



ADOPTED

**FY2013 STRATEGIC OPERATING PLAN
AND
FY2013-2017 CAPITAL INVESTMENT PLAN**



CHARLOTTE™

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Reader's Guide

This reader's guide describes the structure of two plans contained in this document: the **FY2013 Strategic Operating Plan (SOP)** and the **FY2013 - 2017 Capital Investment Plan (CIP)**. It is designed to help citizens, media, and City officials more easily understand and participate in budget deliberations.

In an effort to focus on what is achieved through spending, this plan also includes performance achievements for each of the City's departments.

FY2013 Strategic Operating Plan

This document provides a detailed record of the spending plan proposed by the City Manager for FY2013. It contains the following elements:

Section	Description
Executive Summary (Pages 1 – 36)	An overview of the Strategic Operating Plan which highlights the priorities reflected in the budget, itemized budget decreases and increases, and fund summaries.
Corporate Strategy & Priorities (Pages 37 – 52)	The City's corporate strategy (Community Safety, Housing and Neighborhood Development, Environment, Transportation, and Economic Development) and strategic focus areas.
Operating Budgets (Pages 53 – 108)	<p>General Fund Operating Budgets: The budgets and performance achievements of Departments that are funded by the City's property and sales taxes. These include Police, Fire, Solid Waste, Transportation, Neighborhood & Business Services, Engineering & Property Management, and Planning.</p> <p>Enterprise Operating Budgets: The budgets and performance achievements of Departments that function as enterprise operations with a dedicated funding source. These include Aviation, Charlotte Area Transit System, Storm Water, and Charlotte-Mecklenburg Utilities.</p> <p>Support Departments Budgets: The budgets and performance achievements of Support Departments which are funded by the City's property and sales taxes. These include the Mayor and City Council, City Attorney, City Clerk, City Manager, Budget and Evaluation, Shared Services, Finance, and Human Resources.</p>
Summary Statistics & Schedules (Pages 109 - 140)	Tabular presentation of key revenue and expenditure information as city-wide totals and by fund.
Capital Investment Plan Summary (Pages 141 - 164)	A five year plan, which matches the City's highest priority capital needs with a financing schedule. The plan includes investments in roads, neighborhoods, housing, storm water, transit, water and sewer, aviation, and government facilities.
User Fees (Pages 165 – 184)	A listing of city regulatory and non-regulatory fees.

Reader's Guide

Operating Budgets: A Closer Look

The operating budgets for Departments provide the core content of this document. These begin after the "Operating Budgets" tab and are outlined in the following order: General Fund Departments, Enterprise Departments, and General Fund Support Departments. The operating budget pages contain the following information:

- Summary of department operations
- Program summary with budget and number of personnel positions for FY2012 revised, and FY2013 recommended
- Budget decreases and increases
- Service delivery highlights and challenges
- Performance measures and achievements

A sample page containing this information is provided below.

City Clerk

The City Clerk's Office records, transcribes, and distributes City Council meeting minutes for business meetings, zoning meetings, retreats, budget workshops and special meetings, coordinates citizen speaker lists, and receives and records zoning protest petitions. The City Clerk also maintains the City Charter, City Code, and all other Council records; provides information and research of official City records to City Council, City staff and citizens; provides staffing and minutes to the Citizens' Review board and Civil Service Board; and administers appointment process and attendance records for 38 volunteer boards and commissions.

	FY2012	FY2013
	Budget/ Positions	Budget/ Positions
Program Summary		
City Clerk Services	\$ 533,624	\$ 539,017
Attends and records proceedings of all City Council meetings; creates, maintains and makes available Council's official records; administers Council process for 38 boards, commissions and committees; responds to requests from City Council, citizens, and staff; prepares and submits requests for legal advertising for the City; organizes, attends, and records Civil Service and Citizen Review Board meetings.	6.00	6.00
Total	\$ 533,624	\$ 539,017
Total Positions	6.00	6.00

Budget Decreases

None

Budget Increases

None

Service Delivery Highlights and Challenges

In FY2012, the City Clerk's Office completed 54 total City Council meeting minutes and provided support for nine Civil Service Board meetings and five hearings, with each hearing lasting a minimum of two business days. Additionally, the Clerk's Office provided staff for five Citizen Review Board meetings, facilitated appointment of 75 advisory board members, assisted 548 citizens in signing up to speak at City Council Meetings, and executed and tracked more than 450 attestations and/or notarizations for contracts, deeds, leases or agreements. The Clerk's Office met their goal by posting all Council meeting agendas on the website no later than the Thursday before the next City Council meeting. Finally, the Clerk's Office administered 72 oaths for new employees and citizens appointed to boards and commissions and implemented a new online speaker registration system that allows citizens the ability to sign up to speak to Council through the City's website. The new service was achieved at no additional cost to the City.

The Clerk's Office experienced significant personnel challenges during FY2012 and as a result was not able to meet performance targets for City Council meeting minutes production. The Clerk's Office anticipates meeting the minutes completion performance target in FY2013. The Clerk's Office received a large number of complex public information requests during FY2012 and expects that number to continue to increase. Due to the increased demand for searchable records, the Clerk's Office plans to reinstate the searchable records service in FY2013.

Performance Measures	Performance Achievement	
	FY2012 Target	FY2013 Target
Complete Council business meeting minutes within 28 business days 98% of the time	98%	98%
Upload stamped RCAs to CNET within four business days of a City Council meeting	100%	100%
Attest and return documents within three business days of receiving them	95%	95%

Budget Process

PHASE I – BUDGET POLICY DEVELOPMENT

<p><u>November 2011</u></p> <p>Strategic Operating Plan Kick-off</p>	<p><u>March 2012</u></p> <p>Mayor and Council Budget Retreat</p> <ul style="list-style-type: none">• Draft General Capital Investment Plan (CIP) <p>Council Budget Committee Meeting</p> <ul style="list-style-type: none">• Employee Pay and Benefits• Property and Sales Tax Update
<p><u>December 2011</u></p> <p>City Council Business Meeting</p> <ul style="list-style-type: none">• Approve FY2013 Budget Calendar	
<p><u>February 2012</u></p> <p>Mayor and Council Annual Retreat</p> <ul style="list-style-type: none">• Overview of the economic environment and potential operating and capital budget considerations for FY2013 <p>Council Budget Committee Meeting</p> <ul style="list-style-type: none">• Review Budget Committee Charge• Review February 29th Budget Retreat Agenda• Discuss Possible Community Budget Meeting <p>Mayor and Council Budget Retreat</p> <ul style="list-style-type: none">• Property and Sales Tax Revenue Update• CATS Budget• Storm Water Services Budget• Public Safety Pay Plan• Financial Partner and Outside Agency Funding Requests	<p><u>April 2012</u></p> <p>Mayor and Council Budget Retreat</p> <ul style="list-style-type: none">• Utilities Budget and Rates• Employee Pay and Benefits• General Fund Budget Update• Draft General Capital Investment Plan (cont.)• Financial Partner and Outside Agency Funding Recommendations <p>City Council Business Meeting</p> <ul style="list-style-type: none">• Adopt FY2013 Focus Area Plans

PHASE II – BUDGET DELIBERATIONS AND ADOPTION

<p><u>May 2012</u></p> <p>Budget Presentation by City Manager</p> <p>Budget Adjustments Meeting</p> <p>Public Hearing on Budget</p> <p>Straw Votes Meeting</p>	<p><u>June 2012</u></p> <p>Budget Adoption</p>
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Manager's Transmittal

Adopted Budget

July 1, 2012

To the Honorable Mayor Anthony Foxx and Charlotte City Council:

This document reflects information included in the FY2013 Appropriations and Tax Levy Ordinance and FY2013 Budget Plan approved by City Council on June 25, 2012. The total budget for FY2013 is \$1.70 billion (\$1.12 billion for operating expenses and \$577.5 million for capital improvement projects).

The FY2013 adopted budget includes several changes by the Council from my original recommendation, which are outlined in the table below.

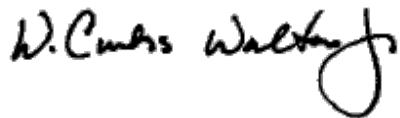
FY2013 Budget Adjustments

Increases	Funding Source	Amount
Restored Greater Enrichment Program (Financial Partner) funding to FY2012 level of \$605,854 (one-time only)	Capital Reserves	\$394,752
Decreases		
Eliminated \$926.4 million of new General Capital Investment Plan debt-funded projects and associated 3.6¢ property tax rate increase	Property Tax	\$926,400,000

Thank you for your hard work on the FY2013 budget. I know it was an especially challenging budget cycle, but I am hopeful that in the near term that Council will reconsider the capital investment needs of our growing community and the transformational investments that I believe are necessary to strengthen our neighborhoods and Charlotte's economic future. I look forward to our continued dialogue on these important issues.

I would also like to note the incredible collaboration, hard work, and innovation demonstrated by all staff involved in the budget development process. I'm grateful for the commitment that they display each day in continuing to make Charlotte great.

Respectfully,



W. Curtis Walton, Jr.
City Manager

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Manager's Transmittal

May 9, 2012

To the Honorable Mayor and City Council:

On behalf of the City organization, I am pleased to present the City's FY2013 Strategic Operating Plan and the FY2013-2017 Capital Investment Plan (CIP), which together total \$1.97 billion city-wide for FY2013.

Revenues are projected to grow at slow, but modest, levels and a number of local indicators suggest that the local economy is strengthening, including:

- In 2011, Charlotte added 8,500 new jobs with almost \$700 million in investments.¹
- Local building permits totaled 3,975 from January 2012 through March 2012 compared to 3,170 for the same period last year, a 25% increase.¹
- Completed foreclosures from July 2011 through March 2012 were down approximately 20% from the same time period in FY2011.²
- Mecklenburg County continued to add roughly 25,000 people per year from 2006-2010 despite the economic downturn, helping make Charlotte the fastest growing urban area with one million or more people in the United States during the last decade.¹
- Charlotte's population is estimated to grow from 731,424 in 2010 to 777,672 in 2012.¹
- The Charlotte-Gastonia-Concord MSA unemployment rate dropped from 10.4% in January 2012 to 9.6% in March. Charlotte has been consistently trending downward on a monthly basis from 10.0% in July 2011 to 8.1% in March 2012.³

Much work remains to get our local economy and unemployment back to pre-Great Recession levels, but I am encouraged by the signs of recovery in our community.

This budget focuses on the City's CIP – which is the foundation for how the City will provide infrastructure to a growing community. The CIP focuses on the following community outcomes:

- Job growth, economic development, and improved transportation access to job centers
- Broadening of the City's property tax base
- Improved mobility through transportation investments
- Strengthened neighborhoods

To fund these community investments, I recommended a 4-cent increase to the property tax rate at your final Budget Retreat on April 11. Council expressed concern about this level of increase, and I have continued to explore opportunities to reduce the recommended property tax rate increase.

After further review of the budget and recent updates from the County Tax Assessor's Office anticipating less property tax valuation appeals loss associated with the recent Mecklenburg County property revaluation, I have revised my earlier 4.0-cent increase per \$100 valuation recommendation to a 3.6-cent increase. This reduced rate still fully funds the proposed \$926.4 million General CIP over four bond referenda cycles. The adjustments result in the following recommended property tax rate change:

Recommended Property Tax Rate
(cents per \$100 valuation)

Fund	FY2012	FY2013 (March 21 st Rec.)	FY2013 (May 9 th Revised Rec.)	Difference (FY2012 to FY2013 Revised Rec.)
General Fund	36.0¢	36.0¢	36.0¢	0.0¢
Debt Service Fund	6.5¢	10.5¢	10.1¢	3.6¢
Pay-As-You-Go Fund	1.2¢	1.2¢	1.2¢	0.0¢
Total	43.7¢	47.7¢	47.3¢	3.6¢

¹ Charlotte Chamber of Commerce

² Mecklenburg County Registrar of Deeds

³ North Carolina Employment Security Commission

Manager's Transmittal

It is certainly difficult to recommend a tax increase. However, I believe these infrastructure investments are needed to ensure that our neighborhoods and businesses have the necessary foundation to thrive and compete globally in a post-Great Recession economy.

GENERAL CAPITAL INVESTMENT PLAN (CIP) HIGHLIGHTS

While the traditional approach to the CIP has been successful in meeting the needs of our community, Charlotte, like other cities across the nation, is experiencing a number of social and economic changes that challenge us to think differently about the type of services and infrastructure the City provides, as well as the type of community we wish to become in the future. For example, approximately half of the property tax base resides in the southern wedge of the City. This trend is unsustainable in the long-term and presents challenges improving the future quality of life for our entire community.

I started development of a new CIP with City staff in July 2011 – about five months earlier than normal – to begin the process of thinking differently about how the City could address our community's biggest challenges and enhance opportunities for collaboration in developing holistic solutions. I am extremely pleased with the response and effort from staff in this process. I believe the recommended CIP is one of this organization's finest and well-thought recommendations that I've been a part of during my 26 years with the City.

The recommended capital program invests in the following areas:

- **Corridors:** Promote economic development, expansion, and job creation
- **Connections:** Increase connectivity with road projects, streetcar extension, and infrastructure improvements
- **Communities:** Address affordable housing, neighborhood improvement and quality of life needs

Additionally, projects selected for the CIP include those that:

- **Align with Council's Vision for Charlotte 2020**
- **Leverage investment**
- **Increase collaboration** with community partners
- Best serve as **catalysts for transformative change**
- Place emphasis on **larger rather than smaller projects**
- Have long-term impact to **address systemic issues**
- Provide **measurable outcomes** of these investments

Example capital projects that are included in the recommended CIP include (additional project details in the recommended CIP can be found on pages 29-30 and pages 141-164 of this document):

- **Investing in Corridors:**
 - Airport/West Corridor:
 - \$43 million for roadway extensions that support economic development and leverage the Airport Intermodal Facility for development that provides quality jobs for the City
 - East/Southeast Corridor:
 - \$25 million for Land Acquisitions and Street Connections that support the Independence Blvd. Area Plan
 - \$25 million (plus private partnerships) for Bojangles/Oven Area Redevelopment to create destination defining amateur sports complex capable of hosting major events
 - Northeast Corridor:
 - \$29.5 million for two bridges over I-85 connecting Research Drive to JW Clay Blvd and IBM Drive to IKEA Blvd and University Point Blvd.
 - \$102.5 million for Northeast Corridor Infrastructure to improve roadway and pedestrian access to the CATS Blue Line Extension
 - \$28 million to provide Applied Innovation Corridor infrastructure that supports entrepreneurialism and job recruitment in growing technology, biosciences, health care, and energy industries.

Manager's Transmittal

- **Increasing Connections:**
 - \$24.9 million for Road/Infrastructure Projects
 - \$35 million for a Cross Charlotte Multi-Use Trail
 - \$119 million for Streetcar Extension, which complements the current Streetcar starter project and would extend the line to French St. (near J.C. Smith University) and to Sunnyside Ave. (north of Independence Park)
 - \$48 million for Traffic Control and Bridges
- **Improving Communities:**
 - \$56.5 million for six new Police Stations
 - \$60 million for Affordable Housing
 - \$120 million for Comprehensive Neighborhood Improvement Program

The proposed bond allocations by bond referendum – using traditional bond categories – are as follows:

Category	2012	2014	2016	2018	TOTAL
Transportation	\$175.6	\$166.3	\$106.8	\$61.2	\$509.9
Neighborhoods	20.0	40.0	40.0	20.0	120.0
Affordable Housing	15.0	15.0	15.0	15.0	60.0
Sub-Total Bonds	\$210.6	\$221.3	\$161.8	\$96.2	\$689.9
Facilities & Equipment	155.5	24.0	29.2	27.8	236.5
TOTAL	\$366.1	\$245.3	\$191.0	\$124.0	\$926.4

GENERAL FUND REVENUE HIGHLIGHTS

Property Tax – I am projecting FY2013 property tax revenue growth of 4.68% over FY2012 with a collection rate of 97.2%. This increase reflects economic growth as well as less property valuation appeals loss than earlier projected (according to County Tax Assessor's Office data). As in prior years, I take a very conservative approach in projecting anticipated revenues.

Sales Tax – I expect sales tax growth of 3.9% over FY2012, which is unchanged from the FY2013 budget plan. The City would have realized greater growth, but for Mecklenburg County's property tax increase in FY2012, which under the County's selected sales tax distribution method (proportion to the total amount of ad valorem taxes levied by each jurisdiction) provided a greater share of sales tax revenue to the County instead of the municipalities. It still appears that it could take two to three more years for sales tax revenue levels to return to pre-Great Recession levels.

User fees – Starting in FY2006, Council policy has required regulatory user fees, (e.g. fire permits, subdivision reviews, rezoning petitions) to recover 100% of the fully allocated costs to provide the service. Since FY2010, I have recommended, and Council has approved, annual exceptions to the cost recovery policy component and kept user fees flat due to uncertainties in development activities and the economy. I recommend that Council begin a multi-year transition back to full cost recovery, resulting in an incremental increase for regulatory user fees in FY2013.

Solid Waste Services Fee – Due to increased disposal costs from Mecklenburg County, and elimination of multi-family supplemental disposal payments (mentioned under "General Fund Budget Highlights"), I recommend the following adjustments to Solid Waste Services fees:

Recommended Solid Waste Annual Fee

Service Type	FY2012	FY2013 (Rec.)	Difference
Single-family	\$45	\$47	\$2/yr (17¢/mo)
Multi-family	\$27/unit	\$24/unit	-\$3/yr (-25¢/mo)

Manager's Transmittal

GENERAL FUND BUDGET HIGHLIGHTS

The operating budget represents the second year of the City's biennial budget. For the second straight year only a few core, base operating budget changes are recommended in the General Fund. The General Fund budget totals \$552.2 million, a 3.77% increase over the FY2012 revised budget.

Highlights include:

- ◆ **Police (\$0.5 million increase above FY2013 Plan)**
 - Four Crime Analysts (\$0.25 million) – Grant funding for four crime analysts from the American Recovery and Reinvestment Act (ARRA) ceases at the end of FY2012. I propose retaining the crime analysts due to their invaluable work providing real time crime analysis and review of crime trends, which officers use to help them be more effective on the street.
 - Three Telecommunicators (\$0.25 million) – Under a new 911 call arrangement, the Charlotte-Mecklenburg Police Department (CPMD) will receive and dispatch 911 calls for the Town of Huntersville. Three new telecommunicators are needed, which are 100% reimbursed by the Town of Huntersville.
 - Stimulus Funded Police Officers – 50 Police officer positions were added to the FY2010 budget, funded by an ARRA grant. The FY2013 budget begins to pick up funding of these 50 officers in September at a cost of \$2.4 million, which was already included in the FY2013 Plan; the full cost of the officers is projected at \$3.2 million to the General Fund in FY2014.
- ◆ **New Positions** – Other than the seven new Police positions mentioned above, no additional, new positions are recommended for the General Fund.
- ◆ **Fuel Adjustments (\$0.8 million increase above FY2013 Plan)** – The FY2013 Budget Plan included a 5% increase for fuel. Due to the elevation of motor fuel prices, I recommend a further increase which includes \$0.3 million distributed primarily among Fire, Neighborhood & Business Services, Solid Waste Services, and Transportation plus a \$0.5 million Fuel Reserve for potential price shocks or continued upward pricing pressure.
- ◆ **Vehicle Maintenance & Repair (\$1.2 million increase above FY2013 Plan)** – The average age of the City's vehicle fleet has increased due to reduced funding availability to accelerate vehicle replacements. This along with increased parts and materials costs necessitates a budget adjustment, primarily for Police, Fire, Solid Waste Services, and Transportation.
- ◆ **Elimination of Supplemental Multi-Family Disposal Payments (\$0 net budget impact)** – Since October of 2005, the City has reimbursed disposal charges for supplemental multi-family collection (extra garbage collection at multi-family complexes beyond once per week) to the City's collection contractor. I recommend eliminating this reimbursement practice and maintaining once per week collection for multi-family complexes, similar to the single-family frequency. The current \$0.5 million cost of these payments would be eliminated, along with an equal corresponding revenue.

COMPENSATION AND HEALTH BENEFITS

In FY2010 and FY2012, I was not able to recommend any merit, market, or step increases for employees. These were difficult but necessary decisions given the challenges associated with limited revenue growth and uncertainties around potential State budget actions that could have impacted the City. For FY2013, I am pleased to recommend a compensation adjustment and only a small increase in group insurance. Key personnel related recommendations include:

- ◆ **Public Safety Pay Plan (PSPP) Structure Revisions** – The budget implements a new PSPP structure methodology, which uses a combination of 5.0% or 2.5% step adjustments. The Mayor's Efficient and Effective Government Review Task Force's recent work provided helpful guidance on the need to reexamine the growth rates of the PSPP given current revenue growth rates. Since the Task Force's work, I'm appreciative of staff's PSPP Committee effort, which has developed a new PSPP structure that is more sustainable with slower pay plan growth rates.

Manager's Transmittal

- **Compensation Adjustments** – This budget recommends a 1.5% PSPP market adjustment, revised PSPP step progression, \$1.0 million one-time conversion cost to implement the new PSPP, and a 3% merit budget for Broadbanding employees. All of the PSPP recommendations are consistent with the staff committee's recommendation.
- **Group Insurance Coverage Increases** – The City's funding for group insurance coverage increases 2% over FY2012. As a reference point, the national average health insurance increase is 8%. I am proud of the work our Human Resources Department and other city staff continue to do to improve the wellness of our workforce, contain costs, and mitigate premium increase impacts to employees.
- **Domestic Partner Benefits Addition** – I recommend providing domestic partner benefits to same sex partners of City employees. The reasons for this addition includes fostering inclusiveness and fairness in the workplace, maintaining competitive practices with other large area employers, and attracting and retaining the best possible workforce of diverse talent. The cost of adding this benefit is estimated at \$150,000 annually. This benefit would be added effective January 1, 2013, for an estimated FY2013 partial year cost of \$75,000.

FINANCIAL PARTNERS & OUTSIDE AGENCIES

No new Financial Partners or Outside Agencies are recommended for FY2013. I recommend restoration of the 2% cut experienced by most partners that resulted from budget cuts made in FY2010. The budget includes the following increases:

- Arts & Science Council: \$57,663
- Charlotte International Cabinet: \$3,061
- United Family Services – Victim Assistance: \$6,549

I also recommend an additional \$50,000 to the Charlotte Regional Partnership's Film Commission to support efforts to market and recruit film projects to our region, which provides jobs and economic benefits.

CONCLUSION

I have a positive outlook on the economy. Unemployment is improving, businesses are hiring additional workers, and Charlotte continues to attract new residents.

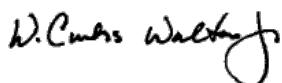
But, critical infrastructure improvements are needed in the community. Charlotte is at a crossroads: What type of city will it become? Great Cities are characterized by great infrastructure; I believe Charlotte is a great City, but a new, different capital investment approach is needed to ensure that Charlotte succeeds today, tomorrow, and into the future.

The CIP takes a more holistic approach than prior CIPs, and I am confident it will produce significant results and benefits for the entire City. I commend staff for their outstanding efforts developing a new CIP that thinks differently about how to achieve Council's Vision for 2020.

The operating budget applies revenue growth to a pay plan for employees and addresses a few base operating budget needs such as public safety, fuel, and vehicle maintenance.

I look forward to our continued budget discussion and our continued work throughout the remainder of the budget process.

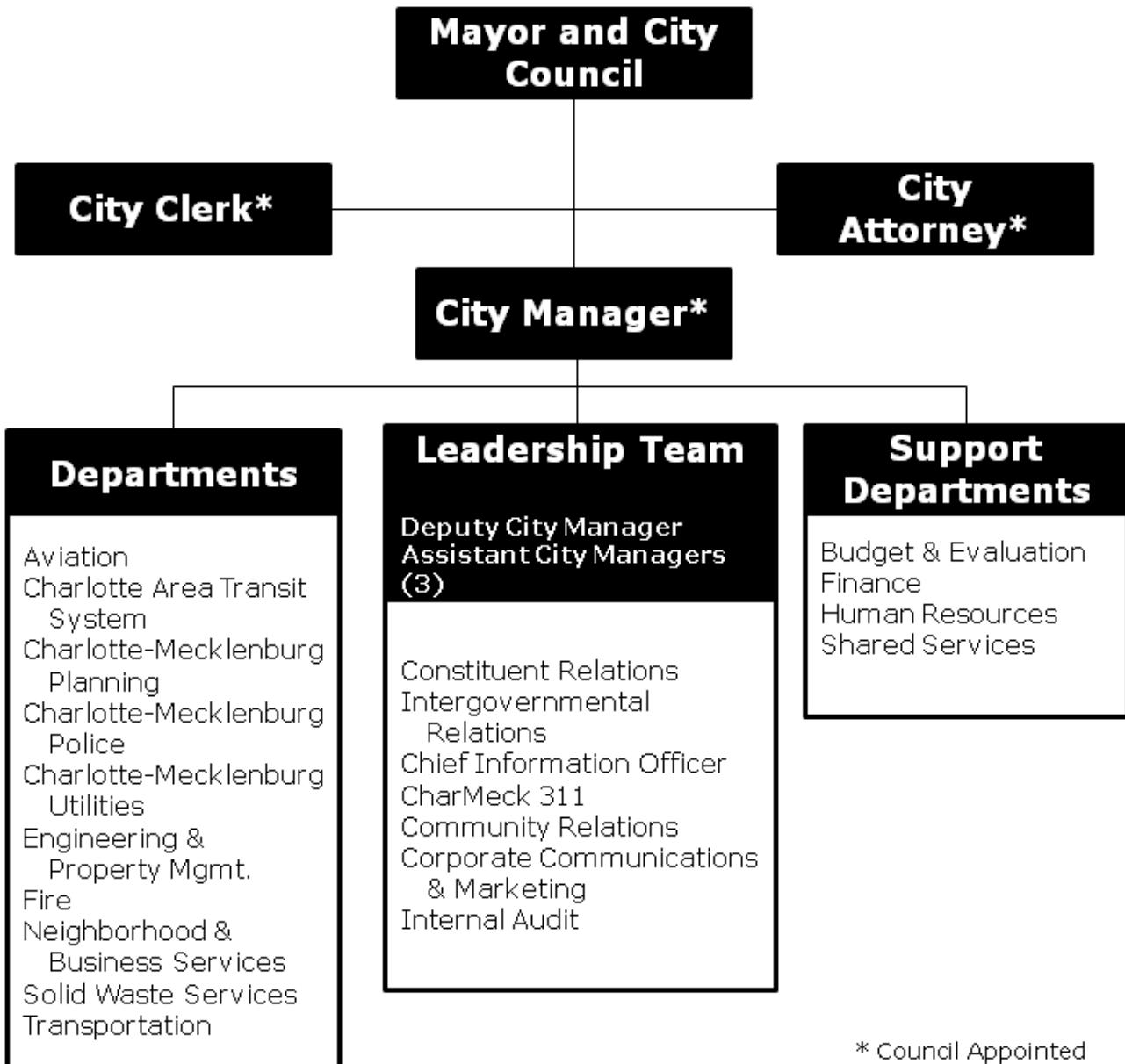
Respectfully,



W. Curtis Walton, Jr.
City Manager

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Organizational Chart



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Executive Summary

Introduction

The total adopted budget for FY2013 is \$1.70 billion, a 1.8% increase above the FY2012 budget of \$1.67 billion. The total budget includes both the annual operating budget and the Capital Investment Plan (CIP) for General and Enterprise Departments. The operating budget reflects slow growth following the economic recession, weathered by the City through budget reductions and a continuation of conservative financial strategies. The capital budget primarily reflects Enterprise Fund projects, as City Council did not approve any new bond-supported General Fund capital projects.

- The **FY2013 total operating budget is \$1.12 billion**, compared to FY2012 General Fund and Enterprise Funds operating budgets of \$1.06 billion. The increase of 5.4% in the General Fund (net of transfers) and 9.2% in the Enterprise Funds is primarily due to the second year of modest growth and stabilization of revenue sources. The FY2013 operating budgets reflect a rise in the cost of core services and an increase to the employee pay plan.
- The **first year of the five-year CIP is \$577.5 million**, compared to the prior year's CIP of \$617.2 million. This 6.4% decrease represents a CIP comprised mostly of Enterprise Fund capital projects. City council did not approve funding for a future General capital bond program. The General CIP includes only Pay-As-You-Go funding for ongoing facility maintenance programs, and remaining funding from previously authorized 2010 bonds to complete approved neighborhood improvement and transportation projects. The Enterprise CIPs include modest increases, with the exception of the Charlotte Area Transit System (CATS) which experiences a 7.1% decrease below the previous five-year CIP. The total FY2013-2017 CIP is \$3.3 billion, a 0.2% increase over the FY2012-2017 capital program.

The City's total assessed property valuation is \$89.2 billion, and population is estimated at 743,397. This is in comparison to the FY2012 property valuation of \$85.5 billion and population of 740,098.

The FY2013 adopted property tax rate remains 43.7¢ per \$100 valuation. The City Manager's Recommended Budget included a 3.6¢ increase dedicated to General capital projects, which was not approved by the City Council.

The FY2013 General Fund and Enterprise operating budget line items are predominately held constant with the exception of modest increases that maintain current service levels and invest in the employees providing those services. The budgetary increases to maintain current service levels include fuel and vehicle maintenance related to cost escalations. A compensation adjustment of 3% for City Broadband employees and a Public Safety Pay Plan of 2.5% to 5% steps and 1.5% market increases are also included in the FY2013 budget. There are 35 new positions city-wide in FY2013 with seven in the General Fund budget – all in the Police Department. Twenty-five positions are added to support the Aviation Department to meet current service delivery needs. Three positions are added to support Storm Water initiatives, funded by user rates. The only service level change in the FY2013 budget is the elimination of reimbursement for supplemental multi-family garbage disposal. Although there is a \$0.5 million cost reduction, the multi-family solid waste services user fee is reduced, resulting in a net zero impact. Both single-family and multi-family solid waste services fees are impacted by the increase of garbage and yard waste disposal costs, which is charged to the City by Mecklenburg County. During the budget process City Council approved a one-time increase of \$394,752 for Greater Enrichment Program to fund the Out of School Time Partner at their FY2012 funding level of \$605,854, using Capital Reserves balance.

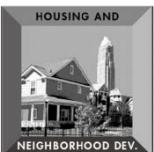
Executive Summary

Council Focus Areas

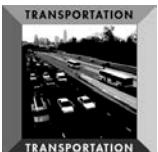
Council's five focus area plans, approved in April 2012, enable the organization to direct limited resources to the areas deemed most important by City Council. The Focus Areas include:



Community Safety: *"Charlotte will be America's safest community."*



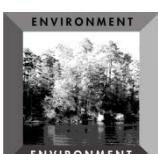
Housing and Neighborhood Development: *"Creating and sustaining communities of choice for living, working, and recreation."*



Transportation: *"Charlotte will be the premier city in the country for integrating land use and transportation choices."*



Economic Development: *"Charlotte will be the most prosperous and livable city for all citizens through quality economic development."*



Environment: *"Charlotte will become a national leader in environmental sustainability, preserving our natural resources while balancing growth with sound fiscal policy."*

Executive Summary

General Fund Overview

The General Fund Budget is \$552.6 million in FY2013, compared to the FY2012 budget of \$532.2 million. The FY2013 budget reflects an increase of 3.8% over the prior year. The stabilization of revenues following economic challenges allows the City to maintain core service levels with minor budgetary adjustments made to base, core operating needs.

General Fund Decreases Overview

The City has maintained its long-standing conservative fiscal practices. In response to the economic decline, staff was proactive in reducing, suspending, and eliminating costs that resulted in millions of dollars in savings over the past four years. The organization has become very lean and is operating with tight budgets.

The only service level change within the FY2013 operating budget is the elimination of multi-family supplemental disposal costs in the Solid Waste Services Department. In FY2006, the City Council approved a change in collection frequency of multi-family (30 units or more) solid waste from twice-a-week to once-a-week. Although collection costs were reduced, the City continued to pay disposal costs for multi-family complexes receiving supplemental service through the City's collection contract. The FY2013 budget discontinues payment of those supplemental disposal fees. The cost reduction is \$0.5 million; however, the solid waste fees paid by multi-family customers are reduced, resulting in a net zero impact.

In the Engineering and Property Management Department just under \$0.5 million for Cultural Facilities operating costs is reduced. This continues the transition of facility maintenance operating costs to Cultural Facilities.

General Fund Increases Overview

As revenues begin to experience slow growth, the City continues to hold most operating line items flat, despite a growth in both population and service needs. The modest percentage increase from FY2012 to FY2013 focuses on maintaining current, base service levels in response to increased external costs and investing in our workforce.

From a City-wide perspective, the increases to the FY2013 operating budget impacting most General Fund departments are primarily that of fuel and vehicle maintenance in the amounts of \$1.1 million and \$1.4 million, respectively, over FY2012. Other increases across the General Fund include \$2.6 million due to increased liability and Workers' Compensation insurance costs.

Also inclusive of all departments are the changes to the salary and benefits plans. During the years of the recent economic downturn, City employees received no salary increases in FY2010 and FY2012. Market data analysis indicates signs of movement related to employee compensation at rates that exceed the City's trends. To recruit and maintain a skilled and diverse workforce, the FY2013 budget includes a 3% merit budget increase for the Broadbanding Pay Plan. Following the findings of the FY2011 Mayor's Efficient and Effective Government Task Force, and in response to City Council direction, the City formed a Public Safety Pay Plan Committee during FY2012. The FY2013 budget includes the recommendations of the Committee's Public Safety Pay Plan, which provides a 2.5% or 5% step adjustment based on rank and placement in the pay range; a 1.5% market adjustment is also included. The City has experienced tremendous success with health insurance cost management resulting in a very favorable increased City contribution of only 2% for group insurance. For the first time, the FY2013 budget recommends extending insurance benefits to same-sex domestic partnerships at an estimated cost of \$75,000. The components of the salary and benefits plans are further detailed in the "Employee Compensation" section of this Executive Summary.

Executive Summary

The Solid Waste Services budget is increased by \$0.9 million to offset Mecklenburg County's higher disposal fee charges; these costs are offset by an increase in both single-family and multi-family solid waste fees. Due to elimination of multi-family supplemental disposal costs and the increase of Mecklenburg County disposal charges, the FY2013 City solid waste fee is \$47 for single-family units (a \$2 increase) and \$24 for multi-family units (a \$3 decrease), assessed annually.

As communicated in the FY2010 through FY2012 budgets, the American Recovery and Reinvestment Act (ARRA) grant funding 50 Charlotte Mecklenburg Police officers added in FY2010 will be fully expended during FY2013. The cost of these positions shifts to the General Fund in September of FY2013 at a cost of \$2.4 million, which was included in the FY2013 Plan. FY2014 begins the first full year's cost of these 50 officers at an estimated \$3.2 million. Also ending in FY2013 is ARRA funding for four crime analysts at an additional cost to the General Fund of \$243,201. Three telecommunicator positions are added to the Police Department in FY2013, however these positions are fully reimbursed by the Town of Huntersville.

The General Fund decreases and increases are itemized by Council Focus Area follow below.

General Fund Decreases by Council Focus Area

Community Safety

- ♦ None

Economic Development

- ♦ None

Transportation

- ♦ \$181,087 is eliminated in one-time expenses for equipment and materials associated with the 2011 annexation (CDOT)

Housing and Neighborhood Development

- ♦ None

Environment

- ♦ \$534,814 in multi-family garbage disposal costs due to eliminating the reimbursement of supplemental disposal; this savings is offset by a reduction in the associated annual, multi-family solid waste services fee (SWS)

General Government

- ♦ \$454,563 from Building Maintenance to continue the transition of facility maintenance operating costs to Cultural Facilities (E&PM)

Executive Summary

General Fund Increases by Focus Area

Community Safety

- ◆ \$2.4 million to fund the 50 officers related to the American Recovery and Reinvestment Act (ARRA) grant, for which funding will end in September of FY2013 (Police)
- ◆ \$481,484 in maintenance and repair of vehicles and equipment (Fire)
- ◆ \$256,282 for fuel price escalations (Fire)
- ◆ \$243,201 to replace ARRA grant funding for four Crime Analysts (Police)
- ◆ \$237,403 to add three Telecommunicators (100% reimbursed from the Town of Huntersville) (Police)
- ◆ \$231,121 in maintenance and repair of vehicles and equipment (Police)
- ◆ \$228,373 for fuel price escalations (Police)
- ◆ \$81,177 for operating and building maintenance expenses for the new Steele Creek Police Division Office (Police)

Economic Development

- ◆ None

Transportation

- ◆ \$243,073 in maintenance and repair of vehicles and equipment (CDOT)
- ◆ \$60,343 for fuel price escalations (CDOT)

Housing and Neighborhood Development

- ◆ \$74,957 for increased nuisance abatement (i.e. junk removal and mowing grass) costs and to allow citizens to pay for code violations via credit card (offset by increased revenue collections) (N&BS)
- ◆ \$30,471 for fuel price escalations (N&BS)

Environment

- ◆ \$925,426 in increased disposal costs charged by Mecklenburg County (100% offset by an increase to the annual single-family and multi-family solid waste services fees) (SWS)
- ◆ \$444,067 in maintenance and repair of vehicles and equipment (SWS)
- ◆ \$103,770 to replace ARRA grant funding for the Energy and Sustainability Manager position (CMO)
- ◆ \$34,818 for fuel price escalations (SWS)

General Government

- ◆ \$139,000 is added to increase the CMGC building security contract for enhanced security (E&PM)
- ◆ \$79,789 to fund a previously frozen technology analyst position (CMO)
- ◆ \$39,160 net increase for postal increases and technology contract escalations and upgrades to support Utility and Storm Water billing and associated CharMeck 311 customer service call support for billing inquiries (Finance)
- ◆ \$32,885 in maintenance and repair of vehicles and equipment (Shared Services)
- ◆ \$23,435 for fuel price escalations (E&PM)
- ◆ \$12,030 for fuel price escalations (Shared Services)
- ◆ \$11,037 for technology related operating expenses (Mayor and City Council)
- ◆ \$1,700 in maintenance and repair of vehicles and equipment (E&PM)

Executive Summary

Financial Partners and Outside Agencies

The FY2013 budget includes a 2% increase for most General Fund Financial Partners and Outside Agencies, unless a funding increase was not requested or funding is formula-driven from a dedicated revenue source such as the Occupancy Tax. All Neighborhood & Business Services Financial Partners remain flat at the FY2012 level based on the funding sources of Pay-As-You-Go Capital (PAYGO) and federal grants. The Out-of-School-Time partners allocations change following a 2012 Request for Proposal process. The total funding level for Out-of-School-Time partners was increased by \$394,752 above the prior year level and City Manager's Recommended budget due to a one-time Capital Reserves balance appropriation for Greater Enrichment Program approved by City Council.

