAM							APPROPRIATIONS IN FUTURE FISCAL YEARS							
	ECONOMIC DEVELOPMENT 40-4920-	Adopted Budget 2006-07		Revised Budget 2006-07		Adopted 2007-08	2008-09	2009-10	2010-11	2011-12	5-Year Totals			
3500	Industrial Park Imps.	-	(1)	64,098	(1)	-	25,000 (1)	25,000 (1)	25,000 (1)	25,000 (1)	100,000			
5821	Water/Sewer Infrastructure	-	(4,1)	20,000	(1,6,7)	-	100,000 (1)	100,000 (1)	100,000 (1)	100,000 (1)	400,000			
5824	Masterbrand Cabinets	100,000	(1)	182,732	(1,5)	100,000 (1)	-	-	-	-	100,000			
5830	Hangar Agreement	40,000	(1)	43,301	(1)	40,000 (1)	40,000 (1)	40,000 (1)	40,000 (1)	40,000 (1)	200,000			
5840	Lenox #1	-	(1)	8,650	(1)	-	-	-	-	-	-			
5846	Smithfield	100,000		100,000		100,000 (1)	100,000 (1)	100,000 (1)	100,000 (1)	100,000 (1)	500,000			
5847	West	200,000	(1)	200,000	(1)	200,000 (1)	200,000 (1)	200,000 (1)	200,000 (1)	200,000 (1)	1,000,000			
5848	Lenox #2	-	(1)	-		-	-	-	-	-	-			
5849	Best Diamond	20,000	(1)	20,000	(1)	-	-	-	-	-	-			
5850	Existing Industries Program	-	(1)	10,000	(1)	-	-	-	-	-	-			
5851	Lenox #3	28,000	(1)	28,000	(1)	12,000 (1)	-	-	-	-	12,000			
5852	Workhorse	14,500	(1)	14,500	(1)	14,500 (1)	-	-	-	-	14,500			
5853	ALSCO	15,500	(1)	15,500	(1)	15,500 (1)	-	-	-	-	15,500			
5854	Ferguson	-		-		6,800 (1)	6,800 (1)	-	-	-	13,600			
5855	Alside #2	30,500	(1)	30,500	(1)	30,500 (1)	-	-	-	-	30,500			
5857	Roger Carter	24,000	(1)	24,000	(1)	-	-	-	-	-	-			
5862	DuPont Saronia	-		-		125,000 (1)	125,000 (1)	125,000 (1)	125,000 (1)	125,000 (1)	625,000			
5863	Electrolux	-		-		100,000 (1)	100,000 (1)	100,000 (1)	100,000 (1)	100,000 (1)	500,000			
5864	A.G. Machining	-		-			11,000	11,000	12,000		34,000			
5865	SIS - County			-		3,000	7,400	13,400	11,900	10,300	46,000			
5900	Industrial Development: Engineering Design			16,219	(1)	-	5,000 (1)	5,000 (1)	5,000 (1)	5,000 (1)	20,000			
5903	GTP Sewer Ext.			25,000	(1)	25,000 (1)	25,000 (1)	25,000 (1)	25,000 (1)	25,000 (1)	125,000			
7203	Shell Bldg #3 Interest	20,000		20,000	(1)	36,000 (1)	36,000 (1)	36,000 (1)	36,000 (1)	36,000 (1)	180,000			
Totals		\$ 592,500		\$ 822,500		\$ 808,300	\$ 781,200	\$ 780,400	\$ 779,900	\$ 766,300	\$ 3,916,100			
Last Payment		* New												
KEY: 1 General Fund Transfer 2 Land Reimbursement 3 Fund Interest 4 Sales of Assets 5 Grants 6 Donations/Contributions 7 CIP Fund Balance Appropriated 8 Bonds/Loan Proceeds														

MASTERBRAND CABINETS, INC.

DESCRIPTION: MasterBrand Cabinets, Inc., a Delaware corporation having its principal place of business in Jasper, Indiana, under contract with Lenoir County, purchased and renovated the vacated Dimon, Inc. Building on Highway 58 in October, 1999. The County, City of Kinston, Dimon, Inc., and the Lenoir Committee of 100 offered certain recruitment incentives. In return, MasterBrand agreed to an estimated total capital investment of \$34,000,000 and having 690 full-time employees within the first five (5) years of operation.

HISTORY: MasterBrand is one of the largest manufacturers of kitchen and bathroom cabinets in the world. The company significantly reconstructed the existing facility, bringing in machinery, and hiring and training employees.

OUTLOOK: If the performance requirements of MasterBrand are met, the County is committed to providing up to a maximum of \$1,170,000 in grants to this company over an eight (8) year time frame. If the company achieves its target level of investment (\$34,000,000) and maintains it for two (2) years thereafter, the County will recoup its total investment within six (6) years. The company is “on pace” to meet investment and employment objectives. MasterBrand may also consider expansion beyond these target levels.

OPERATIONAL IMPACT: Other than “normal” services provided to this industry and its employees, no other additional costs will be borne by the County.



Funding Source	Prior Years' Funding	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	5-Year Total
GTP Grant / State	\$150,000	-0-	-0-	-0-	-0-	-0-	-0-
General Fund	\$1,070,000	\$100,000	-0-	-0-	-0-	-0-	\$100,000
Total	\$1,220,000	\$100,000	-0-	-0-	-0-	-0-	\$100,000

HANGAR AGREEMENT

DESCRIPTION: During FY 00-01, the County and the Global Transpark Authority (GTP) entered into a 40-year contract known as the “Hangar Agreement”. The GTP would borrow the money to build a hangar to serve Segrave Aviation. Segrave would expand operations, including a minimum \$10 million increase in investment. The County would pay \$40,000 per year to the GTP (\$30,000 to cover debt and \$10,000 for hangar maintenance).



HISTORY: The hangar has been completed and leased to Segrave.

OUTLOOK: If the performance objectives are achieved, the County receives approximately \$75,000/year in taxes and pays out \$40,000/year, thereby “netting” \$35,000/year on this contract.

OPERATIONAL IMPACT: The County’s annual payment includes the County’s yearly operating costs, i.e., the operation and maintenance of the hangar is done by the GTP.

Funding Source	Prior Years' Funding	FY07-08	FY08-09	FY09-10	FY10-11	FY12-13	Total
General Fund	\$200,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$200,000
Total	\$200,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$200,000

SMITHFIELD PACKING COMPANY

DESCRIPTION: Smithfield Packing Company, Inc. will construct a new food processing facility, representing a total-non depreciated investment of at least \$80,000,000 in real and personal property including machinery and equipment, and creating at least 206 new jobs in Lenoir County within five years after commencement of commercial operations at the “New Plant”. The new facility will be located in Phase II of the 70 West Industrial Park and will be Smithfield’s second facility in Lenoir County.



HISTORY: Smithfield Packing Company currently operates a ham processing facility located at 2602 West Vernon Avenue, Kinston, NC. The current employment at this facility is more than 500. Smithfield Packing Company has been a vital part of our manufacturing community for more than 20 years. This new facility will be in addition to the Vernon Avenue location.

OUTLOOK: Based on a projected investment of \$80 million, the County will recover its \$3,050,000 investment in seven years. This grant is based on a Performance Agreement that will expire December 31, 2015.

OPERATIONAL IMPACT: Other than “normal” services to this industry and its employees, no other additional costs will be borne by the County.

Funding Source	Prior Years' Funding	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 12-13	5-Year Total
General Fund	\$2,150,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000

WEST PHARMACEUTICAL

DESCRIPTION: West Pharmaceuticals elected to rebuild its manufacturing operations and employ a minimum of two hundred (200) employees in Lenoir County by purchasing from Lenoir County the industrial shell building #2 located at 1028 Enterprise Boulevard, Highway 70 West Industrial Park, Kinston, NC.

HISTORY: West Pharmaceutical Services, Inc. opened the Kinston plant in 1975. The initial plant was 90,000 SF and represented a \$12 million investment. In 1985, the plant was expanded by 55,000 SF. In January 2003, the plant which employed 250 people and was valued at \$16 million was destroyed by an explosion. Lenoir County realizing West Pharmaceutical Services value to our community provided an Economic Development Grant valued at two million two hundred thousand (\$2,200,000) to induce West to re-invest in Lenoir County.



OUTLOOK: Based on a projected re-investment of \$16 million, the County will recover its \$2,200,000 investment in approximately 10 years. West Pharmaceuticals paid to Lenoir County \$2,000,000 for the Shell Building No. 2 and 23 acres of land. This grant is based on a Performance Agreement that will expire on December 31, 2015.

OPERATIONAL IMPACT: Other than “normal” services to this industry and its employees, no other additional costs will be borne by the County.

Funding Source	Prior Years' Funding	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	5-Year Total
General Fund	\$400,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000

BEST DIAMOND PACKAGING

DESCRIPTION: Best Diamond is located at 1447 Enterprise Boulevard, Highway 70 West Industrial Park, Kinston, NC. They will install \$5 million in machinery and equipment and increase their employment from 7 full-time employees to 27 full-time employees. Currently they are sharing a portion of the Dopaco facility.

HISTORY: Best Diamond Packaging manufactures paper products for the fast food industry. Currently their top two customers are McDonalds and Burger King. Best Diamond Packaging opened its Lenoir County facility in 2004.



OUTLOOK: Based on a projected investment of \$5 million, the County will recover its \$45,000 investment in less than two years. This grant is based on a Performance Agreement that will expire on December 31, 2006.

OPERATIONAL IMPACT: Other than “normal” services to this industry and its employees, no other additional costs will be borne by the County.

Funding Source	Prior Years' Funding	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	5-Year Total
General Fund	\$45,000	\$20,000	-0-	-0-	-0-	-0-	\$20,000

LENOX CHINA EXPANSION NO. 3

DESCRIPTION This is a third expansion for Lenox China in less than four years. This expansion will add \$2,500,000 in machinery and equipment to produce a new product line and will add 100 new jobs.

HISTORY: Lenox came to Lenoir County in 1989 purchasing our first 45,000 square foot shell building. With an initial investment of \$24 million, Lenox opened as a small operation for workers to decorate china. In 1991 the company expanded to a 150,000 square foot manufacturing facility. In December 2000 the company opened its 7,000 SF retail outlet store in Kinston. In 2002 they added \$8 million capital investment and 30 new jobs. In 2004, Lenox chose to increase its employment from 273 full-time employees to 373 full-time employees for a total increase of one hundred (100) as a result of this expansion. Again in 2006 they will add \$2.5 million in machinery and equipment and 100 new jobs at the Lenoir County facility.



OUTLOOK: This performance agreement expires December 31, 2008.

OPERATIONAL IMPACT: Other than “normal” services provided to this industry and its employees, no other additional costs will be borne by the County.

Funding Source	Prior Years' Funding	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	Total
General Fund	\$--0--	\$28,000	\$12,000	\$20,000	-0-	-0-	\$60,000.00

FERGUSON ENTERPRISES

DESCRIPTION: Ferguson Enterprises, Inc. desires to open a new distribution center in Kinston. The facility located at 4100 Berkeley Avenue in Kinston consisting of approximately 30,000 square feet will serve as the distribution center for ten stores in NC. They will install certain industrial machinery and equipment and improvements in this facility representing a non-depreciated investment in excess of \$400,000. The company will employ thirty (30) full-time employees as a result of this expansion.

HISTORY: This facility will serve as the distribution center for ten stores in NC.

OUTLOOK: Based on a projected investment of \$400,000 the County will recover its \$13,600 investment in three (3) years. This is another example of the value of the “*Less Than \$2.5 million Incentive Policy*” established by the Commissioners in 2002. This grant is based on a Performance Agreement that will expire December 31, 2008.

OPERATIONAL IMPACT: Other than “normal” services to this industry and its employees, no other additional costs will be borne by the County.



Funding Source	Prior Years' Funding	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	Total
General Fund	\$--0--	\$--0--	\$6,800	\$6,800	\$--0--	\$--0--	\$13,600.00

ALSIDE WINDOW COMPANY EXPANSION NO. 2

DESCRIPTION: Alside Window Company a manufacturing facility located at 3800 Farmgate Road, Kinston, NC plans to expand its capital investment in Lenoir County by purchasing additional machinery and equipment with an estimated advalorem tax value in excess of \$750,000 and increase its employment from 390 full-time employees to 600 full-time employees for a total increase of 210 jobs as a result of this expansion. This performance agreement based grant will be paid in three equal installments over a three-year period beginning in September, 2005.



HISTORY: Alside Window Company is one of Lenoir County's largest manufacturing firms. The company employs 390 people in the production of vinyl windows. They came to Lenoir County in 1988. When this expansion is complete, the Company will have increased its employment from 300 full-time workers in 2003 to 600 in 2005

OUTLOOK: Although the capital investment of this expansion is minimal (\$750,000) the impact of an additional 210 jobs to our community is substantial. This grant is based on a Performance Agreement that will expire on December 31, 2007.

OPERATIONAL IMPACT: Other than "normal" services to this industry and its employees, no other additional costs will be borne by the County.

Funding Source	Prior Years' Funding	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	5-Year Total
General Fund	\$30,500	\$30,500	\$30,500	-0-	-0-	-0-	\$61,000

E. I. DUPONT COMPANY

DESCRIPTION: E. I. DuPont de Nemours and Company plans to expand its production capabilities with a new product line "Sorona". The company will install certain industrial machinery, equipment and improvements at its leased facility on NC 11 North, representing a total-non depreciated investment in excess of \$55,000,000 to manufacture this new product line. This expansion will create an additional 66 new high-paying jobs in Lenoir County within four years. The Lenoir Committee of 100, Inc. will invest \$50,000 in this project in 2006. Other grants applied for on behalf of this project are: Golden Leaf Foundation, NC's Eastern Region Flex Grant, and NC DOT Rail Grant and One NC.



HISTORY: DuPont came to Lenoir County in 1953 and once was the County's largest employer and tax payer. The company has down-sized its employment from 3,500+ to 33, and sold its facility to Unifi. A primary objective of this expansion was to keep DuPont operational in Lenoir County and possibly have an alternative crop option for the many farmers in our area. Market success of DuPont Sorona has the potential for strengthening Lenoir County's long-term economy and is an especially exciting opportunity for a tobacco-dependent community. This project also follows the Governor's plan for the Bio-Tech industry in North Carolina.

OUTLOOK: Based on a projected investment of \$55 million, the County will recover its \$1,250,000 investment in five (5) years. This grant is based on a Performance Agreement that will expire December 31, 2016.

OPERATIONAL IMPACT: Other than "normal" services to this industry and its employees, no other additional costs will be borne by the County.

Funding Source	Prior Years' Funding	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	Total
General Fund	\$--0--	\$--0--	\$125,000	\$125,000	\$125,000	\$125,000	\$500,000.00

ROGER CARTER CORPORATION

DESCRIPTION: Roger Carter Corporation a manufacturer of modular buildings in Lenoir County will expand its facility by adding 150 jobs in 2005-2006 and \$1,200,000 to Lenoir County's tax base.



HISTORY: Roger Carter Corporation is located in Lenoir County and one of Lenoir County's oldest businesses. The company employs 75 people. They spent approximately 12 months searching for the right facility conducive for their manufacturing process. This expansion will invest \$1.2 million and create an additional 150 jobs.

OUTLOOK: This project exemplifies the value of the "*Less Than \$2.5 Million Incentive Policy*" approved by the Commissioners in 2002. This grant is based on a Performance Agreement that will expire December 31, 2008.

OPERATIONAL IMPACT: Other than "normal" services to this industry and its employees, no other additional costs will be borne by the County.

Funding Source	Prior Years' Funding	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	Total
General Fund	\$--0--	\$24,000	\$24,000	\$24,000	\$--0--	\$--0--	\$72,000.00

ELECTROLUX

DESCRIPTION: Electrolux will expand its Lenoir County dishwasher production plant, creating 97 jobs and investing \$18 million in the area during the next three years.



HISTORY: Electrolux Home Products first came to Kinston/Lenoir County in 1989. The name has changed several times over the years from WCI, to Frigidaire and most currently Electrolux. Their current facility is approximately 500,000 SF under roof. They have been an excellent corporate citizen for sixteen years. They have been considering an expansion—for the production of a new high-end product line. Lenoir County Economic Development Department has been working with Electrolux Home Products encouraging them to locate their expansion in Lenoir County. Competition for this expansion was China, and Mexico. Not only were we competing for the expansion, but we were at risk to loose over 700 manufacturing jobs already in place.

OUTLOOK: Based on a projected investment of \$18,000,000 the County will recover its \$500,000 investment in six (6) years. This grant is based on a Performance Agreement that will expire December 31, 2011.

OPERATIONAL IMPACT: Other than “normal” services to this industry and its employees, no other additional costs will be borne by the County.

Funding Source	Prior Years' Funding	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	Total
General Fund	\$--0--	\$--0--	\$100,000	\$100,000	\$100,000	\$100,000	\$400,000.00

Spatial Integrated Systems, Inc. (SIS)

DESCRIPTION: Spatial Integrated Systems, Inc. , a privately owned corporation authorized to do business in the State of North Carolina, having its principal place of business at 2815 Rouse Road Extension, Kinston, NC 28504 plans to install certain industrial machinery, equipment and improvements in a leased 20,000 SF manufacturing facility located at the NC Global TransPark. The company will employ 37 full-time employees and invest \$2,750,000. SIS was supported in the move by the NC Global TransPark Foundation, Lenoir County, the Neuse River Development Authority's Defense Ventures Fund and the Governor's Office which will back the enterprise with \$100,000 from the One North Carolina Fund.



HISTORY: This is a Maryland company specializing in information technologies, engineering services and software solutions for the US Navy and aviation industries. The company will bring 37 jobs to the NC Global TransPark with annual salaries ranging from \$35,000 to \$100,000.

OUTLOOK: Based on a projected investment of \$2,750,000, the County will recover its \$46,000 investment in four (4) years. This grant is based on a Performance Agreement that will expire December 31, 2011.