General Fund Financial Partners

During the FY2010 budget process, most Financial Partners were reduced by 2% in response to economic conditions. The City Manager's recommendation for FY2013 restores the FY2010 2% reduction to the following Partners that requested increased funding for FY2013: Arts & Science Council, Charlotte International Cabinet, and United Family Services – Victim Assistance. An additional \$50,000 is recommended for the Charlotte Regional Partnership to support a new position dedicated to the Charlotte Regional Film Commission. Funding for Community Building Initiative remains flat, as there was no request for increased funding.

The remaining General Fund Financial Partners are funded by formula-driven, dedicated revenue sources, such as Municipal Service District tax revenue and the Occupancy Tax. These three Financial Partners and Outside Agencies will receive final distributions based on actual revenue:

- Charlotte Center City Partners
- University City Partners
- Charlotte Regional Visitors Authority

Neighborhood & Business Services Financial Partners

Neighborhood & Business Services Financial Partners and Outside Agencies are funded by Innovative Housing funding (local PAYGO Capital Fund) and federal grant funding, such as Community Development Block Grants (CDBG) and HOME grants. The partners comprise three categories:

1. Housing and Community Development related services
2. Crisis Assistance
3. Out-of-School-Time

Housing and Community Development and Crisis Assistance Financial Partners are recommended to remain at the current FY2012 level because the PAYGO contribution and portion of federal grants that fund these partners is not expected to change. These financial partners and outside agencies are:

- Charlotte-Mecklenburg Housing Partnership, Inc – Affordable Housing
- Charlotte-Mecklenburg Housing Partnership, Inc – House Charlotte
- Community Link
- Crisis Assistance Ministry
- Carolinas Care Partnership
- Charlotte Family Housing (formerly WISH)
- YMCA Community Development

FY2013 was the first year of a Request for Proposal approach to funding Out-of-School-Time Partners, as approved by City Council. The Request for Proposal process resulted in six organizations recommended for funding. The only new partner was the Police Activities League. The total funding level of the Request for Proposal process was \$1,242,918, unchanged from FY2012; however, during the budget process the City Council voted to add \$394,752 in a one-time appropriation from General Fund fund balance for the Greater Enrichment Program, funding the organization at their FY2012 level \$605,854.

The list of Financial Partners and Outside Agencies and FY2013 funding amounts are included in the "Operating Budgets" section.

Executive Summary

Employee Compensation

Pay Plan

Employee compensation is the single largest category of expenditure in the City's operating budget, as the vast majority of City services are labor intensive. Economic conditions have impacted the ability to fund employee compensation plans in recent years. The City has made significant efforts to reduce costs by "doing more, with less." Market data analysis indicates signs of movement related to employee compensation at rates that exceed the City's trends. As revenue begins to increase, the City is in a position to begin to address the compensation trend disparity. The FY2013 budget includes salary increases for both the Broadbanding and Public Safety pay plans.

Thus, the FY2013 budget includes:

- 3.0% Broadband merit budget
- 2.5% or 5.0% Public Safety step adjustment based on rank and position relative to market
- 1.5% Public Safety market adjustment

Following the findings of the FY2011 Mayor's Efficient and Effective Government Taskforce, and in response to City Council direction, the City formed a Public Safety Pay Plan (PSPP) Committee during FY2012. The FY2013 budget includes the recommendations of the PSPP Committee. The PSPP budget includes the positions of Police Officer, Police Sergeant, Firefighter I, II, and Engineer, and Fire Captain. The PSPP includes a combination of 5% and 2.5% steps, to assist in slowing the progression of costs through the range and make the PSPP more sustainable. Also recommended is a market adjustment to the steps, equal to 50% of the market movement.

Police Officers and Fire Fighters

Current	Recommended
5% steps – Minimum to Maximum	5% steps – Minimum to Midpoint
	2.5% steps – Midpoint to Maximum

Police Sergeants and Fire Captains

Current	Recommended
5% steps – Minimum to Maximum	2.5% steps – Minimum to Midpoint
	5% steps – Midpoint to Maximum

401(k)

No changes to the 401(k) plan. The City contribution remains at 3% of an employee's salary.

Retirement System

The State required retirement contribution for non-sworn employees decreased from 6.88% in FY2012 to 6.74% in FY2013. For FY2013, the retirement contribution for sworn police remains at the FY2012 rate of 7.04%. The Firefighter Retirement System is not impacted, as the system is administered by the City.

Group Insurance

The FY2013 health insurance budget and rates reflect the Council adopted philosophy of:

- Aggressive cost management for benefits
- Employees expected to fairly share in the cost of benefits
- Moderate level of benefits and pay
- Actively support wellness programs to reduce future costs

Executive Summary

Group Insurance (cont.)

Driven by these philosophies, the FY2013 City contribution to group insurance increase is only 2%, compared to an estimated annual national trend of 8%. The City has managed health care costs considerably by:

- ◆ Increasing cost sharing for current employees and retirees,
- ◆ Implementing pharmacy plan changes to promote the use of generic drugs,
- ◆ Increasing premiums, plan deductibles, out-of-pocket maximums for current employees and retirees,
- ◆ Consolidating vendors for preferred pricing and deeper discounts,
- ◆ Continued wellness focus through plan design incentives, and
- ◆ Implementing a chronic condition management program.

These efforts resulted in significant medical plan savings for 2011, decreased prescription drug trends, increased generic utilization rates, increased participation in wellness programs, and a \$403,000 net estimated plan savings from the dependent eligibility audit.

Consistent with many local major employers and other North Carolina local governments, as well as the City's corporate objective of recruiting and maintaining a skilled and diverse workforce, the FY2013 budget extends health insurance benefits to same-sex domestic partners. The additional FY2013 cost of providing this benefit is estimated at \$75,000.

As the City continues to stay ahead of health care costs, the following components for the FY2013 Benefits Action are included:

- ◆ Continued promotion of consumerism by differentiating medical insurance premiums for employees participating in wellness programs; evaluating ability to implement same incentive provisions in FY2013 for retirees
- ◆ Transition to single vendor to administer the wellness program and the chronic condition management program
- ◆ Implementation of high/low dental option and change of administrators as a result of rebidding
- ◆ Implementation of change to consolidate administrators for flexible spending account and COBRA administration
- ◆ Implement 2nd year of medical plan contribution strategy change:
 - Continued transition of PPO A to a true "buy up" plan
 - Employee PPO B premiums remain at FY2011 levels
- ◆ Implementation of minor changes to medical plan design provisions (deductibles/out-of-pocket/out-of-network)
- ◆ Implementation of strategy to offer an additional medical plan option of High Deductible Health Plan (HDHP) in FY2014
- ◆ Increase cost sharing for retirees (37.5% to 42.5% for retiree only and 47.5% to 50% for retiree and dependents)

To further reduce future costs to the self-insurance fund, the City continues to emphasize its Wellness Programs, Prescription Drug Management Plans, and Chronic Condition Management strategies.

For additional detail, please refer to the FY2013 Pay and Benefits department.

Executive Summary

General Fund Revenues

The FY2013 General Fund totals \$552.6 million, including all transfers between funds, an increase of 3.8% over FY2012's \$532.2 million.

Property Tax

The FY2013 property tax rate for the General Fund is 36.00¢ per \$100 of property valuation, unchanged from FY2012. The assessed property value increases to \$89.17 billion, or 4.3% over the FY2012 adopted value of \$85.49 billion. Property tax revenues, including current and prior year collections, interest, and other penalties and rebates are projected to total \$316.5 million, or a 4.7% increase in FY2013. One cent on the property tax rate equals \$8.7 million.

Fund	FY2012	FY2013	Rate Increase/ (Decrease)
General Fund	36.00¢	36.00¢	0.00¢
Debt Service	6.50¢	6.50¢	0.00¢
Pay As You Go Capital	1.20¢	1.20¢	0.00¢
Total	43.70¢	43.70¢	0.00¢

Sales Tax

Sales Tax revenues for the General Fund are comprised of the proceeds from 1.5% of the City's total sales tax rate of 2.5%. The remaining 1.0% is split evenly between CATS (0.5%) and the Municipal Debt Service Fund (0.5%). For the General Fund, a growth rate of 3.9% is projected for FY2013, producing \$69.4 million.

State Statute	Distribution Method	Year	Rate	FY2013 (\$ millions)
General Fund				
Article 39	Point of distribution	1967	1.0 %	\$41.02
Article 42	Point of distribution	1986	0.5 %	\$18.43
City Hold Harmless	Formula derived by State	2008	- %	\$9.92
Total General Fund			1.5 %	\$69.37
Article 40 Debt Service	Per capita	1983	0.5 %	\$13.35
Article 43 CATS (countywide)	Point of distribution	1999	0.5 %	\$61.70
Total All Funds			2.5 %	\$144.42

Utilities Franchise Tax

Utilities Franchise Tax revenues are projected to increase 1.3% over FY2012 to \$38.1 million. Based on area utilities' revenues reported to and taxed by the State of North Carolina and shared with local jurisdictions, this revenue reflects customer consumption of electricity, natural gas, and telecommunication services.

Intragovernmental

Intragovernmental revenues, including reimbursements from the City's four enterprise operations for overhead expenses incurred in the General Fund, increased to \$27.2 million in FY2013. The services reimbursed to the General Fund include financial, technology, customer service, budgetary, and human resource functions.

Executive Summary

Police Services

In FY2010 the City received American Recovery and Reinvestment Act grant funding for 50 Police officers. These grant funds expire in September FY2013, resulting in a cost of \$2.4 million to the General Fund. For FY2014, the full cost of the officers is projected at \$3.2 million to the General Fund.

FY2013 begins the two-year School Resource Officers (SRO) cost sharing transition with the Charlotte-Mecklenburg School System (CMS) approved by City Council in FY2012. Forty-eight officers and one supervisor (sergeant) comprise the SRO Unit. The FY2013 reimbursement formula transitions to 70% of a full year's cost, an increase of approximately \$2.0 million from CMS. FY2014 is the final year of the reimbursement transition, reaching 80% of a full year, an additional \$0.8 million, which more accurately represents the SRO service allocation. Upon completion of the transition, CMS will reimburse the City approximately \$5.5 million of the total \$6.8 million SRO cost.

Mecklenburg County's share for police services to the unincorporated areas of the County increases by 14.7% in FY2013. This increase results from the impact of the public safety pay plan adjustments proposed in the FY2013 budget and a growing population of the unincorporated areas of Mecklenburg County. A population ratio method is used to calculate the County's contribution. The population in the unincorporated areas of the County increased from 5.78% to 6.26% of CMPD's total service area. For FY2012 Mecklenburg County reimbursed the City \$11.5 million; the reimbursement rises to \$13.1 million in FY2013. CMPD's service area is comprised of 93.7% City of Charlotte and 6.3% unincorporated areas.

Solid Waste Services Fee

Solid waste services fee revenue is projected at \$12.1 million in FY2013, compared to \$12.3 million in FY2012. This decrease is due to two adjustments to the single- and multi-family annual rates. The multi-family fee is reduced due to the elimination of reimbursement for supplemental disposal. The Mecklenburg County disposal facilities charges increase in FY2013, impacting both the single- and multi-family annual rates. The net of these two adjustments results in a single-family fee of \$47 and a multi-family fee of \$24, compared to the FY2012 rates of \$45 and \$27, respectively. The cost of collecting solid waste, including garbage, yard waste, bulky items, and recyclables, is funded through the City's property tax levy.

Business Privilege License

Business privilege license revenue is projected to increase to \$17.1 million in FY2013, a 1.8% increase from FY2012. There are no changes in the license rate schedules.

User Fee

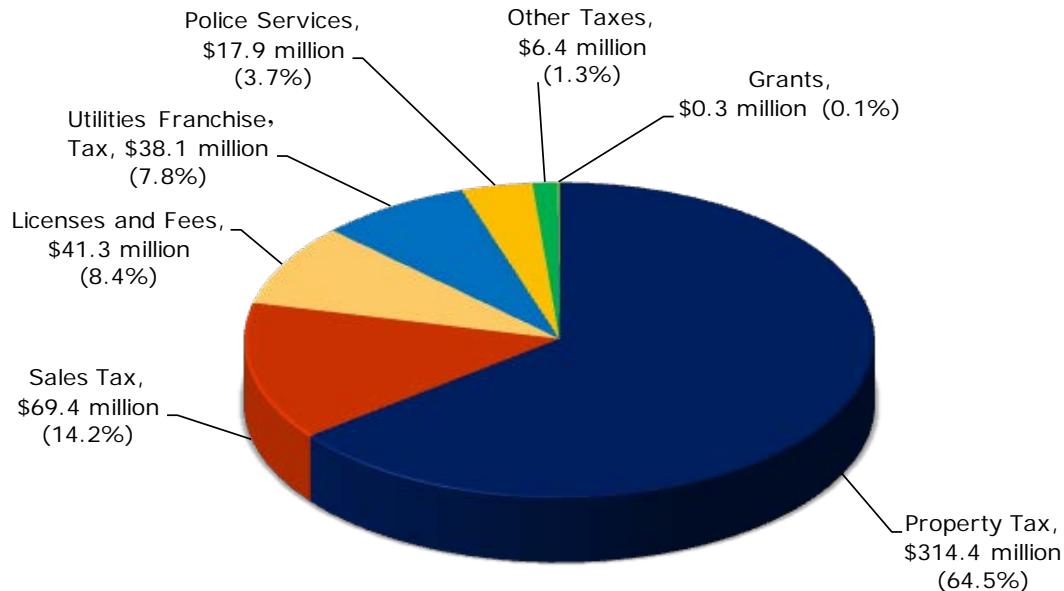
The FY2013 regulatory and non-regulatory user fee revenue is \$7.5 million, an increase of 8.4% above FY2012. Regulatory user fee rates (e.g. charges for development review services) were held flat from FY2009 through FY2012 due to economic conditions, suspending Council's 100% fully allocated cost recovery policy for regulatory user fees. As revenues begins to improve, a phased-in approach is used to incrementally increase regulatory user fees over a three to five year period to return to fully allocated cost recovery. Non-regulatory user fees (e.g. cemetery fees) will continue to be based upon market rates and contracted amounts.

Other Revenues

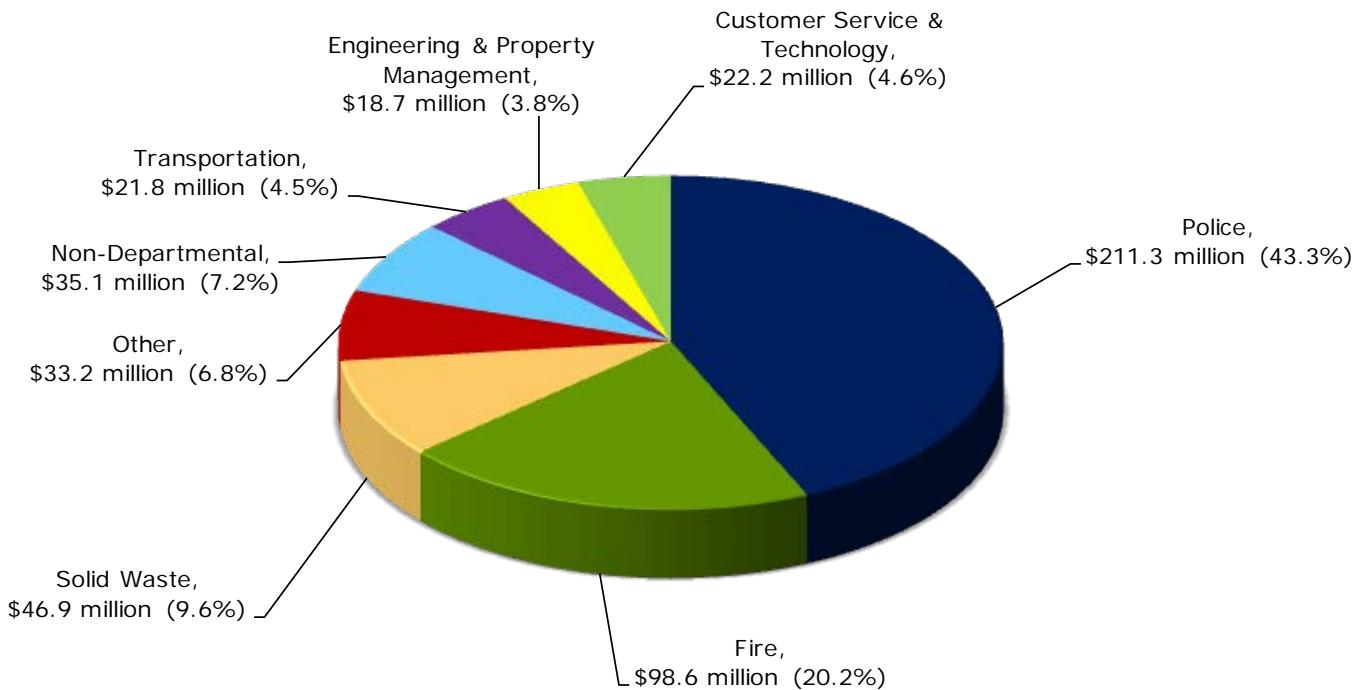
The City's other General Fund revenues, including licenses, permits, grants, parking fees, and animal control charges totaling \$47.2 million in FY2013, a slight decrease of 3% from FY2012.

Executive Summary

General Fund Revenues: Where the Money Comes From (Net of Transfers)



General Fund Expenditures: Where the Money Goes To (Net of Transfers)



Executive Summary

Non-General Fund

Although the General Fund supports the City's basic services such as Police, Fire, and Solid Waste Services, the City maintains other funds that also perform operating functions. The FY2013 non-general fund operating budgets total \$633.4 million, representing an increase of 5.5% from FY2012. These amounts are net of transfers to any related debt service or capital pay as you go projects.

Water and Sewer Fund

FY2013 \$ 111.7m

Revenues

Utilities customers will experience an increase in the volume rate, fixed billing charge, and the availability fee for both water and sewer. The average monthly total water and sewer bill for residential customers is estimated to be \$59.53, an increase of \$3.30 per month. The average bill assumes 5,984 gallons or 8 ccf used each month. Based on the current rate structure, users consuming more than the average level of consumption are charged a higher rate to encourage conservation and responsible use of this resource.

Water and Sewer Rates

Current	FY2012	Recommended	FY2013
Water Rates			
Fixed Billing Charges	\$2.40	Fixed Billing Charges	\$2.46
Availability Fee	2.25	Availability Fee	2.41
Tiered Rate		Tiered Rate	
Tier 1: 0-4 ccf	0.98	Tier 1: 0-4 ccf	1.09
Tier 2: 4-8 ccf	1.96	Tier 2: 4-8 ccf	2.18
Tier 3: 8-16 ccf	3.41	Tier 3: 8-16 ccf	3.81
Tier 4: >16 ccf	5.32	Tier 4: >16 ccf	5.96
Non Residential	2.20	Non Residential	2.33
Sewer Rates			
Fixed Billing Charges	\$2.40	Fixed Billing Charges	\$2.46
Availability Fee	4.30	Availability Fee	4.56
Volume Rate *	4.14	Volume Rate *	4.32
*up to 16 ccf for residential customers 1 ccf = 748 Gallons		*up to 16 ccf for residential customers 1 ccf = 748 Gallons	

Average Residential Bill

Average user = 8ccf/month		Average user = 8ccf/month	
Water Rates for avg. ccf use:	\$11.76	Water Rates for avg. ccf use:	\$13.08
Fixed Billing Charge:	2.40	Fixed Billing Charge:	2.46
Availability Fee:	2.25	Availability Fee:	2.41
Total Water Cost:	\$16.41	Total Water Cost:	\$17.95
Sewer Rates:	\$33.12	Sewer Rates:	\$34.56
Fixed Billing Charge:	2.40	Fixed Billing Charge:	2.46
Availability Fee:	4.30	Availability Fee:	4.56
Total Sewer Cost:	\$39.82	Total Sewer Cost:	\$41.58
Average User's Monthly Fee:	\$56.23	Average User's Monthly Fee:	\$59.53

The increase of \$.06 per account, per day increases the total fixed billing charge per month to \$2.46 for sewer and \$2.46 for water. The sewer volume rate increases from \$4.14 to \$4.32 per ccf for all sewer customers.

Executive Summary

Non-General Fund

Water and Sewer Fund (cont.)

Expenditures

Operating Expenses (excluding debt service) increase by \$128,788 from the FY2012 revised budget. Chemicals for water treatment, power for pumping and other utilities, various maintenance and repairs, and creation of safety programs will increase \$2.2 million due to regulation changes, escalating costs and continuing maintenance that had been deferred.

Contributions from the operating fund to Debt Service and Pay-As-You-Go will increase by 1.4% to \$179.4 million from \$177.0 million.

Charlotte Area Transit System Fund (CATS)

FY2013 \$106.4 million

The FY2013 Transit budget builds on programs of past years and is responsive to service and revenue challenges. Operating revenues and expenditures have achieved pre-recession levels. CATS continues planning and design for future corridor developments. A \$0.25 base fare increase is recommended for implementation in FY2013 to support program efforts.

The FY2013 Transit Operating Program and the FY2013-2017 Transit Capital Program was approved by the Metropolitan Transit Commission (MTC) on April 25, 2012. In FY2013, a total of \$106.4 million is allocated for operating programs. A total of \$1.19 billion supports capital investments over the five year period.

Revenues

- ◆ FY2013 income from the Sales and Use Tax is projected at \$61.7 million. This represents a 4.5% increase over FY2012.
- ◆ A \$0.25 base fare increase, resulting in approximately \$2.5 million in additional operating income, is recommended for implementation on July 1, 2012, to support program efforts.
- ◆ FY2013 advertising revenue is projected to be \$1 million over the FY2012 budget.

Expenditures

The recommended FY2013 Operating Budget reflects a 3.4% increase over the FY2012 Revised Budget. Net operating expenditures are projected to increase \$3.6 million from FY2012 to FY2013. Highlights include:

- ◆ Fuel is budgeted at \$3.15 per gallon in FY2013. Given that fuel represents 10.2% of the Operating Budget and prices continue to show wide volatility, the \$1.9 million increase budgeted for fuel remains a significant risk factor
- ◆ Projected annual inventory usage is \$3.8 million in FY2013 which reflects 3.5% of CATS Operating Budget
- ◆ Risk Insurance costs are projected at \$3.7 million
- ◆ Employer-paid expenses for employee health insurance costs are 5% higher than the FY2012 budget
- ◆ \$780,294 increase for transit safety and security costs
- ◆ \$428,459 increase for costs associated with special events police security
- ◆ \$169,692 increase for costs associated with radio maintenance and access charges
- ◆ \$150,000 for increased cost in tire prices

Executive Summary

Non-General Fund

Aviation Fund

FY2013 \$108.7 million

The aviation industry continues to be unpredictable. Last year Charlotte-Douglas International Airport served over 39 million travelers, a record number for CLT and an increase of 2% over 2010. With continued passenger growth and new business requirements, the Airport must remain able to adapt as needed to meet service delivery needs. In addition, the state of the economy necessitates that all financial decisions be approached carefully. The Airport remains committed to a high quality customer experience and strives to maintain a lean, flexible organization that can respond efficiently and effectively to its ever-changing environment.

Revenues

Revenues come from user fees, rents received from tenants, and sales of goods and services to passengers. The user fees are updated annually based on the projected costs of operating the Airport for the next year. Rents and prices for goods sold are based on market rates.

The total revenue projection for FY2013, including Passenger Facility Charge (PFC) and Contract Facility Charge (CFC) revenues, is \$206.3 million. This is an increase of \$19.6 million, or 10.5% over the FY2012 revised budget. Changes in specific operating revenue sources vary, as detailed below:

- ♦ \$16.1 million, or 87.4% Cargo Area and Ground Rent revenues increase
- ♦ \$12.0 million, or 30.7% Concession revenues increase
- ♦ \$ 4.0 million, or 39.4% Airfield Usage revenues increase
- ♦ \$ 3.0 million, or 11.5% Passenger Facility Charge revenues increase
- ♦ \$ 0.5 million, or 1.6% Terminal revenues increase
- ♦ \$(0.5) million, or 1.4% Parking revenues decrease
- ♦ \$(8.4) million, or 52.8% Contract Facility Charge revenues decrease

Expenditures

The total FY2013 budget, which includes discretionary and debt support as well as the PFC and CFC is \$206.3 million. This is an increase of \$19.6 million, or 10.5% over the FY2012 revised budget.

The Airport continues to look for innovative technology, creative partnerships and improved work processes to aid in its endeavors. Highlights of issues and opportunities the Airport expects to encounter in the coming year include:

- ♦ Diversify Aviation's revenue base to increase the level of protection against financial fallout from failing air carriers and economic decline
- ♦ Construct Charlotte's new intermodal facility, bringing all four modes of transportation together, as one of the major transfer points on the eastern seaboard
- ♦ Continue construction of a new entrance roadway and combined rental car and public parking facility
- ♦ Begin expansion of the west terminal and the installation of an inline baggage system to provide considerable customer service enhancements
- ♦ Maintain bond status as an "A" category airport
- ♦ 25 new positions to meet current customer and service delivery needs

Executive Summary

Non-General Fund

Storm Water Fund

FY2013 \$10.7 million

More frequent and larger flood events are straining older drainage systems and driving up the number of citizen requests. The new requests compete with a backlog of lower priority requests for limited funding. The budget includes a 6.0% impervious surface fee rate increase in FY2013. For the average City residential storm water customer, the monthly variable rate fee will increase from \$7.06 in FY2012 to \$7.48 in FY2013.

Revenues

Revenues are projected to be \$54.3 million in FY2013. This projection reflects an increase of \$3.4 million or 6.7% over FY2013.

The projected increase in revenues is driven by a recommended 6.0% impervious surface fee rate increase in FY2013, resulting in additional revenue of \$3.5 million. The City's General Fund impervious surface rate fee contribution increases \$151,309. FY2013 is the second of a three-year phase in of equal increases to restore the 453,929 General Fund budget reduction implemented in FY2011. Interest earnings on investments are projected to decrease \$210,000, or 58.3%, in FY2013 due to lower rates.

For the average city residential storm water customer, the monthly variable rate fee will increase from \$7.06 in FY2012 to \$7.48 in FY2013.

There will be a \$1.0 million appropriation from fund balance in the FY2013. The Storm Water Operating Fund balance is \$18.8 million. The FY2013 appropriation will reduce fund balance to \$17.8 million. Storm Water maintains a \$15.0 million fund balance to satisfy bond coverage.

Expenditures

Expenditures increase \$2.8 million, or 5.3%, in FY2013. The increase in FY2013 is the result of an increase to the Storm Water Capital Investment Plan Pay-As-You-Go contribution by \$2.0 million, or 6.3%, and an increase to operating expenditures by \$0.8 million, or 7.5%. The budget continues to reflect the trend toward greater reliance on Pay-As-You-Go versus Revenue Bonds for the capital program. Three new positions are recommended along with the transfer of eight existing positions from Land Development. These position changes will help Storm Water better address its backlog of capital maintenance projects.

Executive Summary

Non-General Fund

Municipal Service Districts (MSDs)

FY2013 \$4.5 million

The FY2013 budget includes funding for the five Municipal Service Districts (MSDs). These special tax districts are designed to enhance the economic vitality and quality of life in the central business district or other commercial areas. Three of the MSDs are located in the Center City area, the fourth is located in the South End area, and the fifth is located in the University City area. All MSD revenues are generated through ad valorem property tax paid by the property owners (residential and commercial) in the designated districts and must be spent on programs and services that enhance the quality of the districts.

District Information

Center City District 1 was established by City Council in 1978 for the purpose of promoting investment in the Central Business District area. District 1 encompasses the entire Center City and includes the property between the Brookshire Freeway, Independence Boulevard, Belk Freeway, and Interstate 77. The tax rate for the district is 1.68 ¢, which will generate estimated revenue of \$1,232,567 in FY2013.

Center City Districts 2 and 3 were formed by City Council in 1985 as overlay districts to provide additional services in smaller sections of property in the heart of the Center City. Their purpose is to promote and market programs to ensure continued economic growth for the Center City. The tax rate for Center City District 2 is 2.33 ¢, which will generate estimated revenue of \$708,226 in FY2013. The tax rate for Center City District 3 is 3.58 ¢, which will generate estimated revenue of \$1,124,873 in FY2013. All services for the three Center City MSDs are provided through contracts with Charlotte Center City Partners, Inc.

District 4 (South End MSD) was created by City Council in 2000 to help continue the urban revitalization occurring in the historic South End area. The tax rate for District 4 is 6.68 ¢, which will generate estimated revenue of \$749,077 in FY2013. Services for District 4 are provided through a contract with Charlotte Center City Partners, Inc.

District 5 (University City MSD) was created by City Council in May 2003 and became effective on July 1, 2003 for the purpose of supporting economic development efforts in the University City area. The tax rate for District 5 is 2.79 ¢, which will generate estimated revenue of \$638,461 in FY2013. Services for District 5 are provided through a contract with University City Partners, Inc.

**Municipal Service Districts
Property Tax Revenue**

District	FY2012 Tax Rate	Recommended FY2013 Tax Rate	FY2013 Revenues
District 1 - Center City	1.68 ¢	1.68 ¢	\$ 1,232,567
District 2 - Center City	2.33	2.33	708,226
District 3 - Center City	3.58	3.58	1,124,873
District 4 - South End	6.68	6.68	749,077
District 5 - University City	2.79	2.79	638,461
Total All Districts			\$ 4,453,204

Executive Summary

Non-General Fund

Other Non-General Operating Funds **FY2013** **\$290.7 million**

The City's remaining non-general fund operating funds includes:

Net of Transfers	FY2013 (\$ million)
Debt Service (all programs)	233.5
Powell Bill (State street maintenance aid)	21.9
Convention Center and Hall of Fame	14.2
Tourism	1.1
Neighborhood & Business Services Grants	8.9
Public Safety 911 Services & Other Grants	9.8
Risk Management	1.3

Executive Summary

Powell Bill Fund

Revenues

The per-gallon tax on gas in North Carolina is 50.9¢, which is comprised of 18.4¢ in federal tax and 32.5¢ in state tax. The state gas tax is usually adjusted every six months based on the wholesale price of gasoline. However, no increases are projected in FY2013 due to a continuing freeze placed on the variable portion of the gas tax by the Governor. The state distributes a portion of the gas tax revenues to municipalities to pay for road maintenance. This funding source was named the "Powell Bill" after the State Senator who introduced the bill.

Total revenues for the FY2013 Powell Bill budget are projected to be \$23.7 million, a 6.9% increase over FY2012. Powell Bill (state gas tax) revenues account for \$18.8 million of the FY2013 total revenues. The FY2013 gas tax projection assumes a 1% increase over FY2012 actual disbursements. Other FY2013 revenues include the General Fund contribution to street resurfacing, which will remain unchanged at \$4.3 million, Street Degradation Fee, also projected to remain unchanged at \$650,000, and Interest on Investments, projected to decrease by \$320,000 (80%) from FY2012.

Fund balance in the Powell Bill Fund totals \$1.5 million, of which \$0.5 million will be appropriated in the FY2013 budget. Total revenues and fund balance for the FY2013 Powell Bill budget are projected to be \$24.2 million, a 2.0% increase over FY2012.

Expenditures

Powell Bill expenditures for FY2013 total \$24.2 million, reflecting an increase of \$0.5 million or 2.0% over FY2012. Most of the increase will support the City's Street Resurfacing Program. Major expenditures in FY2012 include:

- ◆ \$9.4 million for street resurfacing
- ◆ \$9.3 million for street maintenance labor and construction materials
- ◆ \$2.3 million for street resurfacing and maintenance equipment
- ◆ \$1.1 million for storm water fees

Executive Summary

Capital Investment Plan

For the FY2013-2017 CIP, the City Manager recommended \$926.4 million in proposed new General Government capital projects to be funded through four bond referenda scheduled for November of 2012, 2014, 2016, and 2018, and supported by a 3.6¢ property tax increase from 43.7¢ to 47.3¢ dedicated to these General CIP projects. The new capital projects would approach the City's infrastructure needs with a long-term, sustainable emphasis on: 1) investing in corridors, 2) increasing connections, and 3) improving communities. The FY2013-2017 CIP adopted by City Council on June 25, 2012 eliminated the \$926.4 million in new General Government capital projects and the recommended 3.6¢ property tax increase to support them. See page 163 for a summary list of the unfunded General capital projects from the City Manager's recommended CIP.

The Council-adopted FY2013-2017 Capital Investment Plan (CIP) totals \$3.3 billion, a 0.2% increase over the current capital program. The increase in the overall five-year CIP is a net result of increases in the Aviation, Storm Water, and Water and Sewer Enterprise capital programs, offset by a reduction in the General Government CIP. The first year of the five-year CIP is \$577.5 million, a 6.4% decrease from the first year of the prior year's CIP of \$617.2 million.

The capital program is divided into five parts: General Government, Storm Water, Charlotte Area Transit System, Water and Sewer, and Aviation. Major sources of revenues for these programs are summarized below:

- ◆ General Government totals \$172.7 million, a 37.7% decrease from the previous five-year CIP, and is funded by \$21.5 million in previously authorized 2010 bonds and \$1.5 million in previously authorized COPS; \$110.8 million in Pay-As-You-Go funding, \$32.2 million in housing grants, and \$6.6 million in other funding.
- ◆ Storm Water totals \$260.7 million, a 3.4% increase, and is funded by \$194.5 million in cash and \$66.2 million in revenue bonds. The program is self-funded through user fees charged to property owners according to areas of impervious surface.
- ◆ Charlotte Area Transit System totals \$1.2 billion, a 7.1% decrease, and is funded by federal and state grants and the one half-cent sales tax for transit.
- ◆ Water and Sewer totals \$622.9 million, a 27.2% increase, and is funded by \$149.9 million in cash and \$473.0 million in revenue bonds.
- ◆ Aviation totals \$1.0 billion, a 6.1% increase, and is funded by \$820.0 million in revenue bonds, \$115.2 million in Federal Aviation Administration grants, \$43.0 million in Transportation Security Administration funding, \$50.4 million in cash, and \$13.4 million from State Aviation grants.

Major components of the FY2013-2017 CIP include capital programs and projects financed by existing authorized debt, Pay-As-You-Go revenues, and self-sustaining Enterprise Funds.

Municipal Debt Funded

The FY2013-2017 General Government Capital Investment Plan includes scheduling previously authorized debt-financed projects with the following funding sources:

- ◆ \$18.0 million in 2010 Neighborhood Improvement Bonds for traditional Neighborhood Improvement Projects (NIP)
- ◆ \$3.5 million in 2010 Street Bonds for traditional Area Plan projects and Traffic Calming programs
- ◆ \$1.5 million in Certificates of Participation for Economic Development initiatives

The City continues to maintain its AAA credit rating reflecting the positive outlook for the City from the perspective of the bond rating agencies.

Executive Summary

Capital Investment Plan (cont.)

Pay-As-You-Go Funded

The Pay-As-You-Go capital program includes \$46.6 million in FY2013 revenues, a \$14.7 million decrease, or 24.0%, from the FY2012 CIP. This decrease is due mostly to the use of one-time revenues from General Capital Fund balance of \$18.0 million in FY2012.

Major Pay-As-You-Go Projects for FY2013 include:

- ◆ \$18.4 million for the City's Maintenance of Effort (MOE) contribution to Transit
- ◆ \$6.3 million for building and roof maintenance
- ◆ \$5.3 million for contribution to cultural facilities
- ◆ \$4.8 million for Innovative Housing
- ◆ \$2.1 million for Tree Management Program, including trimming and removal (\$1.4 million) and tree replacement (\$0.7 million)
- ◆ \$2.0 million for Business Corridor Revitalization

Enterprise Funded

Storm Water FY2013-2017 totals \$260.7 million and includes the following major projects:

- ◆ \$151.2 million for flood control projects in neighborhood water basins
- ◆ \$53.8 million for storm water repairs
- ◆ \$17.1 million for minor storm water projects
- ◆ \$14.0 million for pollution control projects

Charlotte Area Transit System (CATS) FY2013-2017 totals \$1.2 billion and includes the following major projects:

- ◆ \$991.6 million for the LYNX Blue Line Extension (NE Corridor Light Rail)
- ◆ \$92.1 million for bus and special transportation vehicle replacement
- ◆ \$25.3 million for preventative maintenance
- ◆ \$22.5 million for the LYNX Station Extension & Power Supply

Water and Sewer FY2013-2017 totals \$622.9 million and includes the following major projects:

- ◆ \$187.0 million for Long Creek Wastewater Treatment plant
- ◆ \$110.5 million for water and sewer line rehabilitation and replacement
- ◆ \$48.2 million for water and sewer street main extensions
- ◆ \$25.7 million for the Northeast water transmission main

Aviation FY2013-2017 totals \$1.0 billion and includes the following major projects:

- ◆ \$200.0 million for terminal lobby expansion
- ◆ \$175.0 million for the International Terminal (Phase I)
- ◆ \$75.5 million for the Fourth Parallel Runway
- ◆ \$64.4 million for the new short term public parking deck
- ◆ \$63.2 million for Consolidated Rental Car Facility
- ◆ \$50.0 million for Concourse B Expansion
- ◆ \$47.8 million for an In-line Baggage System
- ◆ \$45.0 million for the Air Traffic Control Tower

Executive Summary

**All Funds
Summary of Expenditures
(Net of Transfers)**

FY2013

FUND / ACTIVITY	OPERATING	CAPITAL	TOTAL
General	\$ 487,854,547	\$ -	\$ 487,854,547
Aviation	108,654,785	254,045,190	362,699,975
Water and Sewer	111,683,900	81,358,400	193,042,300
Charlotte Area Transit (CATS)	106,441,087	157,871,108	264,312,195
Storm Water Utility	10,729,612	41,000,000	51,729,612
Debt Service	233,534,306	-	233,534,306
Powell Bill	21,925,109	-	21,925,109
Convention Center	13,705,276	-	13,705,276
NASCAR Hall of Fame	522,000	-	522,000
Public Safety and Other Grants	7,198,070	-	7,198,070
Public Safety 911 Services	2,619,058	-	2,619,058
Neighborhood & Business Svcs Grants	8,887,940	-	8,887,940
Municipal Service Districts	4,453,204	-	4,453,204
Risk Management	1,315,128	-	1,315,128
Tourism Operating	1,070,048	-	1,070,048
Pay-As-You-Go	663,363	-	663,363
General CIP	-	43,189,047	43,189,047
TOTAL BUDGET	\$ 1,121,257,433	\$ 577,463,745	\$ 1,698,721,178

Adjusting the City's Funds to "net of transfers" eliminates the presentation of duplicate expenditures. For example, the payment to be made by the Aviation Fund for fire protection services provided to the Airport during FY2013 by the Fire Department, which totals \$4,556,773 is not included in the General Fund amount above; rather, it is included in the Aviation Fund above as a cost of providing Airport services for the fiscal year.