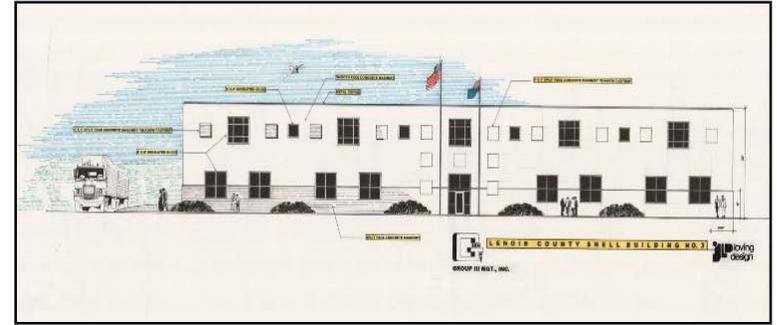
OPERATIONAL IMPACT: Other than "normal" services to this industry and its employees, no other additional costs will be borne by the County

Funding Source	Prior Years' Funding	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	Total
General Fund	\$54,000.00*	\$3,000	\$7,400	\$13,400	\$11,900	\$10,300	\$100,000.00

**Monyes (\$54,000) received from the NC Global TransPark Authority.*

LENOIR COUNTY SHELL NO. 3

DESCRIPTION: The County will invest a total of \$1,324,000 in cash and borrowed funds from North Carolina's Eastern Region (previously called the Global TransPark Commission) to construct this 40,000 square foot industrial shell building to be located in the 70 West Industrial Park. Fiscal year 07-08 represents the first of (20) quarterly interest payments of \$ 13,406.25. The Lenoir Committee of 100 and The City of Kinston will partner with Lenoir County in the construction of Shell Building No. 3. Construction will begin in FY 07-08.



HISTORY: An estimated 85% of companies locating/expanding to a community go into an existing building. Lenoir County has historically been very successful with Shell No. 1 now owned/occupied by Lenox China; and Shell No. 2 now owned/occupied by West Pharmaceuticals. Either directly or indirectly, Lenoir County can boast that numerous companies have expanded or relocated to Lenoir County because we had an available building.

OUTLOOK: Having a shell building is a necessary tool to attract new and expanding industry to Lenoir County.

OPERATIONAL IMPACT: None direct.

Funding Source	Prior Years' Funding	FY07-08	FY08-09	FY09-10	FY10-11	FY11-12	Total
General Fund	\$	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$180,000

LENOIR COMMUNITY COLLEGE: CAPITAL IMPROVEMENTS

DESCRIPTION: This continuing five (5) year program allocates \$100,000 annually for prioritized capital projects or capital equipment. Generally, the projects involve renovation of buildings and classrooms, major roof or HVAC replacement, complying with ADA requirements, or major equipment replacement. Unspent funds rollover from year to year.

HISTORY: During FY 00-01 the following was accomplished: 1) renovated restrooms for ADA compliance (\$85,000); 2) 146-space parking lot (\$43,000); 3) classroom renovation (\$25,000), security project (\$23,000); 4) During FY 02-03, \$50,000 was expended on replacement of roofs; 5) During FY 03-04 continued matching county dollars (\$100,000) with state bond moneys to construct new buildings or make major improvements in existing ones; and 6) During FY 04-05, the college received an initial allotment of \$100,000 and an additional allotment of \$150,000. Projects undertaken this year included carpeting (\$5,345), roofing (\$72,000), expansion of parking (\$42,000), replacement of HVAC Systems (\$20,000), conversion to natural gas (\$10,000), master plan (\$28,000), concrete repairs (\$21,000), electric cart for security (\$6,000), coordinated clock system (\$8,500), un-interruptible power supply (\$7,000) and the purchase of new and replacement equipment.

OUTLOOK: Lenoir Community College is well into construction and renovation of facilities on the main campus, supplementing county funds with monies available from the 2000 statewide bond referendum. The County has committed to provide \$100,000 per year for five years as a match as required for the bond appropriation.

OPERATIONAL IMPACT: Having bond funds and matching county funds is vital in renovating aging structures. These funds will allow significant improvement to the function and efficiency of buildings on the main campus.

Funding	Prior Years' Funding	FY06-07	FY07-08	FY08-09	FY09-10	FY10-11	5 Year Total
General Fund	\$1,044,376	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000

PARKS AND RECREATION: CAPITAL

DESCRIPTION: This project account funds: 1) grant matches to supplement federal/state or local resources and 2) “one-time” capital improvements to support Parks & Recreation activities.

HISTORY: For FY 06-07, work completed was: 1) Nature Center and Planetarium Improvements (\$5,000); 2) termite baseball field lights at Banks School replaced (\$7,000); 3) Bill Fay Picnic Shelter (\$6,000); 4) Purchased Mock Gym fitness equipment (\$7,000), 5); Repaired Moss Hill Baseball field (\$5,000). Transferred \$20,000 from this account to Moss Hill Park Capital Outlay Account in order to complete the Moss Hill project in this fiscal year (\$20,000).



OUTLOOK: For FY 07-08, the following is scheduled: 1) provide 50% funding for the repair of a 15-passenger van (\$12,500); 2) replace gym lights at Moss Hill (\$15,000); 3) purchase new exhibits at Nature Center/Planetarium (\$5,000); 4) Replace lights at Banks ballfield (\$10,000); 5) Youth athletic equipment (\$15,000); 6) begin work on Pink Hill Park (\$9,500).

ORGANIZATIONAL IMPACT: Parks and Recreation facilities require major upgrades, similar to county buildings, as they age. Also, recreation equipment needs to be replaced annually and a county vehicle and a mower are also needed. This should limit the county’s liability and increase citizen’s satisfaction with parks and recreation.

Funding Source	Prior Year’s Funding	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	5 Year Total
General Fund	625,500	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$325,000

KINSTON/LENOIR COUNTY VISITORS CENTER & HISTORIC BATTLEFIELD OVERLOOK

DESCRIPTION: This capital project involves construction of a 2,000 square foot Visitor’s Center. The North Carolina Federal Enhancement Grant (T-21) of \$99,736 with a local match from the Convention & Visitor’s Bureau of \$24,934 was awarded in March, 2005. Lenoir County was awarded an additional \$220,000 for completion of the Visitor’s Center and Overlook, which requires a \$50,000 county match. The project must be completed by July 1, 2007. Construction will begin in July, 2006 and will be performed by the Kinston Exchange Club and local sub-contractors.

HISTORY: The county has served as the facilitator on this project, coordinating communication and resources, and drafting and executing contracts. The property was purchased in 2004/05 by the county paying 25%, the city paying 25% and Kinston-Lenoir Tourism Development Authority paying 50%. The county will continue to be lead facilitator on the construction of the Visitor’s Center.

OUTLOOK: The enhancement grants will fund the construction of Phase I, II and III. Phase I consists of constructing the Visitor’s Center, which will be a 2,000 square foot facility highlighting the blue-grey by-way and exhibits. Phase II will be the construction of a 1,500 square foot multi-purpose room and exhibits. Phase III will be the construction of the Historic Battlefield Overlook. The Visitor’s Center will highlight civil war history and all local tourist attractions, including numerous local merchants.

OPERATIONAL IMPACT: After construction is complete, the City of Kinston will be requested to fund operating money for the facility while the county will fund the full-time Tourism Director and any part-time staff needed.

Funding Source	Prior Years’ Funding	FY 05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10	5-Year Total
General Fund	0	\$124,670	\$275,000				\$399,670

LENOIR COMMUNITY COLLEGE DEBT SERVICE

DESCRIPTION: After being approved at a referendum on September 26, 1995, \$3,500,000 in General Obligation bonds were issued by Lenoir County for the purpose of improving facilities at Lenoir Community College. A new classroom building which also houses an auditorium was constructed and an existing classroom building was renovated with these funds.

HISTORY: Lenoir Community College was chartered in 1958 as an Industrial Education Center and approved as a Community College in 1964. It also serves Jones and Greene counties by operating an extension facility in each county. The basic Current Expense requirements are financed by the State with the County providing Capital Outlay funding, including repaying any debt from bonds sold.



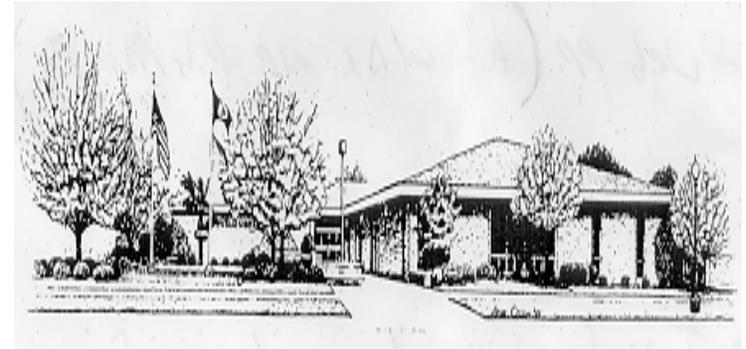
OUTLOOK: The balance due to be paid on bonds as of 6/30/06 is \$1,800,000 with the last payment being in FY 2009-10.

OPERATIONAL IMPACT: With the construction of a new building, higher utility, janitorial, and maintenance costs are results.

Funding Source	Prior Years' Funding	FY07-08	FY08-09	FY09-10	FY10-11	FY11-12	5-Year Total
General Fund	\$2,859,300	\$460,000	\$440,000	\$420,000	0	0	\$1,320,000

MAIN LIBRARY EXPANSION PROJECT

DESCRIPTION: The main library of the Neuse Regional Library System is located in Kinston. In November, 2004, voters approved a \$2.6 million General Obligation Bond Referendum which broadly consists of the following: construct a 10,000 sq. ft. addition to: enlarge the auditorium, Children’s Room and Theatre; expand the Periodical Room and readings’ areas and Audio-Visual Room; and create a new study area, conference room, Young Adult Reading Room and additional parking spaces.



HISTORY: The General Fund “loaned” \$200,000 to this project in FY 04-05 in order to initiate architectural services. An architect was competitively selected in February 2005. It is anticipated that construction contracts could be awarded as early as June 2006 with construction lasting nine (9) to twelve (12) months.

OUTLOOK: General Obligations Bonds will be issued in 2006.

OPERATIONAL IMPACT: None in FY 06-07 since the facility will not be open until the 1st quarter, 2007. Thereafter, utilities and custodial costs for the library will increase by the factor of the expansion.

Funding	Prior Years’ Funding	FY 07-08	FY 08-09	FY 09-10	FY 10-11	5-Year Total
General Fund Loan to Project	\$200,000					
G.O. Bond	\$2,600,000					\$2,600,000
Debt Service		\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000

RE-ROOFING/HVAC

DESCRIPTION: This project account involves the repair and / or replacement of major roofs or heating ventilating air conditioning (HVAC) systems on county facilities.

HISTORY: In FY02-03, as part of pre-budget work sessions, a survey was undertaken and a board committee was formed to evaluate and prioritize projects. Roofs and HVAC systems need to be replaced as they reach the end of their life cycles. In FY 99-00, the roofs of the buildings, which house the Health Department and the Social Services Department, were repaired at an approximate cost of \$30,000. The MIS building's roof was also replaced. In FY 01-02, the DSS roof was completely replaced and a new HVAC system in the Resource Development Building was installed. In FY 04-05 \$68,250 was spent to replace the roof of the Multi-Purpose Building which houses the ABC store and Board of Elections. In FY 05-06 an analysis was conducted on the roof of the original courthouse. Plans to replace this roof (\$180,000) are underway.

OUTLOOK: Management continues to be concerned with the HVAC systems in the courthouse (the old boiler) and elsewhere.

OPERATIONAL IMPACT Replacing worn out HVAC units with efficient units, on a preventive maintenance basis, prevents future unplanned major expenditures.

Funding Source	Prior Years' Funding	FY07-08	FY08-09	FY09-10	FY10-11	FY11-12	5 Year Total
General Fund	\$392,454	50,000	100,000	\$100,000	\$100,000	100,000	\$450,000

UPGRADES OF BUILDINGS

DESCRIPTION: This project category includes major facilities’ replacement in excess of \$5,000 such as carpet replacement, windows, caulking, major painting, and / or woodwork repair.

HISTORY: All facilities/structures are evaluated annually. In FY 05-06 the exterior windows of the original courthouse were replaced with energy efficient tinted insulated glass, glass units in the curtain walls that connect the courthouse with the courthouse annex were repaired/replaced, the leaking skylight was repaired, and additional office space and improvements were made to the Finance/County Administration area. Replacement of the noise reduction glass and new blinds in the Superior Courtroom were completed in FY 06-07

OUTLOOK: Possible renovations may be necessary if different accommodations are acquired for the AOC offices.



OPERATIONAL IMPACT: Neglect of these “master maintenance” items will only mean customer dissatisfaction and higher costs “down the road.”

Funding Source	Prior Years’ Funding	FY07-08	FY08-09	FY09-10	FY10-11	FY11-12	5 Year Total
General Fund	\$496,655	\$50,000	\$100,000	\$100,000	\$100,000	\$100,000	\$450,000

LENOIR COUNTY FIRE DISTRICTS

FUND TYPE: SPECIAL REVENUE

DESCRIPTION: There are eleven (11) fire districts with individual volunteer fire departments. Each has a separate tax rate and tax base. Rates range from two cents (\$.03) in Grifton to eight cents (\$.08) in Cherry Tree and Sandy Bottom. These volunteers protect approximately 30,000 to 35,000 residents and many businesses and industries who occupy the unincorporated areas of the county.

OVERVIEW: The revenue estimates were prepared by the County's Finance Office by reviewing historical and current year revenue data. The total amount predicted for FY 07-08 is \$1,104,336, which is 24.5% more than actual revenues for FY 05-06. However, to interpret this as "growth" would be an incorrect conclusion. Since both North Lenoir and Sandy Bottom increased their rates.

FUTURE: It is recommended that the Board continue to conduct a thorough study of the Fire Districts to evaluate their short, mid, and long-term needs and revenue requirements, both for operating and capital. If tax rates need to be modified as a result, then such action could be undertaken by the Board with more and better data. It is proposed this work continue to be undertaken in the upcoming fiscal year.

LENOIR COUNTY FIRE DISTRICTS

FUND TYPE: SPECIAL REVENUE

SUMMARY OF EXPENDITURES

	ACTUAL 2004-05	ORIGINAL BUDGET 2005-06	APPROVED BUDGET 2006-07	ADOPTED BUDGET 2007-08
TOTAL EXPENDITURES	\$790,133	\$808,452	\$1,063,670	\$1,104,336

SUMMARY OF REVENUES

	ACTUAL 2004-05	ACTUAL 2005-06	APPROVED BUDGET		INCREASE/ DECREASE 05-06 ACTUAL VS 07-08 ADOPTED	
			2006-07	2007-08		
SERVICE AREA						
NORTH LENOIR	\$164,974	\$170,956	\$314,769	\$326,646	\$155,690	.045
SOUTHWOOD	69,484	93,690	94,709	110,817	\$17,127	.06
SANDY BOTTOM	106,082	111,168	152,643	156,174	\$45,006	.08
DEEP RUN	78,189	84,967	84,434	86,340	\$1,373	.04
SEVEN SPRINGS	15,337	15,703	15,319	15,601	-\$102	.04
HUGO	104,827	152,662	144,552	149,118	-\$3,544	.04
SAND HILL	61,380	61,844	64,698	64,743	\$2,899	.07
CHERRY TREE	70,915	74,448	74,446	75,721	\$1,273	.08
MOSLEY HALL	83,028	85,849	82,425	83,958	-\$1,891	.04
WYSE FORK	22,928	22,444	23,145	22,556	\$112	.065
GRIFTON	12,989	13,574	12,530	12,662	-\$912	.03
TOTAL REVENUES	\$790,133	\$887,305	\$1,063,670	\$1,104,336	\$217,031	

SPECIAL GRANT PROJECT FUNDS

This section contains budget of project-based, grant funded, primarily capital-outcome driven programs. Most of the programs are directly a result of the County experiencing six (6) hurricanes; Bertha, Fran, Bonnie, Flyod, Irene and Dennis. No General Fund moneys are included in these projects / grants except on a specific “local match” one time basis. These projects / grants are not included in the annual fiscal year budget ordinance because funding carries over from one year to the next until the projects / programs are completed.

**COMMUNITY DEVELOPMENT BLOCK GRANT
2006 CONCENTRATED NEEDS GRANT**

FUND TYPE: SPECIAL REVENUE

DESCRIPTION: The 2006 Concentrated Needs Community Development Block Grant was awarded to the County on July 31, 2006. This grant focuses on the Willie White Road section of Lenoir County. This area was selected on the basis of its severe need for housing, sewer/septic systems, water and drainage. The project will rehabilitate 3 substandard units, demolish 9 dilapidated units and relocate 5 families. The existing undersized water lines will be replaced, failing septic systems will be repaired/replaced, units with no bathrooms will have septic systems installed and ditching improvements will be made by the Department of Transportation

PRIOR YEARS HIGHLIGHTS: None

FY 06-07 HIGHLIGHTS: On October 16, 2006, the Board of Commissioners voted to hire RSM Harris Associates of Goldsboro as the Project Administrator for this project. They also voted to hire McDavid Associates as the Project Engineer.

FY 07-08 GOALS: Bids will be sent out for the rehabilitation portion of the project. By July 2007, work should begin on each phase of the project.

SUMMARY OF REVENUES

	Original Project Authorization	Prior Years Actual	2006-07 Estimated	Estimated Revenues FY 2007-08
CDBG 06-C-1515	\$ 700,000	\$ 0	\$ 15,000	\$ 600,000
Local Match	\$ 35,000	\$ 0	\$ 0	\$ 35,000
TOTAL	\$ 735,000	\$ 0	\$ 15,000	\$ 635,000

SUMMARY OF EXPENDITURES

	Revised Project Authorization	Prior Years Actual	2006-07 Estimated	Est. Expenditures FY 2007-08
ADMINISTRATION	\$ 69,000	\$ 0	\$ 10,000	\$ 59,000
ACQUISITION	\$ 127,000	\$ 0	\$ 1,000	\$ 126,000
CLEARANCE	\$ 82,000	\$ 0	\$ 0	\$ 82,000
RELOCATION	\$ 372,000	\$ 0	\$ 0	\$ 372,000
REHABILITATION	\$ 60,000	\$ 0	\$ 5,000	\$ 55,000
WATER IMPROVEMENTS	\$ 25,000	\$ 0	\$ 2,000	\$ 23,000
TOTAL	\$ 735,000	\$ 0	\$ 18,000	\$ 717,000

Cumulative Project Expenditures as of 6/30/07 \$ 18,000 Est.
 Cumulative Project Expenditures as of 6/30/08 \$ 735,000 Est.

**COMMUNITY DEVELOPMENT BLOCK GRANT
2006 SCATTERED SITE GRANT**

FUND TYPE: SPECIAL REVENUE

DESCRIPTION: The 2006 Scattered Site Community Development Block Grant was awarded to the County on July 31, 2006. This grant will focus on homes in Lenoir County with severely deteriorated housing. All applicants will have to meet the low/mod income criteria.

PREVIOUS YEARS' HIGHLIGHTS: None

FY 06-07 HIGHLIGHTS: The County selected RSM Harris Associates to administer the grant. Three (3) beneficiaries will be determined, who will have their old housing demolished and replaced. These three (3) families will receive new housing with the septic systems being repaired/replaced in the units that have failing systems.

FY 07-08 GOALS: Applicants will be screened and selected for this project.

SUMMARY OF REVENUES

	Original Project Authorization	Prior Years Actual	2005-06 Estimated	Estimated Revenues FY 2006-07
CDBG 06-C-1532	\$ 400,000	\$ 0	\$ 12,000	\$ 388,000
TOTAL	\$ 400,000	\$ 0	\$ 12,000	\$ 388,000

SUMMARY OF EXPENDITURES

	Revised Project Authorization	Prior Years Actual	2005-06 Estimated	Est. Expenditures FY 2006-07
ADMINISTRATION	\$ 40,000	\$ 0	\$ 10,000	\$ 30,000
CLEARANCE	\$ 24,000	\$ 0	\$ 0	\$ 24,000
RELOCATION	\$ 276,000	\$ 0	\$ 3,000	\$ 273,000
REHABILITATION	\$ 60,000	\$ 0	\$ 0	\$ 60,000
TOTAL	\$ 400,000	\$ 0	\$ 13,000	\$ 387,000

Cumulative Project Expenditures as of 6/30/07 \$ 13,000 Est.
 Cumulative Project Expenditures as of 6/30/08 \$ 400,000 Est.

DEEP RUN WATER / SEWER DISTRICT - OPERATING**FUND TYPE: SPECIAL REVENUE**

DESCRIPTION: The Deep Run Water & Sewer District was created by action of the Lenoir County Board of Commissioners on June 17, 2002. The DR-WSD's sewer lines collect wastewater from Moss Hill Elementary School, South Lenoir High School and the Village of Deep Run and pump it to the wastewater treatment plant in the Town of Pink Hill.

PREVIOUS YEARS' HIGHLIGHTS: The "notice to proceed" was sent to the construction contractors on August 19, 2004. The sewer system was completed in November of 2005. Approximately 55 percent of the customers eligible for sewer service have actually hooked onto the system.

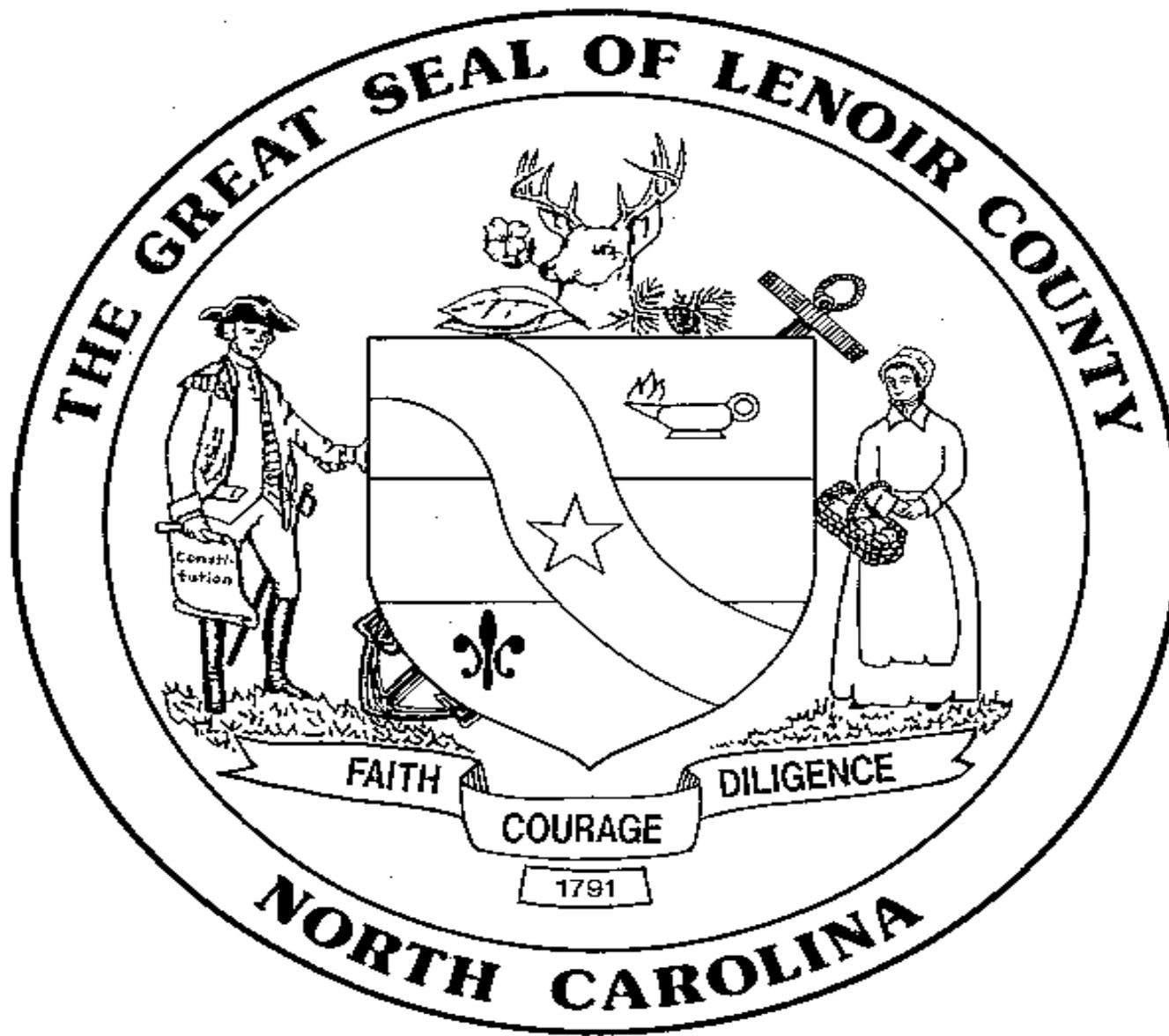
FY 06-07 HIGHLIGHTS: The Board of Commissioners agreed to transfer ownership of the sewer system to the Town of Pink Hill. The Wooten Company is handling the transfer process. The transfer of ownership is projected to take place July 1, 2007. The Town of Pink Hill will operate the system. The County will not dissolve the district, but keep it "alive" for future sewer opportunities that may be tied to economic development in the southern part of the County.

SUMMARY OF REVENUES

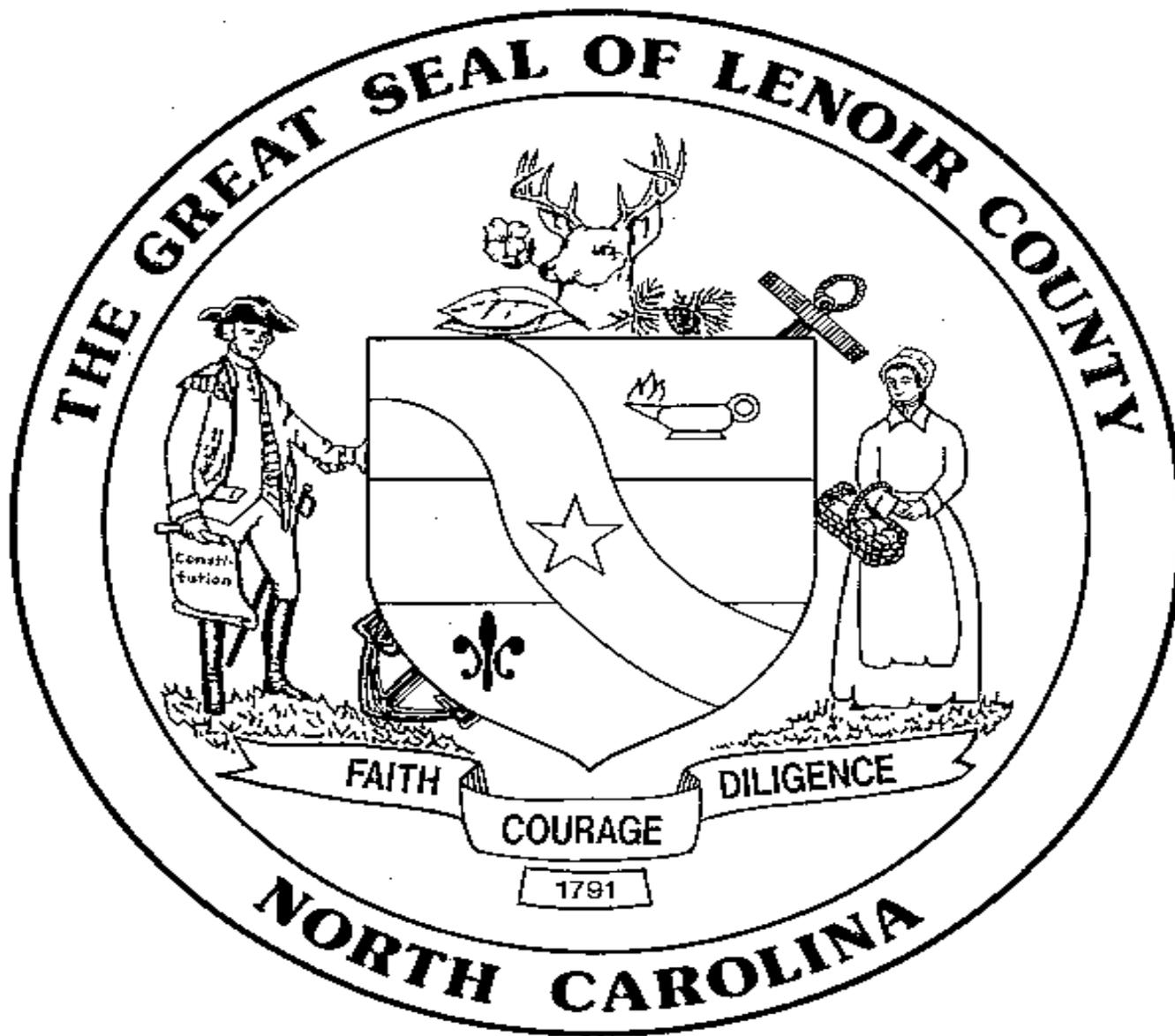
Source	FY 2005-06 Budget	FY 2005-06 Actual	FY 2006-07 Estimated Revenues	FY 2007-08 Estimated Revenues
Sewer Revenue – Two (2) School – Monthly Fees	\$ 42,800	\$ 14,781	\$ 40,800	\$ 0
Sewer Service Monthly Fees	\$ 28,320	\$ 23,363	\$ 19,700	\$ 0
Connection Fees	\$ 1,000	\$ 1,823	\$ 0	\$ 0
Miscellaneous	\$ 0	\$ 728	\$ 570	\$ 0
TOTAL	\$ 72,120	\$ 40,695	\$ 61,070	\$ 0

SUMMARY OF EXPENDITURES	FY 2005-06 Budget	FY 2005-06 Actual	FY 2006-07 Estimated Expenditures	FY 2007-08 Estimated Expenditures
Salaries	\$ 11,500	\$ 6,143	\$ 15,780	\$ 0
Benefits	\$ 890	\$ 470	\$ 1,210	\$ 0
Operating	\$ 33,860	\$ 11,386	\$ 25,180	\$ 0
Capital Outlay	\$ 5,000	\$ 0	\$ 0	\$ 0
Contracted Services	\$ 20,870	\$ 6,624	\$ 18,900	\$ 0
TOTAL	\$ 72,120	\$ 24,623	\$ 61,070	\$ 0

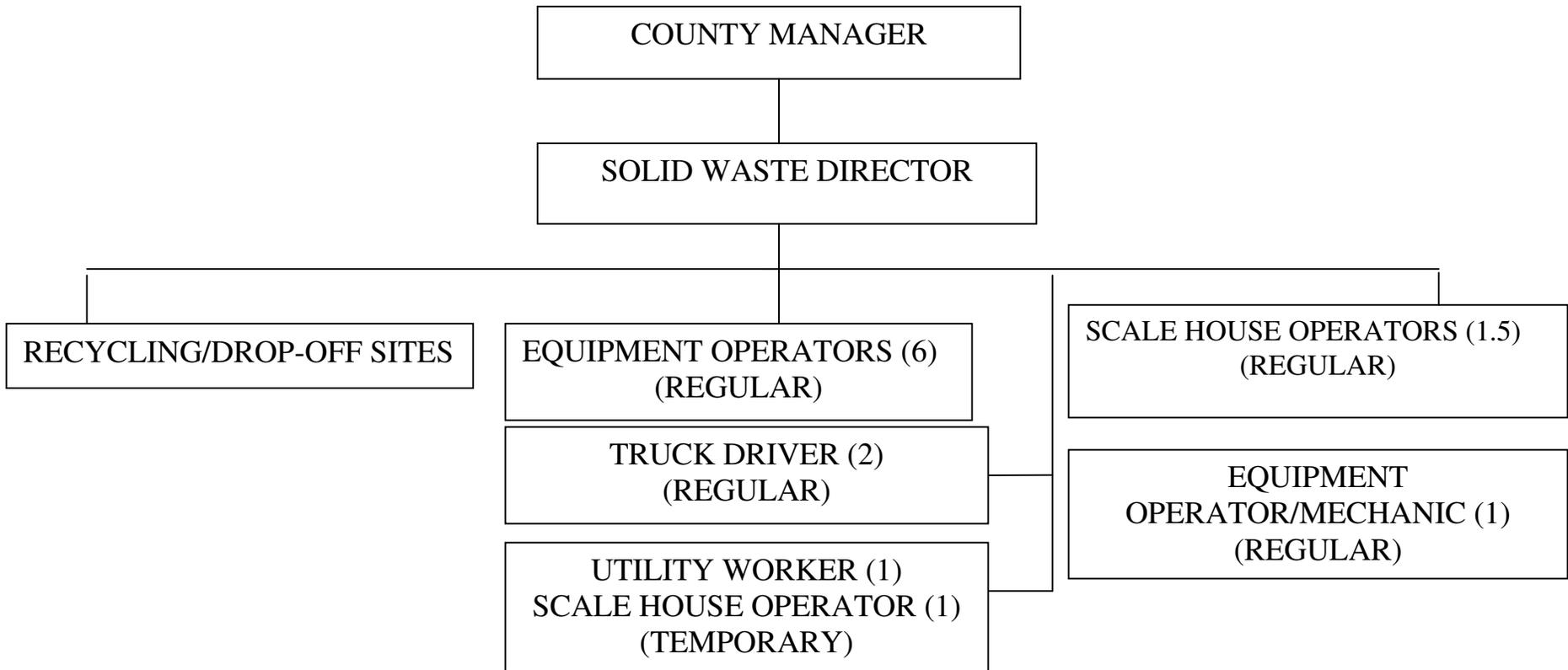
Fund Balance as of 6/30/06 \$ 16,072
Fund Balance as of 6/30/07 \$ 44,100 Estimate
Fund Balance as of 6/30/08 \$ 59,100 Estimate



ENTERPRISE FUND



SOLID WASTE MANAGEMENT



Authorized Positions

Fiscal Year 2005-06	Fiscal Year 2006-07	Fiscal Year 2007-08
9.5/3	11.5/2	11.5/2

SOLID WASTE MANAGEMENT

DESCRIPTION: This service area, operates as an enterprise fund (with no general fund subsidy) and is responsible for the collection, hauling, and proper disposal of approximately 36,000 to 46,000 tons per year of solid waste in the county, including recyclable material. The department operates nine (9) recycle/trash drop-off sites (under a contract with a private firm), a Subtitle D Municipal Solid Waste (MSW) Landfill (with County employees and equipment) and separate internal landfills which accept construction/demolition and clearing debris, and asbestos.

FY 2006-2007 HIGHLIGHTS: Solid Waste Management plans to: 1.) Operation of Proper and legal Subtitle D MSW Landfill; 2.) Competitively bid out and grind LCID waste (limbs, trees, etc.); 3.) Continue to fight against illegal dump sites and use prison labor when available for clean ups; 4.) rebuilt CAT Pan and 5.) Purchased back-hoe for use on C & D Landfill and MSW Landfill; 6.) Relocated Little Baltimore drop-off site to a new county owned location.