The City utilizes internal service funds to manage its two self-funded insurance funds; Risk and Loss, and Workforce Group Insurance. These two funds are supported with charges to each operating fund above and the charges for each are reflected within these operating funds. For FY2013, the total budget included in the above Operating Fund is:

Risk and Loss	\$19,407,555
Workforce Group Insurance	\$58,989,156

Executive Summary

**All Operating Funds
Summary of Budget Expenditures*
(Net of Transfers)**

Funds	FY2012	FY2013 Budget	Percent Change FY2012 FY2013
General	\$ 462.8	\$ 487.9	5.4 %
Enterprise			
Water and Sewer	\$ 111.6	\$ 111.7	0.1 %
Charlotte Area Transit (CATS)	102.9	106.4	3.4
Aviation	84.6	108.7	28.5
Storm Water Utility	10.0	10.7	7.0
Total Enterprise	\$ 309.1	\$ 337.5	9.2 %
Debt Service			
Water and Sewer	\$ 90.2	83.9	-7.0
Municipal	56.5	65.2	15.3
Aviation	41.4	42.1	1.6
CATS	7.9	7.6	-3.8
Convention Center	7.6	7.1	-6.8
Tourism	7.8	8.0	2.1
Cultural Facilities	6.6	6.5	-1.5
Storm Water	6.2	6.0	-3.2
NASCAR Hall of Fame	7.6	7.3	-4.4
Total Debt Service	\$ 231.8	\$ 233.5	0.7 %
Other Operating			
Powell Bill	20.6	21.9	6.3
Convention Center	13.5	13.7	1.5
Public Safety & Other Grants	7.0	7.2	2.9
Neighborhood & Business Svcs Grants	7.7	8.9	15.6
Public Safety 911 Services	2.6	2.6	-
NASCAR Hall of Fame	1.0	0.5	-50.0
Municipal Service Districts	3.8	4.5	18.4
Tourism Operating	1.4	1.1	-21.4
Risk Management	1.3	1.3	-
Pay As You Go**	0.6	0.7	16.7
Total Other Operating	\$ 59.5	\$ 62.4	4.9 %
Total Operating Budgets	\$ 1,063.2	\$ 1,121.3	5.5 %

* Rounded, in millions. Any differences are due to rounding.

** Synthetic TIG agreements and County/Towns' Vehicle Rental Tax Share

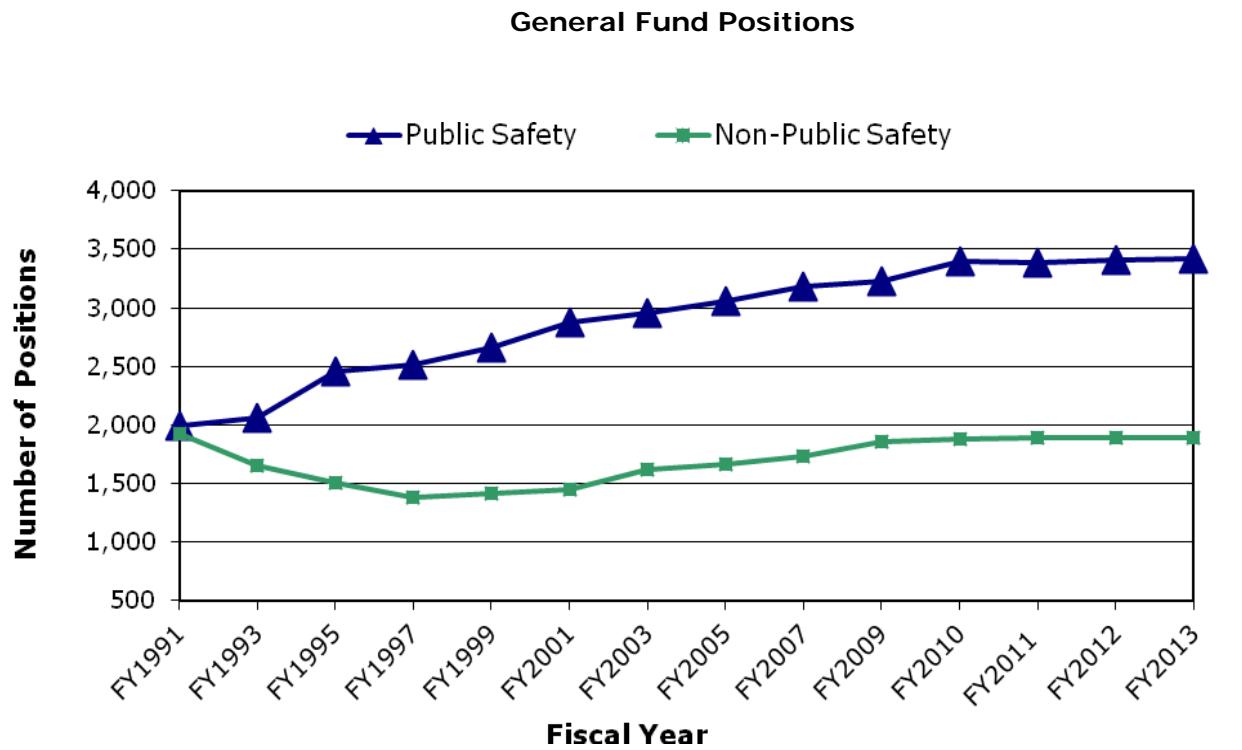
Executive Summary

Summary of Position Allocations by Fund

Departments	FY2012 Revised	FY2013 Budget	FTE Change FY2012 FY2013
Police	2,242.50	2,249.50	7.00
Fire	1,166.00	1,166.00	-
Solid Waste	289.00	289.00	-
Transportation	431.50	431.50	-
Engineering & Property Management	330.00	322.00	(8.00)
Planning	61.00	61.00	-
Neighborhood & Business Services	149.00	149.00	-
Mayor and City Council	9.00	9.00	-
City Attorney	28.50	28.50	-
City Clerk	6.00	6.00	-
City Manager	12.00	12.00	-
Office of the Chief Information Officer	19.00	19.00	-
Community Relations	10.00	10.00	-
Corporate Communications & Marketing	19.00	19.00	-
CharMeck 311	141.00	141.00	-
Internal Audit	9.00	9.00	-
Human Resources	32.75	32.75	-
Finance	81.00	81.00	-
Shared Services	254.50	254.50	-
Budget & Evaluation	13.00	13.00	-
Total General Fund	5,303.75	5,302.75	(1.00)
Charlotte-Mecklenburg Utilities	746.25	746.25	-
Aviation	283.00	308.00	25.00
Storm Water	84.00	95.00	11.00
Charlotte Area Transit System	361.75	361.75	-
Risk Management	27.00	27.00	-
Grant Fund	3.00	3.00	-
Total All Funds	6,808.75	6,843.75	35.00

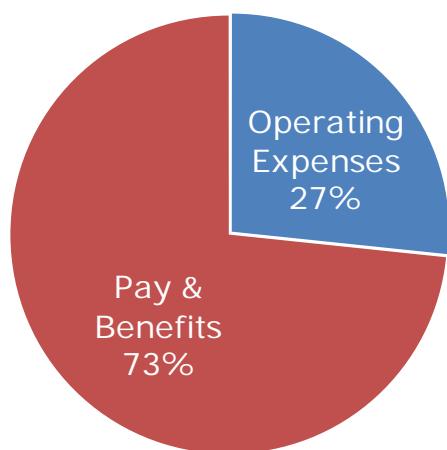
Executive Summary

The illustrations provided below highlight the public safety portion of the FY2013 General Fund operating budget and related positions. Public Safety comprises 67% of General Fund pay and benefits.

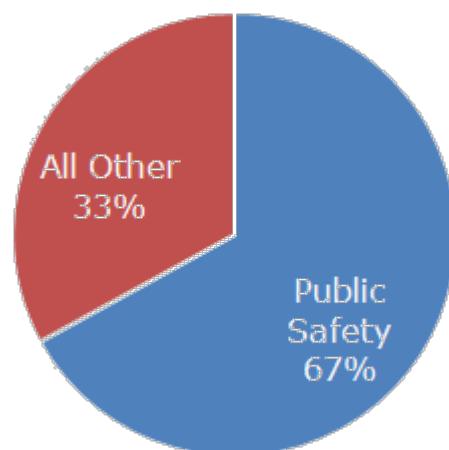


FY2013 Total Operating Budget General Fund

Total Budget \$552.6m



Pay and Benefits \$405.0m



City Profile

Total # of Employees	6,843.75 FTEs	<u>Fire Protection (FY2013)</u>	
Total Budget	\$ 1.70 billion	Fire Prevention Inspectors	36
General Fund (net of transfers)	\$ 487.9 million	Firefighters	1,059
General Bonded Debt per capita (FY2011)	\$ 623		
General Bonded Debt % of Property Value (FY2011)	0.59%	<u>Police Protection (FY2013)</u>	
Debt Service % of Non Capital Expenditures (FY2011)	17.70%	Sworn Police Officers	1,725
Assessed value (FY2013)	\$ 89.2 billion	Civilian	524.5
Land Area (square miles)	303.1	<u>Storm Water Rates (FY2013)</u>	
Street Miles	2,416	Single Family (monthly) < 2,000 sq feet = \$5.08	
Retail Sales (FY2011)	\$ 13.3 billion	Single Family (monthly) 2,000 sq feet and up = \$7.48	
General Obligation Bond Rating (FY2011)	AAA	Commercial (monthly) per impervious acre \$124.70	
<u>Utilities (FY2013)</u>			
<u>Meck County Building Permits (FY2012)</u>		Water Accounts (projected)	250,434
Residential	4,141	Sewer Accounts (projected)	231,679
Non-Residential	822	<i>1 ccf = 748 gallons</i>	
<u>Population</u>			
2000 Census	540,828	Water Rates for avg. ccf use	\$ 13.08
2010 Census	731,424	Fixed Charge	\$ 4.87
2012 (projected July 1)	743,397	Avg. Total Water Rates	\$ 17.95
<u>Unemployment Rate (Mecklenburg County)</u>			
2008 (as of May)	5.60%	Sewer Rates	\$ 34.56
2009 (as of May)	11.00%	Fixed Charge	\$ 7.02
2010 (as of May)	10.10%	<i>Average Residential User's</i>	
2011 (as of May)	10.20%	Total Monthly Fee	\$ 59.53
2012 (as of May)	10.00%		
<u>Top Principal Taxpayers (FY2011)</u>			
Bank of America	1.93%		
Wells Fargo/Wachovia	1.55%		
Duke Energy	0.95%		
AT&T/BellSouth	0.59%		
US Airways	0.56%		

City Profile

Continued

Property Tax (FY2013)

1-cent on the property tax rate

General Fund

Muni Debt Service

Pay-As-You-Go

**Total Property Tax Rate
(per \$100 valuation)**

Area City and County Property Tax Rates (FY2013)

\$ 8.7 million	Charlotte	¢ 43.70
¢ 36.00	Cornelius	¢ 24.00
¢ 6.50	Davidson	¢ 35.00
¢ 1.20	Huntersville	¢ 28.25
¢ 43.70	Matthews	¢ 30.25
	Mecklenburg Co.	¢ 79.22
	Mint Hill	¢ 27.00
	Pineville	¢ 32.00
	Police Service District	¢ 19.37
	Stallings	¢ 21.50
7.25%	Union Co.	¢ 66.50

Local Sales Tax (FY2013)

State	4.75%	Pineville	¢ 32.00
Local	2.00%	Police Service District	¢ 19.37
Transit Tax - CATS	0.50%	Stallings	¢ 21.50
Total (as of July 1)	7.25%	Union Co.	¢ 66.50

Occupancy Tax (FY2013)

First 3-Percent	3.00%	Charlotte	\$ 30.00
Second 3-Percent	3.00%		
NASCAR Hall of Fame Tax	2.00%		
Total	8.00%	Charlotte	

Prepared Food Tax (FY2013)

City/County 1.00%

Business Privilege License (FY2013)

Per \$1000 gross receipt (min. of \$50 and max of \$10,000) \$ 0.60

AUTO FEES (FY2013)

Single-Family & Mobile Homes	\$ 47.00
Multiple Family	\$ 24.00
County	
Single-Family & Mobile Homes	\$ 15.00
Multiple Family	\$ 15.00

MUNICIPAL SERVICE DISTRICTS (FY2013)

District	Tax Rate (per \$100 valuation)
01	¢ 1.68
02	¢ 2.33
03	¢ 3.58
04	¢ 6.68
05	¢ 2.79

Car Rental Taxes (FY2013)

Road Use Tax	8.00%	
Charlotte Vehicle Rental Tax	1.50%	
Mecklenburg Vehicle Rental Tax	1.50%	
Airport Tax (If applicable)	10.00%	
U-Drive-it Vehicle Rental tax	5.00%	

City Strategy

The City of Charlotte's strategic planning process begins with an examination of organizational mission, core values, and vision. It ends with the development of a game plan that translates these concepts into actions that align organizational philosophy. Strategy is an integral component of the overall management philosophy. The strategic plan translates mission into actions and actions into outcomes. The strategy is twofold: align goals with the mission of the organization and attend to the vision for the City. Developing an organizational strategy means making choices and decisions. Defining strategy means addressing needs that will help achieve the desired future for our community and organization. The integration of resources and strategy demonstrates how the budget supports core services, and Focus Area goals which in turn facilitate the achievement of the City's vision and mission. Council's Strategic Plan is a critical tool used in making budget recommendations. City Strategy is documented in the Focus Area Plan and includes corporate objectives that guide and direct planning, decision making, and the accomplishment of the vision and mission.

Vision

The City of Charlotte will be a model of excellence that puts citizens first. Skilled, diverse, and motivated employees will be known for providing quality and value in all areas of service. We will be a platform for vital economic activity that gives Charlotte a competitive edge in the marketplace. We will partner with citizens and businesses to make this a community of choice for living, working, and leisure activities.

Mission

The mission of the City of Charlotte is to ensure the delivery of quality public services that promote safety, health, and quality of life of its citizens.

Serving the Customer, Running the Business, Managing Resources, and Developing Employees are four perspectives that characterize how success is measured. The Department pages that follow include performance measure information that further illustrates the link between resources and performance. Funding reductions have the ability to negatively impact targets within Council Priorities and Focus Area Plans. Budget decisions impact how well strategy is implemented and executed. How well budget allocations are linked to strategy needs can either promote or impede the implementation process. The Focus Area Plan is used to monitor success in the accomplishment of City strategy and adherence to Council's priorities.

OVERVIEW OF CHARLOTTE'S FOCUS AREAS

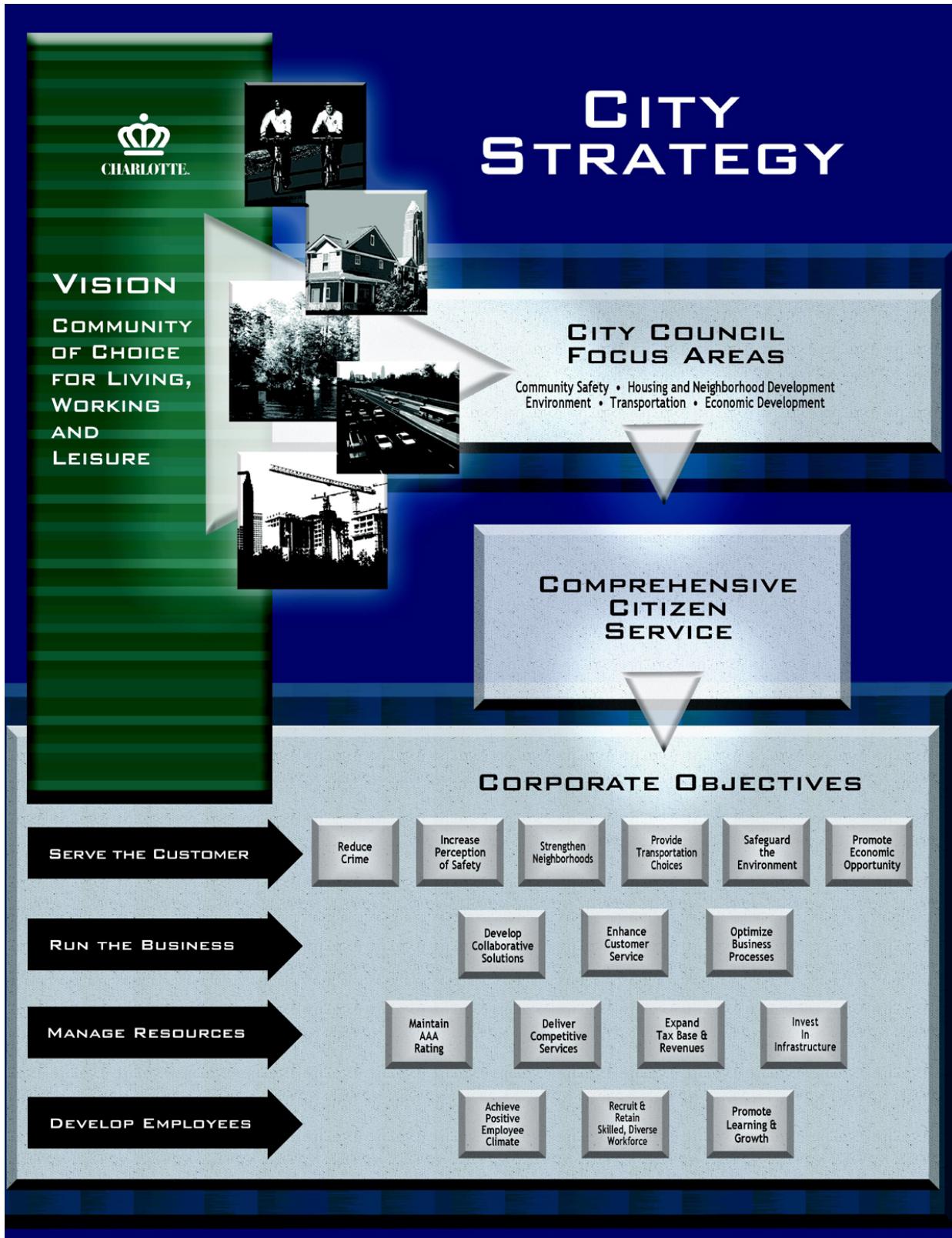
Community Safety In 1994, the City Council adopted a five-year community safety plan. That plan has been expanded and combined with housing and neighborhood development initiatives and the implementation of community problem-oriented policing. Therefore, the City considers community safety from the perspective of the livability, stability, and economic viability of a neighborhood—not just the lack or presence of criminal activity.

Housing and Neighborhood Development This is the City's comprehensive approach to meeting the economic development and quality of life issues in the neighborhoods and business districts. This includes efforts such as providing adequate code enforcement; developing strategies for affordable housing; and requiring neighborhoods and business districts to take an active role in problem identification and solution development.

Environment This initiative addresses safeguarding the environment, including protection of air and water quality, land preservation, and energy and resource conservation. As one of the fastest growing communities in the nation, protection of our environment is a priority that includes adopting best practices and leading by example by delivering public services in a manner based on sound environmental practices.

Transportation This initiative is broadly defined as addressing all issues related to transportation opportunities and challenges, including maximizing public transit; implementing and maintaining roads, adopting and implementing land-use policies to support growth and transit goals; and ensuring adequate pedestrian and bicycle connections while meeting stringent federal air quality standards.

Economic Development This initiative involves sustaining prosperity and assuring opportunity for participation by all residents. It also involves a focus on keeping jobs and the tax base in Charlotte by building and maintaining infrastructure, as well as building a skilled and competitive workforce to encourage businesses to locate and remain in Charlotte.



Corporate Objectives

Serve the Customer—What is our mission and vision?

Reduce Crime	Decrease crime with community-oriented policing and other strategies that target crime categories or offenders.
Increase Perception of Safety	Improve perception of safety by enhancing police community problem-solving partnerships, improving neighborhood appearance, and addressing neighborhood decay and nuisances.
Strengthen Neighborhoods	Deliver planning, infrastructure, environmental safety, and capacity building investments to improve and sustain the quality of life in neighborhoods.
Provide Transportation Choices	Provide programs and services that expand travel choices and increase use of alternative modes of transportation.
Safeguard the Environment	Provide programs and services that protect the City's land, water, air, and open space resources.
Promote Economic Opportunity	Provide programs and services that enhance the quality of life and make Charlotte an attractive location for quality jobs and businesses.

Run the Business—At what processes must we excel to achieve the mission and vision?

Develop Collaborative Solutions	Elevate citizen service above department customer service. Develop internal and external partnerships to solve problems and share control in leadership, planning, accountability, risk, and reward.
Enhance Customer Service	Improve service delivery to internal and external customers. Provide services that are accessible, responsive, courteous, and seamless.
Optimize Business Processes	Analyze department processes to ensure alignment to organizational business strategies and priorities and apply shared technologies to improve service delivery, increase operational efficiencies and control cost.

Manage Resources—How do we ensure value in achieving the mission and vision?

Maintain AAA Rating	Pursue fiscal policy that will maintain the City's AAA credit rating.
Deliver Competitive Services	Ensure value and quality of services by being productive and efficient in service delivery. Maximize public resources through benchmarking, competition, privatization, and optimization.
Expand Tax Base & Revenues	Increase available revenues by expanding tax base through residential and business development. Seek funding partnerships and other revenue sources to lessen reliance on property taxes.
Invest in Infrastructure	Support priorities by optimizing existing infrastructure and creating new infrastructure, including streets, technology, equipment, and facilities. Ensure capital and land use investments are consistent with Smart Growth principles.

Corporate Objectives

Develop Employees—How do we develop employees to respond to the mission and vision?

Achieve Positive Employee Climate	Strengthen work-life environment where employees are empowered, motivated, and productive.
Recruit & Retain Skilled, Diverse Workforce	Select and retain qualified and diverse workforce to meet community needs.
Promote Learning & Growth	Maximize employee development through training opportunities. Create a learning environment where employees are encouraged to test ideas and explore new methods.



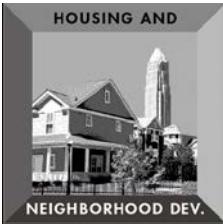
FY2013 Strategic Focus Area Plan

"Charlotte will be America's safest community."

Community Safety is one of the major priorities for the City of Charlotte. The City's approach to building a safe community is focused on reducing crime and the loss of life and property resulting from fires. The Charlotte-Mecklenburg Police Department takes a neighborhood-based approach to crime reduction with an emphasis on collaborative partnerships with citizens and other service providers to address crime and the conditions that enable it. The Charlotte Fire Department takes a proactive approach to fire prevention through education programs, fire code inspections, and aggressive investigation of arson incidents. Both Police and Fire are served by highly motivated professional work forces that are reflective of the communities they serve. Police and Fire personnel are provided updated training, equipment, and technology that enables them to provide quality services to the citizens of Charlotte.

Focus Area Initiative	Measure	Prior Year Actual	FY2013 Target
Reduce crime and loss of life/property damages from fires	Number of FBI UCR Part One Crimes and rate of UCR Part One Crimes per 100,000 population	5.2% reduction in rate per 100,000 population	6% reduction in number of UCR Part One reported crimes and 6% reduction in UCR Part One crime rates per 100,000 population
	Percent of arson cases cleared by investigators	45.7%	36% clearance rate
	Percent of incidents where first fire unit arrives on scene within six minutes or less of 911 call	83.2%	80%
Enhance citizen perception of safety through citizen partnerships and crime and fire prevention and education activities	Survey ratings on citizen satisfaction with police and their safety in neighborhoods (spring 2013)	7.6-overall impression of CMPD; 7.9-courtesy; 8.0-professional; 8.2-safe in neighborhood	Ratings of 7.0 or above on a 10 point scale
	Percent of fire code inspections conducted within state mandated frequencies	100%	95%

Focus Area Initiative	Measure	Prior Year Actual	FY2013 Target
Develop recruitment strategies that attract diverse applicant pools to the Police and Fire Departments	Percentage of women and minorities in police officer and firefighter applicant pools	N/A	20% of police officer applicants
		N/A	20% of firefighter applicants
Build collaborations with partners that enhance community safety initiatives	Reduction in gangs operating in Charlotte-Mecklenburg	730 Murder Mobs disbanded	Work with other state and federal law enforcement agencies to make significant progress in dismantling one gang per year
	Partner with other City agencies in addressing specific neighborhood issues that are enablers of crime	N/A	25 neighborhood projects that impact enablers of crime will be successfully addressed with reductions in calls for service and/or reported crime
	Partner with other City, County, state, federal and private agencies in planning and preparedness efforts for radiological, natural, and man-made disasters	8 exercises	6 exercises or training courses
	Leverage infrastructure improvements associated with the Democratic National Convention (DNC) for public safety initiatives	N/A	Include legacy infrastructure in public safety initiatives



FY2013 Strategic Focus Area

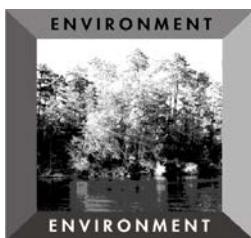
"Creating and sustaining communities of choice for living, working and recreation."

The City of Charlotte's long-term health, vitality, and distinction as a competitive city is predicated upon its ability to utilize national and local best practices to create and sustain communities of choice for living, working, and recreation.

The City's housing and neighborhood strategy focuses on creating and sustaining communities by creating places where people and businesses are safe, where civic infrastructure supports neighborhood quality of life and business success, where families have access to quality education, jobs, and services and the environment is preserved and strengthened.

Focus Area Initiative	Measure	Prior Year Actual	FY2013 Target
Create healthy and vibrant neighborhoods by improving and implementing quality physical infrastructure	Complete 90% voter approved bond Neighborhood Infrastructure and Business Corridor projects on schedule or as forecasted	N/A	Review and ensure 90% of projects are completed or are on schedule to be complete
Strengthen opportunities for public and private partnerships to encourage the integration of education, recreation, employment, and housing resources in identified redevelopment areas	Achieve a leverage ratio within the corridor of 1:10 for business corridor funds	1:10	1:10
	Leverage increased community safety partnership opportunities in support of the Democratic National Convention	N/A	Seek new partnerships in FY2013
Develop and recommend policies that will assist with increasing the supply of affordable housing	Develop and revise policies	Council approved a revised Housing Locational Policy	Review and revise the Assisted Multi-Family Housing at Transit Station Policy for Transit Stations, Incentive Based Inclusionary Housing, and Impact of Regulatory Ordinance on Affordable Housing

Focus Area Initiative	Measure	Prior Year Actual	FY2013 Target
Redesign the Quality of Life (QOL) Study to more accurately reflect the City's neighborhood conditions	Completion of the 2012 QOL	Completed redesign of the QOL	Release the newly designed QOL



FY2013 Strategic Focus Area Plan

"Charlotte will become a national leader in environmental sustainability, preserving our natural resources while balancing growth with sound fiscal policy."

The City of Charlotte recognizes that environmental stewardship is fundamentally important to quality of life and essential to maintaining a vibrant economy. Protecting our natural resources, promoting conservation, and improving the environment all enhance the City's mission to preserve the quality of life of its citizens.

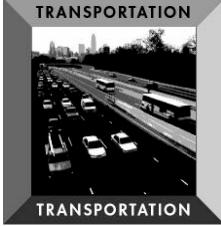
Charlotte will become a national leader in environmental sustainability by:

- Promoting and participating in the development of an environmentally sustainable community;
- Leading by example by practicing environmental stewardship in City operations and facilities;
- Seeking and supporting collaborative and regional solutions to environmental problems;
- Facilitating the growth of the clean energy industry, including the alternative energy sector.

Specific initiatives in the Economic Development and Transportation Focus Area Plans (FAP) relate directly to Charlotte's environmental goals. The Economic Development FAP includes an initiative to grow and retain businesses in several industry sectors, including the energy/environmental sector. The Transportation FAP includes an initiative for enhancing multi-modal mobility, with measures such as reducing vehicle miles traveled and increasing access to public transit.

Focus Area Initiative	Measure	Prior Year Actual	FY2013 Target
Promote and participate in the development of a sustainable community	Make land use decisions consistent with adopted plans and policies	95.2%	Make 95% rezoning decisions consistent with area plans and/or staff recommendations, which incorporate environmentally sensitive site design components
	Reduce residential waste	New Target for FY2013	Increase the landfill diversion rate from 25% to 35% by 2015
	Maintain a significant and healthy tree canopy	New Target for FY2013	Refine and implement strategies to achieve 50% tree canopy coverage by 2050

Focus Area Initiative	Measure	Prior Year Actual	FY2013 Target
Promote and participate in the development of a sustainable community (Continued)	Maintain a safe and adequate drinking water supply for the community	Achieved	Continue a leadership role in regional water resources planning by working with the Catawba-Wateree Management Group to complete Phase 2 of the Basin-wide water plan
	Continue the positive trend in community reductions of emissions that result in ozone	New Target for FY2013	Realize reduced three-year average ozone readings at monitors used for air quality attainment purposes
	Reduce impacts to air, water, waste, energy and trees through community engagement	New Target for FY2013	Determine baseline conditions using the Green Neighborhood Assessment Tool in order to establish community goals for environmental sustainability
Lead by example by practicing environmental stewardship in city operations and facilities	Reduce energy use	Achieved	Maintain energy use practices so that City facilities compare favorably with available benchmark information in the South Atlantic region
	Reduce stormwater pollution	New Target for FY2013	Develop and implement plans for stormwater management practices
	Reduce air pollution emissions and improve fuel economy for the City's fleet	New Target for FY2013	Continue to evaluate and field test alternative fuel vehicles for potential expansion in the fleet
Seek and support collaborative and regional solutions to environmental problems	Collaborate and participate in public and private sector partnerships to positively impact air quality, energy efficiency, water resources and reduction of waste	Achieved	Continue work with partners such as CONNECT Consortium, Envision Charlotte and public and private entities
	Leverage increased public/private partnership opportunities in support of the Democratic National Convention (DNC)	New Target for FY2013	Include legacy infrastructure in City's energy and environmental initiatives



FY2013 Strategic Focus Area Plan

"Charlotte will be the premier city in the country for integrating land use and transportation choices."

Safe, convenient, efficient, and sustainable transportation choices are critical to a viable community. The City of Charlotte takes a proactive approach to land use and transportation planning. This can be seen in the *Centers, Corridors and Wedges Growth Framework*, the *Transportation Action Plan* and the *2030 Transit Corridor System Plan* that provide the context for the Transportation Focus Area Plan.

The City's strategy focuses on integrating land use and transportation choices for motorists, transit users, bicyclists and pedestrians. A combination of sound land use planning and continued transportation investment, will be necessary to accommodate Charlotte's growth, enhance quality of life, and support the City's efforts to attract and retain businesses and jobs.

Focus Area Initiative	Measure	Prior Year Actual	FY2013 Target
Enhance multi-modal mobility, environmental quality and long-term sustainability	Reduce annual hours of congestion per traveler, as measured by Texas Transportation Institute, for the Charlotte Urban Area compared to top 25 cities	.8% increase Top 25: .7%	Any increase will be less than 5-year average of top 25 cities
	Vehicle Miles Traveled (VMT) per capita	New Measure for 2013	Reduce VMT from prior year
	Accelerate implementation of 2030 Transit Corridor System Plan as conditions allow: 1. LYNX BLE 2. Street Car 3. Transit Ridership	1. DEIS Complete	1. Full Funding Grant Agreement by 12/31/12
		2. PE Complete	2. Begin construction on Starter Streetcar Project by 3/15/13
Promote transportation choices, land use objectives, and transportation investments that improve safety, and promote sustainability and livability	Increase the percent of City population within ¼ mile of parks, schools, shopping, and transit greater than the 2004 baseline	3. 2.2%	3. Maintain ridership at prior year level
		16.5%	Parks: >16.9%
		12.5%	Schools: >13.0%
		52.3%	Shopping: >45.6%
	Review and strengthen relationship between transportation infrastructure and economic development in the City's Capital Investment Plan	56.1%	Transit: >63.5%
		New Measure for FY2013	Include targeted investments in the 5-Year CIP

Focus Area Initiative	Measure	Prior Year Actual	FY2013 Target
Promote transportation choices, land use objectives, and transportation investments that improve safety, promote sustainability, and livability (Continued)	Percent of transportation bond road projects completed or forecast to be completed on schedule	79%	90% or better
	Decrease vehicle accidents per mile traveled by monitoring crashes annually and identifying, analyzing and investigating hazardous locations and concentrating on patterns of correctable crashes	-23.5%	Decrease below prior year
Communicate land use and transportation objectives as outlined in the Transportation Action Plan (TAP)	Complete and present TAP Annual Report to the City Council	Met	By January 2013
	The City will work with MUMPO to initiate the 2040 Long Range Transportation Plan	N/A	By September 2012
Seek financial resources, external grants, and funding partnerships necessary to implement transportation programs and services	City Council, in partnership with the County and the Charlotte Chamber of Commerce, will continue to consider the Transportation Task Force Committee of 21's funding and process recommendations to the legislature as needed for implementation	N/A	By December 2012
	Leverage increased transportation partnership opportunities in support of the Democratic National Convention, including a possible bike-share program	N/A	Seek new partnerships in FY2013



FY2013 Strategic Focus Area Plan

"Charlotte will be the most prosperous and livable city for all citizens through quality economic development."

The City of Charlotte's long-term economic health is in large part driven by the City's ability to facilitate private sector job growth and investment through partnerships with agencies such as the Charlotte Chamber, Charlotte Regional Visitors Authority, Charlotte Regional Partnership, and Charlotte-Mecklenburg Development Corporation. Historically, these partnerships have resulted in a diversified local and regional economy, which requires public investment in public services, facilities and infrastructure. A healthy economy also requires a commitment to strengthen and grow existing businesses, small business enterprises, entrepreneurship, business corridors and adjacent neighborhoods. In order to foster effective economic development, we must coordinate the commitment from both the public and private sectors.

The City's economic development strategy focuses on supporting small business development, promoting redevelopment in distressed business corridors to support adjacent neighborhoods, creating a more business-friendly government and focusing on community endorsed high-growth, industry sectors that support our efforts to attract and retain businesses and jobs.

Initiative	Measure	Prior Year Actual	Current Year Target
Help grow small businesses in our community	Update the City's Small Business Strategy Plan to include the following: <ul style="list-style-type: none">• Potential Phase 2 enhancements to the small business web portal;• A review of the City's small business loan programs;• An analysis of the support system for entrepreneurs;• Innovative partnerships to help small businesses to expand sales locally;• Initiatives to strengthen the existing consortium of community resource partners.	New Target for FY2013	Plan update adopted by Council and 50% of initiatives underway.
	Achieve an increasing percentage SBE utilization through combined formal and informal opportunities	New Target for FY2012	Meet a combined formal and informal SBE Utilization Goal of 5%

Initiative	Measure	Prior Year Actual	Current Year Target
Continue to focus on job and tax base growth in business corridors	<p>Along with community partners, implement the City's 2012 update to the Business Corridor Strategy which includes the following:</p> <ul style="list-style-type: none"> • Expanding the utilization of Business Corridor Funds to all commercial areas within the Business Corridor Revitalization Area; • Increasing utilization and effectiveness of matching grant programs; • Exploring a new relationship with the Charlotte Mecklenburg Development Corporation (CMDC) to increase redevelopment opportunities; • Exploring ways to encourage the development and growth of merchant associations; • Evaluating a retail market assessment to help attract the right retail mix to underserved areas; and • Conducting parking demand analyses, as warranted, to understand City's role in creating public parking to assist retailers and small businesses. 	New Target for FY2013	100% of recommendations underway; 50% complete by year end
Focus on continuous improvement within the permitting and regulatory environment to facilitate job and tax base growth and to improve the customer experience	Achieve greater collaboration among the City, County, and NCDOT to shorten the time it takes and make it easier to obtain regulatory approvals, including, but not limited to certificates of occupancy	New Target for FY2012	Eliminate system barriers, conflicts, and impediments in the application of regulations
	Average number of reviews on all land development permitting submissions	New Target for FY2012	Average ≤ 2.5 reviews on all plans submitted for FY2013

Initiative	Measure	Prior Year Actual	FY2013 Target
Work with economic development partners to grow and retain businesses in the community's targeted industry sectors of: • Energy/ Environment • Finance • Healthcare • Manufacturing • Defense • Motorsports • Tourism • Film • International firms	Work with recipients of Business Investment Grants to encourage the use of local suppliers and target gaps in the supply chain as either business expansion opportunities for local companies or prospects for recruitment	New Target for FY2013	Complete supply chain opportunity assessment with 50% of grant recipients by year end
	Work with tourism partners to develop a plan for growing sports in the Charlotte Region	New Targets for FY2012	Develop a new public/private model for adding amateur sports facilities in the Region
	Leverage the Democratic National Convention (DNC) with City partners to: 1) attract corporate relocations to Charlotte; 2) grow customers for existing Charlotte businesses; and 3) promote the future location of consulate offices in Charlotte	New Target for FY2013	Attract sports and sporting events to the City

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Police

The Charlotte-Mecklenburg Police Department's primary focus is the reduction of crime at the neighborhood level. The City is divided into 39 response areas. Each response area develops enforcement and prevention strategies to target the crimes and offenders creating the most harm in each area of the city. CMPD seeks to make Charlotte the safest large city in America by engaging the community in effective partnerships that address crime and quality of life concerns.

Program Summary

	FY2012 Budget/ Positions	FY2013 Budget/ Positions
Field Services/Community Policing/Patrol/Crime Prevention Provides police field services to the City and the unincorporated areas of Mecklenburg County. Includes Patrol Divisions, Burglary, Special Events, and the Charlotte Area Transit Liaison	\$ 137,007,879 1,548.00	\$ 144,926,250 1,552.00
Special Investigations Investigates vice, gathers criminal intelligence information, and investigates gangs. Includes Vice and Narcotics, Gang and Firearm Enforcement Division, and Criminal Intelligence	8,167,455 80.00	8,462,695 80.00
Criminal Investigations Investigates major Part One crimes, domestic violence cases, and crimes with a juvenile victim and/or suspect. Includes Homicide/Missing Persons, Robbery/Sexual Assault, Auto Theft, Fraud, and Special Victims	16,764,884 171.00	17,246,632 171.00
Special Operations & Crime Lab Provides tactical support for patrol operations. Includes Crime lab, Crime Scene Search, Canine Unit, Aviation/Field Force, SWAT Team and ALERT Team Coordinator, and Arson/Bomb Squad	11,187,428 109.00	11,916,298 109.00
Communications Answering and dispatch services for all 911 calls in the City of Charlotte, Towns of Davidson and Huntersville, and unincorporated Mecklenburg County; takes non-emergency police reports by phone and internet	12,567,317 173.00	13,956,985 176.00
Community Services Provides a variety of services that promote police-citizen interaction	4,822,613 47.00	4,294,622 47.00
Police Officer Training/Recruiting Conducts recruitment, background investigations, and hiring of police officers; provides recruit and in-service training to sworn and non-sworn personnel	4,746,105 31.00	3,962,645 31.00
Animal Care & Control Enforces animal control ordinances and operates animal shelter	6,382,389 83.50	6,550,484 83.50
Total	\$ 201,646,070	\$ 211,316,611
Total Positions	2,242.50	2,249.50

Police

Budget Decreases

None

Budget Increases

\$2.4 million to fund the 50 officers related to the American Recovery and Reinvestment Act (ARRA) grant, for which funding will end in September of FY2013

\$243,201 to replace ARRA grant funding for four crime analysts

\$237,403 to add three telecommunicators that will be 100% funded by the Town of Huntersville

\$231,121 in maintenance and repair of vehicles and equipment

\$228,373 for fuel price escalations

\$81,177 increase for operating and building maintenance expenses for the new Steele Creek Division Office

Service Delivery Highlights and Challenges

CMPD has experienced significant reductions in crime during the last 12 months, with a 7.1% reduction in calendar year 2011. While Police has deployed 125 new officers, it is still challenging to sustain crime reductions of this magnitude. CMPD will continually monitor crime trends and use crime analysis applications including predictive analytics to deploy its patrol resources in a manner that responds to emerging crime problems and maximizes visibility throughout the city. CMPD's crime reduction efforts are dependent upon strong engagement with all segments of the community. CMPD is using social media in an attempt to get information to citizens who do not make use of traditional information outlets. CMPD's goal is for the neighborhood involvement to be proactive rather than reactive to a major incident or a series of crimes. The crime totals over the past six years are listed below:

Year	Total Index	% Change from Previous Year	Estimated Population*	Rate per 100,000 Est. Population	% Change from Previous Year
2006	56,765	3.5%	728,143	7,795.9	1.4%
2007	58,898	3.8%	752,997	7,821.8	0.3%
2008	54,333	-7.8%	765,766	7,095.2	-9.3%
2009	44,307	-18.5%	777,827	5,693.3	-19.7%
2010	39,824	-10.1%	778,958	5,112.5	-10.2%
2011	36,980	-7.1%	785,882	4,705.5	-8.0%

*Index Crime totals used in this chart are based on the Uniform Crime Reporting (UCR) guidelines. Jurisdiction population estimates are based on Planning Commission estimates created in July of each year. The jurisdiction estimate is calculated by subtracting the totals for the six incorporated towns with separate police agencies from the county total.

Planning for the DNC is the most complex task ever undertaken by CMPD and will require significant amounts of time from a large number of CMPD personnel. It will require coordination with more outside partners than any event in which CMPD has been a participant. It will be a challenge to prepare for the DNC while retaining focus on the core mission of crime reduction. However, CMPD personnel are committed to the dual goals of maintaining focus on crime reduction and developing and executing a convention security plan that maintains order and creates a safe environment for all citizens and visitors. CMPD continues to be challenged by the lack of resources in other components of the criminal justice system.

Performance highlights include:

- 7.1% decrease in Part One crimes (homicide, rape, robbery, aggravated assault, burglary, larceny, theft, arson) in 2011; 2.1% decrease in violent crime; 7.8% reduction in property crime
- 1.9% increase in citizen initiated calls for service
- 96% homicide clearance rate for calendar year 2011

Police

Performance Measures	Performance Achievement	
	FY2012 Target	FY2013 Target
Field Services/Community Policing/Patrol/Crime Prevention Reduction in Uniform Crime Report (UCR) Part One crime per 100,000 population over previous fiscal year	-6%	-6%
Special Investigations Reduction in Part One crimes committed by documented gang members	N/A	-20%
Criminal Investigations Increase homicide clearance rate	≥75%	≥75%
Special Operations & Crime Lab Complete DNA lab analysis for priority cases in ten working days	≥90%	≥90%
Communications Percentage of 911 calls answered in ten seconds or less	90%	90%
Police Officer Training and Recruitment Reduction in preventable on-duty accidents per million miles	≤8	≤8
Animal Control Increase in the number of microchips distributed	N/A	20%

Fire

The Charlotte Fire Department provides a number of services that further its mission of preserving life and property. These services fall into three functional areas: calls for emergency services, emergency preparedness, and preventing and investigating emergencies.

<u>Program Summary</u>	FY2012 Budget/ Positions	FY2013 Budget/ Positions
Fire Emergency Response Provides fire suppression, first responder medical service, hazardous materials mitigation, technical rescue, aircraft crash rescue and the annual Firemens Retirement Actuarial Study	\$ 91,150,400 1,059.00	\$ 94,326,757 1,059.00
Emergency Preparedness/Homeland Security Coordinates large-scale emergency situations in Charlotte and Mecklenburg County	684,580 5.00	693,232 5.00
Fire Communications Provides 24-hour emergency communications responsible for matching the public's requests with the resources of the Fire Department	2,663,966 39.00	2,728,154 39.00
Fire Investigations Provides for investigation into origin and cause of fires under special conditions including large loss, injury or death, and arson	925,747 10.50	934,442 10.50
Fire Code Enforcement Provides enforcement of the fire code for buildings under construction and for existing commercial and business buildings	2,696,469 36.00	2,716,844 36.00
Fire Community Education/Involvement Provides prevention education as a key component of reducing fires and injuries to the citizens of Charlotte through an aggressive and comprehensive fire and life safety educational program	396,749 4.50	400,475 4.50
Firefighter Training Provides training to more than 1,000 firefighters who rely on their preparedness to deal with any type of emergency in the community	1,394,956 12.00	1,413,194 12.00
Total	\$ 99,912,867	\$ 103,213,098
Total Positions	1,166.00	1,166.00

Fire

Budget Decreases

None

Budget Increases

\$481,484 in maintenance and repair of vehicles and equipment

\$256,282 for fuel price escalations

Service Delivery Highlights and Challenges

The Charlotte Fire Department operates 42 Fire Stations and protects an area encompassing 303.1 square miles with a population of 743,397 citizens. The operation includes 41 engines, 15 ladders, two heavy rescue units and six blaze units, which respond to over 93,000 incidents each year.

The Charlotte Fire Department had many accomplishments in FY2012, including: continued success with the Focused CPR Program; first arriving truck on-scene, within six minutes or less, at least 80% of the time; purchase and installation of a new E911 phone system in partnership with CMPD, the backup center at the Training Academy and MEDIC; and achieved 100% on fire code inspections conducted within state-mandated frequencies.

Ladder Response Coverage

The response area for a ladder company in Charlotte correlates to approximately four miles. Two areas with the most imminent needs as it relates to ladder coverage are the Arboretum (Station 39) and Northlake Mall (Station 28). Ladder trucks are equipped with a comprehensive assembly of vehicle extrication and rope rescue equipment. They are strategically placed throughout the City to minimize response time and appropriately place the right equipment in the right place at the right time. Adding ladder companies is challenged by the expense of equipment and staffing.

Fire

Performance Measures	Performance Achievement	
	FY2012 Target	FY2013 Target
Fire Emergency Response		
Percent of first alarms to which an effective firefighting force will be on scene within nine minutes	80%	80%
Percent of alarms to which first-due fire companies will be on scene within six minutes	80%	80%
Percent of women and minorities in firefighter applicant pool	20%	20%
Emergency Preparedness/Homeland Security		
Number of All Hazards Incident Command System Training courses offered in Charlotte Urban Area Security Initiative Area	5	5
Fire Communications		
Percent of time telecommunicators answer calls within 10 seconds	90%	90%
Fire Investigations		
Percent of arson cases investigations will be cleared	36%	36%
Fire Code Enforcement		
Percent of fire code inspections conducted within state-mandated frequencies	95%	95%
Fire Community Education/Involvement		
Percent of Charlotte-Mecklenburg School 3rd grade classrooms that receive fire education programs	80%	80%
Firefighter Training		
Percent of active firefighters who will maintain emergency medical technician (EMT) certification	98%	99%

Solid Waste Services

Solid Waste Services (SWS) strives to excel in quality solid waste management. In FY2011, SWS reorganized its business service model to eliminate the zone method of collection. Instead of zones, City crews now provide weekly collection service citywide for garbage, yard waste, and bulky items. Inland Service Corporation, the private service provider, collects recyclables citywide under a City contract. The amount of recyclables has increased since the transition from a dual stream to a single stream recyclables collection program. This offers added convenience in that separation of recyclables is no longer required before placing the items in the recycling container. In addition to these services, SWS collects business garbage, dead animals, and sweeps and removes litter from City streets and rights-of-way areas. SWS also participates in neighborhood clean-ups and other specialized cleaning programs, including continual maintenance of the Central Business District and support of special events.

<u>Program Summary</u>	FY2012 Budget/ Positions	FY2013 Budget/ Positions
Solid Waste Collections Provides Single Family (weekly collection of garbage, recycling, yard waste, and bulky items); Multi-Family (weekly collection of garbage and recycling to multi-family complexes of 30 or more units)	\$ 38,400,960 210.50	\$ 39,760,493 210.50
Special Services Provides street sweeping, right-of-way clean-up, and traffic hazard removal on City and select State streets. Manages the infrastructure and cleanliness of the Central Business District and supports special events. Maintains bus stops and trolley corridors.	6,215,941 72.25	5,772,263 72.25
Neighborhood Services Provides cleaning services and unscheduled bulky item pick-up in challenged and transitioning neighborhoods	1,050,472 5.00	1,053,364 5.00
Community Education Communicates information and provides educational materials to the public on solid waste services	288,589 1.25	284,009 1.25
Total	\$ 45,955,961	\$ 46,870,128
Total Positions	289.00	289.00

Solid Waste Services

Budget Decreases

\$534,814 in multi-family garbage disposal costs due to eliminating the reimbursement of supplemental disposal; the corresponding decrease in multi-family solid waste fees yields a net zero impact

Budget Increases

\$925,426 in increased disposal costs charged by Mecklenburg County (100% offset by an increase to the annual single family and multi-family solid waste services fees)

\$444,067 in maintenance and repair of vehicles and equipment

\$34,818 for fuel price escalations

Service Delivery Highlights and Challenges

SWS has been successful in many quality solid waste service initiatives that contribute to a healthy and more attractive environment for the City of Charlotte and its residents. For the tenth consecutive year, the Institute of Government Benchmark Report showed that SWS outperformed other North Carolina municipalities with lower collection costs in the major performance categories of residential refuse collection (cost per ton of \$66; statewide average is \$94) and recyclables collection (cost per ton of \$230; statewide average is \$239). The SWS collection and right-of-way programs helped achieve a litter index rating of 1.76 from Charlotte's Keep America Beautiful annual assessment (scale of 1.0 to 4.0; highest rating is 1.0) for the fifth consecutive year and has provided street sweeping and right-of-way cleaning of approximately 2,400 miles of City streets. In an ongoing plan to engage in healthy environment business practices, SWS has added two compressed natural gas (CNG) refuse trucks that operate on alternative fuels and SWS anticipates additions to the CNG fleet in the near future.

Single-Stream Recyclables Collection

The implementation of a Single-Stream Recyclables Collection Program has shown to achieve success with increasing residential recycling participation and setout rates. A key challenge will be to manage cost of the rollout container inventory due to container theft or displacement. SWS continues to review business processes to maximize efficiency in this area.

Public Education and Awareness

The major challenge of the Public Service Division is educating and engaging citizens about proper access and use of services. Comprehensive strategies are underway to accomplish initiatives in this area. Informing citizens about how to best use these services will help ensure success.

Landfill Location

The landfill location, which is not centrally located, results in a higher number of trips and usage of fuel from areas outside of the northern sections of the City closest to the speedway landfill. The extended travel time reduces the useful life of the collection truck, decreases productivity due to travel time during peak traffic periods, and increases fuel consumption costs.

Solid Waste Services

Performance Measures	Performance Achievement	
	FY2012 Target	FY2013 Target
Solid Waste Collections		
Maintain cost per ton for refuse collection below the statewide average as reported in the North Carolina Local Government Performance Measurement Project	≤\$94	≤\$98
Collaborate with multi-family properties quarterly to promote awareness of available multi-family recycling options	20/yr	20/yr
Achieve Keep America Beautiful litter index rating of 2.0 or less (scale: 1.0-4.0; 1.0 is highest)	≤2.0	≤2.0
Provide at least eight hours of safety-based training monthly in an effort to reduce accidents and injuries	96	96
Community Education		
Conduct educational initiatives for 25% of 16 garbage routes identified as needing to improve collection proficiency	4	4

Transportation

The Charlotte Department of Transportation (CDOT) provides for a safe and efficient multi-modal transportation system that supports economic vitality and sustains the community's quality of life. In FY2012, CDOT will serve over 740,000 residents encompassing an area of 303.1 square miles. Core services include Street Maintenance, Traffic Control, Transportation Planning and Capital Improvement, Land Development Regulations and Right-of-Way Management, and Transportation Safety and Neighborhood Services.

<u>Program Summary</u>	FY2012 Budget/ Positions	FY2013 Budget/ Positions
Street Maintenance Provides road maintenance services, including pothole and base failure repairs, patching utility cuts, and drainage system maintenance	\$ 30,178,204 250.50	\$ 31,169,508 250.50
Traffic Control Provides new and replacement pavement markings and signs. Also includes traffic signal installation and maintenance	6,737,660 109.50	6,644,699 109.50
Transportation Safety & Neighborhood Services Provides ParkIt! (parking meters) operations, Pedestrian and Traffic Safety (includes capital improvements for safe movement of pedestrians-signals, marked pavement, and other improvements), and	3,128,681 15.25	3,248,799 15.25
Land Development Regulations Reviews development plans for conformance with City ordinances	2,481,358 21.25	2,614,440 21.25
Capital Program Planning and Management Provides planning and management for the capital programs, including air quality conformity, regional planning, rapid transit, neighborhoods, and thoroughfares	2,089,852 35.00	2,294,943 35.00
Total	\$ 44,615,755	\$ 45,972,389
Total Positions	431.50	431.50
 Transportation Operating Funds	FY2012 Budget	FY2013 Budget
General Fund	20,879,041	21,764,718
Powell Bill Fund	23,736,713	24,207,670
Total	\$ 44,615,754	\$ 45,972,388

Transportation

Budget Decreases

\$181,087 in one-time expenses from FY2012 for equipment and materials associated with the 2011 annexation

Budget Increases

\$243,073 in maintenance and repair of vehicles and equipment

\$60,343 for fuel price escalations

Service Delivery Highlights and Challenges

Street Lighting Program

The City's Street Lighting Program resumed operations after a one-year suspension on July 1, 2011. Since its restoration the Program added approximately 625 residential lights and 171 thoroughfare lights in just seven months. Based on this trend, CDOT anticipates the street light inventory to increase significantly in the next few years.

On-Street Parking Program

The City's On-Street Parking Program is nearly 14 years old. The infrastructure for parking meters and pay stations has reached the end of its useful life. CDOT has begun replacing some of this equipment and within the next two years a majority of the equipment will require significant upgrades or full replacement. During its tenure, the annual budget remained unchanged, while expenses continue to increase. In particular, the cost to implement new technologies is a huge influence in rising costs. Examples include costs for credit card processing, establishing and maintaining real time communication, and updating software.

LED Traffic Signal Lens Replacement Program

Extending over a 12-month period, CDOT hired a contractor in FY2009 to replace traffic and pedestrian signal incandescent bulbs at 700+ intersections with Light Emitting Diodes (LEDs). Unlike incandescent bulbs, LED's consume less electricity and have a service life of at least five years. The LEDs are nearing their half-life and expected to fail in the beginning of 2014. To avoid simultaneous black outs, CDOT is beginning a five-year change-out program in 2013. It is a challenge for CDOT to accomplish this goal without adequate levels of LED inventory.

Transportation

Performance Measures	Performance Achievement	
	FY2012 Target	FY2013 Target
Street Maintenance Respond to pothole complaints involving safety and property damage within 24 hours 97% of the time	97%	97%
Improve the pavement condition survey rating over the previous survey rating of 82 in 2008	≥82.0	≥88.0
Traffic Control Perform preventative maintenance on 100% of traffic signals every two years (met the 100% target in FY2008)	100%	100%
Respond to all sign and signal emergencies within two hours 90% of the time	90%	90%
Transportation Safety & Neighborhood Services Complete ten miles of new sidewalks annually	10.0	10.0
Complete ten miles of new bikeways annually	10.0	10.0
Land Development Regulations Complete 95% of plan reviews on time annually	95%	95%
Capital Program Planning and Management 90% of transportation bond projects complete or on schedule Percentage change in annual hours of delay per traveler in Charlotte will be less than the five-year average percent change for the top 25 cities in the nation	90%	90%
	<Top 25	<Top 25

Neighborhood & Business Services

Neighborhood & Business Services (N&BS) provides a variety of public services to sustain prosperity, retain jobs, increase the tax base, and maintain and improve the quality of life in Charlotte's neighborhoods. These services include enforcing the City's minimum housing, nuisance and zoning codes, preserving and growing the supply of affordable housing, funding family self-sufficiency initiatives, encouraging entrepreneurship, implementing neighborhood and business district revitalization plans, building the capacity of neighborhood organizations, promoting small business development, providing workforce development programs, and attracting investments by companies both large and small.

<u>Program Summary</u>	FY2012 Budget/ Positions	FY2013 Budget/ Positions
Community and Commerce Provides services to neighborhoods and business corridors, including plan implementation, outreach and problem solving, leadership and organization training, infrastructure and financial assistance programs	\$ 2,378,241 18.00	\$ 2,365,674 18.00
Housing Services Provides loans and grants to finance affordable housing, rehabilitation services, and funds housing support agencies	166,457 23.00	219,142 23.00
Code Enforcement Conducts housing, property, and zoning inspections to enforce City codes	6,802,550 90.00	7,503,779 88.00
Business Services Supports public/private partnerships, business attraction and retention, small business growth and opportunity, workforce development and transit corridor development	1,679,280 9.00	1,212,073 11.00
Small Business Development Provides registration and certification services to small businesses, minority-owned and/or women-owned businesses, support to City departments in establishing annual goals for Small Business Enterprise (SBE) utilization, and monitoring and reporting services to ensure compliance with the program	662,648 9.00	696,548 9.00
Total	\$ 11,689,176	\$ 11,997,216
Total Positions	149.00	149.00

Neighborhood & Business Services

Budget Decreases

None

Budget Increases

\$74,957 for increased nuisance abatement (e.g. junk removal and mowing grass) costs and to allow citizens to pay for code violations via credit card (offset by increased revenue collections)

\$30,471 for fuel price escalations

Service Delivery Highlights and Challenges

Neighborhood & Business Services (N&BS) accomplished many milestones during FY2012. N&BS completed the reorganization and consolidation of the former Economic Development and Neighborhood Development departments, serving as one cohesive Neighborhood & Business Services Department both functionally and culturally with four geographical service area teams that mirror the Charlotte-Mecklenburg Police Department districts.

N&BS created the Charlotte-Mecklenburg Coalition for Housing, a community based-board focused on implementing the 10-year Plan to End and Prevent Homelessness.

N&BS also implemented the Non-Residential Code Enforcement Program, inspecting more than 500 commercial structures and bringing 200 of the 500 commercial structures into compliance.

N&BS implemented three of the City's 17 Energy, Efficiency, and Conservation Block Grant efforts, including Residential Energy Efficiency, Commercial Retrofit, and Neighborhood Energy Challenge.

Additional milestones accomplished by N&BS in FY2012 are:

- Revision of the Housing Location Policy;
- Reorganization of its Youth Programs to provide a continuum of services for youth throughout the City;
- and
- Creation of a small business strategic plan to better address the needs of small businesses in the
- community.

While striving to improve the quality of life in Charlotte, develop and implement strategies to address issues related to housing, small business, and community safety, N&BS faces the challenges of shrinking federal funds, outdated computer systems, increasing operating costs, and a slow economy. Additional service delivery challenges are presented below:

Small Business Opportunity (SBO) Program

In FY2012, City Council adopted an Economic Development Focus Area Plan measure that established a combined (formal and informal) Citywide SBE Utilization Goal of 5%. N&BS will continue to work with departments to achieve this Council goal and maximize SBO utilization.

Reduction in Federal Grants

For FY2013, Congress is expected to reduce the entitlement grants for the CDBG and HOME programs in the amount of 6% and 37% respectively. To absorb the loss of funding, the following programs were reduced: HOME Consortium, Neighborhood Revitalization, Relocation, Community Housing Development Organization projects, and House Charlotte.

Downturn in the Economy and Foreclosure Crisis

The downturn in the economy and foreclosure crisis has resulted in properties being left without regular maintenance and upkeep for extended periods of time. The continuing deterioration of these properties requires increasing attention by Code Enforcement staff, additional nuisance inspections, clean-up contracts, and housing repair cases.

Jobs and Investment

The slow economic recovery makes implementation of the new Economic Development Strategic Plan a key issue. The Plan focuses on Small Business Development and Business Retention and Expansion to grow Charlotte's economy.

Neighborhood & Business Services

Performance Measures	Performance Achievement	
	FY2012 Target	FY2013 Target
Community and Commerce Achieve a leverage ratio within the business corridors of 1:10 for business corridor funds to strengthen opportunities for public and private partnerships to encourage the integration of education, recreation, employment and housing resources in identified redevelopment areas	1:10	1:10
Housing Services Develop and recommend policies that will assist with increasing the supply of affordable housing	Council approved a revised Housing Locational Policy	Review and revise the Assisted Multi-Family Housing at Transit Station Policy for Transit Stations, Incentive Based Inclusionary housing, and Impact of Regulatory Ordinance on Affordable Housing
Code Enforcement Reduce the Appearance and Housing Code Index by 10% by reducing the number of repeat offenders and through education to improve the overall quality of life in the community	10% reduction	10% reduction

Engineering & Property Management

Engineering & Property Management (E&PM) provides an array of services to promote a vibrant, sustainable, and balanced urban environment. Services include: design, construction, and maintenance of public facilities and grounds; capital project management; private land development regulation; storm water infrastructure design and improvement; real estate acquisition; and management and protection of the environment.

<u>Program Summary</u>	FY2012 Budget/ Positions	FY2013 Budget/ Positions
Municipal Capital Project Planning, Design and Construction Provides planning, engineering, landscape design, construction inspection for transportation infrastructure and municipal facility capital projects; administration, design, implementation, and oversight of neighborhood development, environment, transportation, sidewalk, streetscapes, economic development programs, and project management services for CATS. Also, provides land acquisition and disposition, and management of property	\$ 6,232,072 183.00	\$ 6,333,859 183.00
Land Development Regulation, Plan Review, and Inspection Provides administrative review, building permits, storm water detention, driveway permits, grading and erosion control permits, minor plans, conditional re-zoning, subdivision plans, tree ordinance and landscaping permits, and uptown mixed use development/mixed use development district	3,544,794 41.00	3,323,525 33.00
Storm Water Services Provides Water Quality/Clean Water Act enforcement, maintenance of existing infrastructure, and capital project planning, design, and construction	52,569,992 84.00	55,335,154 95.00
Municipal Facilities Maintenance Provides maintenance for Charlotte-Mecklenburg Government Center, Old City hall, and other facilities	3,557,916 50.00	3,422,027 50.00
Landscape Management Provides landscape planning, management, and grounds maintenance of most public rights-of-way, public buildings, city-owned parks and green spaces, medians, islands, and park and ride lots which are the City's responsibility. Examples of some public facilities include Tryon Street Mall, the Trolley corridor, CATS facilities and rail line, cultural arts facilities, and CMPD facilities	5,656,817 56.00	5,645,910 56.00
Total	\$ 71,561,591	\$ 74,060,475
Total Positions	414.00	417.00
Engineering & Property Management Operating Funds	FY2012 Budget	FY2013 Budget
General Fund	18,991,599	18,725,321
Storm Water Fund	52,569,992	55,335,154
Total	\$ 71,561,591	\$ 74,060,475

Engineering & Property Management

Budget Decreases

\$454,563 from Building Maintenance to continue transitioning facility maintenance operating costs to Cultural Facilities

Budget Increases

\$191,487 for three new positions in Storm Water to support the Storm Water capital program

\$139,000 to increase the CMGC building security contract for enhanced security

\$23,435 for fuel price escalations

\$1,700 in maintenance and repair of vehicles and equipment

Service Delivery Highlights and Challenges

Sustainability

Implementation of the Policy for Sustainable City Facilities – City Council's new policy sets an expectation for sustainability to be integrated into budgeting, design, bidding, construction, renovation and maintenance. Common facility performance metrics and clear statements of payoff and life-cycle analysis will begin to demonstrate the costs/benefits of sustainable facilities.

Capital Project Management

E&PM continues to manage a CIP workload peak associated with the passage of the 2010 infrastructure bonds, which provided funding to complete the largest number of neighborhood, sidewalk and transportation projects in the history of E&PM. This initially impacts the Real Estate Division workload, now at 300% of its December 2008 level with more than 2,100 acquisitions expected in FY2013. Between now and the end of FY2013, the peak will affect Engineering's Contracts and Construction Management staff, with contracts for approximately 40 roadway, neighborhood, sidewalk, and storm water projects scheduled for award. Included are major transportation projects which by themselves would pose a workload challenge – Freedom Drive Widening, Statesville Road Widening, and Rea Road Widening,

Storm Water Infrastructure

Last year City Council charged Storm Water with doubling the number of its CIP projects. Storm Water is on track to advance the goal of new projects, but is struggling to maintain older infrastructure. The number of priority maintenance projects exceeds the capacity of staff to fix them. The goal is to address high priority (HP) projects within six months and medium priority (MP) in twelve months. There are 251 HP and MP projects slated to be done in FY2012, but 302 uncompleted projects from FY2010 and FY2011 increase the number to 553.

Engineering & Property Management

Performance Measures	Performance Achievement	
	FY2012 Target	FY2013 Target
Municipal Capital Project Planning, Design, and Construction		
Manage capital projects so that at least 85% are completed on or ahead of schedule	85%	85%
Complete 90% of voter approved bond Neighborhood Infrastructure and Business Corridor projects on schedule or as forecasted	New Target in FY2013	90%
Land Development Regulation, Plan Review, and Inspection		
Complete all Land Development permitting submissions with an average of less than 2.5 reviews	<2.5 Reviews	<2.5 Reviews
Storm Water Services		
Transition Storm Water capital program from debt financing by increasing Pay-As-You-Go funding	Increase by \$1.0 million	Increase by \$1.0 million
Municipal Facilities Maintenance		
Report annually regarding facility design, construction, and operation, as required by the Policy for Sustainable City Facilities	June 2012	June 2013
Maintain energy use practices so that City facilities compare favorably with available Energy Use Index (EUI) benchmark information in the South Atlantic Region (measured in 1,000s of BTUs per square foot)	Overall EUI <68	Overall EUI <68
Landscape Management		
Implement program to leverage public and private partnerships to plant the greatest number of trees possible toward the goal of 50% canopy by 2050	New Target in FY2013	Implement Program by June 30, 2013

Charlotte-Mecklenburg Planning

The Charlotte-Mecklenburg Planning Department (Planning) works with a 14-member appointed Planning Commission and serves as a departmental resource for City and County governments by providing planning services. Planning focuses on: coordinating the zoning, zoning administration, historic district, and subdivision review processes; guiding growth and enhancing design of the City and County; promoting and supporting economic development in a fiscally and environmentally sustainable manner; revitalizing and enhancing neighborhoods and business areas; and planning for the development of the City in a manner consistent with the Centers, Corridors, and Wedges Growth Framework.

<u>Program Summary</u>	FY2012 Budget/ Positions	FY2013 Budget/ Positions
Development Services Provides administrative and planning services for Subdivision Administration, Zoning Services, Zoning Administration, Urban Design, Historic District, and Committee Support for Charlotte-Mecklenburg Planning Commission Zoning Committee, Zoning Board of Adjustment and Historic District Commission	\$ 1,874,281 24.50	\$ 1,920,922 24.50
Strategic Planning Services Responsible for Economic Development planning efforts in targeted areas including distressed business corridors and transit corridors, and coordinates the City's annexation process. Responsibilities include: Economic Development, Transit Planning Services, Capital Facilities, Plan Implementation, Annexation, and Developer Response	910,533 9.50	936,379 9.50
Long Range Planning Services Coordinates collaborative and comprehensive long range land use and transportation planning services which include: Land Use Planning, Mecklenburg-Union Metropolitan Planning Organization (MUMPO), Research, Information and Technology, Communication/Public Outreach, provides support to City and County budget offices in the development of capital budget needs, and committee support for the Charlotte-Mecklenburg Planning Commission Planning Committee and Mecklenburg Union Metropolitan Planning Organization	2,348,218 27.00	2,414,871 27.00
Total	\$ 5,133,032	\$ 5,272,172
Total Positions	61.00	61.00

Charlotte-Mecklenburg Planning

Budget Decreases

None

Budget Increases

None

Service Delivery Highlights and Challenges

Planning accomplished many milestones during FY2012. Planning established a Task Force comprised of key stakeholders along Independence Boulevard to develop strategies to implement recommendations from the Urban Land Institute Rose Fellowship. This initiative served to heighten the awareness of key issues facing the Independence Corridor and to jump start work to begin revitalization.

Planning also coordinated with CATS and others to complete the Northeast Corridor Blue Line Extension Final Impact Statement and the FY2013 New Starts Report which was submitted to the Federal Transit Administration for approval.

Additional milestones accomplished by Planning in FY2012 are:

- Elizabeth Area Plan and Center City 2020 Vision Plan were adopted by City Council
- Developed regulatory strategies to incent private sector development of affordable housing
- Revised policies for assisted multi-family housing at transit stations; and
- Text Amendments for Pedestrian Overlay District, Single Room Occupancy, Heights in Residential Districts, Telecommunication & Data Center, Residential Design Standards - Phase I, Urban Residential, Movie Theater Parking, and Short-term Care Facilities were adopted by City Council.

While striving to be an innovative and effective public planning agency and to create one of the most vibrant, well planned, and livable urban communities in the country, Planning faces several service delivery challenges presented below:

Advancing the Department's Reorganization

Planning's Leadership Team developed a reorganization strategy in 2008 which focused on the creation of three divisions within the department incorporating the existing nine program areas into the divisions. Implementation of this strategy began; however, before further implementation of the reorganization plan could be completed, the City's budget was impacted by the economic downturn and funds were not available for hiring of new staff and reclassification of existing staff. In 2011, following a number of staff retirements and departures, the reorganization strategy was adjusted and staff worked closely with the Human Resources and Budget and Evaluation Departments to finalize a new plan. Planning's key challenge in the upcoming year will be to complete the structural reorganization.

Planning Policy and Regulatory Alignment

Over the last several years, City Council has adopted a number of development and planning related policies and plans. These policies and plans are primarily implemented by private sector development built according to Charlotte's regulations. The Zoning Ordinance is one of the main ordinances that regulates development. It continues to pose an issue as it does not fully align with the vision for Charlotte as articulated through development plans and policies. One of Planning's primary challenges will be the management of a needed update of this ordinance. In the upcoming year, City staff will work with a consultant who will perform an assessment of the Zoning Ordinance, provide recommendations on how to better align the ordinance with Charlotte's development policies, and also provide an assessment of different types of zoning codes that Charlotte might consider using. The primary challenge will be the commitment of additional funding and staffing resources for this effort as Planning will not be able to absorb this major initiative and maintain current workloads.

Charlotte-Mecklenburg Planning

Performance Measures	Performance Achievement	
	FY2012 Target	FY2013 Target
Development Services		
Number of draft text amendments	6	4
Rezoning cases	120	140
Single family lot approvals	400	400
Multi-family unit approvals	3,600	4,800
Strategic Planning Services		
Number of presentations made to various community and business organizations	50	30
Long Range Planning Services		
Number of draft area plans completed	2	3
Percent of rezoning decisions consistent with adopted plan	95%	95%
Percent of rezoning decisions consistent with adopted environmentally sensitive site design policies	80%	80%

Aviation

Charlotte Douglas International Airport (CLT) is the second largest airport on the Eastern Seaboard. It is served by six major airlines, three foreign flag carriers, and is home to significant military, cargo, and corporate aviation operations. The Airport services corporate aircraft stored and maintained at one of 15 corporate aviation facilities.

<u>Program Summary</u>	FY2012 Budget/ Positions	FY2013 Budget/ Positions
Airport Operations Provides Law Enforcement, Parking & Ground Transportation, Facilities Operations, and Valet Parking Operations	\$ 26,740,171 145.00	\$ 29,408,387 162.00
Airport Capital Project Planning, Design, and Construction Provides Planning, Engineering and Construction, Community Programs, and Environmental Compliance	21,617,472 19.00	36,747,309 20.00
Airport Maintenance Provides Building Maintenance, Field Maintenance, Vehicle Maintenance, and Janitorial Maintenance	36,767,389 119.00	42,499,090 126.00
Sub-Total Aviation Services	\$ 85,125,032	\$ 108,654,786
Discretionary, Debt Support, Passenger Facility Charge, and Customer Facility Charge	101,493,885	97,608,709
Total	\$ 186,618,917	\$ 206,263,495
Total Positions	283.00	308.00

Aviation

Budget Decreases

None

Budget Increases

\$13.4 million for increased fuel costs (funded 100% by airline revenue)

\$2.5 million for 25 new positions and associated operating costs to meet current customer and service delivery needs (Administration, 1; Operations, 6; Building Maintenance, 7; Development, 1; Security, 2; Information Technology, 8)

Service Delivery Highlights and Challenges

Aviation's mission to be the preferred transportation center and airline hub is recognized by its accomplishments. Charlotte (CLT) maintains one of the nation's busiest airfields with over 539,000 operations annually and a Level 5 air traffic control facility that tracks over 100 flights in a given hour. The passenger airlines operate an average of 670 flights per day to 138 non-stop destinations in the United States, Canada, Mexico, Europe, South America and the Caribbean. CLT passenger traffic has grown from 2.9 million enplanements in 1982 (when the current passenger terminal opened) to over 18.2 million domestic and 1.3 million international enplanements in 2011. A record number for CLT, this is an increase of 2% over 2010. Aviation continues to lead the industry in low operating cost per passenger to the airlines.

Despite robust operations, there is no certainty in the aviation environment. This is a statement that has been applicable for the past few years and is expected to be appropriate for the foreseeable future. As a result of volatile oil price increases and passenger flight capacity, Aviation continues to best manage the uneven and unpredictable passenger growth for the Airport. With approximately 75% of passenger traffic at CLT connecting through the Airport, it is important for Airport management to continue to abide by its mission to provide the highest quality product for the lowest possible cost. Also with the new and changing security requirements, the Airport must remain able to adapt its operations, technology, and procedures as needed to meet these requirements, resulting in additional expenses.

Significant capital improvements for both internal and external customers continue to be Airport's focus this year. The approach of conservative fiscal management has earned Aviation a bond rating upgrade by Moody's from A1 to Aa3 putting Charlotte in an elite group of U.S. airports holding this rating. Currently, Aviation is constructing a \$120 million, seven-story parking deck in front of the Terminal, which when complete in 2014 will accommodate hourly passenger parking as well as a consolidated rental car facility. In addition, it is also redesigning and expanding the current access roads to the Airport. Both of these projects must be completed while the road system, parking facilities, and Terminal remain in operation. The Aviation Department will closely watch every financial decision in order to guarantee its financial security, as well as continue to look for additional revenue streams and creative business practices to make the most of its resources.