FY 2007-2008 GOALS: Solid Waste Management plans to: 1.) Properly and legally operate the new Subtitle D MSW Landfill; 2.) Competitively bid out and grind LCID waste (limbs, trees, etc.); 3.) Continue to fight against illegal dump sites and use prison labor when available for clean ups; 4.) Continue selling Metal/White Goods to benefit County and 5.) Emphasize safety and accident prevention to all Solid Waste employees (Safety meeting every 4-6 Weeks)

SOLID WASTE MANAGEMENT

SUMMARY OF REVENUES

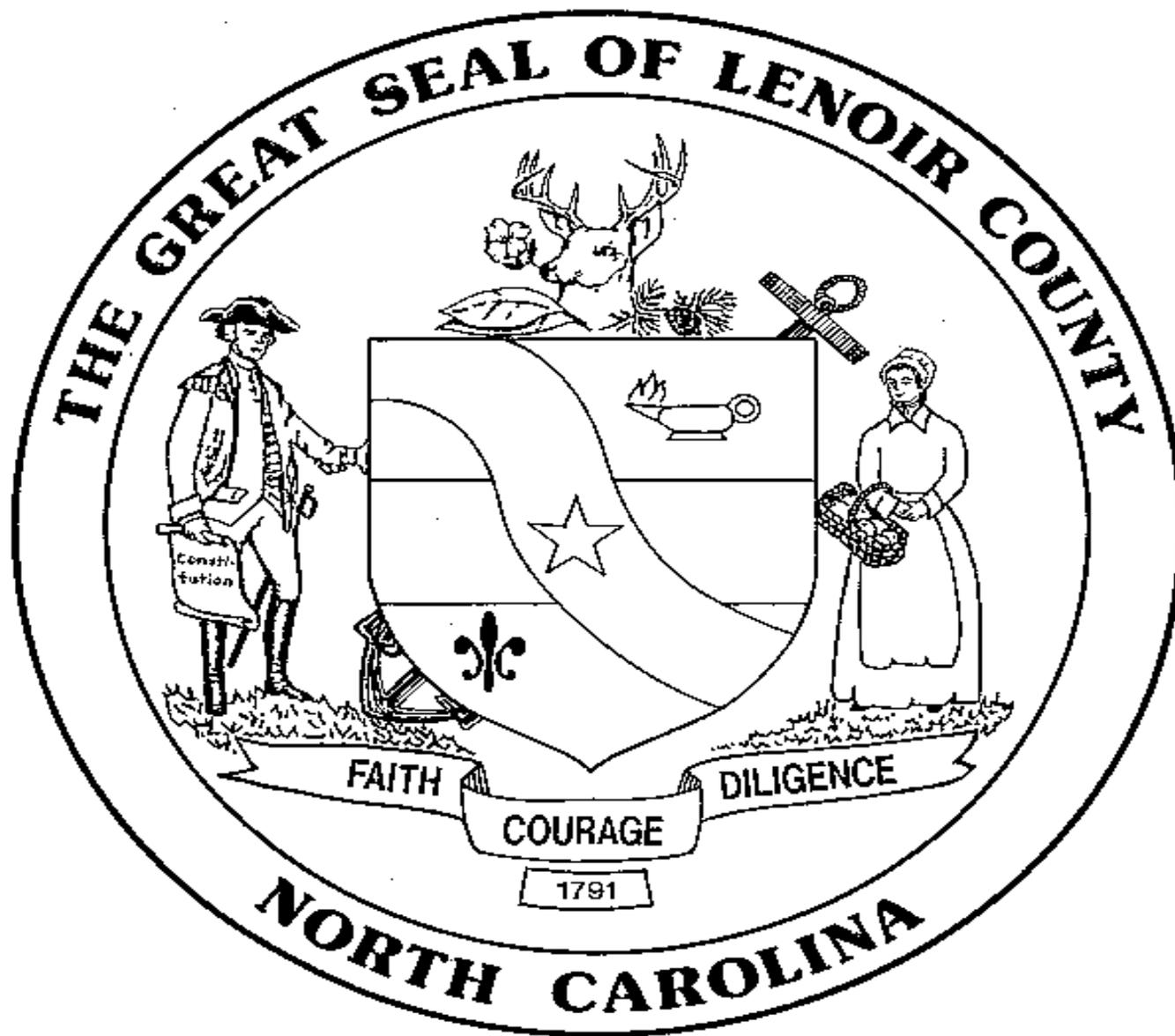
2005-06 Actual	Original 2006-07 Budget	Revised 2006-07 Budget		Adopted 2007-08
\$1,785,167	\$1,718,045	\$1,718,045	Landfill Fees	\$1,988,522
\$8,911	\$5,000	\$5,000	Recycling	\$5,000
\$46,630	\$108,000	\$52,000	State (White Goods)	\$43,000
\$75,446	0	\$251,995	Miscellaneous	\$5,000
\$78,605	\$35,000	\$35,000	Interest	\$50,000
\$713,577	\$680,000	\$715,000	User Fees (Households)	\$715,000
0	0	0	Retained Earning Approp.	0
28,391	0	80,000	Sale of Scrap Metal	\$60,000
\$2,736,727	\$2,576,045	\$2,857,040	Total	\$2,866,522

SUMMARY OF EXPENDITURES

2005-06 Actual	Original 2006-07 Budget	Revised 2006-07 Budget		Adopted 2007-08
\$342,347	\$383,212	\$410,178	Salaries	\$403,572
\$122,063	\$136,881	\$139,381	Benefits	\$147,911
\$1,338,188	\$1,371,952	\$1,593,481	Operating	\$1,623,411
0	\$62,000	\$92,000	Capital Outlay	\$62,000
\$629,628	\$622,000	\$622,000	Debt Service	\$629,628
0	0	0	Trnsf to MSW LF Constr. Fund	0
\$2,439,732	\$2,576,045	\$2,857,040	Total	\$2,866,522

Fund Balance as of 6/30/00 \$2,389,108 Audit
 Fund Balance as of 6/30/01 \$2,573,757 Audit
 Fund Balance as of 6/30/02 \$2,941,216 Audit
 Fund Balance as of 6/30/03 \$3,311,240 Audit
 Fund Balance as of 6/30/04 \$1,915,578 Audit
 Fund Balance as of 6/30/05 \$1,913,851 Audit
 Fund Balance as of 6/30/06 \$2,366,953 Audit
 Fund Balance as of 6/30/07 \$2,000,000 Estimated
 Fund Balance as of 6/30/08 \$1,800,000 Estimated

SPECIAL PROJECT FUNDS



LENOIR/GREENE PARTNERSHIP FOR CHILDREN - SMART START

DESCRIPTION: Funding is provided to help children begin school healthy and ready to succeed. Funds have been used as follows:

Children to be served	100
Home Visits	1,200
Families	100 (families)
Information packets	3,640 (Newsletters Head Start, brochures)
Referral's	32 (Community Resources, Pre-K services, Mental Health, Family Literacy CCR&R and DSS- Day care Vouchers.)
Workshops offered	19 (play groups, group meetings and workshops)

FY 06-07 HIGHLIGHTS: The Parents As Teachers Program for 2006-2007 resulted in the following impacts: 1) 80% of children whose families participate in Parents As Teachers will have parents who put into practice new skills knowledge or behaviors learned through services to meet the needs of the members of their household; 2) 90% of children whose families participate in PAT will have parents who report satisfaction with the services received; 3) the developmental progress will be greater than normal development for 80% of all participating children, as measured by the Ages & Stages Developmental screening. (I.e., if a child is re-screened after 12 months, he/she will have developed an equivalent of 13 or more months). Any child needing a referral will be referred; 4) 50% of all families referred for health services will receive additional services beyond PAT services as determined through follow-up by PAT Staff. Example of Health Services include: DEC Evaluation, Early Childhood Intervention Services, Developmental Delay Preschool Services, and Vision, Hearing and/or Dental Screening Services.

FY 07-08: Program goals are (1) every child has access to a high quality early childhood program; 2) early childhood education is available to every child who needs it; 3) early childhood programs are affordable for all families who want and need them to support the emotional, intellectual and physical development of their children.

WORKLOAD STATISTICS



WORKLOAD STATISTICS

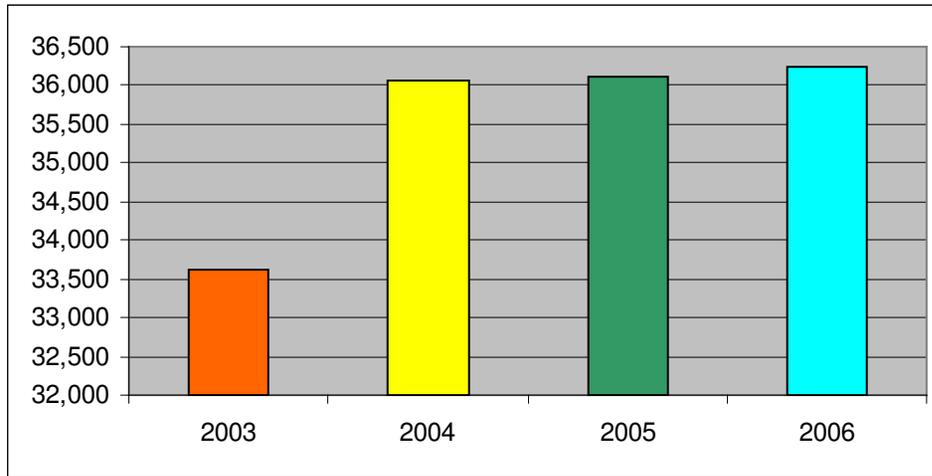
FINANCE

	FY 98-99	FY 99-00	FY 00-01	FY 01-02	FY 02-03	FY 03-04	FY 04-05	FY 05-06
Number of Computer Checks Written	16,603	17,112	13,830	13,663	12,783	12,117	12,111	12,675
Number of Accounting Transactions	70,886	74,047	75,042	70,850	67,750	65,479	66,880	64,785

TAX OFFICE

	<u>FY 02-03</u>	<u>FY 03-04</u>	<u>FY 04-05</u>	<u>FY 05-06</u>	<u>FY 06-07</u>
Number of Mobile Homes (SW)	4,476	4,350	4,232	4,264	4,002
Number of Bills (Motor Vehicles)	56,151	57,011	58,018	59,953	59,919
Number of Bills	36,319	36,259	36,369	36,124	36,551
Number of Parcels	32,958	33,329	34,180	34,528	34,599
Number of Senior Citizens Exemption	1,257	1,146	1,099	1,137	1,124
Number of Business Accounts	3,100	3,050	2,817	2,747	2,623
Number of Deeds Processed	1,657	1,590	1,573	1,725	1,464
Number of Building Permits	4,224	4,146	3,210	3,250	3,479
Date Tax Bills Run	8-22-02	7-21-03	7-27-04	8-9-05	8-11-06

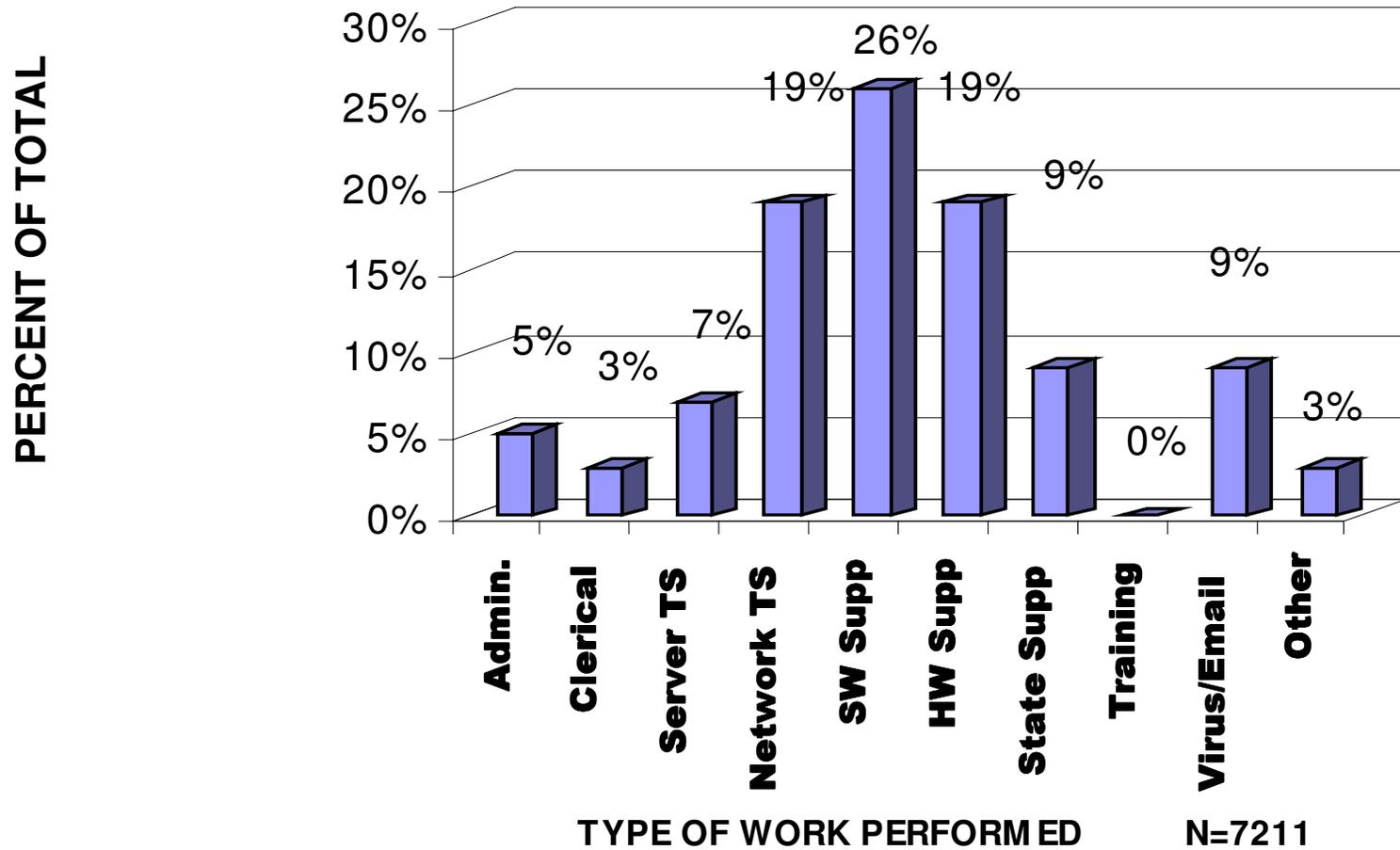
DEPARTMENT / AGENCY BOARD OF ELECTIONS	Workload Statistics Calendar Year			
	2003	2004	2005	2006
Total Registered Voters	33,622	36,052	36,108	36,255
Voters Added	1,611	3,637	1,461	1,261
Voters' Name, Address, Party Change	1,699	2,606	1,866	1,182
Voters Removed: Legal Reasons	5,338	1,148	1,088	1,107
Duplicate Applications	101	143	66	78
Declination Applications	4	154	1	357
Total Registered Voters	33,622	36,052	36,108	36,255



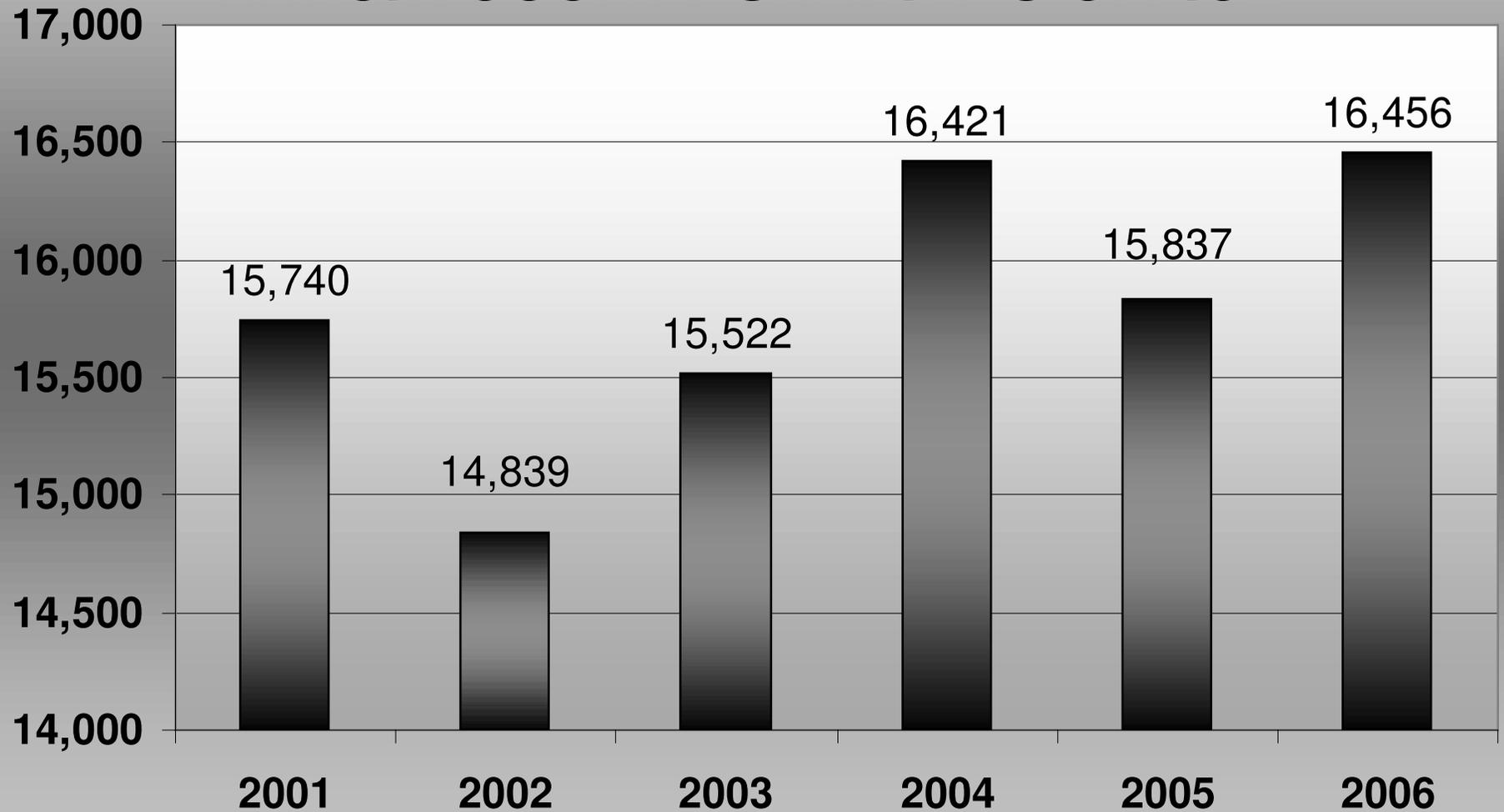
REGISTER OF DEEDS

	FY 02-03	FY 03-04	FY 04-05	FY 05-06
Approx. Documents Recorded/Processed/Reviewed	11,315	9,072	9,198	9,950
Maps	300	244	194	164
Marriage Licenses Issued	431	457	421	372
Notaries Sworn In	206	224	233	197
Miscellaneous Copies Made For/By Public	95,452	97,187	97,950	103,000
Certified Vital Records Certificates	8,090	8,295	8,260	9,013

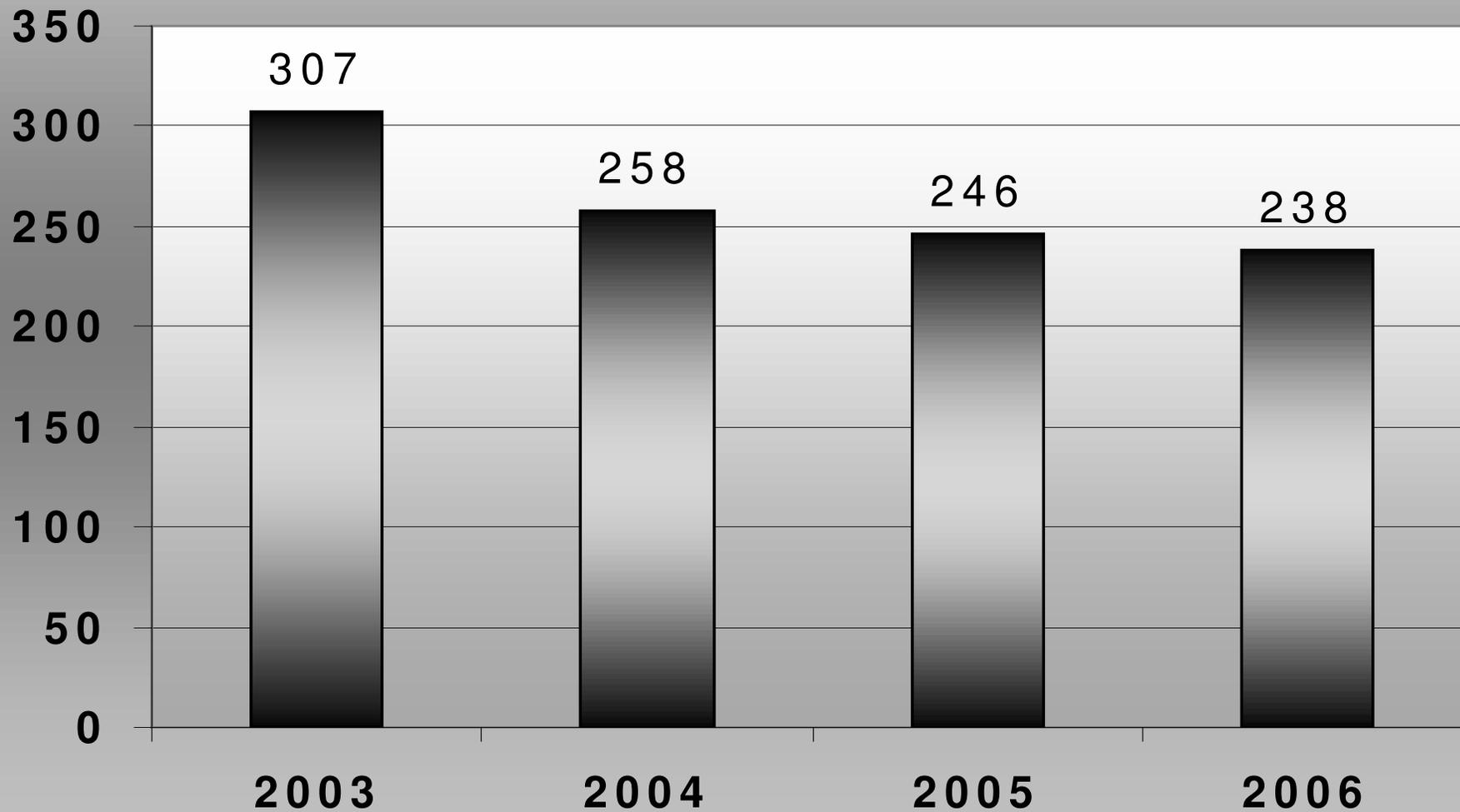
2006/2007 LENOIR COUNTY MIS WORKLOAD STATISTICS



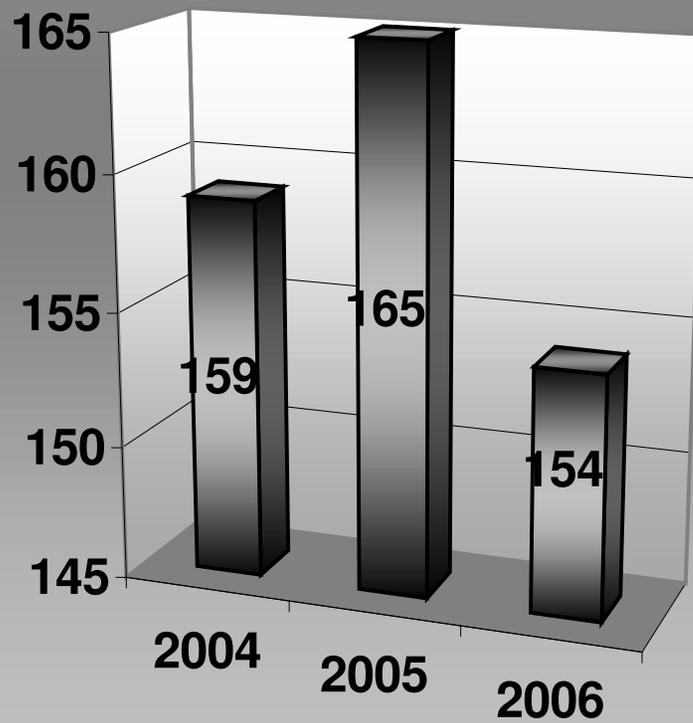
CALLS FOR SERVICE ASSIGNED TO LENOIR COUNTY SHERIFF'S OFFICE



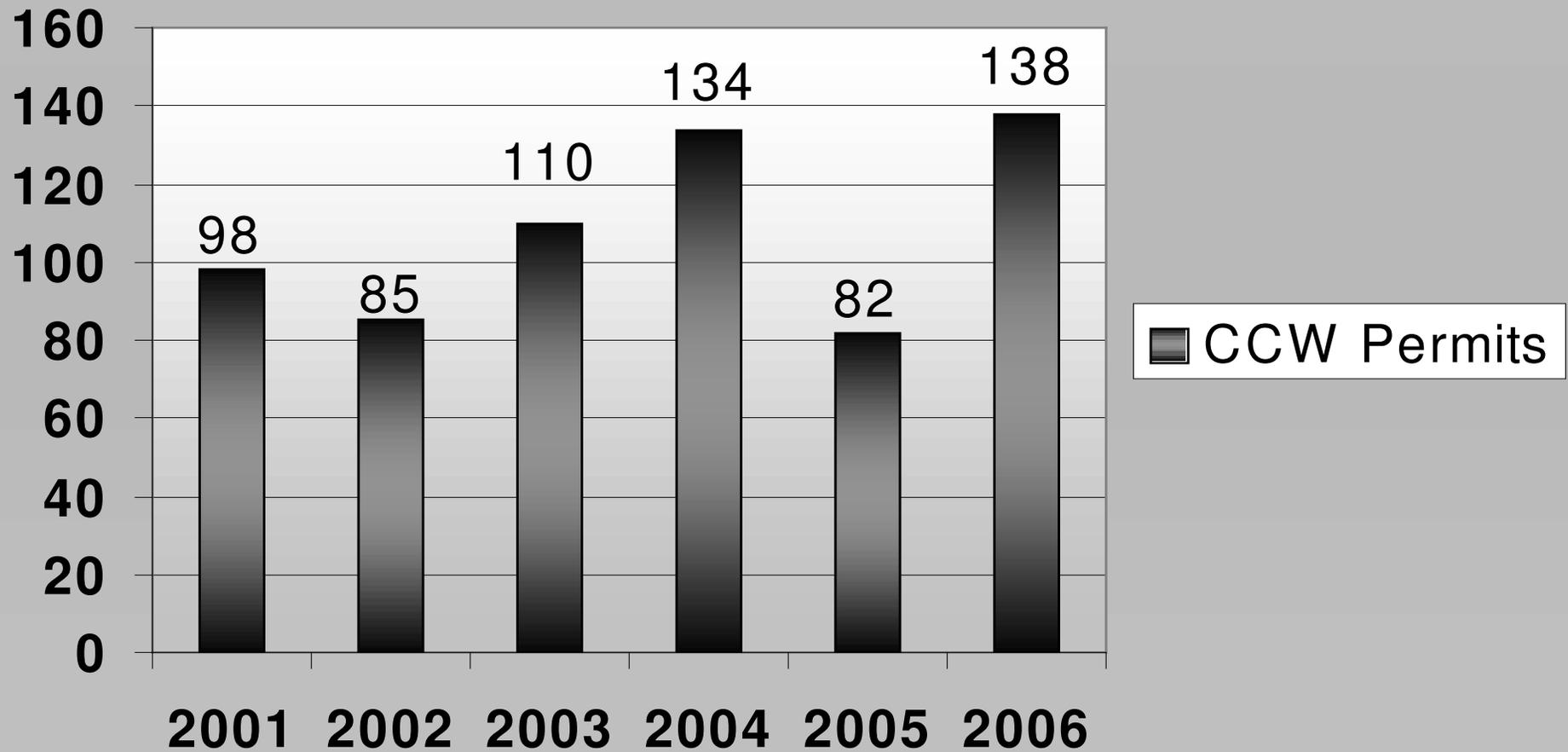
Felony Arrests by the Sheriffs Office



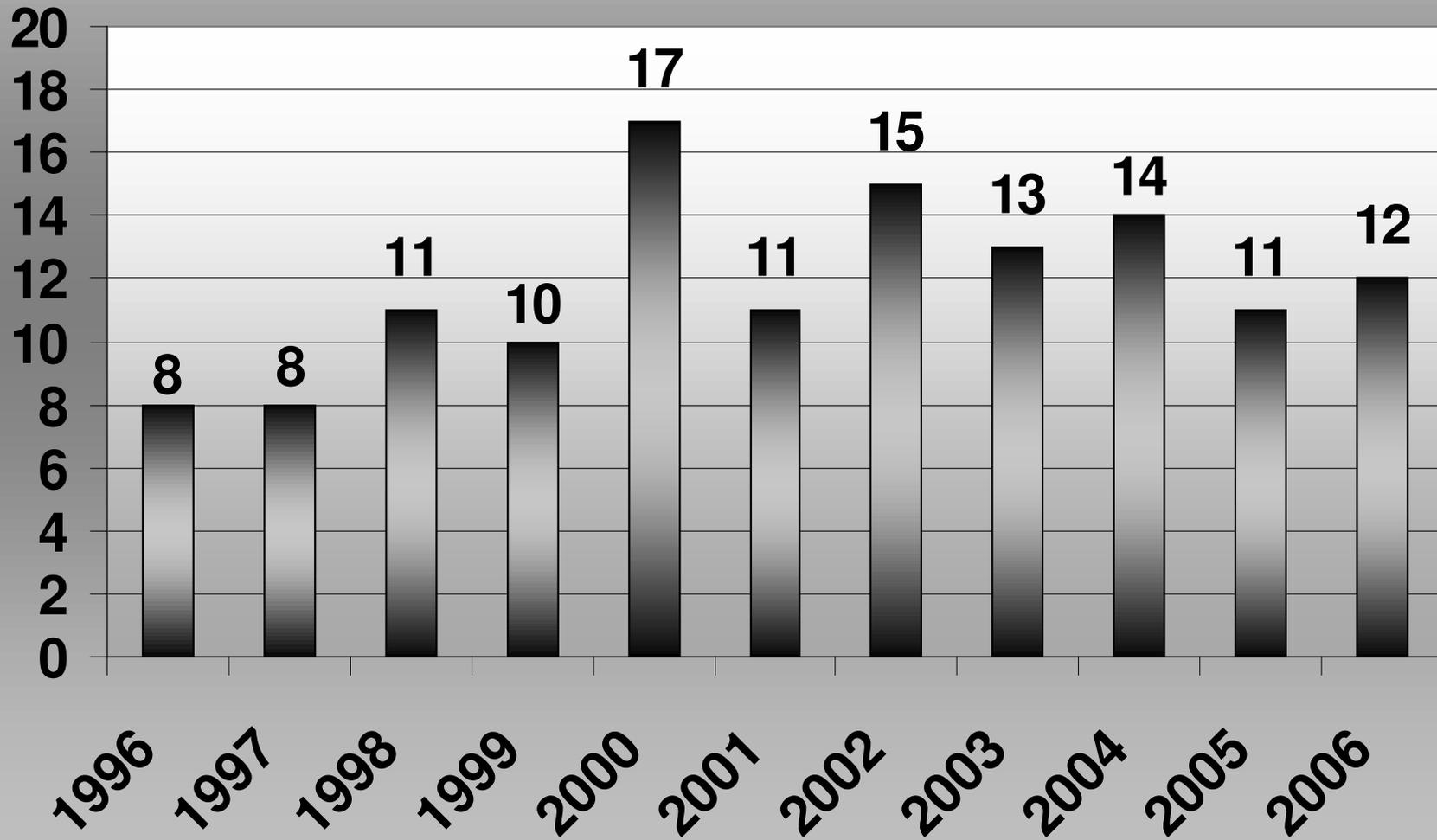
DNA Samples of Convicted Felons Taken by the Sheriffs Office



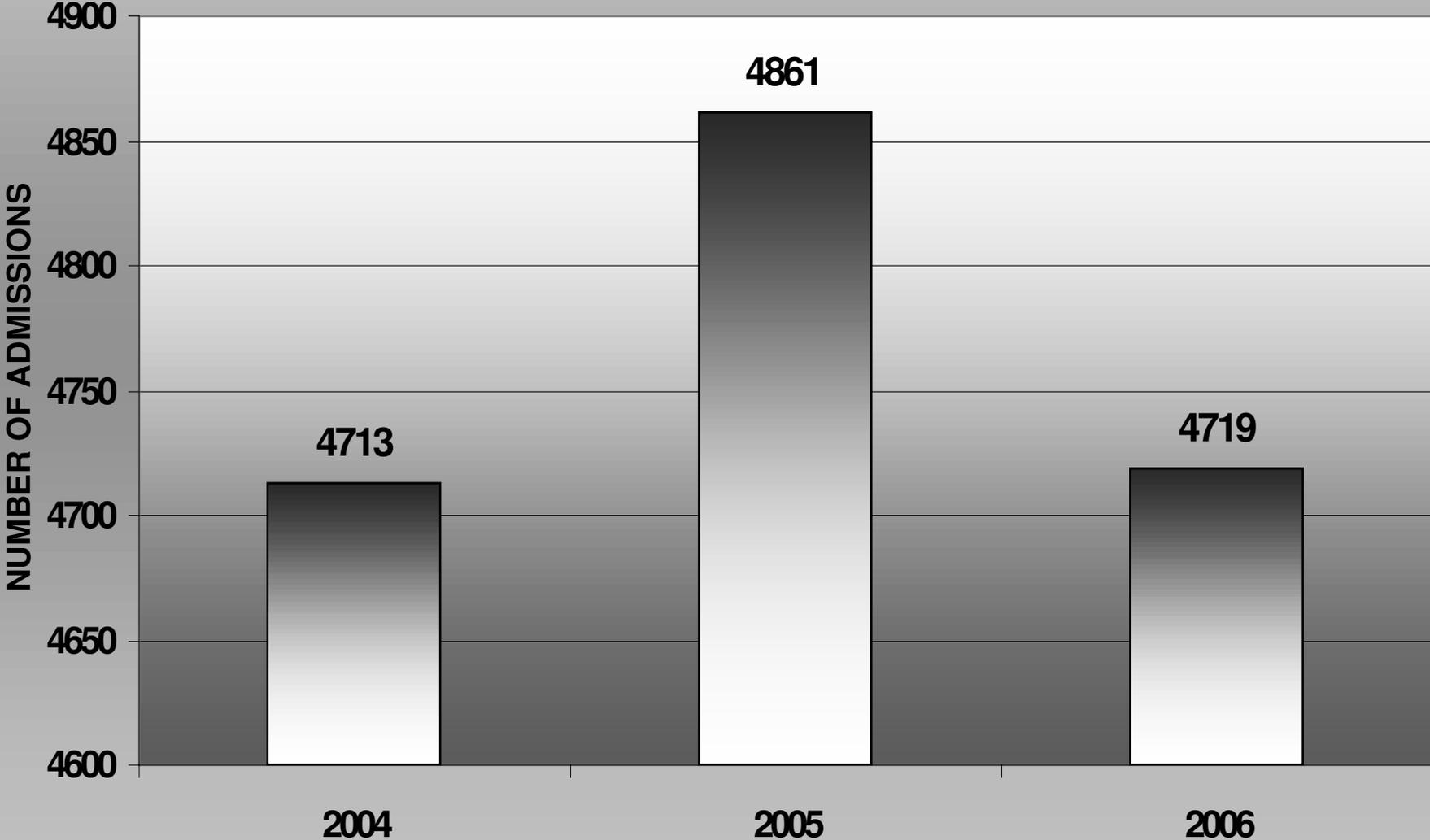
Carry Concealed Weapon Permits Issued and Renewed By Year in Lenoir County