Aviation

Performance Measures	Performance Achievement	
	FY2012 Target	FY2013 Target
Airport Operations		
Increase food/beverage/retail revenue per passenger by 1%	≥1%	≥1%
Maintain low cost of enplaned passenger to airlines	≤\$2.00/per passenger	≤\$1.50/per passenger
Airport Capital Project Planning, Design, and Construction		
Provide ample parking capacity and convenient parking services through the construction of a rental car/hourly parking deck facility	Begin construction in July 2011	Maintain construction schedule and budget
Enhance cargo operations and development into an intermodal facility that connects air, sea, highway, and rail by creating a rail yard facility on-site to meet demands of potential users	Collaborate on the construction of the intermodal facility throughout FY2012	Collaborate on the construction of the intermodal facility throughout FY2013
Meet debt service coverage in City's revenue bond order	Generate debt service coverage of 1.25 (125%) or greater	Generate debt service coverage of 1.25 (125%) or greater
Airport Maintenance		
Maintain Part 139 Certification annually with zero defects	0	0
OSHA injuries less than 5% of workforce	<5%	<5%

Charlotte Area Transit System

The Charlotte Area Transit System (CATS) provides public transit services to the Charlotte region. CATS is the largest transit system in the Carolinas. Service is provided via local, express, neighborhood, activity center and regional bus services, vanpool, Americans with Disabilities Act paratransit, and human services transportation.

<u>Program Summary</u>	FY2012 Budget/ Positions	FY2013 Budget/ Positions
Transportation Services Provides day-to-day public transportation services across the Charlotte region; conducts operations planning, vehicle maintenance, route scheduling, facilities security, transit support and management	\$ 104,876,012 260.75	\$ 108,447,124 263.75
Transit Development Provides for planning and developing long-range rapid transit systems outlined in the 2030 Transit Corridor System Plan	3,014,840 24.00	2,900,043 23.00
Marketing and Communications Provides customer service, public relations, communications and service marketing; develops market research and develops sales and promotional activities	3,182,644 33.00	2,996,760 33.00
Executive and Administration Provides leadership and management of the public transit program and support for the Metropolitan Transit Commission; manages financial planning, federal and state grants administration, budget, and finance	9,086,025 44.00	9,105,738 42.00
Less Charges to CIP and Grants	(17,289,445)	(17,008,578)
Sub-Total CATS	102,870,076	106,441,087
Contributions to Capital and Debt Service	24,433,435	20,213,085
Total	\$ 127,303,511	\$126,654,172
Total Positions	361.75	361.75

Charlotte Area Transit System

Budget Decreases

None

Budget Increases

\$1.9 million for fuel price escalations

\$780,294 for transit safety and security cameras maintenance contract

\$428,459 for increased costs associated with special events company police security

\$169,692 for increased costs associated with radio maintenance and access charges

\$150,000 for increased tire prices

Service Delivery Highlights and Challenges

While maintaining extremely low preventable accidents for its entire Transit System and increasing ridership for 11 of 12 years (only decrease in 2009), Charlotte Area Transit System (CATS) successfully accomplished many milestones during FY2012.

CATS completed the first 4.5 years of LYNX Blue Line Light Rail service with a 98.9% on time performance and zero preventable accidents.

CATS also received a Record of Decision from the FTA for the LYNX Blue Line Extension in December, 2011. The LYNX Blue Line Extension will extend light rail service 9.4 miles, from Seventh Street to a terminus on the campus of UNC-Charlotte.

CATS was also awarded an \$18 million TIGER III grant to retrofit the LYNX Blue Line. The grant enables CATS to lengthen three South Corridor station platforms, permitting the use of three car trains and to add power substations.

Despite reductions in key sources of income and significant volatility in fuel prices, CATS remains focused on maintaining safety, providing core mass transit services in the Charlotte-Mecklenburg region, providing transportation and accessibility choices for the community, and sustaining ridership and customer satisfaction levels. As the economy slowly recovers, aligning expenditures with projected revenues without impacting transit service levels is critical for CATS' success. Additional service delivery challenges are presented below:

Sustainability

- Procure buses which reduce greenhouse gas emission and improve energy
- Implement Federal and City sustainable policy goals by environmentally friendly practices in project design, vehicles and facilities

Planning: 2030 Transit Corridor System Plan

- Final Design and construction of the Northeast Corridor Blue Line Extension
- Secure Federal and State funds

Invest in Employees

- Manage workforce in response to changing economy

Charlotte Area Transit System

Performance Measures	Performance Achievement	
	FY2012 Target	FY2013 Target
Transportation Services		
Grow system ridership (light rail)	3% increase	2% increase
Maintain passengers per service hour (bus)	24.0	25.8
Maintain passengers per service hour (rail car)	95	114.5
Transit Development		
Receive approval to enter Final Design and Construction for LYNX Blue Line Extension from Federal Transit Administration	December 2011	July 2012
Enter into Federal Full Funding Grant Agreement with Federal Transit Administration for LYNX Blue Line Extension project	June 2012	December 2012
Marketing and Communications		
Call Center abandonment rate	≤10%	≤10%
Percent of customer complaint responses within five days	95%	95%
Executive and Administration		
Targeted cost per service hour (excluding rail)	\$89.64	\$91.45
Targeted cost per service hour (rail only)	\$325.21	\$338.13
Targeted cost per service hour (bus)	\$96.55	\$99.51
Targeted cost per service hour (STS)	\$65.93	\$63.47
Targeted cost per service hour (vanpool)	\$26.24	\$26.57
Apply for a minimum of five competitive grants	June 2012	June 2013

Charlotte-Mecklenburg Utilities Department

Charlotte-Mecklenburg Utilities Department's (CMUD) core business is to provide safe water and safely transport and treat wastewater for the Charlotte-Mecklenburg community. CMUD is organized into seven internal divisions that contribute to carrying out the organization's objectives. A citizen Advisory Committee comprised of seven members representing neighborhoods, civil engineers, water-sewer contractors, financial experts, real estate developers, and Mecklenburg towns is charged with reviewing: Capital Investment Plan, proposed changes and implementation of the water and sewer rate methodology, and proposed changes in the policy for extending water and sewer service.

	FY2012	FY2013
	Budget/ Positions	Budget/ Positions
Administration, Management, & Support	\$ 28,596,192	\$ 27,513,197
Provides departmental level functions such as key business decisions, human resources, budget, financial management, rate setting, technology, communications, training, revenue recovery, safety, security, and competitiveness via continuous improvement	43.75	45.75
Customer Service	7,815,948	7,814,120
Oversees new connections, service availability and customer account management including bill inquiries, meter reading, leak investigation, and backflow prevention	104.00	104.00
Utility System Planning & Engineering	571,060	-
Provides design and construction of CMUD facilities, water and sewer main rehabilitation and extensions, donated projects, and surveying	101.00	101.00
Laboratory Services	470,517	1,147,511
Provides testing of water, wastewater, and industrial users for compliance and manages water quality issues relating to taste, color, and odor.	36.00	36.00
Environmental Management	46,148,925	46,915,325
Manages the treatment of wastewater before being discharged back into the environment and protects our system by regulating industrial/commercial wastewater discharges, and oil and grease reduction. Also, provides treatment and pumping of water to distribute drinking water to customers	184.50	183.50
Field Operations	27,952,470	28,293,747
Maintains more than 8,000 miles of water and sewer pipe and more than 249,000 service connections	277.00	276.00
Total Operating Expenses	\$ 111,555,112	\$ 111,683,900
Total Contribution to Capital and Debt Service	177,005,108	179,402,060
Total	\$ 288,560,220	\$ 291,085,960
Total Positions	746.25	746.25

Charlotte-Mecklenburg Utilities Department

Budget Decreases

None

Budget Increases

\$560,000 for fuel price escalations

\$317,123 for maintenance and repair of vehicles and equipment

\$100,000 to rebuild and test large water meters over 1.5 inches

\$30,000 to begin the Citizen Assistance program in an effort to aid those who cannot pay their bills and reduce CMUDs costs to service those accounts.

\$25,000 for risk and safety training

Service Delivery Highlights and Challenges

CMUD remains committed to the City's corporate strategy and to providing high-quality, low-cost services to our customers. The primary lesson learned in FY2012 has been the need to shift the focus from high growth oriented utilities to a utility focused on sustaining operations and customer service. This is due to the dramatic slowing of growth that has occurred over the recent years. This lesson learned will impact how CMUD repositions to best respond to customer needs and maintain efficient operations in the future. The plan promotes the achievement of organizational goals and objectives as well as continuing commitment to providing vital basic services to customers.

Below is a chart detailing annual CMUD statistics.

Statistics	2007	2008	2009	2010	2011	2012 Projection
Water Accounts	237,930	241,637	242,631	245,854	248,257	249,188
Wastewater Accounts	219,154	222,887	223,855	226,978	227,002	230,527
Water Mains (miles)	3,850	3,929	4,025	4,064	4,094	4,192
Wastewater Mains (miles)	3,865	3,942	4,028	4,047	4,073	4,232

CMUD recently earned several awards for environmental stewardship and operational efficiency. Other significant accomplishments resulted in:

- All five wastewater treatment plants received 2011 Peak Performance Awards from the National Association of Clean Water Agencies
- The Performance Conservation Manager received the Friend of the Green Industry Award from the NC Green Industry Council (GIC)

Charlotte-Mecklenburg Utilities Department

Performance Measures	Performance Achievement	
	FY2012 Target	FY2013 Target
Define and prioritize staff resources to optimize operations	Reduce Sanitary Sewer Overflows to below 8 per 100 miles of pipe	Reduce Sanitary Sewer Overflows to below 7.5 per 100 miles of pipe
Define and prioritize staff resources to optimize operations	Repair water leaks - Complete 100% of leak repairs within 90 days	Repair Water Leaks - Complete 100% of leak repairs in 8 calendar weeks
Meet or Exceed Safe Drinking Water Act Requirements	Maintain 100% compliance with NPDES permits	100% compliance with National Pollutant Discharge Elimination System permit requirements for all five wastewater treatment plants
Meet or Exceed Safe Drinking Water Act Requirements	Maintain 100% compliance - report quarterly to ensure permit compliance and identify preparations needed for future compliance requirements	Implement Phase 3 of the Partnership for Safe Water in Water Treatment
Continue a leadership role in regional water resources planning and ensure long term availability of water supply	Work with Catawba-Wateree Management Group to complete Phase 2 of Basin-Wide Water Plan by June 2012	Participate in basin-wide water supply master planning project and participate in the water resource planning and committee work in the state via the American Waterworks Association and other professional organizations

Mayor and City Council

The Office of the Mayor and Council provides leadership and strategic vision for the City. The Mayor and Council approve strategic initiatives for the organization to accomplish. Under their policy direction, the organization provides innovative and competitive quality services, encourages the development of a skilled and motivated workforce, embraces quality economic development, and integrates land use and transportation policies.

Other responsibilities include but are not limited to: providing leadership to citizens through involvement with neighborhood organizations and responding to community needs; enacting local legislation; adopting budgets and determining the policies by which the City is governed and administered.

<u>Program Summary</u>	FY2012 Budget/ Positions	FY2013 Budget/ Positions
Mayor and City Council Provides leadership and strategic vision for the City	\$ 557,372	\$ 576,767
Administrative Support Assist the elected officials' pursuit of goals for the City	910,767 9.00	907,287 9.00
Total	\$ 1,468,139	\$ 1,484,054
Total Positions	9.00	9.00

Budget Decreases

None

Budget Increases

\$11,037 for technology related operating expenses

Service Delivery Highlights and Challenges

As of the 3rd Quarter in FY2012 the Mayor and City Council engaged in 23 City Council meetings, four District/Town Hall meetings and approved 23 policy items.

City Attorney

The City Attorney's Office provides legal advice, research, and information to the Mayor, City Council, City Manager and City staff. The Office represents the City, its officials and employees in litigation filed by or against them.

Program Summary

	FY2012 Budget/ Positions	FY2013 Budget/ Positions
City Attorney Services	\$ 2,197,650 28.50	\$ 2,126,307 28.50
Total	\$ 2,197,650	\$ 2,126,307
Total Positions	28.50	28.50

Budget Decreases

None

Budget Increases

None

Service Delivery Highlights and Challenges

The City Attorney's Office achieved the following goals and accomplishments during the last year: development and drafting of amendments to the City Code dealing with protests and demonstrations based on public hearing and other public input; dismissal of appeal of the Operation Save America challenge to the City's Public Assembly ordinance and permitting decision; and obtained stay from the North Carolina Court of Appeals of the lower court judgment ordering the City to offer supplemental multi-family collection disposal fee.

Challenges will include workload from the Democratic National Convention (DNC) and real estate condemnations. The DNC will impact staff resources on several levels. Staff will have significant work surrounding free speech and demonstrations; construction issues and contracts for renovation and restoration of the Arena; open meetings law and public records law questions; contract compliance; Host Committee responsibilities and liabilities; permitting and code enforcement issues; and law enforcement issues impacting municipal operations. Over the last 24 months, the number of condemnation cases has more than doubled. In FY2010, there were approximately 99 condemnation cases and currently in FY2012 there are 220. The case load is expected to continue to increase, particularly with the Blue Line Extension.

Performance Measures	Performance Achievement	
	FY2012 Target	FY2013 Target
Ensure that attorneys and paralegals maintain certifications	240 training hours	240 training hours
Provide litigation services in a cost effective manner and at a lower cost than services provided by outside counsel	\$110.76 per hour	\$99.36 per hour
Publish a newsletter for City employees with legal topics of interest	4 per year	4 per year
Manage active real estate condemnation cases	220	TBD

City Clerk

The City Clerk's Office records, transcribes, and distributes City Council meeting minutes for business meetings, zoning meetings, retreats, budget workshops and special meetings, coordinates citizen speaker lists, and receives and records zoning protest petitions. The City Clerk also maintains the City Charter, City Code, and all other Council records; provides information and research of official City records to City Council, City staff and citizens; provides staffing and minutes to the Citizens' Review board and Civil Service Board; and administers appointment process and attendance records for 38 volunteer boards and commissions.

	FY2012 Budget/ Positions	FY2013 Budget/ Positions
<u>Program Summary</u>		
City Clerk Services	\$ 533,624 6.00	\$ 539,017 6.00
Attends and records proceedings of all City Council meetings; creates, maintains and makes available Council's official records; administers Council process for 38 boards, commissions and committees; responds to requests from City Council, citizens, and staff; prepares and submits requests for legal advertising for the City; organizes, attends, and records Civil Service and Citizen Review Board meetings.		
Total	\$ 533,624	\$ 539,017
Total Positions	6.00	6.00
<u>Budget Decreases</u>		
None		
<u>Budget Increases</u>		
None		

Service Delivery Highlights and Challenges

In FY2012, the City Clerk's Office completed 54 total City Council meeting minutes and provided support for nine Civil Service Board meetings and five hearings, with each hearing lasting a minimum of two business days. Additionally, the Clerk's Office provided staff for five Citizen Review Board meetings, facilitated appointment of 75 advisory board members, assisted 548 citizens in signing up to speak at City Council Meetings, and executed and tracked more than 450 attestations and/or notarizations for contracts, deeds, leases or agreements. The Clerk's Office met their goal by posting all Council meeting agendas on the website no later than the Thursday before the next City Council meeting. Finally, the Clerk's Office administered 72 oaths for new employees and citizens appointed to boards and commissions and implemented a new online speaker registration system that allows citizens the ability to sign up to speak to Council through the City's website. The new service was achieved at no additional cost to the City.

The Clerk's Office experienced significant personnel challenges during FY2012 and as a result was not able to meet performance targets for City Council meeting minutes production. The Clerk's Office anticipates meeting the minutes completion performance target in FY2013. The Clerk's Office received a large number of complex public information requests during FY2012 and expects that number to continue to increase. Due to the increased demand for searchable records, the Clerk's Office plans to reinstate the searchable records service in FY2013.

City Clerk

Performance Measures	Performance Achievement	
	FY2012 Target	FY2013 Target
Complete Council business meeting minutes within 28 business days 98% of the time	98%	98%
Upload stamped RCAs to CNET within four business days of a City Council meeting	100%	100%
Attest and return documents within three business days of receiving them	95%	95%

City Manager

The Charlotte City Manager's Office is responsible for carrying out City Council's policy decisions, achieving comprehensive citizen service Citywide, providing vision and leadership to the organization and overseeing the daily operations of City Government. The City Manager's Office is composed of six divisions: City Administration, Corporate Communications & Marketing, Community Relations Committee (CRC), CharMeck 311 Customer Service Call Center (CharMeck 311), Office of the Chief Information Officer (OCIO), and Internal Audit.

Other responsibilities include: providing vision and leadership to the organization; providing general information; problem resolution; courteous, accessible, responsive and seamless customer service to external and internal customers; achieving results through strategic planning; optimizing business processes and centralized management of corporate technology projects; promoting equitable opportunity, understanding, respect and goodwill among citizens in the Charlotte-Mecklenburg area.

<u>Program Summary</u>	FY2012 Budget/ Positions	FY2013 Budget/ Positions
Community Relations Committee Promotes community harmony by: addressing personal and community conflicts, fairness in housing and preventing discrimination, training and education as well as police community relations	\$ 908,961 10.00	\$ 915,279 10.00
Corporate Communications and Marketing Provides internal and external corporate communications, services and partners with departments to develop and implement strategies/tactics in support of specific projects, issues, and services	1,970,399 19.00	1,971,796 19.00
CharMeck 311 Customer Service Call Center As the customer contact center, serves as the first contact point for general information, initiating service requests, and directing calls to other departments and agencies for problem resolution	8,594,227 141.00	8,670,916 141.00
Internal Audit Conducts reviews of the City's system of internal controls then reports findings, recommendations and corrective actions to department managers	1,045,364 9.00	1,097,299 9.00
Office of the Chief Information Officer Provides executive-level leadership for the City's Technology Governance Policy and coordinates IT initiatives across the organization	2,347,682 19.00	2,475,654 19.00
City Administration Provides vision and leadership to the organization, is responsible for carrying out City Council's policy decisions, and for overseeing the daily operations of City government	1,936,110 12.00	2,179,647 12.00
Total	\$ 16,802,743	\$ 17,310,592
Total Positions	210.00	210.00

City Manager

Budget Decreases

None

Budget Increases

City Administration

\$103,770 to replace ARRA grant funding for the Energy and Sustainability Manager position

Office of the Chief Information Officer

\$79,789 to fund a previously frozen technology analyst position

Service Delivery Highlights and Challenges

Connected citizens to City and County services by answering 1.45 million 311-calls and also provided expanded services with Utility billing and tax assessment call types. Both accomplishments were achieved even though hours of operation were reduced in FY2012.

Initiated an organizational change effort designed to help maintain service levels in times of limited resources, ease the transition to new systems and processes, and prepare for major projects on the horizon.

Managed the implementation of the Energy Efficiency and Conservation Block Grant projects, i.e. the Power2Charlotte campaign, and initiated City involvement in community-wide energy efficiency projects.

Advanced the Enterprise Resource Planning (ERP) program by assisting in the selection of a vendor to provide software and implementation services. The ERP Program will update many of the City's financial processing systems by replacing old technology with a modern, more flexible platform for city-wide financial, procurement, project and grant accounting processes.

City Administration

Challenges will include maintaining and/or improving service levels within current resources, preparing the organization for large upcoming community events, overseeing the implementation of significant, new technology systems, and championing a "One Business" culture among the workforce.

Community Relations Committee

Identifying additional resources to provide appropriate services to an increasingly culturally, ethnically, racially, and linguistically diverse community continues to challenge the Community Relations Committee.

Corporate Communications & Marketing

As budgets and resources across the organization have tightened, Corporate Communications & Marketing has seen an increase in the level of service requests for graphics support, website maintenance, video production, event management, and video relations with no corresponding increase in its own resources.

CharMeck 311 Customer Service Call Center

As CharMeck 311 strives to be the "one stop" service provider for both City and County services, the incorporation and consolidation of other services will be a challenge without enhanced technology, specifically a robust Citizen Relationship Management System.

Internal Audit

Limited funding with an increasing workload along with the complexity of assigned audits, reduces Internal Audit's flexibility in staffing, delays audits, and slows the division's responsiveness.

Office of the Chief Information Officer

The OCIO is leading multiple concurrent major technology projects that span the organization including investments in ERP, telephony, GIS and address management. These efforts are running concurrently with new Democratic National Convention related projects and support activities which require diligent project prioritization and tenacity to place Charlotte in the best position to meet service demands.

City Manager

Performance Measures	Performance Achievement	
	FY2012 Target	FY2013 Target
Community Relations Committee		
CRC client, customer, partner, member and staff satisfaction year-end surveys	4.5	4.5
Corporate Communications & Marketing		
Client satisfaction year-end survey (rating on 4.0 scale)	3.25	3.25
CharMeck 311 Customer Service Call Center		
Maintain less than 5% call abandonment rate	<5%	<5%
City Administration		
Level of customer service provided to department directors (rating on 10.0 scale)	≥ 7.5 on 90% of responses	≥ 7.5 on 90% of responses
Level of customer service provided to management (non-department directors) and support staff interacting with the City Manager's Office (rating on 10.0 scale)	≥ 7.5 on 90% of responses	≥ 7.5 on 90% of responses

Budget and Evaluation

Budget and Evaluation (B&E) is responsible for the development and oversight of the City's strategic operating plan (\$1.15 billion) and five-year capital investment plan (\$4.1 billion). In addition, B&E also provides coordination of the Balanced Scorecard for performance management, policy and management analysis, and coordination of City Council's business agenda.

<u>Program Summary</u>	FY2012 Budget/ Positions	FY2013 Budget/ Positions
Budget and Evaluation Services	\$ 1,581,057 13.00	\$ 1,629,206 13.00

Strategic Planning and Monitoring

Recommends strategy and resource allocation for achievement of the City's vision and mission

Invest in Infrastructure

Manage decision-making process and information that allows for strategic investment in infrastructure

Develop Competitive Services

Manage organizational resources that ensure competitive service delivery

Total	\$ 1,581,057	\$ 1,629,206
Total Positions	13.00	13.00

Budget Decreases

None

Budget Increases

None

Service Delivery Highlights and Challenges

The Budget and Evaluation Office provides development and monitoring of the annual strategic operating and capital investment plans; implementation of internal budget and performance information systems including the balanced scorecard; coordination of the City's Focus Area Plans; and preparation of Council business agendas, special studies and long-range financial planning.

Performance Measures	Performance Achievement	
	FY2012 Target	FY2013 Target
Strategic Planning and Monitoring		
One of three lowest tax rates of the top seven NC cities	1 of 3 lowest	1 of 3 lowest
20% or less of revenues comprised of property tax	20% or less	20% or less
Develop Competitive Services		
% of City measures at or above School of Government Benchmarking	78.3%	78.3%
Project averages		

Shared Services

Shared Services is one of four internal service departments in the City of Charlotte's organizational structure. Shared Services is responsible for providing many of the corporately shared services and much of the service infrastructure necessary for the success of the city. A corporate-wide provider of equipment and fleet maintenance, information technology, public safety communication services, and procurement, all of which are vital to our City customers, who in turn provide their perspective services to the public. In addition to the City, the customer base includes other municipal, county, state and federal government agencies promoting governmental efficiencies and interoperability.

	FY2012	FY2013
	Budget/ Positions	Budget/ Positions
Resource Management	\$ 1,468,613 16.00	\$ 2,275,601 16.00
Provides centralized support throughout Shared Services through administrative, communications, business analysis, human resources and financial services. Shared Services/Resource Management is also the City-wide manager of all telecom services.		
Procurement Management	1,968,203 18.00	2,115,619 18.00
Provides services to City and County departments for the acquisition of goods and services, facilitates cost savings through identifying and pursuing opportunities for pooling resources and supports property disposal.		
Technology Management	18,887,203 95.00	17,471,289 97.50
The primary focus is on ensuring that the City receives the most reliable and best value technology infrastructure available to enable the effective delivery of City services. Services include planning, design and implementation of the City's Information Technology infrastructure in support of the enterprise architecture; management of the corporate computing environment including office productivity environments; telecommunications technology including land mobile radio and wireless broadband; and application and database services.		
Fleet Management	2,235,983 122.00	1,962,621 122.00
Ensures internal and external customers that their equipment and fleet assets yield the highest return on investment by providing equipment specification, predictable and preventative maintenance focused on achieving the peak operating efficiency at the lowest cost.		
Total	\$ 24,560,002	\$ 23,825,130
Total Positions	254.50	254.50

Shared Services

Budget Decreases

None

Budget Increases

\$32,885 in maintenance and repair of vehicles and equipment

\$12,030 for fuel price escalations

Service Delivery Highlights and Challenges

Shared Services has been successful in establishing a record of innovation and transformation. Many factors are currently at work that places their continued success at risk and, by extension, the success of the customers. Shared Services has carefully assessed internal assets and partnerships in considering the minimum resource requirements necessary to maintain current services levels.

As the needs of the citizens and customer base continue to diversify and multiply, resource constraints dictate an innovative approach to service delivery and prioritization. Throughout FY2013, Shared Services will continue implementation of the shared services approach to providing services. Given the limited resources available and within the Shared Services Government Committee (SSGC) Management Guidelines, Shared Services must prioritize service offerings, work effort, focus on their operational mission and not divert resources into areas where the best value and return on investment cannot add to the City. Working with the SSGC and all its partners, Shared Services will focus on its Strategic Objective of Building and Effectively Managing the Service Infrastructure to improve its efficiency and optimize its processes. Through this approach, Shared Services will continue to seek opportunities for new partnerships, while providing a more holistic approach to meeting the core business needs of the City.

A significant challenge for Technology management is establishing and maintaining an accurate inventory of network infrastructure equipment and subscriber devices. Shared Services manages most network infrastructure assets and desktops, yet the majority of subscriber devices are managed by the customers. This structure has led to inaccurate inventories and creates issues with network management.

Fleet management is experiencing greater and greater demand for medium and heavy equipment maintenance, which is driving the need for more maintenance bays to support this service.

The City of Charlotte has been granted permission by the FCC to build a 700 MHz public-safety broadband networks together with Mecklenburg County, and supported by 20 other governmental entities. The City applied for and was awarded a \$16.7 million dollar Broadband Technology Opportunities Program Grant on August 17, 2010 to construct the network. The grant funds will be used for construction of a public-safety Long Term Evolution wireless broadband network within the Mecklenburg County geographic boundaries. The network will use 700 MHz frequencies allocated to the City of Charlotte and Mecklenburg County. City Council approved the grant on September 13, 2010 and Shared Services is currently moving forward with the implementation phase of the project.

Fleet Management completes well over 35,000 work orders each year for maintenance and repair of vehicles with a continued decrease in non-scheduled work orders and high preventive maintenance compliance.

Technology Management/Communication Services manages over 15,000 radios for City, County and other local government operations.

Technology Management/Service Desk projects to close over 23,000 service calls for information technology support in FY2012, a 20% increase over FY2011.

Shared Services

Performance Measures	Performance Achievement	
	FY2012 Target	FY2013 Target
Shared Services Customer Surveys	(7 Point Scale) Quality: 7.0 Responsiveness: 7.0 Expertise: 7.0 Communications: 7.0 Professionalism: 7.0	(7 Point Scale) Quality: 7.0 Responsiveness: 7.0 Expertise: 7.0 Communications: 7.0 Professionalism: 7.0
Ensure Fleet Maintenance service quality by minimizing repeat repairs	Percent will be at or below 1% threshold	Percent will be at or below 1% threshold
Demonstrate environmental sustainability in the management of the City's vehicle fleet	Semiannual report on number of alternative fuel and hybrid vehicles and vehicles outfitted with emission reduction technology	Semiannual report on number of alternative fuel and hybrid vehicles and vehicles outfitted with emission reduction technology

Finance

Finance provides a wide range of financial services supporting city-wide operations. These services include maintaining and preparing the City's official accounting records and reports; preparing and distributing vendor payments; miscellaneous billing for all City departments, providing debt and management services; managing the cash and investments portfolio; servicing 278,004 accounts for Charlotte-Mecklenburg Utilities (CMU) and City/County Storm Water Services; providing technical and business process support to all Finance divisions and system users across the City; and coordinating the policies, insurance, and risk financing for the City, County, and Board of Education, and selected small agencies.

Program Summary

	FY2012	FY2013
	Budget/ Positions	Budget/ Positions
Financial Management Provides strategic financial planning, debt and cash management, and revenue and economic forecasting to City Council, the City Manager, and the City's departments	\$ 1,749,936 12.00	\$ 1,846,803 12.00
General Accounting Provides general accounting services, such as preparing cost analysis, federal and state mandated reports, the Comprehensive Annual Financial Report, overseeing and coordinating automated financial systems, obtaining authorization and documentation for payment of the City's liabilities, distributing accounts payable checks, miscellaneous billing for all City departments, and preparing related reports	2,814,581 38.25	2,978,274 38.25
Revenue Management Responsible for the billing, collection, and deposit of all City monies for city-wide services, including animal licenses, transit passes, Neighborhood Development loans, parking violations, and water/sewer and storm water billing and collection services. Revenue also provides collection services for the Mecklenburg County Tax Office.	5,002,942 30.75	5,146,440 30.75
Risk Management Provide general risk management services to the City, County, Board of Education, and other quasi-governmental agencies	3,001,091 27.00	3,009,007 27.00
Total	\$ 12,568,550	\$ 12,980,524
Total Positions	108.00	108.00
	FY2012	FY2013
	Budget	Budget
Finance Operating Funds General Fund	9,567,459	9,971,517
Risk Management Fund	3,001,091	3,009,007
Total	\$ 12,568,550	\$ 12,980,524

Finance

Budget Decreases

None

Budget Increases

\$39,160 net increase for postal increases and technology contract escalations and upgrades to support Utility and Storm Water billing and associated CharMeck 311 customer service call support for billing inquiries

Service Delivery Highlights and Challenges

In FY2012 the Finance Department had one of its most successful refundings in history. In April 2012 the City refunded \$56 million of outstanding 2002 General Obligation bonds and \$150 million of outstanding commercial paper. The refunding was issued at an interest rate of 2.9%, which is the lowest the City has achieved in 50 years. The historically low rate resulted in a nearly unprecedented savings of 17% on the future debt service of the outstanding 2002 bonds. As a part of the refunding process, the rating agencies reaffirmed the City's AAA credit rating. Moody's Investors Service stated, "The Aaa rating reflects the city's strong financial operations, characterized by prudent formal financial policies and a demonstrated ability to manage expenditures in the recent environment of slowed revenues as well as a large and diverse tax base, which is showing signs of recovery."

Finance was awarded the Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report for the 26th consecutive year by the Government Finance Officers Association. In FY2012, there has been a substantial increase in debt issuance activity, and due to the City's strong financial management practices and AAA rating, the City is able to issue debt at extremely low interest rates.

Staff Resources during the Enterprise Resource Planning (ERP) Project

Finance will continue its active engagement in the ERP project. As the implementation phase begins, Finance will be assigning specific staff to devote a significant portion of their time to the project. Finance is in the process of cross-training staff to prepare for changes that will occur as the ERP project progresses. With fewer staff available to continue the daily operations of the department, cross-trained staff will be asked to serve as backups to ensure essential functions provided with little effect to customer service.

Risk Management Loss Fund

Costs associated with risk loss continue to increase by 25% annually. In order to reduce human, economic, and legal risks, every department needs to emphasize the importance of reducing losses incurred by the City. The City Manager created the Risk Loss Task Force with the goal of identifying and establishing ways of safely producing services and minimizing loss. This group has made great progress in developing strategies to minimize risk loss across the organization. In FY2012 and continuing into FY2013, the Task Force is working with individual departments to change behavior and educate employees on risk losses.

Finance

Performance Measures	Performance Achievement	
	FY2012 Target	FY2013 Target
Financial Management		
Achieving cost savings using variable rate financing to support Capital Investment Plan	\$3.0 million	\$3.0 million
Analyze and review debt refunding opportunities to determine savings opportunities	June 30, 2012	June 30, 2013
General Accounting		
Receive an unqualified opinion on the Comprehensive Annual Financial Report	October 31, 2011	October 31, 2012
Revenue Management		
Increase the number of customers using e-business service for utility billings	25%	25%
Coordinate completion of the online Self-Assessment Questionnaire	June 30, 2012	June 30, 2013
Risk Management		
Provide quarterly updates to departments of loss metrics for respective departments	June 30, 2012	June 30, 2013

Human Resources

Human Resources (HR) provides core services by partnering with departments. Key strategies include seeking efficiencies and cost containment while recruiting and retaining a skilled and diverse workforce. Human Resources core services include: recruitment, compensation, employee relations, benefits design, consulting and management, department services, training, organizational development, and payroll services.

<u>Program Summary</u>	FY2012 Budget/ Positions	FY2013 Budget/ Positions
Compensation, Benefit Services, Compliance, Recruitment and Retention Supports over 6,800 employees and 2,000 retirees. HR services cover compliance, recruitment and retention; employee compensation, and employee benefits.	\$ 2,281,312 18.75	\$ 2,278,416 18.75
Employee Training and Organizational Development Provides consultation, coaching, facilitation, and training services to improve organizational and individual performance. Training topics include leadership development, diversity, business skills and technology.	840,855 9.00	883,744 9.00
Human Resources Management Services Manages the human resource management system, which projects salary expenses and maintains employee and payroll records.	839,949 5.00	916,652 5.00
Total	\$ 3,962,116	4,078,812
Total Positions	32.75	32.75

Budget Decreases

None

Budget Increases

None

Service Delivery Highlights and Challenges

Human Resources highlights include 79% of employees participating in the Wellness Incentive Option and work is underway to provide employees with new voluntary benefits options, without additional cost to the City.

Cost containment for health insurance is a challenge. The City is working to control health insurance costs through programming, pricing and wellness incentives.

<u>Performance Measures</u>	<u>Performance Achievement</u>	
	FY2012 Target	FY2013 Target
Maintain involuntary turnover rate in the service maintenance job category at or below 2009 baseline of 8.6%	< 8.6%	< 8.6%
Percentage of employees enrolling in medical coverage will elect the Wellness Incentive Premium Option	60%	65%
Ensure all departments are using new performance review and development format for performance reviews	N/A	95%
Achieve high accuracy rate in weekly payroll production for more than 6,800 employees	99%	99%

Non-Departmental Accounts

The City of Charlotte uses these "Non-Departmental" accounts to reflect those services or functions that are not specifically associated with a particular Department. These functions are grouped into four categories: Financial Partners and Other Community Agencies, County Administered, Capital Investment, and Other Accounts.