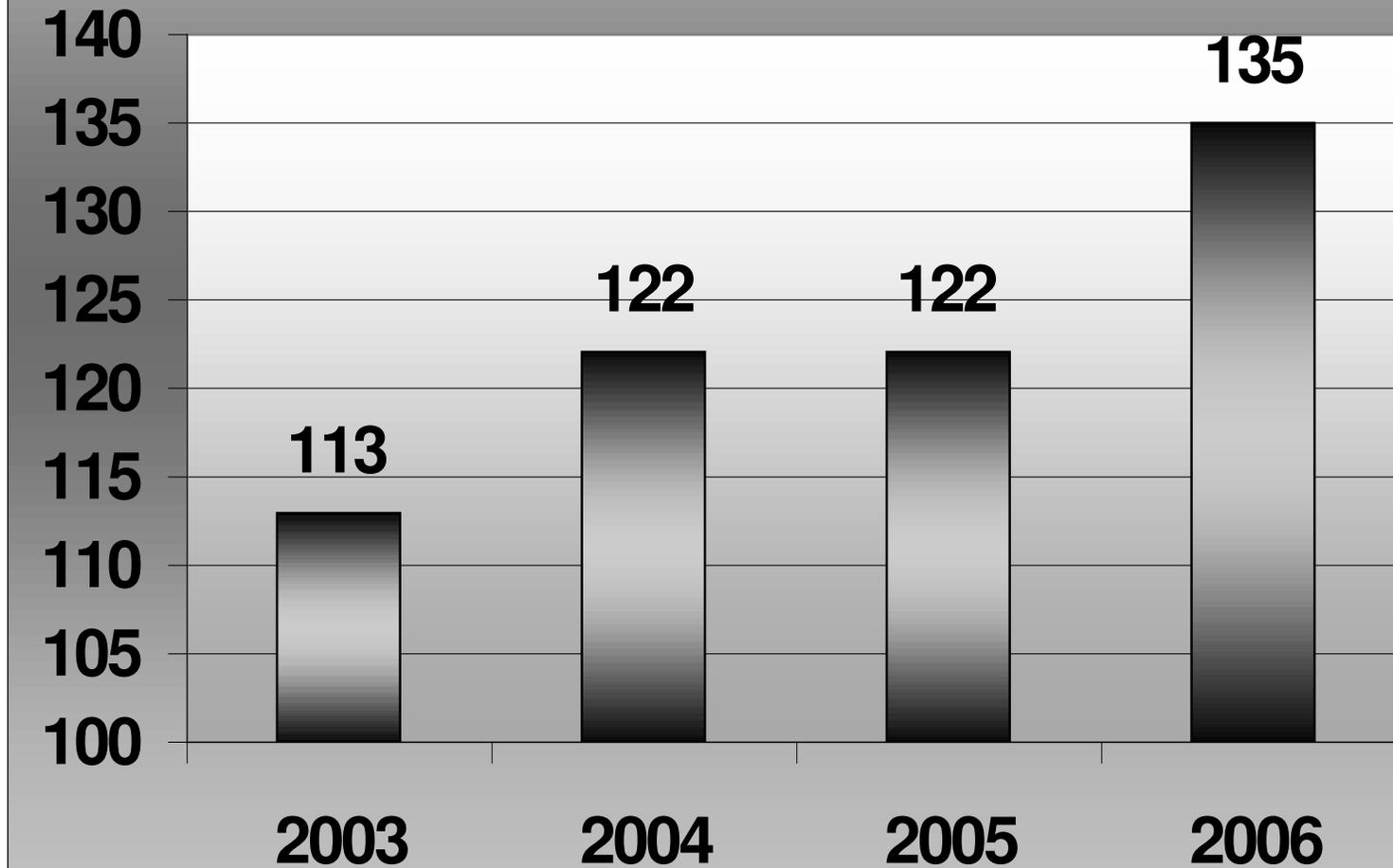
Sex Offenders Registering in Lenoir County by Year

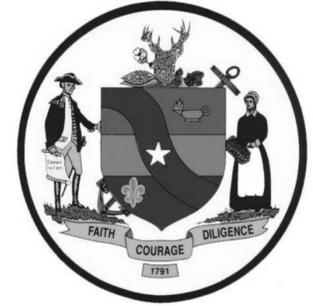


JAIL ADMISSIONS BY YEAR



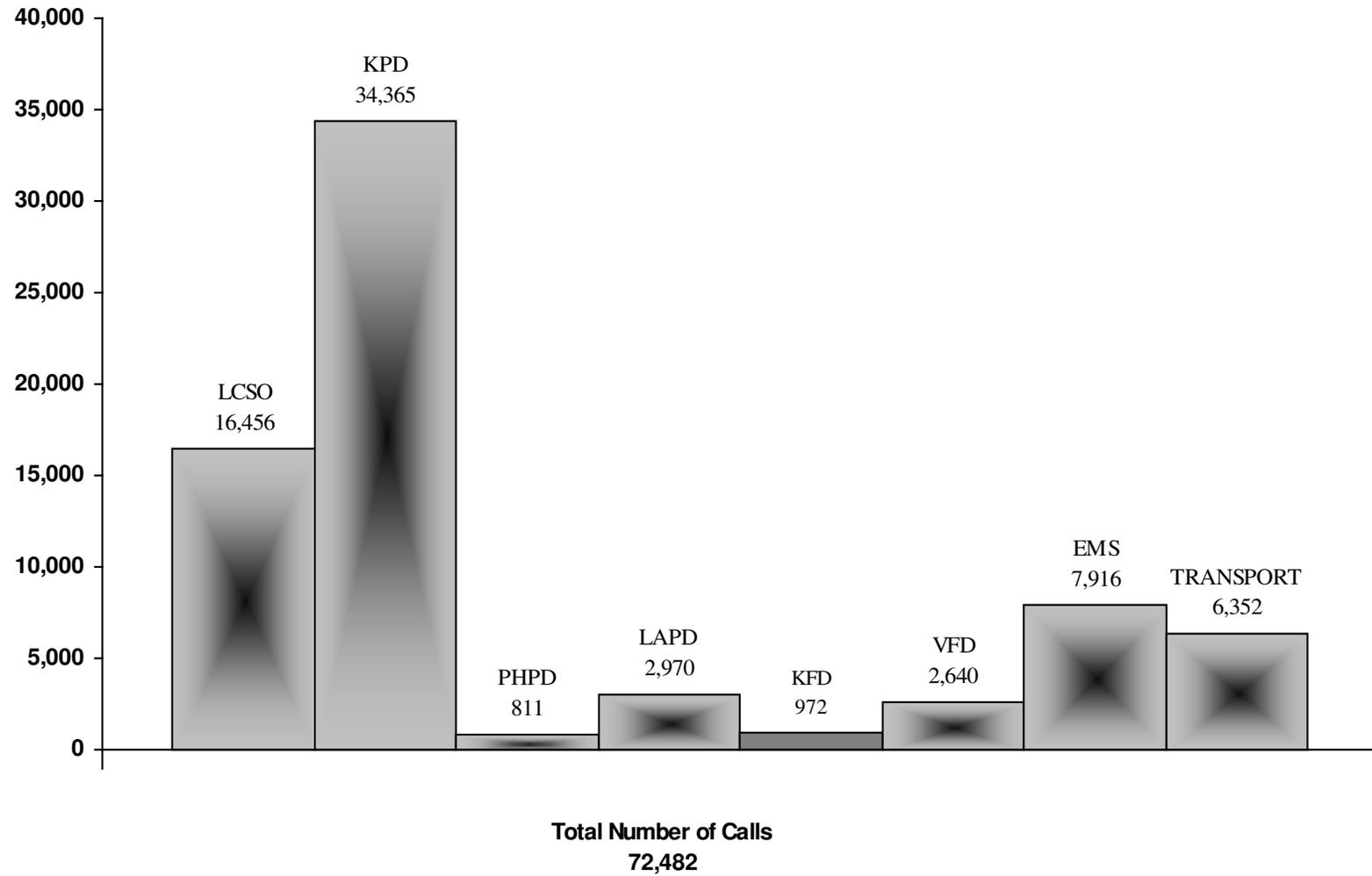
AVERAGE DAILY INMATE POPULATION BY YEAR





Lenoir County Central Communications

Total Dispatches 2006

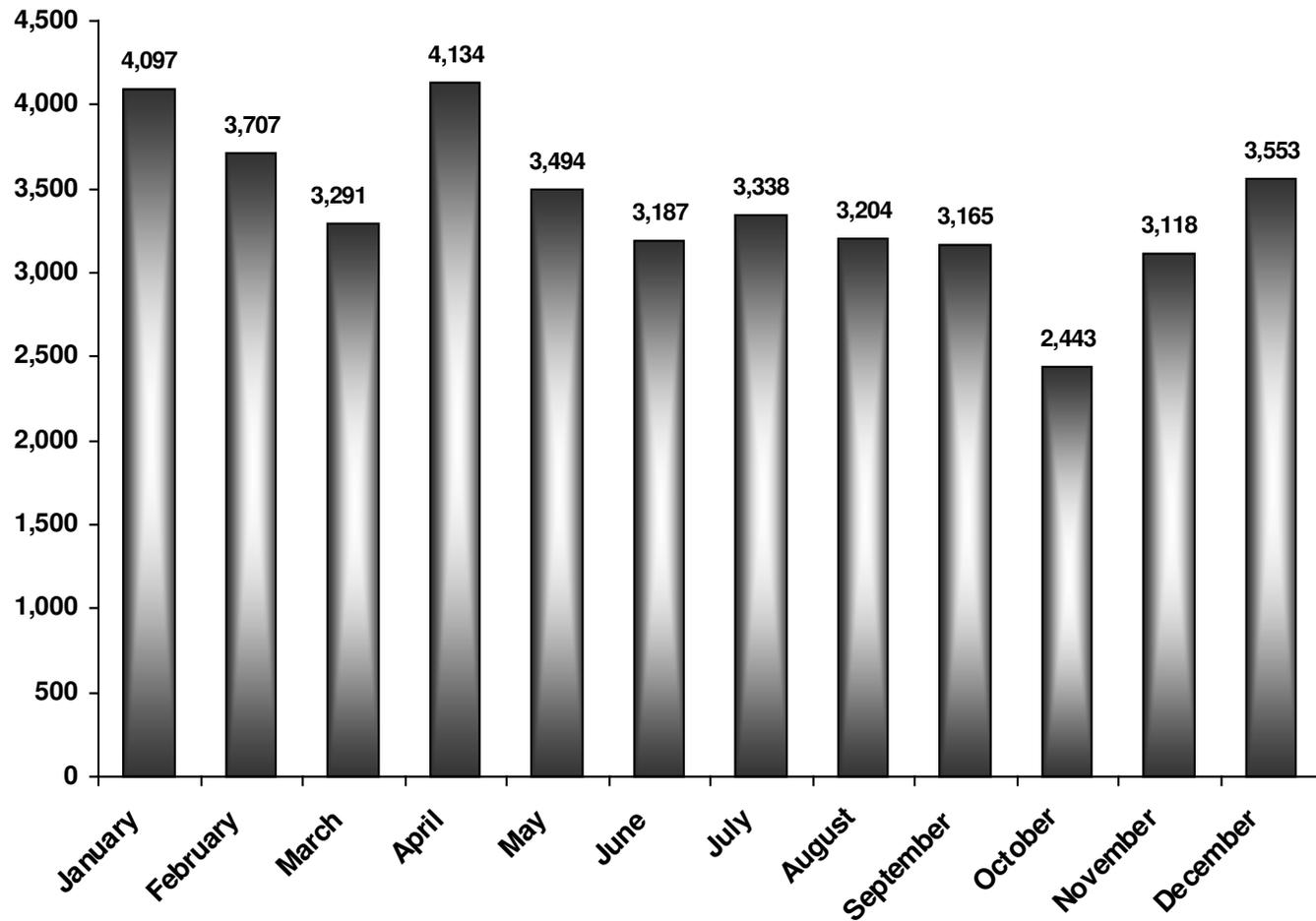




Lenoir County Central Communications

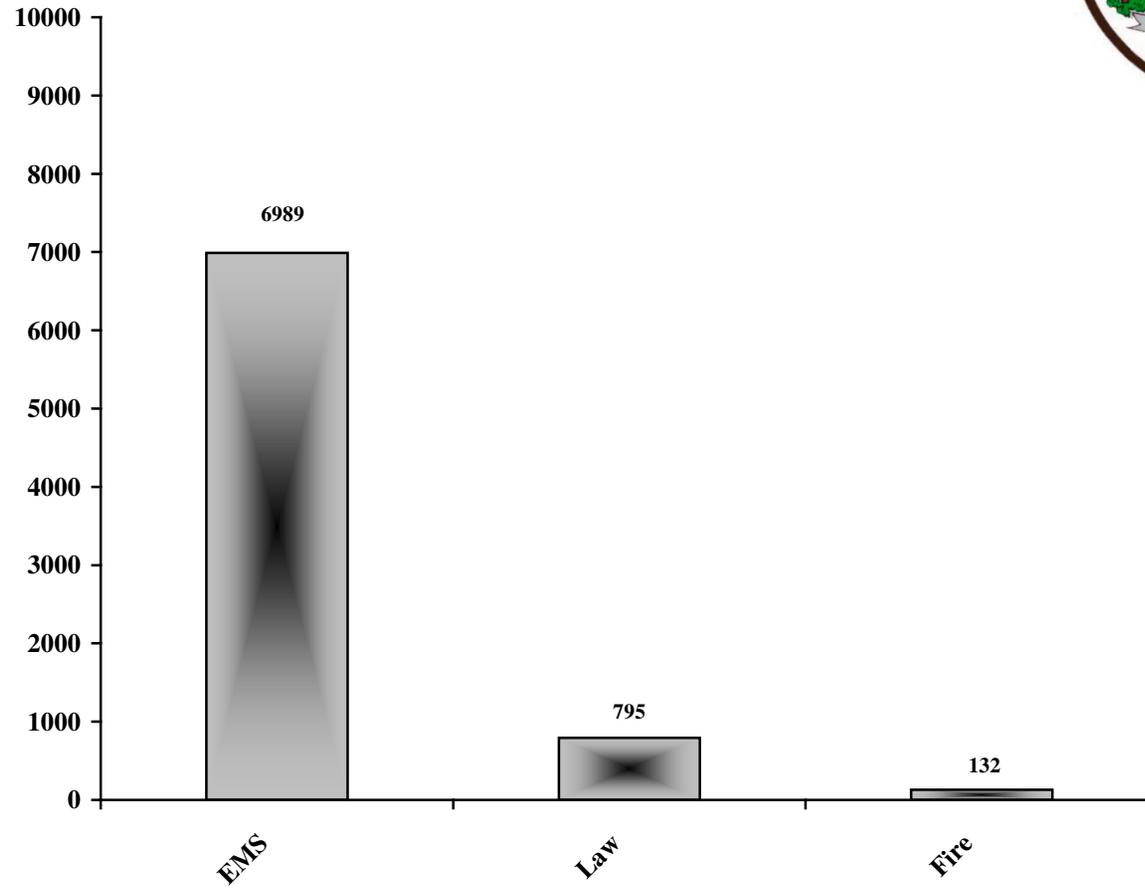
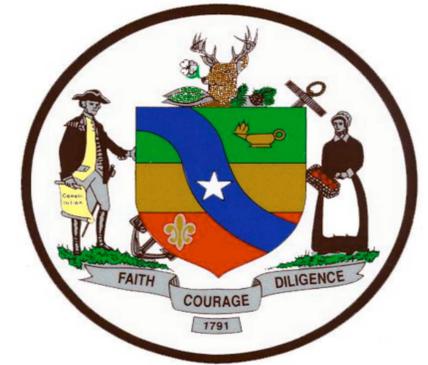
Total 911 Calls
2006

- January
- February
- March
- April
- May
- June
- July
- August
- September
- October
- November
- December

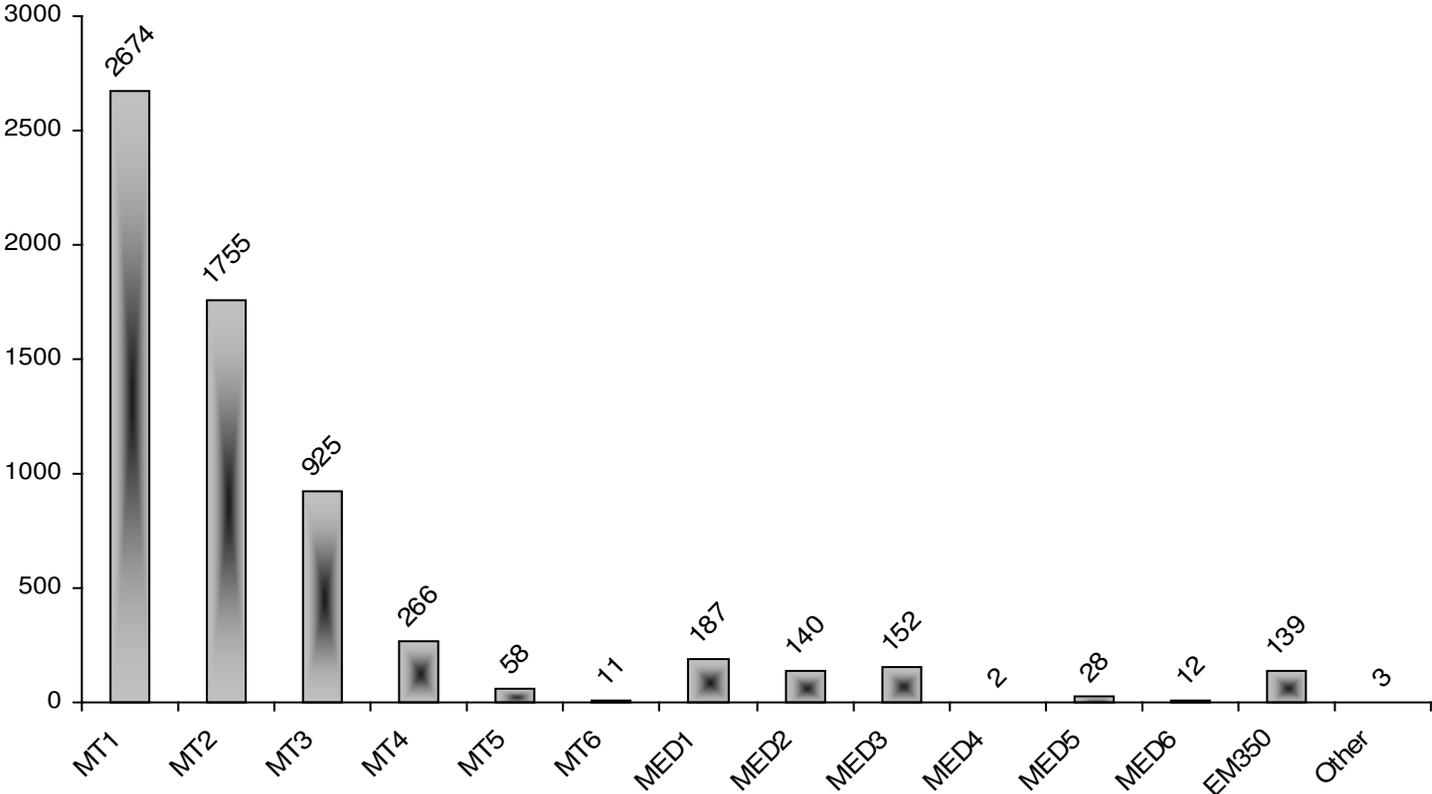


Total Call Volume 40,731

Emergency Services Department EMS Division Call Type (Excluding Non-Emergency Transport)



Emergency Services Department
EMS Division
Non-Emergency Transport



Total call Volume 6,352

Non-Emergency Transport Jan-Dec 2006



LENOIR COUNTY PLANNING & INSPECTIONS

WORKLOAD STATISTICS (CALENDAR YEAR)

ACTIVITIES	2002	2003	2004	2005	2006
RESIDENTIAL BLDG PERMITS	249	203	171	156	138
COMMERCIAL BLDG PERMITS	38	38	37	32	30
ELECTRICAL PERMITS	964	721	565	594	604
PLUMBING PERMITS	394	307	206	249	241
MECHANICAL PERMITS	608	470	340	377	371
INSULATION PERMITS	129	103	85	72	75
OTHER PERMITS	413	353	286	192	252
SINGLEWIDE M/H PERMITS	216	203	169	137	124
DOUBLEWIDE M/H PERMITS	126	128	56	69	79
ZONING COMPLIANCE CERTIFICATES	0	347	229	520	293
SPECIAL USE PERMITS	0	26	15	4	10
VARIANCE CASES	0	1	1	1	0
APPEAL CASES	0	0	0	0	0
REZONING CASES	0	0	1	0	1
FLOOD DEVELOPMENT PERMITS	0	6	14	9	10
MAJOR SUBDIVISION REVIEWS	15	5	2	1	3
MINOR SUBDIVISION REVIEWS	149	160	175	195	188
MANUFACTURED HOUSING PARKS REVIEWS	2	1	1	0	0
LAND USE ORDINANCES ENFORCEMENTS	5	9	7	5	7
TOTALS:	3308	3081	2360	2613	2426

NC Cooperative Extension – Lenoir County Center

4-H PROGRAM

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Total hours of instruction received by youth enrolled in educational programs	1540	1200	2400	2300
Youth participating in educational events (county fair, projects, presentations, Youth livestock show)	3150	2150	5455	6706
Hours contributed to the 4-H program by volunteers	2500	3300	4100	4250

FAMILY & CONSUMER EDUCATION

Citizens learned skills to decrease the risk of disease related to diet & lifestyle	888	1005	1235	1351
Citizens learned skills for effectively managing family resources	38	83	93	88
Youth received education to reduce their risk of chronic disease related to diet and inactivity through school enrichment and special interest programs	330	340	810	550
Hours contributed by Extension and Community Association	2200	2600	2700	3600

AGRICULTURE

Tobacco producers improved production practices	101	54	35	45
Farmers certified or re-certified to use restricted-use pesticides	132	200	182	400
Farmers implementing no-till practices (acreage)	6000	7500	10,000	13,500
Increased Gross Farm Income		\$658,800.00	\$530,000.00	\$475,000
Master Gardeners trained	10	0	0	11
Hours contributed by Master Gardener volunteers	3170	1839	2133	2431
Dollar value of Master Gardener Service	\$51,520.00	\$25,746.00	\$28,862.00	\$48,990
Pork Producers certified or re-certified for waste management	285	369		
Livestock related school enrichment programs – children reached		315		
Educational Contacts				
News articles or releases written	287	250	322	256
Program area newsletters distributed	46	570	15,832	14,480
Workshops conducted	108	132	284	246
Hours of instruction	637	916	1439	2458
Workshop attendance	3764	3984	5530	5519
Face-to-Face contacts	20,801	19,008	25,122	33,867
Television appearances	75	58	58	54
Parents-As-Teachers referrals	47	36	36	6

Lenoir Soil and Water Conservation

The Lenoir SWCD partnered with the Natural Resources Conservation Service handles a diverse conservation program workload. The following programs represented the actual number of contracts being funded with practices being implemented.

Program Contracts by Program	03-04	04-05	05-06	06-07	Approx. \$ Spent
North Carolina Ag. Cost Share Program	37	65	69	48	\$ 639,200.00
Environmental Quality Incentive Program	65	45	25	20	\$1,004,600.00
Conservation Reserve Enhancement Program	35	40	40	25	\$ 146,000.00
Conservation Reserve Program	10	10	3	3	\$ 50,700.00

With all of the current changes in agriculture, participation in cost share, incentive and annual payment programs has increased significantly.

LIBRARY	<u>FY 03-04</u>	<u>FY 04-05</u>	<u>FY 05-06</u>	<u>FY 06-07*</u>
Circulation:				
Kinston-Lenoir County Public Library	366,302	374,349	343,776	388,853
La Grange Library	45,373	55,680	53,349	51,917
Pink Hill Library	29,033	27,418	29,424	33,125
Total (Lenoir County)	440,708	457,447	426,549	473,895
Attendance:				
Kinston-Lenoir County Public Library	400,345	402,649	410,204	**375,693
La Grange Library	48,040	55,509	57,151	60,438
Pink Hill Library	38,282	38,688	38,807	39,318
Total (Lenoir County)	486,667	496,846	506,162	475,449
Reference Questions:				
Kinston-Lenoir County Public Library	252,870	259,295	255,168	201,365
La Grange Library	25,642	28,883	25,491	26,981
Pink Hill Library	21,138	23,207	24,925	25,203
Total (Lenoir County)	299,650	311,335	305,011	253,549
Attendance for Adult Programs	13,511	13,750	8,951	**4,285
Attendance for Children's Programs	28,067	28,100	22,874	**17,852
Volumes Added (system total)	16,576	14,980	15,010	14,562
Volumes Withdrawn (system total)	19,006	10,691	14,550	18,785
Total Volumes (system total)	218,202	222,491	222,951	218,728

*Projected through June 30, 2007

**The decline in attendance during the renovation is a result of reduced parking space during construction and limited space for programming due to the unavailability of the auditorium.

**LENOIR COUNTY HEALTH DEPARTMENT
CALENDAR YEAR ACTIVITY REPORT**

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Adult Health							
Physicals (BCCCP)	120	223	154	40	12	25	19
BCCCP (mammograms)	25	32	15	23	18	25	39
Modified						19	15
Animal/Rabies Control							
Request for service	1020	1005	1128	1133	1019	1218	1242
Cases if rabies	2	6	5	8	6	4	4
Bites investigated	197	45	87	110	88	85	38
Rabies vaccinations	6,105	7,247	7,667	6,843	7,645	7,567	7943
Animals impounded	3,454	3,352	3,142	2,610	3,240	3,917	3553
Animals euthanized	2,329	2,122	2,140	1,751	2,228	2,578	2135
Child Health							
Well-child visits	1,716	1,598	1,025	673	628	632	685
Patients, unduplicated	737	1,035	703	476	462	527	537
Immunizations, clinic doses	5,458	5,102	2,760	3,285	3,032		
Immuniz, 6 th grade doses	2,077	2,101	2,128	1,328	787	84	
Lead follow-up	49	52	21	48	18	17	17
Child Serv. Coord, enrollees	88	104	142	86	0	0	15
CSC, active months/units	365	454	408/378	541	0	0	0
Communicable Disease							
PPD, TB skin tests	2,594	1,405	933	877	968	905	1018
STD Screenings	606	986	743	724	792	930	910
HIV tests	838	1,030	1,257	862	1,074	990	1570
HIV, posttest counseling	739	488	713	853	578	425	628
HIV, pretest counseling				1,690	1,316	1,618	1312
Flu vaccine, doses	495	654	1,017	830	2,738	2,610	1108
Pneumonia vaccine, doses	215	109	83	84	6	136	
Tetanus vaccine, doses	41	191	211	184	141	312	
Hepatitis B vaccine, doses	349	256	380	271	285	377	
Other vaccines				296	118	103	
Syphilis, reported cases	5	15	12	7	6	17	13
Gonorrhea, reported cases	149	111	134	146	203	2	173
HIV, reported positives	21	18	17	33	15	26	21
AIDS, reported cases	16	15	7	6	6	17	13
Tuberculosis, reported cases	9	7	7	6	3	2	7
Chlamydia, reported cases				300	361	353	296

Environmental Health**On-site Wastewater**

Applications, new lot evals	663	625	453	320	247	259	344
Site visits	2,456	2,344	1,956	1,563	1,197	1,248	1310
Site evals conducted	711	761	538	364	306	288	376
Improvement permits, new	505	454	335	245	206	189	254
Improvement permits, repair	114	70	33	42	37	35	27
Improvement permits, denied	12	14	4	4	1	0	4
Operations permits	535	390	326	303	249	226	212
Complaints investigated	29	32	23	30	19	14	13

Food and Lodging

Inspections quarterly	1,023	1,029	1,082	1,111	1,167	1,139	1145
Permits issued	85	95	105	98	107	107	110
Site visits	336	455	302	272	257	405	383
Complaints investigated	48	53	40	30	32	40	30
Lead investigations	6	7	11	2	5	1	1
Other visits				111	110	22	

Family Planning

New patients	268	264	292	190	219	415	247
Continuation patients	1,419	1,215	1,165	1,044	837	625	793
Visits	2,357	3,260	3,112	2,308	2,091	1,872	1966

Health Education/Promotion/Outreach

Tobacco						3	
Physical Fitness						5	
Nutrition/Overweight/Obesity						7	1
Cholesterol tests	145	50	93	0	0	0	
Chronic disease presentations	80	49	60	5	7	0	
STD/HIV/AIDS presentations	23	28	55	61	30	11	5

Laboratory

Pregnancy test	1,119	1,187	1,075	1,040	1,017	1,019	943
Gonorrhea cultures	2,503	2,490	2,500	2,204	1,263	831	815
Cholesterol tests	229	257	139	146	112	123	137
Glucose tests	1,349	995	869	509	538	546	440
Hemoglobin tests	4,448	4,121	3,927	3,669	3,768	3,839	3882
Urinalysis/micro	4,070	3,743	3,304	1,713	1,986	2,705	2318
Patients, unduplicated	10,259	10,399	10,779	8,452	8,609	7,819	8188
Reference lab	5,886	6,693	6,541	5,694	5,780	6,770	6543
Total tests/Specimens							
Collected	26,944	27,355	25,195	21,312	21,519	21,283	20,640

Maternity

Low risk, patients	361	360	240	148	207	251	
High risk, patients	218	252	194	150	175	91	
Patients, unduplicated			311	218	265	248	227
Total visits	2,262	2,645	2,157	1,326	1,409	1,970	1235
MCC, new patients	100	203	136	104	78	76	56
MCC, subsequent patients	493	765	624	291	389	276	417
MCC, units				996	954	960	850
MCC, encounters				599	504	470	473
Pregnancy counseling	568	N/A	331	247	594	305	265

WIC

Caseload, unduplicated	3,643	3,741	4,069	3,908	4,264	4,220	4554
------------------------	-------	-------	-------	-------	-------	-------	------

APPENDICES

Lenoir County, North Carolina

Community Profile 2007

FAST FACTS

Location

Driving time to metropolitan city (min/miles)	
Raleigh	90/75
Wilmington	120/100

Population (Census)

	1990	2000
Lenoir Co.	57,274	59,648
Male	26,648	28,312
Female	30,626	31,336
White	34,288	33,685
Black	22,595	24,115
Other	391	1,848

2005 Certified Population Estimates

Source: NC State Data Center	58,278
------------------------------	--------

2005 Per Capita Income

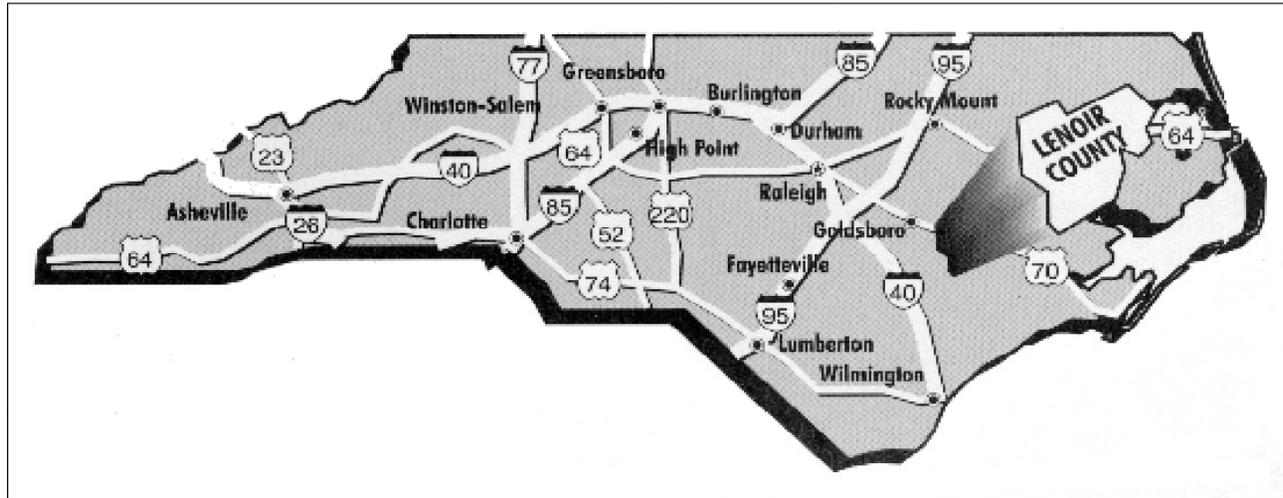
\$ 27,296

Source: Bureau of Econ. Analysis: Regional Econ. Accounts

2004 Farm Income

Total Cash Receipts from marketings (\$000)	\$ 163,977
---	------------

Source: US Dept. of Commerce, Bureau of Economic Analysis



Recruitable Labor

Lenoir County ESC Job Applicants , March 2007	*3,429
High School Graduates (2005)**	525
# Entering Labor Force	30
# Continuing Education	463
# Entering Military	24

Source: * NC ESC Website Active Job Applicants by County 5/7/07,
 ** NC Dept of Public Instruction, 05-06 Co. Profile 5/7/07

Work Force Mix (3rd. Qtr. 2006)	Number	%
Private Industry	21,665	78.22%
Government	6,032	21.78%
Total All Industry	27,697	100.00%
Manufacturing	4,813	17.38%
Agriculture, Forestry, Fishing & Hunting	498	1.80%
All Other Industry	22,386	80.82%
TOTAL	27,697	100.00%

(Source: ESC Website 5/8/07)

Labor Force

	2004	2005	2006
Labor Force	26,958	27,625	27,576
Employment	25,281	25,945	26,003
Unemployment	1,677	1,680	1,573
Rate %	6.2	6.1	5.7

Source: ESC Website 5/9/07

Median Age

	1990	2000	2002	2005
Median Age	34.56	38.19	38.86	39.8

Source: NC State Demographics (<http://demog.state.nc.us/>)

Taxable Sales (New reporting methodology as of July 05)

FY 05-06	\$ 543,042,028
-----------------	----------------

Source: NC Dept. of Revenue, Sales & Use Tax Division

LENOIR COUNTY GOVERNMENT
BUDGET CALENDAR: FY 07-08

PG.	TASK	DATE
1	Budget Request Instruction Book Provided to Departments	February 21, 2007
2	Outside Agencies Advised By Letter & Form of Budgetary Time Frame	February 21, 2007
3	Commissioner Budget Planning Worksession	March 5, 2007
4	Financial / Budget Philosophy Reviewed	March 5, 2007
5	Outside Agencies' Budget Requests Returned to County Manager	March 21, 2007
6	Departmental Budget Requests Returned to County Manager	March 21, 2007
7	Meet With Department/Agencies, as Necessary	March 26, 2007 to April 5, 2007
8	Tax Revenues & Other Revenue Estimates Finalized	April 5, 2007
9	Finalize Budgets	April 12, 2007
10	Distribute FY 07-08 Submitted Budget to Board of Commissioners	May 1, 2007
11	Hold Work Session(s) on FY 07-08 Submitted Budget (Need to Schedule)	May 8 – 18, 2007
12	Advertise Public Hearing on FY 07-08 Budget	May 9, 2007
13	Hold Public Hearing (4:00 p.m.)	May 21, 2007
14	Adopt Budget	June 4, 2007

LENOIR COUNTY FISCAL POLICY

The overall goal of the County's fiscal policy is to improve upon and maintain effective and efficient management of the public's resources. The policy statements which follow provide the "building blocks" for achieving this goal. There are four categories: budgeting, expenditure control, investment of idle funds, and preservation of general fund balance.

Budgeting

A comprehensive budget will be prepared annually for all funds to be expended by the County in accordance with North Carolina General Statute 159-8-13. The budget will be prepared in such a manner as to facilitate its understanding by citizens and elected officials. In addition to required public hearings, the Commissioners will hold work sessions on the budget which will be open to the public. Copies of the proposed budget will be available to citizens and elected officials prior to the work sessions. Budgetary emphasis will focus on providing the maximum level of basic services, to the most citizens, in the most cost-effective manner, with due consideration being given to all costs – economic, fiscal, and social. The budget will provide for adequate maintenance of capital, plant and equipment and for their orderly replacement. The county will avoid budgetary capital financing (one-time revenues for one-time funding of capital assets), special studies, or other non-recurring expenditures. Reports comparing actual revenues and expenditures to budgeted amounts will be prepared monthly and available to the public. Revenue estimates will be incorporated into the annual budget document and will be conservative. The County will not balance the budget on unrealistic revenue projections.

Expenditure Control

County management will employ tools designed to control expenditures to keep the tax rate at its lowest possible level, while maintaining sufficient resources to operate effectively. These tools include formal approval (by resolution) from the Board for all "non-routine" expenditures exceeding \$2,500. This approval will be obtained in addition to the normal budget process. Examples of non-routine expenditures include capital purchases, unplanned large purchases that require shifting of funds between line items, and purchase in which the Board may have special interest. Routine expenditures over \$2,500 include utilities, postage, fuel, etc. County management will also require a purchase order for any purchases over \$100, allowing management to scrutinize the expenditure prior to commitment of County funds. In essence, the benefit of close review offsets the additional paperwork and cost of processing the required documents. Other controls include departmental approval and review by the Finance Officer for all travel, and further approval by the county manager for travel out-of-state.

Investment of Idle Funds

The County will invest its idle funds, in accordance to G. S. 159-30, into: (a) CDs issued by banks using method of collateralization, (b) U.S. Treasury bills, notes, & bonds, and (c) in the North Carolina Capital Management Trust – Cash Account. As CDs mature, the finance office will call for quotes to ensure a competitive rate of return. The finance officer will manage these investments and determine the appropriate terms, percentage distributions, and rates. Board approval will be sought prior to committing to new investment options. The County uses a central depository system to manage it's funds. This allows the finance officer to maintain only the amount necessary to cover expenses in the demand account and to invest the remaining funds to achieve greater return.