Services Provided	FY2012 <u>Revised Budget</u>	FY2013 <u>Budget</u>
FINANCIAL PARTNERS AND OTHER COMMUNITY AGENCIES		
Arts and Science Council Administered by the Arts and Science Council. Supports cultural and arts agencies in the City.	\$ 2,883,160	\$ 2,940,823
United Family Services - Victim Assistance Provides funding for Victim Assistance, a United Family Services program that provides counseling and guidance for crime victims and their families.	327,428	333,977
ImaginOn Provides funding for maintenance of Children's Theatre space in ImaginOn. Children's Theatre moved from a City-owned facility to ImaginOn in the Fall of FY2006. The City's contribution covers a portion of the building maintenance cost. FY2013 funding decreases by 2/3, or \$189,108, as the final year of a three-year elimination plan, mirroring the shift of building operating costs of the Mint Museum of Art, Performing Arts Center, and Discovery Place, as approved in the City's Cultural Facilities Plan.	283,662	94,554
Charlotte International Cabinet Promotes the development of Charlotte as an international city and supports an international cultural exchange program. Represents the merger of Sister Cities and Mayor's International Cabinet, approved by Council on October 27, 2008.	153,060	156,121
Community Building Initiative Serves as community resource providing strategic assistance in addressing race and ethnicity.	49,000	49,000
Library Provides funding for maintenance for the Charlotte-Mecklenburg Library, contributed according to legal requirements.	2,500	2,500
City Memberships and Subscriptions Funds the City's participation in the following organizations:	563,862	649,019
UNC Chapel Hill School of Government	72,260	73,760
NC League of Municipalities	76,242	76,242
NCLM - Charlotte Host City	-	50,000
US Conference of Mayors	26,216	26,216
National League of Cities	52,000	32,000
NC Metropolitan Coalition	16,225	16,225
Charlotte Regional Partnership	149,034	199,034
Centralina Council of Governments	171,885	175,542
Protocol Services Provides assistance to City officials with regards to visiting dignitaries and international protocol.	40,000	40,000
Total Financial Partners and Other Community Agencies	\$ 4,302,672	\$ 4,265,994

Non-Departmental Accounts

<u>Services Provided</u>	<u>FY2012 Revised Budget</u>	<u>FY2013 Budget</u>
COUNTY ADMINISTERED		
County Storm Water Provides for the City's payment of its County storm water fees.	\$ 1,631,724	\$ 1,631,724
Elections Office Provides the City's share of the normal expenses of the County Elections Office, per the cost sharing formula in the City-County Interlocal Agreement. FY2012 includes the costs of the November 2011 City Elections and FY2013 includes the 2012 Presidential election.	2,203,497	2,106,451
County Tax Office Provides funding for reimbursement of expenses associated with collecting the City's auto license and business privilege license fees. The increase in FY2013 results from the planned implementation of new BizTax software by the Tax Office.	1,207,000	1,442,661
Total County Administered	\$ 5,042,221	\$ 5,180,836
CAPITAL INVESTMENT		
Municipal Equipment Provides a contribution to fund capital outlay via cash and lease/purchase agreements for capital equipment items such as police cars, fire trucks, and solid waste trucks.	\$ 15,882,125	\$ 15,119,379
Capital Debt Service Provides a contribution to the Debt Service Fund to support the General Capital Investment Plan amount was associated with the City Manager's recommended General CIP.	2,816,603	
Municipal Debt-Interest on Investments Transfers the interest earned on invested assets of the General Fund, supporting the City's financial policy of transferring all interest earnings to support the Capital Program.	779,000	440,000
Street Resurfacing Provides supplemental funding to the Powell Bill for increased level of street resurfacing	4,261,000	4,261,000
City Storm Water Fee Provides for a portion of the annual impervious area payment for storm water services. Impervious areas include City roads, buildings, parking lots, and sidewalks. The Powell Bill Fund pays a portion of the total fee for the street pavement areas. FY2011 funding decreased by 10%, or \$453,929, and is restored over three fiscal years in equal amounts of \$151,309, returning to full funding in FY2014.	4,236,671	4,387,981
Capital Support (PAYGO Sales Tax) Transfers sales tax revenues to the PAYGO Fund to support capital programs funded with cash versus debt. Sales tax revenues are received in the General Fund and transferred to the PAYGO Fund. Also includes General Fund Fund Balance contribution to Greater Enrichment.	12,232,500	13,614,752
Total Capital Investment	\$ 37,391,296	\$ 40,639,715

Non-Departmental Accounts

<u>Services Provided</u>		<u>FY2012 Revised Budget</u>	<u>FY2013 Budget</u>
OTHER ACCOUNTS			
Street Lighting	Represents electrical operating costs for the City's street lighting program.	\$ 9,554,946	\$ 9,572,640
Charlotte Regional Visitors Authority (CRVA)	Funds the City's general tourism marketing services contract with CRVA. The amount is based on a portion of projected collections of the occupancy tax and a \$35,000 City contribution for special events.	3,311,196	3,636,590
Mecklenburg Towns' Tourism Subsidy	Distributes to Mecklenburg County's six towns a portion of the occupancy and prepared food and beverage taxes. Annual amount and distribution are determined per state statute.	2,392,790	2,786,075
General Fund Operating Budget Reserve	Originally budgeted \$1.0 million in FY2012 for potential impact of State budget changes. Council approved using \$958,426 to cover a decrease in revenue association with "skipping" the first year of School Resource Officer reimbursement formula transition from Charlotte-Mecklenburg Schools.	41,574	-
General Fund Fuel Reserve	Provides a reserve for potential budget impacts due to fuel price escalations or price shocks.	-	500,000
Reimbursable Accident Repairs	Provides funding for the repair of accident-damaged vehicles by third parties	275,000	275,000
Charlotte-Mecklenburg Government Center Parking	Provides funding for operation, utilities, and maintenance of the CMGC parking deck. The cost is 35.3% funded by Mecklenburg County, based on the ratio of the number of parking spaces.	340,141	347,082
Business Investment Grants	Provides funding for grants designed to encourage businesses to invest in targeted areas. Recommendations for eligible companies are received from the Charlotte-Mecklenburg Development Corporation, which markets and administers the program for the City and Mecklenburg County. The increase in payments results from new payments scheduled to begin in FY2013.	809,693	1,732,537
Contributions and Grants	Provides a reserve for any miscellaneous grants or contributions that may be received during the year. Allows implementation of the designated project without bringing relatively small amounts through Council's agenda process. Any of these projects requiring a locally-funded match will continue to proceed to Council's agenda for approval.	290,000	300,000
Road Use Tax	Funds the State tax for all title transfers and new purchases on City vehicles. Requires 3% of purchase price.	200,000	200,000
CIAA Men's Basketball Tournament	The City successfully won rights to host the CIAA Men's Basketball Tournament in FY2006. In 2011, the City received approval for a three-year award, through 2014.	200,000	200,000

Non-Departmental Accounts

<u>Services Provided</u>	<u>FY2012 Revised Budget</u>	<u>FY2013 Budget</u>
OTHER ACCOUNTS (cont.)		
City Participation in Regional Grants and Organizations The City partners with organizations such as Mecklenburg-Union Metropolitan Planning Organization (MUMPO) and also provides a match for the Unified Planning Work Program (UPWP) grants for regional transportation planning	\$ 619,366	\$ 396,044
City Council Discretionary Account Provides Council with a source of funds for unanticipated projects that may occur during the year that Council may wish to fund. The account balance as of May 9, 2012 was \$189,550	200,000	200,000
Charlotte-Mecklenburg Government Center Rent Funds building rent for unoccupied areas	13,725	-
Federal Program Representative Provides the General Fund's share of the contract for local government liaison with the federal government. Includes \$12,840 for eCivis grant research subscription. The remaining funding portion is provided by CATS. Contract amount remains the same as prior year; CATS has increased their percentage share.	62,340	62,340
Maintenance of Public Spaces Provides funding for facility maintenance expenses for overstreet walkways and other facilities not assigned to specific departments	157,975	157,975
Annual Audit Represents the pro rata amount charged to the General Fund for the annual audit	59,000	59,000
Citizens Review Board Funds operating expenses for the volunteer citizens committee which reviews Police related incident complaints.	20,000	20,000
Reserve for Annexation Start-up Provides funding for the initial costs of the City's biennial annexation process. Includes the cost of hiring firefighters and solid waste collection employees for training purposes prior to the annexation effective date, economic loss payments to qualified private solid waste collection firms and volunteer fire departments operating within areas to be annexed by the City, and equipment such as fire and solid waste trucks. Due to current NC General Assembly review of annexation laws, the City is not anticipating a FY2014 annexation. Recommended funding for FY2013 is for review work to determine any annexation law changes impact on the City's annexation program and what possible modifications, if any, need to be made.	140,355	50,000
Synthetic Tax Increment Grant Provides funding from the equivalent of property tax revenues generated from private/public investment to support economic development projects as approved by Council	1,877,798	1,933,237
	FY2012	FY2013
Cultural Facilities	1,359,136	1,400,451
External Agreements	518,662	532,786
Total	\$1,877,798	\$1,933,237
City Burials Funds burials in City-owned cemeteries for indigent citizens	3,400	3,400
Total Other Accounts	\$ 20,569,299	\$ 22,431,920
Total Non-Departmental Accounts	\$ 67,305,488	\$ 72,518,465

Non-Departmental Accounts

Financial Partner Summary

General Fund

Financial Partner	FY2012 Budget	FY2013 Budget
Arts & Science Council	\$ 2,883,160	\$ 2,940,823
Charlotte Regional Partnership	149,034	199,034
Charlotte International Cabinet	153,060	156,121
Community Building Initiative	49,000	49,000
United Family Services - Victim Assistance	327,428	333,977
Charlotte Center City Partners*	3,076,933	3,814,743
University City Partners*	678,934	638,461
Charlotte Regional Visitors Authority*	10,056,507	10,892,411
TOTAL	\$ 17,374,056	\$ 19,024,570

* Revenues for these financial partners are from formula-driven, dedicated sources, such as Municipal Service District tax revenue and the Occupancy tax and have been updated since the FY2013 Council Budget Retreat presentations

Neighborhood & Business Services

Financial Partner	FY2012 Budget	FY2013 Budget
Charlotte Housing Authority Relocation Services*	\$ 300,000	\$ -
Charlotte-Mecklenburg Housing Partnership, Inc. - Relocation	1,960,000	1,960,000
Charlotte Mecklenburg Housing Partnership - House Charlotte	238,000	238,000
Community Link (formerly UJAMMA, Inc.)*	210,000	470,000
United Family Services - Consumer Credit Counseling & Housing Services*	240,000	-
Crisis Assistance Ministry	380,000	380,000
Carolinas Care Partnership (Regional HIV/AIDS Consortium)	714,063	714,063
Workforce Initiative for Supportive Housing (WISH)	200,000	200,000
YMCA Community Development	48,699	48,699
Charlotte-Mecklenburg Schools After School Enrichment Program	245,576	350,012
YWCA Central Carolinas After School	134,546	158,826
Police Activities League	-	282,145
Bethlehem Center of Charlotte	199,207	170,357
St. Paul Baptist Church - Belmont After School Enrichment	57,735	70,476
Greater Enrichment Program**	605,854	605,854
TOTAL	\$ 5,533,680	\$ 5,648,432

* During FY2012 City Council approved contracts for Community Link to provide housing relocation and post homeowner counseling services previously performed by Charlotte Housing Authority Relocation Services and United Family Services

** During the FY2013 budget process City Council approved a one-time appropriation from General Fund fund balance of \$394,752 to fund Greater Enrichment Program at their FY2012 funding level

Municipal Service Districts

There are five Municipal Service Districts (MSDs) in the City of Charlotte designed to enhance the economic viability and quality of life in select areas. Three MSDs are located in the Center City, the fourth is located in the South End area and a fifth district is located in the University City area. Revenues for these districts are generated through ad valorem taxes paid by property owners in the districts in addition to the City's regular tax rate.

District 1 (Center City)

Assessed value for FY2013 is \$7,548,050,810. Budget continues the current MSD tax rate of 1.68¢ per \$100 valuation.

<u>Budget Summary</u>	<u>FY2012 Budget</u>	<u>FY2013 Budget</u>
Revenues		
Property Taxes	\$ 1,002,953	\$ 1,232,567
Total Municipal Service District 1 Revenues	1,002,953	1,232,567
Expenditures		
Contractual Services	989,383	1,232,567
Reserve for Potential Appeals*	13,570	
Total Municipal Service District 1 Expenditures	\$ 1,002,953	\$ 1,232,567

District 2 (Center City)

Assessed value for FY2013 is \$3,127,155,507. Budget continues the current MSD tax rate of 2.33¢ per \$100 valuation.

<u>Budget Summary</u>	<u>FY2012 Budget</u>	<u>FY2013 Budget</u>
Revenues		
Property Taxes	\$ 538,512	\$ 708,226
Total Municipal Service District 2 Revenues	538,512	708,226
Expenditures		
Contractual Services	529,244	708,226
Reserve for Potential Appeals*	9,268	
Total Municipal Service District 2 Expenditures	\$ 538,512	\$ 708,226

* FY2012 reserves for potential 2011 county-wide revaluation appeals.

Municipal Service Districts

District 3 (Center City)

Assessed value for FY2013 is \$3,232,616,553. Budget continues the current MSD tax rate of 3.58¢ per \$100 valuation.

	FY2012 <u>Budget</u>	FY2013 <u>Budget</u>
<u>Budget Summary</u>		
Revenues		
Property Taxes	\$ 984,163	\$ 1,124,873
Total Municipal Service District 3 Revenues	984,163	1,124,873
Expenditures		
Contractual Services	959,566	1,099,538
City Services	24,597	25,335
Total Municipal Service District 3 Expenditures	\$ 984,163	\$ 1,124,873

District 4 (South End)

Assessed value for FY2013 is \$1,153,676,151. Budget continues the current MSD tax rate of 6.68¢ per \$100 valuation. For reporting purposes, the revenue-neutral tax rate is 7.05¢.

	FY2012 <u>Budget</u>	FY2013 <u>Budget</u>
<u>Budget Summary</u>		
Revenues		
Property Taxes	\$ 551,305	\$ 749,077
Total Municipal Service District 4 Revenues	551,305	749,077
Expenditures		
Contractual Services	551,305	749,077
Total Municipal Service District 4 Expenditures	\$ 551,305	\$ 749,077

District 5 (University City)

Assessed value for FY2013 is \$2,354,311,239. Budget continues the current MSD tax rate of 2.79¢ per \$100 valuation.

	FY2012 <u>Budget</u>	FY2013 <u>Budget</u>
<u>Budget Summary</u>		
Revenues		
Property Taxes	\$ 678,934	\$ 638,461
Total Municipal Service District 5 Revenues	678,934	638,461
Expenditures		
Contractual Services	678,934	638,461
Total Municipal Service District 5 Expenditures	\$ 678,934	\$ 638,461

Synthetic Tax Increment Grant

Synthetic Tax Increment Grant (STIG) Program

The City uses Synthetic Tax Increment Grants as a public/private partnership tool to advance Economic Development and land use planning goals. STIG does not require the establishment of a TIF district, as required by Self Financing Bonds, and utilizes locally approved financing, which is repaid by the incremental City/County property tax growth generated by the development. The three funds supported by the property tax (General Fund, Debt Service, Pay As You Go) each contribute its pro-rate share. Per City Council policy, the amount of total Synthetic TIG assistance to all projects is limited to 3% of annual property tax levy in any given year.

City Council Approved Projects

Mid-Town Square (Metropolitan)

Project involved two phases. Phase I included a first floor Home Depot Design Center (vacant) under a 2nd floor Target; 800 space parking deck; and road, intersection, and bridge improvements. Phase II included 160,000 sq. ft. of retail/restaurant space, 75,000 sq. ft. of office space, 101 condominiums, parking deck, and relocation of Baxter Street Bridge and construction of the Sugar Creek Greenway extension. A multi-family project is scheduled for completion in 2015. Anticipated total private investment equals \$224,046,463. Total City/County STIG payments not to exceed \$12.3 million (City \$4.3 million).

	FY2013	FY2014	FY2015	FY2016	FY2017	5-Yr. Total
Est. % of investment completed	80%	80%	100%	100%	100%	
Est. property tax increment	589,802	589,802	688,856	688,856	688,856	3,246,172
Est. STIG Payment	529,810	530,822	*619,970	619,970	619,970	2,920,542

*Multi-family completed

The Levine Center for the Arts (Cultural Facilities)

Project included development of four Cultural Facilities (Afro-American Cultural Center, Bechtler Art Museum, 1,200 seat Performing Arts theater, and Mint Museum), First Street office tower with retail and residential (200 units) components, and an underground parking garage to support the facilities. There is a guaranteed minimum incremental tax of \$4.6 million annually, based on \$360 million in tax base growth. Total City STIG payments paid into City debt fund not to exceed \$41.3 million over 25 years.

	FY2013	FY2014	FY2015	FY2016	FY2017	5-Yr. Total
Est. % of investment completed	100%	100%	100%	100%	100%	
Est. property tax increment	1,835,555	1,835,555	1,835,555	1,835,555	1,835,555	9,177,775
Est. STIG Payment	1,652,000	1,652,000	1,652,000	1,652,000	1,652,000	8,260,000

Wesley Village (Bryant Park)

Project supports redevelopment of Bryant Park and funds construction of Stewart Creek Parkway from tax increment generated by the development of Wesley Village apartments - Phase I. Anticipated total private investment equals \$33 million. Total STIG payments not to exceed \$1.36 million. Completion of the Stewart Creek Parkway street triggered payment. The street has been dedicated to the City, and the first payment was made in FY2012.

	FY2013	FY2014	FY2015	FY2016	FY2017	5-Yr. Total
Est. % of investment completed	100%	100%	100%	100%	100%	
Est. property tax increment	140,000	140,000	140,000	140,000	140,000	700,000
Est. STIG Payment	126,000	126,000	126,000	126,000	126,000	630,000

Double Oaks Redevelopment

Project supports redevelopment of Double Oaks apartments including 940 residential units and approximately 108,000 sq. ft. of non-residential development. Anticipated total private investment equals \$119,320,000. Total STIG payments not to exceed \$3.6 million. Certificate of Occupancy of 188 units and payment of HUD 108 Loan triggered payment.

	FY2013	FY2014	FY2015	FY2016	FY2017	5-Yr. Total
Est. % of investment completed	10%	40%	80%	100%	100%	
Est. property tax increment	54,577	130,984	261,968	358,373	477,831	1,283,733
Est. STIG Payment	49,119	117,886	235,771	322,536	430,048	1,155,360

Synthetic Tax Increment Grant

Ballantyne Area Infrastructure

Project supports construction of road improvement in the Ballantyne Synthetic Tax Increment Financing Zone through a private placement loan from Bissell Companies in an amount not to exceed \$11 million, which will be repaid through 45% of incremental City and County property taxes from the TIF Zone over 15 years. Anticipated total private investment equals \$276,150,000. Completions of infrastructure improvements will trigger payment.

	FY2013	FY2014	FY2015	FY2016	FY2017	5-Yr. Total
Est. % of investment completed	15%	21%	39%	39%	39%	
Est. property tax increment	452,441	600,343	1,131,920	1,131,920	1,131,920	4,448,544
Est. STIG Payment	203,598	270,154	509,364	2,515,378	2,515,378	6,013,872

Elizabeth Avenue Mixed-Use Development

Project includes construction of 250,000 sq. ft. of retail, 340,000 sq. ft. of office space, 810 residential units, and a parking deck with 3,000 spaces. Anticipated total private investment equals \$220,000,000. Total STIG payments not to exceed \$13 million. Completion of parking deck and City purchase of public parking spaces triggers payment.

	FY2013	FY2014	FY2015	FY2016	FY2017	5-Yr. Total
Est. % of investment completed	0%	0%	10%	30%	40%	
Est. property tax increment	-	-	105,660	316,981	422,642	845,283
Est. STIG Payment	-	-	95,094	285,283	380,377	760,755

Ikea/City Boulevard

Project supports the construction of a connector road between McCullough Drive to City Boulevard providing overall accessibility with North Tryon Street and City Boulevard. Anticipated total private investment equals \$81,399,500. Potential private investment could approach \$170 million. Total STIG payments not to exceed \$5.4 million. Completion of the street connector triggers payment.

	FY2013	FY2014	FY2015	FY2016	FY2017	5-Yr. Total
Est. % of investment completed	0%	0%	40%	50%	70%	
Est. property tax increment	-	-	359,245	449,057	628,679	1,436,981
Est. STIG Payment	-	-	323,321	404,151	565,812	1,293,284

Pope & Land Coliseum

Project supports mixed-use development of the former Tyvola Road Coliseum land with construction of a connector road from Tyvola Road to Billy Graham Parkway. Anticipated total private investment equals \$645,690,000. Total STIG payments not to exceed \$5.81 million. Completion of connector road triggers payment.

	FY2013	FY2014	FY2015	FY2016	FY2017	5-Yr. Total
Est. % of investment completed	0%	0%	0%	25%	40%	
Est. property tax increment	-	-	-	775,271	1,240,434	2,015,705
Est. STIG Payment	-	-	-	348,872	558,195	907,067

Seaboard Street/NC Music Factory

Project involves construction of the Seaboard Street extension and three development phases. Phase I includes 120 residential units and renovations to the existing NC Music Factory facility. Phase II includes 80,000 sq. ft. of entertainment, 170,000 sq. ft. of office space, 140,000 sq. ft. of retail space, and 480 residential units. Phase III involves renovations to the Silver Hammer Studio, 200,000 sq. ft. of retail space, and 750 residential units. Anticipated total private investment equals \$246,251,000. Total STIG payments not to exceed \$1.7 million. Completion of street, residential, and NC Music Factory elements triggers payment.

	FY2013	FY2014	FY2015	FY2016	FY2017	5-Yr. Total
Est. % of investment completed	0%	0%	25%	50%	80%	
Est. property tax increment	-	-	295,670	591,340	946,145	1,833,155
Est. STIG Payment	-	-	266,103	532,206	851,531	1,649,840

Synthetic Tax Increment Grant

Merrifield/Radiator Specialty

Project supports construction of Bryant Park Drive, connecting Wilkinson to Morehead. Merrifield/Radiator Specialty development includes 600,000 sq. ft. of office space and 250,000 sq. ft. of residential development on 34 acres. Anticipated total private investment equals \$170 million. Total STIG payments not to exceed \$2.2 million. Completion of Bryant Park Drive road triggers payment.

	FY2013	FY2014	FY2015	FY2016	FY2017	5-Yr. Total
Est. % of investment completed	0%	0%	0%	25%	40%	
Est. property tax increment	-	-	-	204,117	326,587	530,704
Est. STIG Payment	-	-	-	183,705	293,928	477,633

First Ward Parking Deck and Park

Project supports redevelopment of eight blocks of land in First Ward into mixed-use office, residential, retail, hotel and park space. Project consists of two separate STIGs.

The first STIG is a five-year term that supports development of First Ward Park with land acquisition and construction. Mecklenburg County provides \$11.2 million for park development costs and leverages \$19 million in land value. City's total STIG payments not to exceed \$2.315 million for first STIG.

The second STIG is a ten-year term that begins at completion of the first STIG and supports 1,335 public parking spaces, UNC Charlotte's Uptown campus, and provides catalyst for new jobs, workforce housing, and retail for an estimated total investment of \$800 million. City's total STIG payments not to exceed \$10.1 million for second STIG.

	FY2013	FY2014	FY2015	FY2016	FY2017	5-Yr. Total
Est. % of investment completed	0%	0%	0%	10%	20%	
Est. property tax increment	-	-	-	384,220	768,439	1,152,659
Est. STIG Payment	-	-	-	172,899	345,798	518,697

STIG Projects Combined Total

Anticipated total investment = \$3,904,457,463

	FY2013	FY2014	FY2015	FY2016	FY2017	5-Yr. Total
Est. property tax increment	3,072,375	3,296,684	4,818,874	6,875,690	8,607,088	26,670,711
Est. TOTAL STIG Payment	2,561,539	2,696,862	3,827,623	7,163,000	8,339,037	24,588,062

Est. Total STIG Payment by Fund

General Fund	1,933,237	2,035,368	2,888,773	5,406,038	6,293,612	18,557,028
Municipal Debt Service	562,849	593,649	842,559	1,576,761	1,835,637	5,411,455
Pay-As-You-Go	64,820	67,846	96,292	180,201	209,787	618,946

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City-wide Summary of Tax Levies

	<u>FY2012 Budget</u>	<u>FY2012 Projected</u>	<u>FY2013 Budget</u>
<u>City-wide Assessed Valuation</u>			
Assessed Property Value	\$ 85,487,417,611	\$ 85,487,417,611	\$ 89,168,608,580
<u>City-wide Tax Rate Per \$100 Valuation</u>			
<u>Fund</u>			
General	0.3600	0.3600	0.3600
Municipal	0.0650	0.0650	0.0650
Pay-As-You-Go	0.0120	0.0120	0.0120
Total City-wide Tax Rate	0.4370	0.4370	0.4370
<u>Collection Rate</u>			
All Funds	0.9680	0.9680	0.9720
<u>City-wide Tax Levy*</u>			
<u>Fund</u>			
General	\$ 295,506,553	\$ 295,506,553	\$ 309,595,783
Municipal Debt Service	53,730,599	53,730,599	57,145,978
Pay-As-You-Go	9,929,744	9,929,744	10,551,366
Total City-wide Tax Levy	\$ 359,166,896	\$ 359,166,896	\$ 377,293,127
* Levy includes estimated rebates			
<u>Municipal Service Districts</u>			
<u>Rates Per \$100 in Valuation</u>			
District 1	0.0168	0.0168	0.0168
District 2	0.0233	0.0233	0.0233
District 3	0.0358	0.0358	0.0358
District 4	0.0668	0.0668	0.0668
District 5	0.0279	0.0279	0.0279
<u>Municipal Service Districts</u>			
<u>Assessed Valuation</u>			
District 1	\$ 6,167,309,332	\$ 6,167,309,332	\$ 7,548,050,810
District 2	2,387,614,706	2,387,614,706	3,127,155,507
District 3	2,839,937,993	2,839,937,993	3,232,616,553
District 4	852,589,385	852,589,385	1,153,676,151
District 5	2,513,901,506	2,513,901,506	2,354,311,239

Summary of Position Allocations by Fund

Departments	FY2012 Revised	FY2013 Budget	FTE Change FY2012 FY2013
Police	2,242.50	2,249.50	7.00
Fire	1,166.00	1,166.00	-
Solid Waste	289.00	289.00	-
Transportation	431.50	431.50	-
Engineering & Property Management	330.00	322.00	(8.00)
Planning	61.00	61.00	-
Neighborhood & Business Services	149.00	149.00	-
Mayor and City Council	9.00	9.00	-
City Attorney	28.50	28.50	-
City Clerk	6.00	6.00	-
City Manager	12.00	12.00	-
Office of the Chief Information Officer	19.00	19.00	-
Community Relations	10.00	10.00	-
Corporate Communications & Marketing	19.00	19.00	-
CharMeck 311	141.00	141.00	-
Internal Audit	9.00	9.00	-
Human Resources	32.75	32.75	-
Finance	81.00	81.00	-
Shared Services	254.50	254.50	-
Budget & Evaluation	13.00	13.00	-
Total General Fund	5,303.75	5,302.75	(1.00)
Charlotte-Mecklenburg Utilities	746.25	746.25	-
Aviation	283.00	308.00	25.00
Storm Water	84.00	95.00	11.00
Charlotte Area Transit System	361.75	361.75	-
Risk Management	27.00	27.00	-
Grant Fund	3.00	3.00	-
Total All Funds	6,808.75	6,843.75	35.00

All Funds Summary of Expenditures

(Net of Transfers)

FY2013

Fund / Activity	Operating	Capital	Total
General	\$ 487,854,547	\$ -	\$ 487,854,547
Aviation	108,654,785	254,045,190	362,699,975
Water and Sewer	111,683,900	81,358,400	193,042,300
Charlotte Area Transit System (CATS)	106,441,087	157,871,108	264,312,195
Storm Water Utility	10,729,612	41,000,000	51,729,612
Debt Service	233,534,306	-	233,534,306
Powell Bill	21,925,109	-	21,925,109
Convention Center	13,705,276	-	13,705,276
NASCAR Hall of Fame	522,000	-	522,000
Public Safety and Other Grants	7,198,070	-	7,198,070
Public Safety 911 Services	2,619,058	-	2,619,058
Neighborhood & Business Svcs Grants	8,887,940	-	8,887,940
Municipal Service Districts	4,453,204	-	4,453,204
Risk Management	1,315,128	-	1,315,128
Tourism Operating	1,070,048	-	1,070,048
Pay-As-You-Go	663,363	-	663,363
General CIP	-	43,189,047	43,189,047
Total Budget	\$ 1,121,257,433	\$ 577,463,745	\$ 1,698,721,178

Adjusting the City's Funds to "net of transfers" eliminates the presentation of duplicate expenditures. For example, the payment to be made by the Aviation Fund for fire protection services provided to the Airport during FY2013 by the General's Fire Department, which totals \$4,556,773 is not included in the General Fund amount above; rather, it is included in the Aviation Fund above as a cost of providing Airport services for the fiscal year.

The City utilizes internal service funds to manage its two self-funded insurance funds: Risk and Loss, and Workforce Group Insurance. These two funds are supported with charges to each operating fund above and the charges for each are reflected within these operating funds. For FY2013, the total budget included in the above Operating Fund is:

Risk and Loss	\$19,407,555
Workforce Group Insurance	\$58,989,156

General Fund Summary of Expenditures

Department	FY2012	FY2013	Percent Change FY2012 FY2013
Police	\$ 201,646,070	\$ 211,316,611	4.8 %
Fire	99,912,867	103,213,098	3.3
Solid Waste	45,955,961	46,870,128	2.0
Transportation	20,879,041	21,764,718	4.2
Engineering & Property Management	18,991,599	18,725,321	-1.4
Neighborhood & Business Services	11,689,176	11,997,216	2.6
Planning	5,133,032	5,272,172	2.7
Mayor & Council	1,468,139	1,484,054	1.1
City Attorney	2,197,650	2,126,307	-3.2
City Clerk	533,624	539,017	1.0
City Manager	16,802,743	17,310,592	3.0
Budget & Evaluation	1,581,057	1,629,206	3.0
Shared Services	24,560,002	23,825,130	-3.0
Finance	9,567,459	9,971,517	4.2
Human Resources	3,962,116	4,078,812	2.9
Non-Departmentals	67,305,488	72,518,465	7.7
Total General Fund Expenditures	\$ 532,186,024	\$ 552,642,363	3.8 %

General Fund

Summary of Revenues

	<u>FY2012 Revised</u>	<u>FY2013 Budget</u>	<u>Percent Change FY2012 FY2013</u>
PROPERTY TAX			
5101 Property Tax - Current Year Base	\$ 295,817,486	\$ 310,092,483	4.8 %
5101 Property Tax - Synthetic TIG Properties	2,089,067	1,927,300	-7.7
5102 Prior Year	4,800,000	4,848,000	1.0
5103 Rebates	(2,400,000)	(2,424,000)	1.0
5111 Penalties	590,000	595,900	1.0
5112 Interest	1,500,000	1,515,000	1.0
5113 Rebates of Listing Penalties	(8,000)	(8,080)	1.0
Total	\$ 302,388,553	\$ 316,546,603	4.7 %
SALES TAX			
5121 Sales - Article 39 (1.0%)	39,500,000	41,020,751	3.9 %
5121 Sales - Article 42 (0.5%)	17,750,000	18,433,375	3.9
5121 Sales - Article 44/Hold Harmless (0.5%) *	9,550,000	9,917,675	3.9
Total	\$ 66,800,000	\$ 69,371,801	3.9 %
UTILITIES FRANCHISE TAX			
5430 Utility Franchise	37,600,000	38,100,000	1.3
Total	\$ 37,600,000	\$ 38,100,000	1.3 %
POLICE SERVICES			
5451 Law Enforcement Services - County	11,467,170	13,147,196	14.7 %
5477 Small Town Service Fees	100,000	337,403	237.4
5999 School Resource Officers - School Board	2,439,211	4,431,450	81.7
Total	\$ 14,006,381	\$ 17,916,049	27.9 %
TAX REIMBURSEMENTS			
5431 Beer & Wine Tax	3,166,290	3,261,279	3.0 %
5436 State Waste Disposal Tax	620,000	620,000	-
Total	\$ 3,786,290	\$ 3,881,279	2.5 %
SOLID WASTE FEE			
5560 Refuse Disposal Fees	12,290,000	12,100,000	-1.5 %
Total	\$ 12,290,000	\$ 12,100,000	-1.5 %
BUSINESS PRIVILEGE LICENSES			
5202 Business Privilege Licenses	16,800,000	17,100,000	1.8 %
Total	\$ 16,800,000	\$ 17,100,000	1.8 %
OTHER REVENUES			
Licenses and Permits			
5201 Motor Vehicle Licenses	\$ 2,525,000	\$ 2,600,750	3.0 %
5332 Motor Vehicle Licenses - Rebates	(48,000)	(48,000)	-
5204 Animal Licenses - Fertile	483,000	250,000	-48.2
5209 Animal Licenses - Spay/Neuter	575,000	581,000	1.0
5210 Fire Plan Review Fees	1,109,585	1,085,780	-2.1
5211 Vehicle Licenses - City Billed	15,000	15,450	3.0
5212 Fire Permits - New	321,456	321,456	-
5213 Fire Permits - Renewal	495,459	689,744	39.2
5214 Tryon Mail Vendor Fees	2,000	2,960	48.0
5215 Security Dog Licenses	200	200	-
5218 Vehicle for Hire Fees and Permits	344,704	468,385	35.9
5219 Carrier Franchise Fees	52,174	100,000	91.7
5220 Video Programming (Cable Franchise) Fees	8,282,000	8,364,820	1.0
5240 Grading Permits	1,312,000	1,705,164	30.0
5246 Sexually Oriented Businesses Licenses	115,310	84,455	-26.8
5613 Parking and Parade Permits	24,000	21,022	-12.4
Total	\$ 15,608,888	\$ 16,243,186	4.1 %

* 0.25% pt of delivery + 0.25% per capita

General Fund

Summary of Revenues

	<u>FY2012 Revised</u>	<u>FY2013 Budget</u>	Percent Change
			FY2012 FY2013
Fines, Forfeits and Penalties			
5222 Vehicle for Hire Penalties	\$ 32,000	\$ 11,000	-65.6 %
5305 Housing Code Violations	27,000	6,000	-77.8
5307 Parking Citations	810,000	750,000	-7.4
5308 Parking Citation Penalties	63,000	63,000	-
5309 Security Alarm Fines	500,000	450,000	-10.0
5310 Fire Citation Fines	1,100	16,000	1,354.5
5311 Fire Citation Penalties	11,700	600	-94.9
5315 Zoning Enforcement Fines	40,000	55,000	37.5
5316 Court Assessment Crime Lab	187,000	225,000	20.3
5331 Privilege License Penalties	475,000	550,000	15.8
5335 Animal License Penalties	59,000	68,000	15.3
5337 Animal Citation Penalties	8,340	25,712	208.3
5340 Grading Permit Penalties	325,000	4,000	-98.8
5502 Court Costs - Superior	275,000	280,000	1.8
5661 Court Awards - Fair Housing Settlements	60	70	16.6
5664 Court Awards - Vice & Narcotics	2,500	2,500	-
5699 Animal License Late Fees	90,600	91,620	1.1
Total	\$ 2,907,300	\$ 2,598,502	-10.6 %
Interlocal Grants and Agreements			
5414 Wireless Communications	\$ 3,701,208	\$ 2,892,991	-21.8 %
5438 Fleet Maintenance	1,578,345	1,975,043	25.1
5439 Webhosting - County	138,700	-	-100.0
5442 First Responder	484,500	500,000	3.2
5445 Procurement Services	620,995	728,456	17.3
5447 Customer Services - CharMeck 311	2,144,328	2,438,152	13.7
5458 CMGC Occupancy	700,244	733,864	4.8
5459 Recycling Program Proceeds	96,000	97,000	1.0
5460 Corporate Communications Services	32,000	32,360	1.1
5461 CMGC Phone Costs - County	666,695	692,916	3.9
Total	\$ 10,163,015	\$ 10,090,782	-0.7 %
Federal and State Shared Revenues			
5450 ABC Stores Revenue	\$ 2,023,000	\$ 2,082,000	2.9 %
5471 State Grant Income	3,357	-	-100.0
5472 Fed PassThru Grant Income	26,858	-	-100.0
Total	\$ 2,053,215	\$ 2,082,000	1.4 %
General Government			
5242 Land Development Zoning Fees	\$ 360,000	\$ 525,392	45.9 %
5519 Utility Right-of-Way Ordinance Fees	606,000	508,237	-16.1
5245 County Plan Review	610,945	668,525	9.4
5503 Zoning Petition Filing Fees	319,705	450,000	40.8
5504 Annexation Fees	400	400	-
5506 Subdivision Services	133,080	161,325	21.2
5507 Zoning Admin Fees	20,500	29,600	44.4
5508 Sale of Maps	5,000	5,000	-
5550 Equipment Mgmt Svcs - Fleet	4,000	4,000	-
5555 Procurement Professional Services	200,000	200,000	-
5599 Park It! Program Fees	20,000	23,000	15.0
5603 Parking Garage Fees	942,000	877,536	-6.8
5610 Parking Meter Revenue	650,000	675,565	3.9
5604 Rent Revenue - Misc	32,400	872,333	2,592.4
Total	\$ 3,904,030	\$ 5,000,913	28.1 %

General Fund

Summary of Revenues

	<u>FY2012 Revised</u>	<u>FY2013 Budget</u>	<u>Percent Change FY2012 FY2013</u>
Public Safety			
5478 State Reimb for Services Provided - DOT	\$ 675,000	\$ 675,000	- %
5478 State Reimb for Services Provided - Fire	190,707	190,707	-
5513 CMPD - Fingerprint Reports	5,000	5,150	3.0
5514 Underbrush and Debris Removal	780,000	500,000	-35.9
5515 Demolition - Clearing	270,000	274,500	1.7
5516 Sale of Animals	92,950	62,860	-32.4
5518 Utility Street Cuts	1,400,000	1,700,000	21.4
5529 Spay/Neuter Fees	140,000	144,585	3.3
5542 Vehicle Towing and Storage	187,000	70,000	-62.6
5544 Animal Reclaim Fees	165,249	124,497	-24.7
5627 Dead Animal Collection	9,000	3,300	-63.3
Total	\$ 3,914,906	\$ 3,750,599	-4.2 %
Cemeteries			
5530 Sale of Cemetery Lots	\$ 140,700	\$ 159,250	13.2 %
5532 Grave Digging	299,739	282,121	-5.9
5533 Duplicate Deeds and Transfer Fees	700	600	-14.3
5534 Monument Foundation	49,100	52,570	7.1
5535 Perpetual Care	12,300	8,000	-35.0
Total	\$ 502,539	\$ 502,541	- %
Use of Money and Property			
5608 Interest on Liens	\$ 55,000	\$ 120,000	118.2 %
5624 Damage to City-Owned Equipment	350,000	360,500	3.0
5625 Reimbursement for City Car Use	47,000	48,410	3.0
5643 Telephone Commissions	40,000	-	-100.0
Total	\$ 492,000	\$ 528,910	7.5 %
Sale of Salvage and Land			
5622 Sale of Land	\$ 10,000	\$ -	-100.0 %
5660 Sale of Salvage	128,000	25,000	-80.5
5662 Sale of Used Autos - Single Stream Proceeds	1,678,000	866,990	-48.3
5662 Sale of Used Autos	1,678,000	866,990	-48.3
Total	\$ 1,816,000	\$ 891,990	-50.9 %
Other			
5000 Miscellaneous Grants and Contributions	\$ 290,000	\$ 300,000	3.4 %
5668 Contrib/Donations from Private Sources	30,000	-	-100.0
5641 Newspaper Rack Revenue	14,000	14,000	-
5646 Reimb City Svcs - EPM	-	23,000	100.0
5646 Reimb City Svcs - EPM (Cultural Facilities)	-	80,000	100.0
5646 Reimb City Svcs - SWS Spec Svcs	40,000	40,000	-
5646 Reimb City Svcs - Shared Services Technology Management	-	12,700	100.0
5669 Other Revenue	2,465,649	480,716	-80.5
5669 Business Continuity Program Rebates	270,000	270,000	-
Total	\$ 3,109,649	\$ 1,220,416	-60.8 %
Total Other Revenues	\$ 44,471,542	\$ 43,137,506	-3.0 %

General Fund Summary of Revenues

	<u>FY2012 Revised</u>	<u>FY2013 Budget</u>	Percent Change
			<u>FY2012 FY2013</u>
TRANSFERS AND FUND BALANCE			
Transferred Revenues			
5123 Occupancy Taxes - CRVA	\$ 3,276,196	\$ 3,601,590	9.9 %
5437 Heavy Equipment Tax	130,000	133,900	3.0
5695 Municipal Debt Service - CRVA	35,000	35,000	-
5695 Convention Center Tax - Towns' Tourism Subsidy	2,392,790	2,786,075	16.4
5601 Interest on Investments - Debt Svc	779,000	440,000	-43.5
Total	\$ 6,612,986	\$ 6,996,565	5.8 %
Intragovernmental Revenues			
5421 Cost Allocation - Storm Water	\$ 891,124	\$ 824,165	-7.5 %
5422 Cost Allocation - Water and Sewer	7,206,889	7,970,497	10.6
5423 Cost Allocation - Aviation	1,974,980	1,929,294	-2.3
5424 Fire Control Services - Aviation	4,406,947	4,556,773	3.4
5425 Account Services - Storm Water	438,075	404,683	-7.6
5425 Account Services - Storm Water	1,402,561	1,470,036	4.8
5426 Account Services - Utilities	1,395,430	1,301,741	-6.7
5426 Account Services - Utilities	3,634,033	3,650,767	0.5
5427 Cost Allocation - Fleet Management	904,012	716,594	-20.7
5427 Cost Allocation - Technology Management	352,538	334,146	-5.2
5428 Cost Allocation - CATS	3,792,279	3,292,948	-13.2
5429 Cost Allocation - Risk Management	427,026	713,011	67.0
Total	\$ 26,825,894	\$ 27,164,655	1.3 %
Transfers from Other Funds			
5695 Cemetery Trust	\$ 96,000	\$ 96,000	- %
5695 Municipal Debt Service - Treasury Reimbursement	62,932	64,820	3.0
5695 PAYG-Criminal Justice Study Project Saving (Street Lights)	445,446	-	-100.0
Total	\$ 604,378	\$ 160,820	-73.4 %
Appropriated Fund Balance			
4110 Fund Balance - Capital Reserve (Out-of-School Time Partners)	\$ -	\$ 394,752	
Total	\$ -	\$ 394,752	100.0%
Total Transfers and Fund Balance	\$ 34,043,258	\$ 34,716,792	2.0 %
Total General Fund Revenues	\$ 532,186,024	\$ 552,642,363	3.8 %