Preservation of General Fund Balance

The financial strength of the County is measured largely by its available general fund balance. The goal of the County is to maintain a fund balance in the 10% range for the following reasons:

- to ensure that sufficient operating funds are available in light of the County's erratic revenue cycle;
- to provide for adequate funds for immediate relief in case of natural disaster (ie. hurricanes, floods, etc.);
- to provide interest income through the wise investment of these funds to help stabilize the tax rate; and to reduce the cost of debt issuance by establishing a strong financial history.

According to the North Carolina Local Government Commission staff, a local government entering fiscal year with less than 8% undesignated, unreserved fund balance will not have sufficient resources to meet its obligations until it begins receiving property taxes.

Annual Independent Audit

The County will, in accordance to G.S. 159-34, have its financial accounts audited as soon as possible after the close of each fiscal year by a certified accountant or by an accountant certified by the Commission as qualified to audit local government accounts.

Fund Structure and Basis of Budgeting

The County Budget is organized on the basis of funds, each of which is considered a separate accounting and reporting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its revenues and expenditures, as appropriate. The types of funds include: the General Fund, Special Revenue Funds, Capital Funds and Enterprise Funds.

The General, Special Revenue, and Capital Funds are accounted for using the modified accrual basis of accounting, in accordance with G.S. 159-26. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available as net current assets. Expenditures, under the modified accrual basis of accounting, are generally recognized when the related fund liability is incurred.

The County uses the accrual basis of accounting for the Enterprise (Solid Waste) Fund. Under the accrual basis of accounting, revenues are recognized when they are earned and expenses are recognized when they are incurred.

Governmental Fund Types

General Fund: This is the primary operating fund of the County and is used for the majority of current operating expenditures of the County Government. This fund provides **inter-fund transfers** for the operations of other funds, which include the Insurance Fund, Capital Improvements Fund, Revaluation Fund, Vehicle Replacement, and E-911.

Special Revenue Funds: These funds are used to account for the proceeds of specific revenues that are legally restricted to expenditure for particular purposes. The Revaluation Fund, County-wide Fire Service District Fund, E-911 Fund, Insurance Fund, Fund, and E-911 are included in these funds. The revenue sources of these funds include federal grants and special ad valorem taxes and fees.

Capital Funds: These funds account for the acquisition and/or construction of major capital assets by the County, except those financed by enterprise funds. Financing is primarily funded by bond issues, State and Federal grants, and transfers from the General Fund. The Vehicle Replacement Fund, Capital Improvements Fund, School Capital Fund are included in these funds.

LENOIR COUNTY – GENERAL DESCRIPTION

Lenoir County is located in the Coastal Plains region of Eastern North Carolina approximately midway between South Carolina and Virginia. Encompassing an area of 399 square miles, the County is an irregular pentagon in shape and is bound on the north by Greene County, on the east by part of Jones, Pitt and Craven Counties, on the south by Jones County and on the west by Wayne and Duplin Counties.

The land is a good land...an eastward-sloping plain crossed by shallow valleys and interrupted by a few gently rolling hills. From an elevation of 125 feet above sea level near the Dawson community in the western section of the county, the land drops to 44 feet at the headwaters of the Trent Rivers in the southeast section. Along the river and a few of the larger creeks are broad lowland areas carved in the distant past as the streams changed course or as water rushed downstream in time of heavy rain or storm. The normally placid Neuse River snakes its way for 75 miles through the center of the county, dividing it into almost two equal parts. The river depth fluctuates with the seasons from a low of two feet to a high water mark of 25 feet. Its width average 50-300 feet. Other streams include Southwest, Contentnea, Break Creek, Falling Creek and Briery Run.

BIRTH OF LENOIR COUNTY

The period following the Revolution was one of corruption and lawlessness in Dobbs County, especially in the far reaches of the area where Greene County is now located. Lack of honest qualified leaders and difficulties in administering justice in the remote sections of the county resulted in an emergency of many individuals who sought riches and power by any means, without regard to law. Government, in some areas, was non-existent, tax collections scant and law and order a farce. In efforts to remedy the situation, a bill was introduced in the General Assembly in December, 1791 to divide Dobbs County into two new counties with courts, prisons and stock in each. An opponent of the bill, General William Graham, declared it was the first time he had ever heard of destroying a government to establish law and order. The new counties were to be named Lenoir and Glasgow. A strong effort was made to name one of the counties for Stephen Cabarrus, then president of the State Senate. The name of Lenoir was stricken from the bill and Cabarrus substituted. Then, following arguments by Lenoir partisans, Cabarrus was stricken and Lenoir re-inserted. Thus, Lenoir County came very close to be Cabarrus County. The act of abolishing Dobbs County and creating Lenoir County was ratified on January 21, 1792 and Kinston was named the County Seat.

Lenoir County's name honors General William Lenoir, described by his contemporaries as a "venerable patriot and soldier," and who played a major role in the affairs of the state of North Carolina.

Source: *Lenoir County – 200 Years of Progress – 1776-1976*
Published by the Lenoir County Board of Commissioners
and the Kinston-Lenoir County Bicentennial Commission

MINUTES
LENOIR COUNTY BOARD OF COMMISSIONERS
BUDGET PLANNING WORKSESSION
Administration Building Conference Room
March 5, 2007

The Lenoir County Board of Commissioners began their scheduled retreat on Monday, March 5, 2007 at 10:00 a.m., at the Administration Building Conference Room, 101 North Queen St., Kinston, NC.

Members present included: Chairman George W. Graham, Jr., Vice-Chairman Paul H. Taylor, Jr., and Commissioners Claude Davis, Earl Harper, Chris Humphrey, and Wayne Pittman.

Members absent: Jackie Brown

Also present were: Michael W. Jarman, County Manager, Tommy Hollowell, Assistant County Manager, Joey Bryan, MIS Director; Jack Jones, Director of the Department of Social Services; Joey Huff, Health Department Director; Bill Ellis, Parks and Recreation Director; and Lashanda Aytch, Clerk to the Board

Mr. Jarman welcomed the Board to the retreat and gave an overview of the retreat agenda. Mr. Jarman then highlighted the events of 2005. Following Mr. Jarman's opening remarks in reference to the retreat's agenda, the following items were discussed.

Goals / Expectations of Board Members / Budget Philosophy

The Board reviewed the Financial/Budget Philosophy to see if any changes were needed. The current philosophy concerning Unrestricted/Unreserved General Fund Fund Balance is to maintain a Fifteen Percent (15%) Minimum Level of General Fund Expenditures. Mr. Graham stated he would like the General Fund Fund Balance increased to twenty percent (20%). Upon a motion by Mr. Graham and a second by Mr. Davis, the Board unanimously approved to increase the General Fund Fund Balance to maintain a twenty- percent (20%) minimum level of General Fund Expenditures.

Mr. Taylor stated he would like the number of years vested for county employees to change from 5 to 10 years of service due to rising health care expenditures. Mr. Hollowell stated the county offers health insurance to retired county employees with 30 years of service, until the age of 65. The county has 26 to 28 employees who fall into this category annually. Mr. Hollowell stated the Government Accounting Standards Board wants local officials to be aware of the cost and risk associated in providing the post-employment benefits to retired employees and have mandated that a study will be completed by December that reflects this cost.

Financial / Budget Review

- **Marginal Increases – Schools/LCC/Recreation/Library**

Upon a motion by Mr. Harper and a second by Mr. Humphrey the Board approved giving a 1% increase to each agency mentioned above. Mr. Jarman requested more time for the Library and Recreation Department to consider additional increases. The Board approved Mr. Jarman's request.

Building / Facility Utilization

The Manager's office requested additional time to consider the plans for the brick house at the county landfill. The blockhouse on the landfill property will be demolished. The Board directed Mr. Jarman to contact Ms. Carolyn Craig, President of the Realtors Association, regarding realtors to sell the house on Parrott Avenue. Probation and Parole have moved into the Hannibal Building on King Street leaving the Gordon Street building vacant. Mr. Graham stated he would like the buildings destroyed. Mr. Jarman stated he would come back with a recommendation at a later date. The old MIS Building still has one employee; but DSS will be utilizing the building later. The Town of Pink Hill has shown interest in taking over the Deep Run Sewer System; the specifics still have to be negotiated. An additional \$100,000 was placed in the budget for the construction of a new Deep Run EMS station; the manager's office would like to be more involved in this process.

MIS

Mr. Bryan stated the MIS Department has done a great job in keeping cost down over the past 10 years. The MIS Department has several concerns, which are a Technology Refresh, Email, Switching Infrastructure, Desktop Software and Staffing. The refresh on the computers will cost an estimated \$50,000; a new email system through Groupwise Software will cost \$35,000 for the hardware and \$5-\$10K for recurring problems and support. Exchange software will cost \$25K per year with hardware and support cost of \$10K. Mr. Bryan stated the office software the counties uses (Office 97) is too old and certain computers throughout the county need newer software. Open Office is a free software program that could be installed on county computers. Mr. Bryan stated \$10K would be needed for new software; Mr. Bryan would also like to promote a MIS employee to be a Help Desk Operator for the County at a cost of \$45K. The entire MIS Department needs reorganization. The staff must be realigned to better support the entire county. Mr. Graham asked Mr. Bryan to get the entire proposal together for MIS needs and report back to the Board. Mr. Bryan stated that a steering committee should be implemented to address IT issues for the county; a Commissioner should serve on this committee as well. Mr. Humphrey was chosen to serve on the steering committee. Mr. Bryan addressed the Board regarding needs of the GIS Department. The GIS Department would like to hire an intern at a cost \$10K; this would be very beneficial to the county. GIS also needs \$10K for GIS data services. In conclusion Mr. Bryan addressed the needs of the Lenoir County Transit which has increased in riders from the general public over the past few months. There may be possible funding issues for FY 07-08; a grant has been applied for, but will require a \$21K match.

Sheriff's Office

Sheriff "Billy" Smith addressed the Board. The Sheriff stated that the jail is still his main concern; there is still a need for a new jail facility. Sheriff Smith thanked the Board for the actions taken in previous meetings, which has initiated the House Arrest program in the county. The new liaison program and the start of NARS testing will also help the sheriff's department tremendously. The NARS testing allows the Sheriff's Department to perform their own drug testing at a cost of \$30,000, judges can order the defendant to pay up to \$300 for the testing after conviction. Mr. Jim Ward was appointed the Liaison Officer for the County. This year's budget will include the position of Liaison Officer. Prisons doors in the old jail facility need to be fixed at a cost of \$230,000; these repairs would require moving prisoners to other facilities. The Board stated the Sheriff could budget to fix two cell block doors.

Department of Social Services

Mr. Jones reviewed a PowerPoint Presentation with Board members regarding the past, future and present condition of DSS. The county has chosen to stay an electing county versus a standard county. Electing counties can use their unspent TANF Assistance Allocation for administrative purposes. The county must decide if they want to remain an electing county. If the Governor and the General Assembly continue to cut the Statewide TANF cash allocation, the risk for overspending increases dramatically. The General Assembly has cut the cash allocation by 31% and the Governor has recommended another 7% cut. The cost to stay as an electing county is estimated at \$1,020,025; the standard status will cost the county an estimated \$1,401,117. April 1, 2007 is the deadline for all counties to determine their electing status. Upon a motion by Mr. Graham and a second by Mr. Harper, the Board approved staying in an elective capacity.

Parks and Recreation

Mr. Bill Ellis, Parks and Recreation Director addressed the Board. Mr. Ellis stated Contentnea School is over 100 years old and could be a very viable center for the youth and adults in the Contentnea area. 800 children participate in sport activities at Contentnea. Mr. Ellis stated he would like to continue using Contentnea School for recreation because the gymnasium facilities are in very good shape. The Pink Hill gymnasium located across the street from the school is a perfect fit for recreation activities in that community. There are 600-700 children that participate in recreational activities in Pink Hill. The school has two lighted baseball fields, which is an added plus for the community. Mr. Ellis stated the Recreation Department is asking the county to contribute \$100,000 for three years to match a grant to construct a soccer complex at the old Harper Salvage yard. Mr. Ellis stated with the help of the Board and the grant, a \$1 million facility can be created. Lenoir County is missing out on tremendous amounts of revenues by not having a soccer complex. The Recreation Department is adding a 1/2 mile of train track around the Neuseway Nature Center. With the proceeds received from the train rides, more train track will be purchased. A boat ramp is needed at the Nature Center for better access for boaters during high tides on the river; the cost of a new boat ramp is \$7,500. Upon a motion by Mr. Taylor and a second by Mr. Harper, the Board unanimously approved the purchase of a new boat ramp for current fiscal year.

Health Department

Mr. Huff stated recruiting Environmental Health Specialists and Public Health Nurses has become a problem. Mr. Huff stated to attract more applicants he would like to increase the numbers of hours worked per week for these two jobs from 37.5 to 40 hours per week. This will increase the annually salary for the position attracting more applicants. Mr. Graham stated he is opposed to having split work hours within a whole department. The Board stated they would have further discussion and consider the request at a later date. The Health Department will also be responsible for the Private Drinking Well Water Program; a \$20,000 grant has been applied for. The Board of Health has to adopt local rules by April 2007.

Salaries

The Board agreed on a 2.5% COLA increase until further notice.

Respectfully Submitted by
Lashanda Aytch
Clerk to the Board

GLOSSARY

Accrual Accounting: A basis of accounting which revenues and expenses are recorded at the time they are incurred, instead of when cash is actually received or disbursed.

Ad Valorem Taxes: Please see Property Taxes.

Appropriation: An authorization granted by the Board of Commissioners to make expenditures and incur obligations for purposes specified in the Budget Ordinance.

Assessed Valuation: A value established by the Lenoir County Tax Assessor's office for real and personal property to be used as a basis for levying property taxes.

Balanced Budget: When planned expenditures equal anticipated revenues. The North Carolina Local Government Budget and Fiscal Control Act requires the budget, which is submitted to the Board of Commissioners, be balanced.

Bond: A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenue bonds.

Budget: A plan of financial operation for the County, which includes estimated revenues and expenditures for a specific fiscal year.

Budget Amendment: A procedure used by the County and Board of Commissioners to revise a budget appropriation.

Budget Calendar: A schedule, which outlines the process of budget preparation, adoption, and administration.

Budget Document: The official document, representing a comprehensive financial program for a specific fiscal year, which is prepared by the County staff and approved by the Board of Commissioners. The document presents policies and various budgetary information which reflects decisions made by the Board of Commissioners.

Budget Message: A general discussion of the budget which provides the Board of Commissioners and the public with a general summary of the most important aspects of the budget, changes from previous fiscal years, and the views and recommendations of the County Manager.

Budget Ordinance: A document adopted by the Board of Commissioners which lists revenues by source, appropriations by department or fund and levies taxes for the coming fiscal year.

Capital Outlay: Items (such as vehicles, equipment, and furniture) purchases by the County, which have an expected life, which exceeds one year and a unit cost, exceeding \$500.

Cash Accounting: Basis of accounting which recognizes revenues when a government receives cash and costs when its disburses cash.

Cash Management: Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investments, establishing and maintaining banking relationships.

Contingency: Account which funds are set aside for unforeseen emergency expenditures which may become necessary during the year, use of these funds must be approved by the Board of Commissioners before they can be appropriated.

Debt Service: An obligation by the County to pay the principal and interest of all bonds according to a pre-determined payment schedule.

Department: A unit of the County government, which is responsible for performing a primary governmental function.

Delinquent Taxes: Taxes that remain unpaid on and after the due date on which a penalty for non-payment is attached.

Encumbrance: The commitment of appropriated funds to purchase an item or service. To encumber funds to set aside or commit funds for future expenditures.

Enterprise Fund: A fund used to account for activities that are financed and operated in a manner similar to business enterprises and for which a fee for services or the availability for services are charged to completely or partially recover the expenses of the operation. Enterprise Funds typically include water and sewer, and solid waste.

Estimated Revenue: The amount of projected revenue to be collected during the fiscal year. The amount of revenue appropriated is the amount approved by the Board of Commissioners in the Budget Ordinance.

Expenditure: The cost of goods or services received by the County.

Fiscal Year: The time period, which indicates the start and finish for recording financial transactions. The Fiscal Year for the County starts on July 1st and ends on June 30th.

Fixed Assets: Assets of a long-term character which are intended to be held or used, such as land, buildings, machinery, furniture, and equipment.

Fund: A fund is a separate fiscal and accounting entity with a separate set of accounting records that governments segregate to carry on a specific activity.

Fund Balance: The cash and investments which remain at the end of the fiscal year which can legally be appropriated to fund expenditures in the upcoming fiscal year. The Local Government Budget Fiscal and Control Act (LGBFCA) limits the amount of fund balance monies which may be appropriated in the next budget year.

GAAP: Generally Accepted Accounting Principals (GAAP) relates to accounting rules and uniform standards for financial reporting representing generally accepted practices and procedures of the accounting profession. G.M.P. provides a set of minimum standards and guidelines for financial accounting and reporting. Therefore, all GAAP-basis Financial Statements are reasonably comparable, regardless of the legal jurisdiction or geographic location of the government.

General Fund: A Fund established to account for the resources used for the general operation of the County.

General Obligation Bonds: Debt instruments issued by the County which are backed by the full faith and credit of the issuing government.

Intergovernmental Revenue: Revenue received from another government for a specified purpose.

LGBFCA: The Local Government Budget and Fiscal Control Act governs all financial activities of local governments within the State of North Carolina.

Long Term Debt: Debt with a maturity of more than one year after the date of issuance.

Maturities: The dates on which the principal or stated values of investments or debt obligations mature and may be reclaimed.

Modified Accrual Accounting: A basis of accounting in which expenditures are accrued by revenues are accounted for on a cash basis. This accounting technique is a combination of cash and accrual accounting since expenditures are immediately incurred as a liability while revenues are not recorded until they are actually received or are “measurable” and “available for expenditure.”

Property Taxes (Ad Valorem): Taxes are paid by property owners in the County. These taxes are levied on both real and personal property according to the property’s valuation and the tax rate.

Property Tax Rate: The rate at which real and personal property in the County is taxed in order to produce the necessary revenues to conduct vital governmental activities.

Revenue: Income received from a variety of sources and used to finance government or enterprise operations.

Submitted Budget: The budget document made by the County Manager and presented to the Board of Commissioners.

Tax Levy: The total amount of revenue to be raised by property (ad valorem taxes).