Aviation Operating Funds Summary of Revenues and Expenditures

	FY2012 <u>Revised</u>	FY2013 <u>Budget</u>	Percent Change <u>FY2012</u> <u>FY2013</u>
<u>Operating Revenues</u>			
Concessions	\$ 39,014,603	\$ 50,985,001	30.7 %
Parking	36,974,240	36,449,788	-1.4
Terminal	28,901,579	29,353,444	1.6
Airfield Usage	10,183,701	14,200,001	39.4
Cargo Area and Ground Rents	18,392,765	34,473,332	87.4
Other	9,079,358	3,320,429	-63.4
Interest on Investments	1,582,519	389,999	-75.4
Total Operating Revenues	\$ 144,128,765	\$ 169,171,994	17.4 %
Passenger Facility Charge Fund	\$ 26,498,503	\$ 29,543,430	11.5 %
Contract Facility Charge Fund	\$ 15,991,649	\$ 7,548,071	-52.8 %
Total Revenues	\$ 186,618,917	\$ 206,263,495	10.5 %
<u>Operating Expenditures</u>			
Airport Operations	\$ 26,740,171	\$ 29,408,387	10.0 %
Airport Capital Project Planning, Design and Construction	21,617,472	36,747,309	70.0 %
Airport Maintenance	36,767,389	42,499,090	15.6 %
Total Operating	\$ 85,125,032	\$ 108,654,786	27.6 %
Discretionary and Debt Support (PFC and CFC included)	101,493,885	97,608,709	-3.8 %
Total Expenditures	\$ 186,618,917	\$ 206,263,495	10.5 %

Water and Sewer Operating Fund

Summary of Operating Revenues and Expenditures

	<u>FY2012 Revised</u>	<u>FY2013 Budget</u>	<u>Percent Change FY2012 FY2013</u>
<u>Operating Revenues</u>			
Variable Rate Revenues	\$ 230,584,316	\$ 248,008,728	7.6 %
Fixed Rate Revenues	43,128,467	43,213,653	0.2
Specific Service and Capacity Charges	12,002,809	11,360,641	-5.4
Industrial Waste Surcharge	3,568,483	3,462,988	-3.0
Other	4,029,940	3,042,231	-24.5
Interest on Investments	1,007,000	610,000	-39.4
Total Revenues	\$ 294,321,015	\$ 309,698,241	5.2 %
<u>Operating Expenditures</u>			
Administration, Management & Support	\$ 28,596,192	\$ 27,513,195	-3.8 %
Customer Service	7,815,948	7,814,121	-
Utility System Planning & Engineering	571,060	-	-100.0
Laboratory Services	470,517	1,147,512	143.9
Water and Wastewater Services	46,148,925	46,915,325	1.7
Field Operations	27,952,470	28,293,747	1.2
Total Operating Expenditures	\$ 111,555,112	\$ 111,683,900	0.1 %
Debt Service/Capital Investment Plan Support	177,005,108	179,402,060	1.4 %
Total Expenditures	\$ 288,560,220	\$ 291,085,960	0.9 %
Reserved for Future Years	\$ 5,760,795	\$ 18,612,281	223.1 %

Charlotte Area Transit System (CATS) Fund

Summary of Revenues and Expenditures

	<u>FY2012 Revised</u>	<u>FY2013 Budget</u>	<u>Percent Change FY2012 FY2013</u>
<u>Operating Revenues</u>			
Half-Percent Sales Tax	\$ 59,045,317	\$ 61,702,355	4.5 %
Maintenance of Effort - Charlotte	18,400,000	18,400,000	-
Maintenance of Effort - Mecklenburg	181,866	181,866	-
Maintenance of Effort - Huntersville	17,500	17,500	-
Operating Assistance	12,945,059	14,000,271	8.2
Fares and Service Reimbursements	26,072,144	29,765,180	14.2
Other Miscellaneous Income	1,052,500	2,087,000	98.3
Interest on Investments	1,500,000	500,000	-66.7
Total Operating Revenues	\$ 119,214,386	\$ 126,654,172	6.2 %
Fund Balance	\$ 8,089,125	\$ -	-100.0 %
Total Revenues and Fund Balance	\$ 127,303,511	\$ 126,654,172	-0.5 %
<u>Operating Expenditures</u>			
Transportation Services	\$ 104,876,012	\$ 108,447,124	3.4 %
Transit Development	3,014,840	2,900,043	-3.8
Marketing and Communications	3,182,644	2,996,760	-5.8
Executive and Administration	9,086,025	9,105,738	0.2
Sub-total Operating	\$ 120,159,521	\$ 123,449,665	2.7 %
Transfers to Eligible Projects in CIP	\$ -17,289,445	\$ -17,008,578	-1.6 %
Net Operating	\$ 102,870,076	\$ 106,441,087	3.5 %
Debt Service Support	\$ 8,324,706	\$ 8,452,891	1.5 %
Capital Program Support	\$ 16,108,729	\$ 10,321,393	-35.9 %
Contribution for Future Capital	\$ -	\$ 1,438,801	100.0 %
Total Expenditures	\$ 127,303,511	\$ 126,654,172	-0.5 %

Storm Water Fund

Summary of Revenues and Expenses

	<u>FY2012 Revised</u>	<u>FY2013 Budget</u>	Percent Change <u>FY2012 FY2013</u>
<u>Operating Revenues</u>			
Impervious Fee- City	\$ 5,373,944	\$ 5,525,253	2.8 %
Impervious Fee- Other	45,188,207	48,643,015	7.6
Interest on Investments	360,000	150,000	-58.3
Total Revenues	\$ 50,922,151	\$ 54,318,268	6.7 %
Fund Balance	\$ 1,647,841	\$ 1,016,886	-38.3 %
Total Revenues and Fund Balance	\$ 52,569,992	\$ 55,335,154	5.3 %
<u>Operating Expenditures</u>			
Operating Budget	\$ 9,978,641	\$ 10,729,612	7.5 %
Transfer to Storm Water- Capital Project Fund	32,000,000	34,000,000	6.3
Transfer to Storm Water- Debt Service Fund	10,591,351	10,605,542	0.1
Debt Service Fund			0.1
Total Expenditures	\$ 52,569,992	\$ 55,335,154	5.3 %

Municipal Debt Service Fund

Summary of Revenues and Expenditures

	<u>FY2012 Revised</u>	<u>FY2013 Budget</u>	<u>Percent Change FY2012 FY2013</u>
<u>Revenues</u>			
Property Tax	\$ 54,227,588	\$ 56,471,172	4.14 %
Property Tax - Synthetic TIG Appreciation	377,193	674,806	78.90
Sales Tax	13,282,500	13,353,644	0.54
Interest on Investments	2,413,000	1,310,000	-45.71
Interest Transferred from Other Funds			
General	779,000	440,000	-43.52
Other	152,000	-	-100.00
Contribution from Other Funds			
General Fund - Equip	15,882,124	12,490,984	-21.35
General Fund - Public Safety Communications	2,182,372	1,685,888	-22.75
General Fund - Public Safety Communications		2,816,603	
Powell Bill Fund	1,282,508	1,145,288	-10.70
County Share			
Park and Rec Lease Purchase	689,006	692,853	0.56
Proceeds from Sale of Debt	637,690	500,000	-21.59
Proceeds from Refunding	150,000,000	-	-100.00
Premium on Sale of Debt	926,247	-	-100.00
Other	977,198	-	-100.00
Total Revenues	\$ 243,808,426	\$ 91,581,238	-62.44 %
<u>Expenditures</u>			
Bonds -			
Principal	\$ 31,762,177	\$ 26,024,250	-18.07 %
Interest	23,667,799	24,458,741	3.34
Debt Issue Expense	1,563,937	500,000	-68.03
Payment to Refunded Bond Escrow Agent	150,000,000	-	-100.00
Lease Purchase Agreements -			
Principal	23,069,421	19,679,247	-14.70
Interest	6,738,440	6,644,312	-1.40
Bond Anticipation Note Interest	745,592	150,000	-79.88
Bank Charges and Other	600,000	800,000	33.33
Contribution to -			
General Fund	97,932	103,824	6.02
Transit Debt Service Fund	1,911	-	-100.00
Cultural Facilities Operating Fund	247,800	363,440	46.67
Synthetic TIG External Agreements	94,561	562,849	495.22
Total Expenditures	\$ 238,589,570	\$ 79,286,663	-66.77 %
Restricted for Future Years	\$ 5,218,856	\$ 12,294,575	135.58 %

Aviation Debt Service Fund - Consolidated Summary of Revenues and Expenditures

	<u>FY2012</u>	<u>FY2013</u>	Percent Change
	<u>Revised</u>	<u>Budget</u>	<u>FY2012</u> <u>FY2013</u>
<u>Revenues</u>			
Contribution from Aviation Operating	\$ 50,116,154	\$ 53,483,393	6.7 %
Contribution from Airlines	7,104,025	7,104,025	-
Contribution from Rental Car Facilities	6,530,627	3,411,959	-47.8
Proceeds from Sale of Debt	-	-	-
Premium from Sale of Debt	-	-	-
Proceeds from Refunding	-	-	-
Interest on Investments	-	22,000	-
Transfer from Capital Project Fund	13,104,366	-	-100.0
Total Revenues	\$ 76,855,172	\$ 64,021,377	-16.7 %
Fund Balance	\$ 9,604,964	\$ -	-100.0 %
Total Revenues and Fund Balance	\$ 86,460,136	\$ 64,021,377	-26.0 %
<u>Expenditures</u>			
Retirement of Debt	\$ 39,475,198	\$ 21,910,000	-44.5 %
Interest on Debt	40,493,198	40,958,932	1.2
Cost of Bond Sale	5,500,288	-	-100.0
Fees and Other Charges	926,452	1,102,445	19.0
Payment to Refunding Escrow Agent	-	-	-
Transfers to Operating Fund	65,000	44,500	-31.5
Total Expenditures	\$ 86,460,136	\$ 64,015,877	-26.0 %
Restricted for Future Years	\$ -	\$ 5,500	100.0 %

Consolidated Water and Sewer Debt Service Funds

Summary of Revenues and Expenditures

	<u>FY2012 Revised</u>	<u>FY2013 Budget</u>	Percent Change <u>FY2012 FY2013</u>
<u>Operating Revenues</u>			
Contribution from Water and Sewer Operating Fund	\$ 145,820,234	\$ 146,913,567	0.7 %
Interest on Investments	668,000	350,450	-47.5
Proceeds from Sale of Bonds	20,000	43,200	116.0
Water and Sewer Operating	1,007,000	610,000	-39.4
CIP and Other	1,007,000	501,500	-50.2
Total Revenue	\$ 148,522,234	\$ 148,418,717	-0.1 %
Fund Balance			
Total Revenues and Fund Balance	\$ 148,522,234	\$ 148,418,717	-0.1 %
<u>Operating Expenditures</u>			
Bond Retirement	\$ 58,311,649	\$ 64,521,590	10.6 %
Interest on Bonds	81,343,909	76,801,749	-5.6
Bank Charges	2,018,129	2,825,500	40.0
Cost of Issuance	20,000	43,200	116.0
Equipment Lease - Purchase Principal	5,156,267	2,745,753	-46.7
Equipment Lease - Purchase Interest	556,230	405,400	-27.1
Small Town Debt Service Principal	835,000	830,000	-0.6
Small Town Debt Service Interest	281,050	245,525	-12.6
Total Expenditures	\$ 148,522,234	\$ 148,418,717	-0.1 %
Total Expenditures and Reserves	\$ 148,522,234	\$ 148,418,717	-0.1 %

Charlotte Area Transit System (CATS) Debt Service Fund Summary of Revenues and Expenditures

	FY2012 <u>Revised</u>	FY2013 <u>Budget</u>	Percent Change FY2012 <u>FY2013</u>
<u>Operating Revenues</u>			
Transfers from Other Funds			
CATS Operating	\$ 8,324,706	\$ 8,452,891	1.5 %
Municipal Debt Service Fund	1,911	-	-100.0
Federal Formula Grant	5,126,332	4,884,199	-4.7
State Match for Federal Formula	554,641	610,524	10.1
Total Revenues	\$ 14,007,590	\$ 13,947,614	-0.4 %
Total Revenues and Fund Balance	\$ 14,007,590	\$ 13,947,614	-0.4 %
<u>Operating Expenditures</u>			
Debt Retirement	\$ 6,121,820	\$ 6,350,000	3.7 %
Interest on Debt	7,762,283	7,491,942	-3.5
Fees	123,487	105,672	-14.4
Total Expenditures	\$ 14,007,590	\$ 13,947,614	-0.4 %

Storm Water Debt Service Fund Summary of Revenues and Expenditures

	<u>FY2012</u> <u>Revised</u>	<u>FY2013</u> <u>Budget</u>	Percent Change <u>FY2012</u> <u>FY2013</u>
<u>Revenues</u>			
Contribution from Storm Water Operating	\$ 10,591,351	\$ 10,605,542	0.1 %
Total Revenues	\$ 10,591,351	\$ 10,605,542	0.1 %
<u>Expenditures</u>			
Bond Retirement	\$ 4,409,447	\$ 4,604,160	4.4 %
Interest on Bonds	6,151,904	5,971,382	-2.9
Fees	30,000	30,000	-
Total Expenditures	\$ 10,591,351	\$ 10,605,542	0.1 %

Convention Center Debt Service Fund Summary of Revenues and Expenditures

	<u>FY2012</u> <u>Revised</u>	<u>FY2013</u> <u>Budget</u>	Percent Change <u>FY2012</u> <u>FY2013</u>
<u>Revenues</u>			
Contribution from Convention Center Tax Fund	\$ 21,049,149	\$ 15,910,344	-24.4 %
Total Revenues	\$ 21,049,149	\$ 15,910,344	-24.4 %
<u>Expenditures</u>			
Bond Retirement	\$ 13,455,000	\$ 8,825,000	-34.4 %
Interest on Bonds	7,489,149	6,945,344	-7.3
Fees	105,000	140,000	33.3
Total Expenditures	\$ 21,049,149	\$ 15,910,344	-24.4 %

Hall of Fame Debt Service Fund Summary of Revenues and Expenditures

	<u>FY2012</u> <u>Revised</u>	<u>FY2013</u> <u>Budget</u>	Percent Change FY2012 <u>FY2013</u>
<u>Revenues</u>			
Hall of Fame Tax Fund	\$ 9,760,969	\$ 9,524,346	-2.4 %
Total Revenues	\$ 9,760,969	\$ 9,524,346	-2.4 %
<u>Expenditures</u>			
Debt Retirement	\$ 2,125,000	\$ 2,255,000	6.1 %
Interest on Debt	6,594,069	6,493,663	-1.5
Bank Charges and Other	1,041,900	775,683	-25.6
Total Expenditures	\$ 9,760,969	\$ 9,524,346	-2.4 %

Cultural Facilities Debt Service Fund Summary of Revenues and Expenditures

	<u>FY2012 Revised</u>	<u>FY2013 Budget</u>	<u>Percent Change</u>
	<u>FY2012</u>	<u>FY2013</u>	<u>FY2012</u>
	<u>FY2013</u>	<u>FY2013</u>	<u>FY2013</u>
<u>Revenues</u>			
Tourism Operating Fund	\$ 9,213,313	\$ 9,190,563	-0.2 %
Total Revenues	\$ 9,213,313	\$ 9,190,563	-0.2 %
<u>Expenditures</u>			
Debt Retirement	\$ 2,570,000	\$ 2,690,000	4.7 %
Interest on Debt	6,602,813	6,480,563	-1.9
Bank Charges and Other	40,500	20,000	-50.6
Total Expenditures	\$ 9,213,313	\$ 9,190,563	-0.2 %

Tourism Debt Service Fund

Summary of Revenues and Expenditures

	<u>FY2012 Revised</u>	<u>FY2013 Budget</u>	<u>Percent Change</u>
<u>Revenues</u>			
Contribution from Other Funds:			
Tourism Operating Fund	\$ 11,832,719	\$ 12,239,184	3.4 %
Contribution from Charlotte Regional Visitors Authority	1,257,978	1,233,821	-1.9
Interest on Investments	114,000	60,000	-47.4
Total Revenues	\$ 13,204,697	\$ 13,533,005	2.5 %
<u>Expenditures</u>			
Debt Retirement	\$ 5,395,000	\$ 5,570,000	3.2 %
Interest on Debt	7,684,697	7,490,017	-2.5
Bank Charges and Other	125,000	472,988	278.4
Total Expenditures	\$ 13,204,697	\$ 13,533,005	2.5 %

Powell Bill Fund

Summary of Revenues and Expenditures

	<u>FY2012 Revised</u>	<u>FY2013 Budget</u>	<u>Percent Change FY2012 FY2013</u>
<u>Revenues</u>			
State Gas Tax Refund	\$ 16,905,840	\$ 18,754,590	10.9 %
Transfer from General Fund	4,261,000	4,261,000	-
Interest on Investments	400,000	80,000	-80.0
Street Degradation Fee	650,000	650,000	-
Total Revenues	\$ 22,216,840	\$ 23,745,590	6.9 %
Fund Balance	\$ 1,519,873	\$ 462,080	-69.6 %
Total Revenues and Fund Balance	\$ 23,736,713	\$ 24,207,670	2.0 %
<u>Expenditures</u>			
Contracted Resurfacing	\$ 8,786,000	\$ 9,432,679	7.4 %
Repairs by City Forces	9,272,225	9,250,719	-0.2
Equipment Rent/Purchase	1,140,468	1,145,739	0.5
Street Drainage Maintenance	157,660	160,000	1.5
Traffic Control Improvements	623,786	623,786	-
Snow Removal	150,000	150,000	-
Physical Inventory of Streets	12,000	12,000	-
Pavement Management System	30,000	50,000	66.7
Wheel Chair Ramps	147,000	150,000	2.0
Annexation	997,793	950,186	-4.8
Storm Water Program Fees	1,137,273	1,137,273	-
Contribution to Debt Service Equipment Lease Purchase	1,282,508	1,145,288	-10.7
Total Expenditures	\$ 23,736,713	\$ 24,207,670	2.0 %

Convention Center Tax Fund Summary of Revenues and Expenditures

	<u>FY2012</u> <u>Revised</u>	<u>FY2013</u> <u>Budget</u>	Percent Change
	<u>FY2012</u> <u>FY2013</u>		
<u>Revenues</u>			
Taxes			
Occupancy	\$ 12,342,503	\$ 13,711,719	11.1 %
Prepared Food	21,359,134	23,097,881	8.1
Total Taxes	\$ 33,701,637	\$ 36,809,600	9.2 %
Interest on Investments	475,000	230,000	-51.6 %
Total Revenues	\$ 34,176,637	\$ 37,039,600	8.4 %
Fund Balance	\$ 3,010,168	\$ -	-100.0 %
Total Revenues and Fund Balance	\$ 37,186,805	\$ 37,039,600	-0.4 %
<u>Expenditures</u>			
Promotion and Marketing	\$ 4,954,141	\$ 5,411,011	9.2 %
Business Development	1,791,000	1,845,000	3.0
Administration	75,000	75,000	-
Contributions for Convention Center:			
Operating Deficit	6,924,725	6,374,265	-7.9
General Tourism Subsidy	2,392,790	2,786,075	16.4
Transfer to Other Funds:			
Convention Center Debt Service	21,049,149	15,910,344	-24.4
Total Expenditures	\$ 37,186,805	\$ 32,401,695	-12.9 %
Reserved for Future Years	\$ -	\$ 4,637,905	100.0 %

Hall of Fame Tax Fund Summary of Revenues and Expenditures

	<u>FY2012</u> <u>Revised</u>	<u>FY2013</u> <u>Budget</u>	Percent Change <u>FY2012</u> <u>FY2013</u>
<u>Revenues</u>			
Occupancy Tax	\$ 8,158,853	\$ 9,151,682	12.2 %
Interest on Investments	133,000	140,000	5.3
Total Revenues	\$ 8,291,853	\$ 9,291,682	12.1 %
Fund Balance	\$ 2,513,002	\$ 754,663	-70.0 %
Total Revenues and Fund Balance	\$ 10,804,855	\$ 10,046,345	-7.0 %
<u>Expenditures</u>			
Transfer to Debt Service	\$ 9,760,969	\$ 9,524,346	-2.4 %
Contributions	1,043,886	522,000	-50.0
Total Expenditures	\$ 10,804,855	\$ 10,046,346	-7.0 %

Federal Stimulus Grants Received as of April 13, 2012

<u>Department</u>	<u>Description</u>	<u>FY2012</u>	<u>Revised Budget</u>
Aviation	Baggage Screening System	\$ 45,431,845	
	Diesel Emissions Reduction	80,000	
	Alternative Fuel Vehicles	1,000,000	
Shared Services	Broadband Technology Opportunities Program	16,702,490	
CATS	N. Davidson Bus Garage Renovation	20,766,306	
	Transit Investment for Greenhouse Gas and Energy Reduction (TIGGER)	3,000,000	
CDOT	Traffic Signal Improvements	4,754,469	
	Shasta Lane Sidewalk	349,066	
CMO	Energy Efficiency & Conservation	6,780,100	
	Better Buildings	400,000	
	Energy Interns	425,359	
CMPD	Gangnet-Replication Grant	247,077	
	COPS Hiring Recovery Program		
	50 Officers	8,545,950	
	Justice Assistance Grants-Crime Analysts	483,825	
	Justice Assistance Grant (JAG)		
	Byrne JAG Formula	4,453,144	
	Gang Reentry Intervention	543,504	
	Gang of One Multidisciplinary Intervention	9,975	
	Gang of One Greenville Culinary	339,765	
CMUD	Replace Aging Diesel Engines	51,836	
E&PM	Parking Deck Photovoltaic	38,042	
N&BS	Job Training and Youth Employment		
	Adults	2,700,000	
	Youth and Summer Jobs	1,809,715	
	Community Development Block Grant	1,262,296	
	Lead-Based Paint	2,999,903	
	Homeless Prevention & Rapid Re-Housing	1,930,217	
Solid Waste	Compressed Natural Gas Trucks	194,076	
Storm Water	Wilora Lake Rehabilitation	778,081	
	Muddy Creek Watershed Restoration	1,440,496	
	Revolution Park Water Reuse Pond	331,510	
Grand Total		\$ 127,849,047	

Public Safety and Other Grants Fund

Summary of Revenues and Expenditures

	FY2012 <u>Revised</u>	FY2013 <u>Budget</u>	Percent Change <u>FY2012</u> <u>FY2013</u>
<u>Revenues</u>			
Federal Grants	\$ 5,947,150	\$ 5,037,115	-15.3 %
State Grants	792,160	1,305,500	64.8
Contributions	567,672	620,449	9.3
Assets Forfeiture	136,023	136,050	-
MUMPO	83,405	98,956	18.6
Total Revenues	\$ 7,526,410	\$ 7,198,070	-4.4 %
<u>Expenditures</u>			
Police			
Assets Forfeiture Attorney	\$ 136,023	\$ 136,050	- %
Forensics and Analysis	92,273	125,000	35.5
Police Equipment and Overtime	241,475	275,000	13.9
Fire			
Emergency Management	170,000	170,000	-
Homeland Security	168,500	168,500	-
Medical Response	301,550	301,550	-
Urban Area Security Initiative	3,826,822	4,016,970	5.0
CDOT			
Unified Planning Work Program	1,534,767	1,200,000	-21.8
Transportation Planning Assistance	405,000	405,000	-
MUMPO	150,000	150,000	-
Miscellaneous from Donations	500,000	250,000	-50.0
Total Expenditures	\$ 7,526,410	\$ 7,198,070	-4.4 %

Public Safety 911 Services Fund Summary of Revenues and Expenditures

	<u>FY2012</u>	<u>FY2013</u>	Percent Change
	<u>Revised</u>	<u>Budget</u>	<u>FY2012</u> <u>FY2013</u>
<u>Operating Revenues</u>			
NC 911 Fund Distributions	\$ 2,409,785	\$ 2,524,058	4.7 %
Interest on Investments	171,000	95,000	-44.4
Total Revenues	\$ 2,580,785	\$ 2,619,058	1.5 %
 <u>Operating Expenditures</u>			
Consolidated 911 Services	\$ 2,409,785	\$ 2,524,058	4.7 %
Reserved for Future Projects	171,000	95,000	-44.4
Total Expenditures	\$ 2,580,785	\$ 2,619,058	1.5 %

Neighborhood & Business Services - Consolidated Grant Funds

Summary of Revenues and Expenditures

	FY2012 <u>Revised</u>	FY2013 <u>Budget</u>	Percent Change <u>FY2012</u> <u>FY2013</u>
<u>Operating Revenues</u>			
<u>Federal Grants:</u>			
Workforce Investment Act (WIA) Adult	\$ 1,688,945	\$ 1,744,461	3.3 %
WIA Administration	617,331	590,785	-4.3
WIA Youth	1,899,530	1,917,975	1.0
WIA Dislocated Worker	2,472,914	1,654,643	-33.1
WIA Incentive	409,756	-	-100.0
Housing Opportunities for People with AIDS (HOPWA) Program	813,905	830,903	2.1
Emergency Shelter Program	328,491	377,418	14.9
Villages of Hope Haven	165,763	-	-100.0
Lead Based Paint Grant	2,479,414	-	-100.0
One NC Grant	412,147	-	-100.0
Double Oaks Loan Repayment	308,448	657,068	113.0
Total Federal Grants	\$ 11,596,644	\$ 7,773,253	-33.0 %
Total Operating Revenues	\$ 11,596,644	\$ 7,773,253	-33.0 %
<u>Capital Revenues (Federal Grants)</u>			
Community Development Block Grant (CDBG)	\$ 4,358,311	\$ 4,416,652	1.3 %
Housing Grant (HOME)	2,475,006	2,031,879	-17.9
Total Federal Capital Grants	\$ 6,833,317	\$ 6,448,531	-5.6 %
Total Operating and Capital Grant Revenues	\$ 18,429,961	\$ 14,221,784	-22.8 %
<u>Operating Expenditures</u>			
Dislocated Worker Contract	\$ 2,472,914	\$ 1,654,643	-33.1 %
Education & Training Courses	2,098,701	1,744,461	-16.9
Summer & Year Round Youth Program	1,899,530	1,917,975	1.0
Contribution to Workforce Development Board & Subgrantee Administration	617,331	590,785	-4.3
Housing Opportunities for People with AIDS (HOPWA) Program	813,905	830,903	2.1
Emergency Shelter Program	328,491	377,418	14.9
Villages of Hope Haven	165,763	-	-100.0
Lead Based Paint Grant	2,479,414	-	-100.0
One NC Grant	412,147	-	-100.0
Double Oaks Loan Repayment	308,448	657,068	113.0
Total Operating Expenditures	\$ 11,596,644	\$ 7,773,253	-33.0 %
<u>Capital Expenditures</u>			
Community Development and Housing Programs	6,833,317	6,448,531	-5.6 %
Total Capital Expenditures	\$ 6,833,317	\$ 6,448,531	-5.6 %
Total Operating and Capital Grant Expenditures	\$ 18,429,961	\$ 14,221,784	-22.8 %

Consolidated Municipal Service Districts Summary of Revenues and Expenditures

	FY2012 <u>Revised</u>	FY2013 <u>Budget</u>	Percent Change <u>FY2012</u> <u>FY2013</u>
<u>Operating Revenues</u>			
Property Taxes	\$ 3,755,867	\$ 4,453,204	18.6 %
Total Revenues	\$ 3,755,867	\$ 4,453,204	18.6 %
<u>Operating Expenditures</u>			
Contractual Services	\$ 3,696,628	\$ 4,427,869	19.8 %
Reserve for Potential Appeals	34,642	-	-100.0
City Services	24,597	25,335	3.0
Total Expenditures	\$ 3,755,867	\$ 4,453,204	18.6 %

Risk Management Fund Summary of Revenues and Expenditures

	<u>FY2012 Revised</u>	<u>FY2013 Budget</u>	Percent Change <u>FY2012 FY2013</u>
<u>Revenues</u>			
City of Charlotte - General Fund	\$ 939,539	\$ 959,421	2.1 %
City of Charlotte - Other Funds	744,814	734,458	-1.4
Mecklenburg County	750,399	749,504	-0.1
Board of Education	525,639	524,924	-0.1
Other Agencies	40,700	40,700	-
Interest on Investments	-	-	-
Other	-	-	-
Total Revenues	\$ 3,001,091	\$ 3,009,007	0.3 %
<u>Expenditures</u>			
Operating Budget	\$ 3,001,091	\$ 3,009,007	0.3 %
Total Expenditures	\$ 3,001,091	\$ 3,009,007	0.3 %

Tourism Operating Fund* Summary of Revenues and Expenditures

	<u>FY2012 Revised</u>	<u>FY2013 Budget</u>	<u>Percent Change FY2012 FY2013</u>
<u>Revenues</u>			
Occupancy Tax	\$ 5,433,678	\$ 6,121,161	12.7 %
Rental Car Tax	2,480,043	2,691,765	8.5
Interest on Investments	304,000	210,000	-30.9
Interest on Investments	304,000	140,000	-53.9
Contribution from Bobcats	315,868	335,024	6.1
Transfers for Vehicle Rental Tax from PAYG	5,079,393	5,331,917	5.0
Transfers for Synthetic TIF Agreements from:			
General Fund	1,359,136	1,400,451	3.0
Municipal Debt Service	247,800	363,440	46.7
PAYG	45,389	45,389	-
Contribution from Mecklenburg County	2,948,040	2,948,040	-
Total Revenues	\$ 18,517,347	\$ 19,587,187	5.8 %
Fund Balance	\$ 3,887,733	\$ 2,912,608	-25.1 %
Total Revenues and Fund Balance	\$ 22,405,080	\$ 22,499,795	0.4 %
<u>Expenditures</u>			
Contractual Services	\$ 100,000	\$ -	-100.0 %
Contributions:			
Arena Maintenance Reserve	638,141	670,048	5.0
Ovens/Bojangles Maintenance	620,907	400,000	-35.6
Tourism Debt Service Fund	11,832,719	12,239,184	3.4
Cultural Facilities Debt Service Fund	9,213,313	9,190,563	-0.2
Total Expenditures	\$ 22,405,080	\$ 22,499,795	0.4 %

*Includes merged funds (formerly Cultural Facilities Operating and Tourism Operating Funds)

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FY2013-2017 Capital Investment Plan

INTRODUCTION

The City of Charlotte recognizes the importance of long-range capital investment planning to maintain the growth and vitality of the community. The City's Capital Investment Plan (CIP) is a five-year infrastructure plan, which matches the City's highest priority capital needs with a financing schedule. The plan includes investments in neighborhoods, housing, storm water projects, roads, transit, water and sewer projects, the airport, and government facilities.

The CIP is developed concurrently with the operating budget. Following City Council's annual retreat to establish priorities, Departments and other agencies identify funding needs in support of Council's goals. Revenue projections are finalized for future years and capital needs are matched with resources based on Council Focus Areas and priorities.

In FY2007, City Council adopted a 2.67¢ property tax increase to fund three bond referendums (2006, 2008, and 2010). The three referendums funded a total of \$551 million in transportation, neighborhood improvement, and affordable housing bond projects. The FY2007 property tax increase did not provide a funding source for a 2012 or subsequent bond referendum.

For the FY2013-2017 CIP, the City Manager recommended \$926.4 million in proposed new General Government capital projects to be funded through four bond referenda scheduled for November of 2012, 2014, 2016, and 2018, and supported by a 3.6¢ property tax increase (from 43.7¢ to 47.3¢) dedicated to these General CIP projects. The new capital projects would approach the City's infrastructure needs with a long-term, sustainable emphasis on: 1) investing in corridors, 2) increasing connections, and 3) improving communities. The FY2013-2017 CIP adopted by City Council on June 25, 2012 eliminated the \$926.4 million in new General Government capital projects and the recommended 3.6¢ property tax increase to support them. See page 163 for a summary list of the unfunded General capital projects from the City Manager's recommended CIP.

HIGHLIGHTS OF THE ADOPTED FY2013-2017 CIP

The FY2013-2017 CIP totals \$3.3 billion, a 0.2% increase over the current capital program. The increase in the overall five-year CIP is a net result of increases in the Aviation, Storm Water, and Water and Sewer Enterprise capital programs, offset by a reduction in the General Government CIP. The first year of the five-year CIP is \$577.5 million, a 6.4% decrease from the first year of the prior year's CIP of \$617.2 million.

The capital program is divided into five parts: General Government, Storm Water, Charlotte Area Transit System, Water and Sewer, and Aviation. Major sources of revenues for these programs are summarized below:

- ◆ General Government totals \$172.7 million, a 37.7% decrease from the previous five-year CIP, and is funded by \$21.5 million in previously authorized 2010 bonds and \$1.5 million in previously authorized COPS; \$110.8 million in Pay-As-You-Go funding, \$32.2 million in housing grants, and \$6.6 million in other funding.
- ◆ Storm Water totals \$260.7 million, a 3.4% increase, and is funded by \$194.5 million in cash and \$66.2 million in revenue bonds. The program is self-funded through user fees charged to property owners according to areas of impervious surface.
- ◆ Charlotte Area Transit System totals \$1.2 billion, a 7.1% decrease, and is funded by federal and state grants and the one half-cent sales tax for transit.
- ◆ Water and Sewer totals \$622.9 million, a 27.2% increase, and is funded by \$149.9 million in cash and \$473.0 million in revenue bonds.
- ◆ Aviation totals \$1.0 billion, a 6.1% increase, and is funded by \$820.0 million in revenue bonds, \$115.2 million in Federal Aviation Administration grants, \$43.0 million in Transportation Security Administration funding, \$50.4 million in cash, and \$13.4 million from State Aviation grants.

FY2013-2017 Capital Investment Plan

HIGHLIGHTS OF THE FY2013-2017 CIP (cont.)

GENERAL GOVERNMENT

This program includes funding for neighborhoods, housing, roads, economic development, environment, and municipal facilities capital projects.

General Government capital projects are funded through a variety of sources:

- ◆ Debt capacity: The property tax rate dedicated to general government debt in FY2013 is 6.50¢, no change from the current year.
- ◆ Pay-As-You-Go (PAYGO): The property tax rate dedicated to the Pay-As-You-Go Fund in FY2013 is 1.20¢, no change from the current year.
- ◆ Capital Fund balances
- ◆ One-time (non-recurring) revenues
- ◆ Interest earnings
- ◆ Asset Management property sales
- ◆ Grant funding

The five-year General Government program totals \$172.7 million. Funding highlights of the program are as follows:

Housing and Neighborhoods (\$85.8 million)

- ◆ \$62.7 million for Grant and PAYGO-funded housing programs
- ◆ \$21.5 million in remaining 2010 bonds for the Neighborhood Improvement Program
- ◆ \$1.6 million for PAYGO-funded Neighborhood Matching Grants

Transportation (\$13.7 million)

- ◆ \$7.2 million in PAYGO funding for Road Planning/Design/ROW
- ◆ \$2.7 million in PAYGO funding for Sidewalk, Curb, and Gutter repairs
- ◆ \$3.8 million in PAYGO funding for Streetcar Starter Project Operations

Economic Development (\$13.0 million)

- ◆ \$10.9 million in PAYGO funding for Business Corridor Revitalization and Business Grants
- ◆ \$1.5 million in COPs for Economic Development Initiatives
- ◆ \$0.6 million in PAYGO funding for the Synthetic Tax Increment Financing Program

Environment (\$16.5 million)

- ◆ \$10.5 million in PAYGO funding for tree removal, replacement, trimming, and cankerworm protection
- ◆ \$6.0 million in PAYGO funding for environmental services

Facility Investments (\$43.7 million)

- ◆ \$33.8 million in PAYGO funding for facility maintenance and fire station renovations
- ◆ \$9.9 million in PAYGO funding for technology investments

FY2013-2017 Capital Investment Plan

ENTERPRISE FUNDS CAPITAL PROGRAM

This program includes funding for Storm Water, CATS, Water and Sewer, and Aviation Enterprise capital programs.

Storm Water

This program funds repairs to private properties with flooding problems and improvements in the public right-of-way drainage system. The program totals \$260.7 million and is fully financed through storm water fees. Major projects include:

- ◆ \$151.2 million for flood control projects in neighborhood water basins
- ◆ \$53.8 million for storm water repairs
- ◆ \$17.1 million for minor storm water projects
- ◆ \$14.0 million for pollution control projects

Charlotte Area Transit System (CATS)

This program includes funding for maintenance and expansion of the existing bus, special transportation, circulator, community, and regional transportation systems. The program also includes planning, design, and construction of rapid transit. The program totals \$1.2 billion and is fully financed through the one half-cent sales tax and federal and state capital grants.

Major projects include:

- ◆ \$991.6 million for the LYNX Blue Line Extension (NE Corridor Light Rail)
- ◆ \$92.1 million for bus and special transportation vehicle replacement
- ◆ \$25.3 million for preventative maintenance
- ◆ \$22.5 million for the LYNX Station Extension & Power Supply

Water and Sewer

This program includes funding for maintenance and expansion of the existing system of water and sewer mains and water and sewer treatment plants. The program totals \$622.9 million and is fully financed from water and sewer fees. Major projects include:

- ◆ \$187.0 million for Long Creek Wastewater Treatment plant
- ◆ \$110.5 million for water and sewer line rehabilitation and replacement
- ◆ \$48.2 million for water and sewer street main extensions
- ◆ \$25.7 million for the Northeast water transmission main

Aviation

This program includes funding for maintenance and expansions to the airfield, terminal, cargo, and parking areas. The program totals \$1.0 billion and is fully funded from airline, cargo, and general aviation revenues, commercial leases, and federal grants. Major projects include:

- ◆ \$200.0 million for terminal lobby expansion
- ◆ \$175.0 million for the International Terminal (Phase I)
- ◆ \$75.5 million for the Fourth Parallel Runway
- ◆ \$64.4 million for the new short term public parking deck
- ◆ \$63.2 million for Consolidated Rental Car Facility
- ◆ \$50.0 million for Concourse B Expansion
- ◆ \$47.8 million for an In-line Baggage System
- ◆ \$45.0 million for the Air Traffic Control Tower

FY2013-2017 Capital Investment Plan

Capital Investment Plan Program Policies

Improving the quality of life of its citizens is the City of Charlotte's mission and the foundation of the Capital Investment Plan. The Plan's goal is to maintain or replace high priority infrastructure as needed. By facilitating economic development, enhancing the tax base, and protecting the community's safety and environmental resources, the Capital Investment Plan benefits all segments of the community and supports all roles of municipal government.

City Council's policies for developing and implementing the Capital Investment Plan

1. Evaluate capital projects requests according to the following priorities:

- 1st priority: Maintenance and/or retrofitting of existing infrastructure
- 2nd priority: Replacement of existing infrastructure
- 3rd priority: Expansion of existing infrastructure
- 4th priority: New infrastructure

2. Develop and implement a capital program based on **Smart Growth principles:**

- Maintain land use planning
- Sustain effective land use decisions
- Strengthen neighborhoods
- Build a competitive economic edge
- Design for livability
- Safeguard the environment
- Expand transportation choices
- Use public investment as a catalyst

3. Preserve the existing tax base, a fundamental principle for City capital investment decision-making

- 4. Affirm neighborhoods** as a foundation of the community and emphasize a reinvestment program for all neighborhoods
- 5. Form partnerships** with citizens and businesses to leverage public dollars and make the community one of choice for living, working, and leisure activities
- 6. Serve as a platform for economic development** through the funding of priority projects in targeted investment areas
- 7. Provide a balanced capital plan** which funds the highest priority community needs in a variety of program areas
- 8. Anticipate infrastructure and facility needs** resulting from future changes in the City's boundaries and density that are consistent with Council's development and growth policies
- 9. Comply with applicable federal and state mandates**

FY2013-2017 Capital Investment Plan

CAPITAL INVESTMENT PLAN: STRATEGIES AND POLICIES

This section includes an overview of the process used in development of the CIP program and policies.

Capital Planning

The five-year Capital Investment Plan is developed within the context of the City's Corporate Scorecard objectives of:

- ◆ Strengthen neighborhoods
- ◆ Provide transportation choices
- ◆ Safeguard the environment
- ◆ Promote economic opportunity
- ◆ Develop collaborative solutions
- ◆ Invest in infrastructure
- ◆ Maintain the AAA credit rating

For the FY2013-2017 CIP, the City took a comprehensive, holistic view of neighborhood and community needs and evaluated projects that:

- ◆ Leverage investment
- ◆ Increase collaboration
- ◆ Best serve as catalysts for transformative change
- ◆ Place an emphasis on larger rather than smaller capital projects
- ◆ Have long term impacts that address systemic issues
- ◆ Provide measurable outcomes of the City's investment
- ◆ Align with City Council's Vision for Charlotte 2020.

Process Components

The CIP process is an instrument for maximizing strategic leverage in achieving City Council's priorities as identified at their Annual Retreat and included in Council's focus area plans and priorities.

- ◆ Planning for the CIP began in summer 2011 with a review of the Capital Investment Plan process.
- ◆ In January City Departments completed and submitted CIP requests for the FY2013-2017 CIP.
- ◆ Between August and April 2012, internal collaborative meetings were held to develop capital program recommendations.

The CIP Staff Review Team, composed of representatives from selected City Departments, continues to be involved in capital program development and identification and implementation of collaborative citywide opportunities. This process provides a formal mechanism through which City Departments share information and develop collaborative solutions for both planning and implementing capital projects.

FY2013-2017 Capital Investment Plan

Capital Investment Plan Financial Policies

1. General government debt policies:

- ◆ Diversify revenue sources dedicated to capital formation and debt service
- ◆ Maintain a balanced mix of financing strategies for funding capital projects without an excessive reliance on any one source. Examples of financing strategies include:
 - Pay-As-You-Go
 - Grants
 - Debt
- ◆ Provide for issuance of additional debt at reasonable time intervals without increasing taxes, and timed in such a way as to avoid erratic impacts on tax rate changes
- ◆ Maintain the highest credit ratings by scheduling and issuing debt that sustains reasonable ratios (e.g. percent of outstanding debt to assessed value)

2. Maintain revenues dedicated to the capital plan in the Municipal Debt Service Fund:

- ◆ Allocation of the property tax rate
- ◆ Investment (interest) income
- ◆ Sales Tax (one-half cent)
- ◆ Other miscellaneous revenues including ABC profits, beer and wine license revenues, and a contribution from Mecklenburg County for its share of debt costs remaining from the consolidation of Park and Recreation

3. Maintain the Municipal Debt Service Fund Balance at an adequate level to cover debt costs:

- ◆ The ratio of debt service fund balance to actual annual debt service costs will be approximately 50%.

4. Use the Pay-As-You-Go Tax Fund in conjunction with long-term debt financing to finance capital projects

5. Dedicate asset sales to the Capital Investment Plan:

- ◆ The retirement of any outstanding debt on sold assets will be the first use of sale proceeds.

6. Maintain the General Government fund balance at 16% of the operating budget:

- ◆ Funding in excess of 16% of the General Fund balance is dedicated to Pay-As-You-Go capital expenses, unless otherwise directed by Council.

7. Maintain the Enterprise Funds' capital plans on a self-sustaining basis:

- ◆ Water and Sewer, Storm Water, and Aviation capital projects are financed from revenues generated from user fees and charges.
- ◆ The Water and Sewer rate study assumes maintenance of debt service coverage as required in Revenue Bond financing documents.
- ◆ Charlotte Area Transit System projects are supported by federal and state grants, and the one-half cent sales tax dedicated to transit.

FY2013-2017 Capital Investment Plan

CAPITAL FINANCING: BONDS AND PAY-AS-YOU-GO

Major components of the Capital Investment Plan financing include existing authorized debt, and Pay-As-You-Go Revenues.

Existing General Government Municipal Debt Status

- The Capital program includes \$21.5 million in previously authorized Street and Neighborhood Bonds, all programmed in FY2013 through FY2014.
 - \$18.0 million in 2010 Neighborhood Improvement Bonds for Neighborhood Improvement Projects (NIP)
 - \$3.5 million in 2010 Street Bonds for traditional Area Plan projects and Traffic Calming program
- The FY2013-2017 CIP includes \$1.5 million in previously authorized Certificates of Participation (COPs) financing for Economic Development Initiatives.

Pay-As-You-Go and Current Revenues

The Pay-As-You-Go Fund (PAYGO) provides cash investments for relatively small capital projects. The PAYGO Fund includes the PAYGO property tax, a portion of the City's auto and sales taxes, and other current (non-recurring) revenues. This mix of revenues supports the financial policy of diversified revenue sources for the Capital Investment Plan.

The PAYGO capital program includes \$46.6 million in FY2013 revenues, a \$14.7 million decrease, or 24.0%, from the FY2012 CIP. This decrease is due mostly to the use in FY2012 of one-time revenues from General Capital Fund balance of \$18.0 million.

Below is a summary of the FY2013 Pay-As-You-Go revenues:

- \$26.3 million from Auto and Sales Taxes
- \$10.6 million from PAYG Property Tax
- \$7.3 million from Vehicle Rental Tax
- \$1.5 million from General Capital fund balance and Capital Reserve
- \$0.9 million from Interest Income and Grant Program Income

The Pay-As-You-Go Fund property tax rate for FY2013 is recommended at 1.20¢, no change from FY2012.

Major projects funded by Pay-As-You-Go in FY2013:

- \$18.4 million for the City's Maintenance of Effort (MOE) contribution to Transit
- \$6.3 million for building and roof maintenance
- \$5.3 million for contribution to cultural facilities
- \$4.8 million for Innovative Housing
- \$2.1 million for Tree Management Program, including trimming and removal (\$1.4 million) and tree replacement (\$0.7 million)
- \$2.0 million for Business Corridor Revitalization
- \$2.0 million for Technology Investments
- \$1.3 million for Road Planning/Design/Right-Of-Way

The next page provides detailed information on Pay-As-You-Go program revenues and expenditures.

FY2013-2017 Capital Investment Plan

Pay-As-You-Go Schedule

PROJECT TITLE	Revised FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	TOTAL
Pay-As-You-Go Revenues							
Property Tax	\$ 9,860,583	10,551,366	10,656,880	10,763,449	10,924,901	11,088,774	53,985,370
Property Tax - Synthetic TIG	69,161	77,713	83,356	121,650	173,394	216,951	673,063
PAYG Fund - Interest Income	722,000	450,000	450,000	585,000	810,000	1,170,000	3,465,000
Sales Tax	12,232,500	13,220,000	13,814,900	14,367,496	14,942,196	15,539,884	71,884,476
Auto Tax	13,014,650	13,094,700	13,192,910	13,291,857	13,391,546	13,491,983	66,462,996
Vehicle Rental Tax *	6,961,887	7,308,000	7,600,320	7,904,333	8,220,506	8,549,326	39,582,485
Capital Fund Balance (FY2012)	18,016,318	506,894	423,308				930,202
Capital Fund Balance (FY2013)		552,112	636,835	1,475,744	110,871	383,354	3,158,916
Capital Reserve		394,752				348,840	743,592
Grant Program Income***	370,000	400,000	300,000	300,000	300,000	300,000	1,600,000
Sale of Land (Central Yard)					1,671,814	328,186	2,000,000
TOTAL REVENUES	\$ 61,247,099	46,555,537	47,158,509	48,809,529	50,545,227	51,417,298	244,486,099
EXPENDITURES							
Contribution to MTC (MOE) **	\$ 18,400,000	18,400,000	18,952,000	19,520,560	20,106,177	20,709,362	97,688,099
Contribution to Cultural	5,079,393	5,331,917	5,545,193	5,767,001	5,997,681	6,237,589	28,879,381
County/Towns Share	612,646	643,104	668,828	695,581	723,405	752,341	3,483,259
Road Planning/Design/ROW	1,269,848	1,332,979	1,386,298	1,441,750	1,499,420	1,559,397	7,219,845
Synthetic TIG Projects	62,247	64,820	68,224	96,671	180,580	210,165	620,459
Neighborhood Grants	200,000	325,000	325,000	325,000	325,000	325,000	1,625,000
Innovative Housing ***	4,233,108	4,699,747	4,304,995	4,304,995	4,304,995	4,304,995	21,919,727
HOME Grant Match ***	974,857	807,970	707,970	707,970	707,970	707,970	3,639,850
In Rem Remedy - Residential	550,000	550,000	550,000	550,000	550,000	550,000	2,750,000
Sidewalk and Curb Repairs	550,000	550,000	550,000	550,000	550,000	550,000	2,750,000
Streetcar Starter Project Operations				750,000	1,500,000	1,500,000	3,750,000
Business Corridor Revitalization	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
Environmental Services Program	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	6,000,000
Tree Trimming and Removal Program	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	7,000,000
Tree Replacement Program	700,000	700,000	700,000	700,000	700,000	700,000	3,500,000
Building Maintenance	3,400,000	3,550,000	3,650,000	3,650,000	3,650,000	3,650,000	18,150,000
Roof Replacement Program	1,300,000	1,400,000	1,500,000	1,500,000	1,500,000	1,500,000	7,400,000
Parking Lot/Deck Repairs	300,000	300,000	300,000	300,000	300,000	300,000	1,500,000
Government Plaza Maintenance	650,000	650,000	700,000	700,000	700,000	700,000	3,450,000
Fire Station Renovations	400,000	400,000	400,000	400,000	400,000	400,000	2,000,000
Louise Ave Equipment Maintenance Shop	915,000						
Landscape and Median Renovation	250,000	250,000	250,000	250,000	250,000	250,000	1,250,000
Technology Investments	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	1,910,479	9,910,479
Enterprise Resource Planning (ERP)	14,800,000						
TOTAL EXPENDITURES	\$ 61,247,099	46,555,537	47,158,509	48,809,528	50,545,227	51,417,298	244,486,099

* Effective FY2007, Vehicle Rental Tax replaced portion of MOE support from Property/Sales Tax.

** Maintenance of Effort (MOE)

*** Includes annual program income (Innovative = \$100,000; HOME = \$300,000 in FY2013, \$200,000 in FY2014-FY2017)

FY2013-2017 Capital Investment Plan

Preliminary Public Art Schedule

<u>Project Title</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>TOTAL</u>
Neighborhood Improvements - Streetscape	\$ 900,000	900,000				1,800,000
Area Plan Projects		2,500,000				2,500,000
TOTAL	\$ 3,400,000	900,000		-	-	4,300,000

FY2013-2017 General Art Allocations

Neighborhood Improvements - Streetscape*	\$ 9,000	9,000				18,000
Area Plan Projects		25,000				25,000
TOTAL	\$ 34,000	9,000		-	-	43,000

REVENUES

2010 Neighborhood Improvement Bonds	\$ 9,000	9,000				18,000
2010 Street Bonds		25,000				25,000
TOTAL	\$ 34,000	9,000		-	-	43,000

Aviation public art funding is calculated at year-end. Aviation public art funding at FY2011 year-end was \$131,483.

Charlotte-Mecklenburg Utilities Department has no public art eligible projects in FY2013

FY2013-2017 Capital Investment Plan

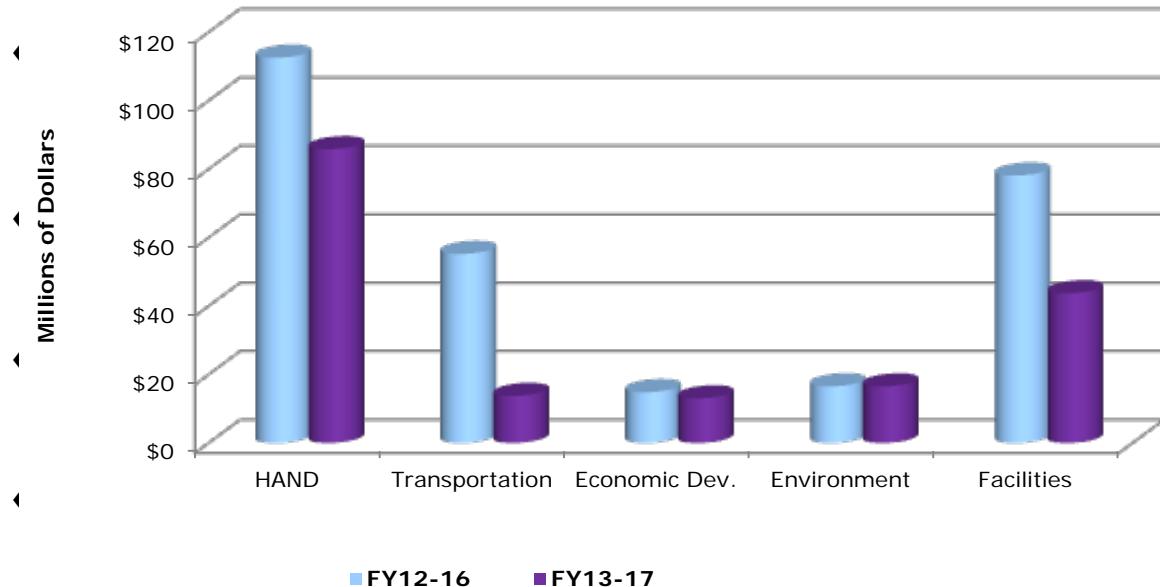
CAPITAL INVESTMENT PLAN (CIP) OVERVIEW

The next few pages provide a comparison of the FY2012-2016 CIP to the Adopted FY2013-2017 CIP and a summary for each program area.

The FY2013-2017 Capital Investment Plan totals \$3.3 billion, a \$6.1 million, or 0.2% increase over the FY2012-2016 capital program. The growth in the overall five-year CIP is due mostly to growth in the Enterprise Fund CIP.

- ◆ **Housing and Neighborhood Development:** funding is decreasing \$26.6 million, or -23.7%. This decrease is due

General Government CIP Funding Levels



FY2013-2017 Capital Investment Plan

This section provides comparative information regarding changes for each program area from the FY2012-2016 CIP to the FY2013-2017 CIP.

Housing and Neighborhood Development

- ♦ The Housing Program decreases \$8.3 million, or -11.7%, due to the completion of \$5.0 million in 2010 bond appropriations for affordable housing in the previous five-year capital program, a \$2.2 million reduction in HOME Grant income, and a \$1.1 million reduction in program income for the CDBG and Affordable Housing programs. The adopted FY2013-2017 CIP includes \$22.5 million in PAYGO funding for the Innovative Housing Program. There are no new bond-funded Housing projects in the FY2013-2017 CIP.
- ♦ The Neighborhood Improvement Program decreases \$18.4 million, or -44.3%, due to the completion in the previous five-year capital program of \$19.0 million in 2010 bond appropriations for Neighborhood Improvement Projects, Area Plan Projects, Traffic Calming/Traffic Safety programs, and the Sidewalk Program. \$21.5 million in remaining 2010 neighborhood and street bonds are programmed in the adopted FY2013-2017 CIP for the continuation of the Neighborhood Improvement Program (\$18.0 million), Area Plan Projects (\$2.5 million), and the Traffic Calming Program (\$1.0 million). The program also includes \$1.6 million in PAYGO funding for Neighborhood Matching Grants. There are no new bond-funded neighborhood improvement projects in the FY2013-2017 CIP.

Transportation

- ♦ The General Government Roads Capital Program is decreasing \$41.5 million, or -75.1%, due to the completion of \$43.6 million in 2010 street bond appropriations in the previous five-year capital program. The adopted FY2013-2017 CIP includes \$13.7 million in PAYGO funding to support sidewalk repairs, curb and gutter repairs, future road planning and design, and operating costs for the Streetcar Starter Project. There are no new bond-funded road projects in the FY2013-2017 CIP.
- ♦ The Charlotte Area Transit System (CATS) Program is decreasing \$91.7 million, or -7.1%. The five-year \$1.2 billion program includes \$991.6 million for the LYNX Blue Line Extension.

Economic Development

- ♦ The General Government Economic Development Capital Program is decreasing by \$1.8 million, or -12.0%. This decrease is due to the completion of \$2.3 million in 2010 street bond appropriations in the previous five-year capital program for Business Corridors/Pedscape Infrastructure. The adopted FY2013-2017 CIP includes \$10.9 million in PAYGO funding for Business Corridor Revitalization and Business Grants. There are no new bond-funded economic development projects in the FY2013-2017 CIP.
- ♦ Aviation is increasing by \$60.1 million, or 6.1%. Major projects included in the five-year \$1.0 billion program include \$200.0 million for expansion of the Terminal Lobby, \$175.0 million for the International Terminal construction, \$75.5 million for the Fourth Parallel Runway, \$64.4 million for the new short term public parking deck, and \$63.2 million for a consolidated rental car facility.

Environment

- ♦ The General Government Environmental Services Capital Program totals \$16.5 million over five years, no change from the FY2012-2016 CIP. This program provides PAYGO funding for tree removal, replacement, trimming, and cankerworm protection for the City's tree canopy; and Environmental Services projects associated with underground storage tanks, landfills, and environmental site assessments.
- ♦ The Storm Water Program is increasing \$8.7 million, or 3.4%. The five-year \$260.7 million program includes \$151.2 million for flood control projects in neighborhoods, \$53.8 million for storm water repairs on private and public rights-of-way, \$17.2 million for stream restoration and mitigation, \$17.1 million for minor storm water projects, and \$14.0 million for pollution control projects.
- ♦ The Water and Sewer Program is increasing \$133.4 million, or 27.2%. Major projects in the five-year \$622.9 million program include: \$187.0 million for the Long Creek Wastewater Treatment Plant, \$110.5 million for water and sewer line rehabilitation, \$48.2 million for water and sewer street main extensions, and \$25.7 million for the Northeast Water Transmission Main.

Facility Investments

- ♦ The General Government Facility Investments Capital Program totals \$43.7 million. The program is decreasing \$34.5 million, or -44.1%, due primarily to the completion in the previous five-year capital program of \$18.7 million in Certificates of Participation (COPs) appropriations for investments in public safety and vehicle maintenance facilities, and the conclusion of \$14.8 million in prior year PAYGO funding for the Enterprise Resource Planning (ERP) Program. The Facility Investments program continues PAYGO funding at FY2012 levels for on-going maintenance and renovation of City facilities and technology investments. There are no new COPs for facilities included in the adopted FY2013-2017 CIP.

FY2013-2017 Capital Investment Plan

Program Category	FY2013	FY2014	FY2015	FY2016	FY2017	FY2013-2017 CIP	%	FY2012-2016 CIP
HOUSING AND NEIGHBORHOOD DEVELOPMENT								
Housing Neighborhoods	\$ 12,886,248 12,825,000	12,449,259 9,325,000	12,449,259 325,000	12,449,259 325,000	12,449,259 325,000	62,683,284 23,125,000	-11.7% -44.3%	70,956,410 41,500,000
Total Housing and Neighborhood Development	\$ 25,711,248	21,774,259	12,774,259	12,774,259	12,774,259	85,808,284	-23.7%	112,456,410
TRANSPORTATION								
Roads Charlotte Area Transit	\$ 1,882,979 157,871,108	1,936,298 246,349,842	2,741,750 351,419,838	3,549,420 323,652,278	3,609,397 114,728,276	13,719,844 1,194,021,342	-75.1% -7.1%	55,177,907 1,285,722,979
Total Transportation	\$ 159,754,087	248,286,140	354,161,588	327,201,698	118,337,673	1,207,741,186	-9.9%	1,340,900,886
ECONOMIC DEVELOPMENT								
Economic Development Aviation	\$ 3,744,820 254,045,190	2,248,224 242,630,218	2,276,671 234,884,881	2,360,580 188,525,081	2,390,165 121,826,875	13,020,460 1,041,912,245	-12.0% 6.1%	14,795,596 981,769,254
Total Economic Development	\$ 257,790,010	244,878,442	237,161,552	190,885,661	124,217,040	1,054,932,705	5.9%	996,564,850
ENVIRONMENT								
Environmental Services Storm Water	\$ 3,300,000 41,000,000	3,300,000 63,960,000	3,300,000 41,000,000	3,300,000 60,465,000	3,300,000 54,265,000	16,500,000 260,690,000	0.0% 3.4%	16,500,000 252,000,000
Water Sewer	28,375,000 52,983,400	46,875,000 70,980,400	31,325,000 38,020,900	73,655,000 48,620,400	23,150,000 208,925,000	203,380,000 419,530,100	-21.5% 82.1%	259,180,175 230,370,500
Total Environment	\$ 125,658,400	185,115,400	113,645,900	186,040,400	289,640,000	900,100,100	18.7%	758,050,675
FACILITY INVESTMENTS	\$ 8,550,000	8,800,000	8,800,000	8,800,000	8,710,479	43,660,479	-44.1%	78,135,000
TOTAL PROGRAM	\$ 577,463,745	708,854,241	726,543,299	725,702,018	553,679,451	3,292,242,754	0.2%	3,286,107,821
GENERAL GOVERNMENT	\$ 43,189,047	38,058,781	29,892,680	30,784,259	30,784,300	172,709,067	-37.7%	277,064,913

FY2013-2017 Capital Investment Plan

Program Revenues Schedule	FY2013	FY2014	FY2015	FY2016	FY2017	TOTAL
GENERAL GOVERNMENT REVENUES SUMMARY						
BONDS						
2010 Street Bonds	\$ 3,500,000					3,500,000
2010 Neighborhood Bonds	9,000,000	9,000,000				18,000,000
Certificates of Participation (COPs) - Reserved for ED Initiatives	1,500,000					1,500,000
Total Bonds and COPs	\$ 14,000,000	9,000,000		-	-	23,000,000
TAXES						
Property Tax	\$ 10,551,366	10,656,880	10,763,449	10,924,901	11,088,774	53,985,370
Property Tax - Synthetic TIF	77,713	83,356	121,650	173,394	216,951	673,063
Interest Income	450,000	450,000	585,000	810,000	1,170,000	3,465,000
Sales Tax	7,888,083	8,269,707	8,600,495	8,944,515	9,302,295	43,005,095
Auto Tax	1,359,596	1,172,402	980,049	782,471	579,606	4,874,124
Capital Fund Balance	1,453,758	1,060,143	1,475,744	110,871	732,194	4,832,709
Total Taxes	\$ 21,780,516	21,692,487	22,526,386	21,746,151	23,089,820	110,835,360
GRANTS						
Community Dev Block Grant	\$ 4,416,652	4,416,652	4,416,652	4,416,652	4,416,652	22,083,260
Community Dev HOME Grant	2,031,879	2,031,879	2,031,879	2,031,879	2,031,879	10,159,395
Total Grants	\$ 6,448,531	6,448,531	6,448,531	6,448,531	6,448,531	32,242,655
FUND BALANCES, LOAN REPAYMENTS AND OTHER						
Innovative Housing Income	\$ 100,000	100,000	100,000	100,000	100,000	500,000
CDBG Program Income	250,000	250,000	250,000	250,000	250,000	1,250,000
HOME Program Income	300,000	257,763	257,763	257,763	257,763	1,331,052
Affordable Housing Income	130,000	130,000	130,000	130,000	130,000	650,000
Business Grant Program Income	180,000	180,000	180,000	180,000	180,000	900,000
Sale of Land (portion of Central Yard)				1,671,814	328,186	2,000,000
Total Fund Balances, Loan Repayments and Other	\$ 960,000	917,763	917,763	2,589,577	1,245,949	6,631,052
TOTAL GENERAL GOVERNMENT REVENUES	\$ 43,189,047	38,058,781	29,892,680	30,784,259	30,784,300	172,709,067

FY2013-2017 Capital Investment Plan

Program Category	FY2013	FY2014	FY2015	FY2016	FY2017	TOTAL
ENTERPRISE FUNDS REVENUES SUMMARY						
STORM WATER						
Storm Water Revenue Bonds	\$ 5,500,000	25,460,000	3,500,000	19,965,000	11,765,000	66,190,000
Storm Water Pay-As-You-Go	34,000,000	37,000,000	36,000,000	39,000,000	41,000,000	187,000,000
Storm Water Program Income	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000
Total Storm Water	\$ 41,000,000	63,960,000	41,000,000	60,465,000	54,265,000	260,690,000
CHARLOTTE AREA TRANSIT SYSTEM (CATS)						
Federal Transit Grants	\$ 104,797,854	117,724,558	123,391,170	119,188,340	74,301,175	539,403,097
Certificates of Participation		56,832,414	124,921,000	112,620,995		294,374,409
NCDOT Transit Grants	34,501,861	61,479,925	88,965,146	77,130,355	25,470,860	287,548,147
Other Revenue (City of Charlotte)	8,250,000					8,250,000
CATS Operating Budget Contribution	10,321,393	10,312,945	14,142,522	14,712,588	14,956,241	64,445,689
Total CATS	\$ 157,871,108	246,349,842	351,419,838	323,652,278	114,728,276	1,194,021,342
WATER AND SEWER						
Water Revenue Bonds	\$ 13,400,000	33,100,000	17,800,000	60,130,000	11,800,000	136,230,000
Sewer Revenue Bonds	37,958,400	53,710,400	20,790,900	31,610,400	192,685,400	336,755,500
Water/Sewer Operating Fund	30,000,000	31,045,000	30,755,000	30,535,000	27,589,600	149,924,600
Total Water and Sewer	\$ 81,358,400	117,855,400	69,345,900	122,275,400	232,075,000	622,910,100
AVIATION						
Revenue Bonds	\$ 169,143,290	196,205,529	188,675,031	166,670,081	99,269,219	819,963,150
FAA Grants and Funding	34,409,150	12,673,019	41,439,850	13,875,000	12,807,656	115,204,675
Excluded Cost Centers	4,162,500	8,800,000	4,100,000	1,250,000	3,750,000	22,062,500
State Funding			670,000	6,730,000	6,000,000	13,400,000
CFC Fund Balance	21,345,027	6,951,671				28,296,698
Transportation Security Admin Funding	24,985,223	17,999,999				42,985,222
Total Aviation	\$ 254,045,190	242,630,218	234,884,881	188,525,081	121,826,875	1,041,912,245
TOTAL CIP REVENUES	\$ 577,463,745	708,854,241	726,543,299	725,702,018	553,679,451	3,292,242,754

FY2013-2017 Capital Investment Plan

PROJECT TITLE	FY13	FY14	FY15	FY16	FY17	TOTAL
Housing and Neighborhoods						
Housing						
Affordable Housing	\$ 130,000	130,000	130,000	130,000	130,000	650,000
Community Dev BLOCK GRANT	4,666,652	4,666,652	4,666,652	4,666,652	4,666,652	23,333,260
Community Dev HOME GRANT	2,839,849	2,797,612	2,797,612	2,797,612	2,797,612	14,030,297
Innovative Housing Program	4,699,747	4,304,995	4,304,995	4,304,995	4,304,995	21,919,727
In Rem Remedy - Residential	550,000	550,000	550,000	550,000	550,000	2,750,000
Total Housing	\$ 12,886,248	12,449,259	12,449,259	12,449,259	12,449,259	62,683,284
Neighborhoods						
Neighborhood Improvements	\$ 9,000,000	9,000,000				18,000,000
Neighborhood Matching Grants	325,000	325,000	325,000	325,000	325,000	1,625,000
Area Plan Projects	2,500,000					2,500,000
Traffic Calming Program	1,000,000					1,000,000
Total Neighborhoods	\$ 12,825,000	9,325,000	325,000	325,000	325,000	23,125,000
TOTAL HOUSING AND NEIGHBORHOOD DEVELOPMENT	\$ 25,711,248	21,774,259	12,774,259	12,774,259	12,774,259	85,808,284
HOUSING AND NEIGHBORHOOD DEVELOPMENT REVENUE SUMMARY						
2010 Street Bonds	\$ 3,500,000					3,500,000
2010 Neighborhood Bonds	9,000,000	9,000,000				18,000,000
Pay-As-You-Go Fund	5,982,717	5,587,965	5,587,965	5,587,965	5,587,965	28,334,577
Community Dev Block Grant	4,416,652	4,416,652	4,416,652	4,416,652	4,416,652	22,083,260
HOME Grant	2,031,879	2,031,879	2,031,879	2,031,879	2,031,879	10,159,395
Innovative Housing Program Income	100,000	100,000	100,000	100,000	100,000	500,000
Community Development Program Income	250,000	250,000	250,000	250,000	250,000	1,250,000
HOME Program Income	300,000	257,763	257,763	257,763	257,763	1,331,052
Affordable Housing Bonds Program Income	130,000	130,000	130,000	130,000	130,000	650,000
TOTAL REVENUES	\$ 25,711,248	21,774,259	12,774,259	12,774,259	12,774,259	85,808,284

FY2013-2017 Capital Investment Plan

PROJECT TITLE		FY2013	FY2014	FY2015	FY2016	FY2017	TOTAL
TRANSPORTATION							
Roads							
Sidewalk and Curb and Gutter Repairs	\$	550,000	550,000	550,000	550,000	550,000	2,750,000
Road Planning/Design/ROW		1,332,979	1,386,298	1,441,750	1,499,420	1,559,397	7,219,844
Streetcar Starter Project Operations				750,000	1,500,000	1,500,000	3,750,000
Total Roads	\$	1,882,979	1,936,298	2,741,750	3,549,420	3,609,397	13,719,844
Charlotte Area Transit System							
Vehicles: Revenue	\$	9,952,132	14,785,738	22,878,356	22,681,292	21,816,901	92,114,419
Bus Operations Facilities: New		2,453,947	741,000	3,772,450	3,687,676	807,680	11,462,753
Bus Facilities: Improvements				450,000			450,000
Bus Equipment: Shop		2,437,000	500,000	765,000	770,000	650,000	5,122,000
Preventive Maintenance		8,500,000	4,400,000	3,608,446	4,410,377	4,410,377	25,329,200
LRT Maintenance-Of-Way: Equipment & Tools		3,327,165	4,787,138	797,900	829,000	485,500	10,226,703
LRT Facilities Projects		910,000	740,040	2,092,060	1,450,000	1,220,333	6,412,433
Vehicles: Non Revenue		-	287,000	209,000	182,000	217,800	895,800
Safety & Security Equipment		1,026,651	1,028,238	1,386,853	1,241,176	1,427,680	6,110,598
Technology		1,577,432	1,539,688	4,609,773	3,972,757	7,130,005	18,829,655
LYNX Blue Line Extension (NE Corridor Light Rail)		104,436,781	216,291,000	310,350,000	284,178,000	76,312,000	991,567,781
LYNX Station Extension & Power Supply (S. Corridor Light Rail)		22,500,000					22,500,000
Vehicle Maintenance Facility		500,000					500,000
North Corridor Commuter Rail (Red Line)		250,000	750,000	250,000	250,000	250,000	1,750,000
Southeast Corridor LRT (Silver Line)			500,000	250,000			750,000
Total Charlotte Area Transit	\$	157,871,108	246,349,842	351,419,838	323,652,278	114,728,276	1,194,021,342
TOTAL TRANSPORTATION	\$	159,754,087	248,286,140	354,161,588	327,201,698	118,337,673	1,207,741,186
TRANSPORTATION REVENUE SUMMARY							
Pay-As-You-Go Fund	\$	1,882,979	1,936,298	2,741,750	3,549,420	3,609,397	13,719,844
Total Revenue Roads	\$	1,882,979	1,936,298	2,741,750	3,549,420	3,609,397	13,719,844
Federal Transit Grants	\$	104,797,854	117,724,558	123,391,170	119,188,340	74,301,175	539,403,097
Certificates of Participation			56,832,414	124,921,000	112,620,995		294,374,409
NCDOT Transit Grants		34,501,861	61,479,925	88,965,146	77,130,355	25,470,860	287,548,147
General Government Participation		8,250,000					8,250,000
CATS Operating Budget Contribution		10,321,393	10,312,945	14,142,522	14,712,588	14,956,241	64,445,689
Total Revenue Transit	\$	157,871,108	246,349,842	351,419,838	323,652,278	114,728,276	1,194,021,342
TOTAL TRANSPORTATION REVENUES	\$	159,754,087	248,286,140	354,161,588	327,201,698	118,337,673	1,207,741,186

FY2013-2017 Capital Investment Plan

PROJECT TITLE	FY2013	FY2014	FY2015	FY2016	FY2017	TOTAL
ECONOMIC DEVELOPMENT						
<u>Economic Development</u>						
Business Grant Program	\$ 180,000	180,000	180,000	180,000	180,000	900,000
Business Corridor Revitalization Strategy	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
Reserved for Economic Initiatives	1,500,000					1,500,000
Synthetic Tax Increment Financing (property tax)	64,820	68,224	96,671	180,580	210,165	620,460
Total Economic Development	\$ 3,744,820	2,248,224	2,276,671	2,360,580	2,390,165	13,020,460
ECONOMIC DEVELOPMENT REVENUE SUMMARY						
Business Grant Program Income	\$ 180,000	180,000	180,000	180,000	180,000	900,000
Pay-As-You-Go Fund	2,064,820	2,068,224	2,096,671	2,180,580	2,210,165	10,620,460
Certificates of Participation	1,500,000					1,500,000
Total Revenue General ED	\$ 3,744,820	2,248,224	2,276,671	2,360,580	2,390,165	13,020,460
Aviation						
<u>Airfield Projects</u>						
Flight Track Monitoring System	\$ 45,081	45,081	45,081	45,081		180,324
Fourth Parallel Runway	5,000,000	7,000,000	45,000,000	18,500,000		75,500,000
Rehabilitation Runway 18L	19,000,000					19,000,000
Runway 36C Extension					5,500,000	5,500,000
Runway Status Light System	652,150					652,150
Taxiway 'D' Extension - South	8,000,000					8,000,000
Terminal Ramp Expansion (West)		1,564,025	5,119,800		11,576,875	18,260,700
Terminal Ramp Improvements	600,000					600,000
West Boulevard Relocation Phase II			670,000	6,730,000	6,000,000	13,400,000
Total Airfield Projects	\$ 33,297,231	8,609,106	50,834,881	25,275,081	23,076,875	141,093,174
<u>Terminal Complex Projects</u>						
Aircraft Automated Docking System	\$ 3,200,000					3,200,000
Baggage Make-Up Repairs	400,000					400,000
Business Valet Deck II	10,000,000	40,000,000				50,000,000
Communications Infrastructure	3,632,000					3,632,000
Concourse B and C - New Elevators	650,000					650,000
Concourse B Expansion		3,000,000	20,000,000	27,000,000		50,000,000
Concourse 'E' Baggage Transfer Station	575,000	850,000				1,425,000
Concourse 'E' Expansion - Phase VIII	5,000,000	13,500,000				18,500,000
Concourse 'E' Jet Bridges	4,795,655	4,795,656				9,591,311
Consolidated Fuel Farm Expansion	5,400,000					5,400,000
Consolidated Rental Car Facility	30,778,431	32,442,855				63,221,286
East Terminal Expansion	7,533,108					7,533,108
East Terminal Expansion Phase II	500,000	8,500,000				9,000,000
Electrical Infrastructure Upgrade (Terminal)	4,000,000					4,000,000
In-Line Baggage System	27,761,360	20,000,000				47,761,360
International Terminal Phase I		5,000,000	60,000,000	60,000,000	50,000,000	175,000,000
New Short Term Public Parking Deck	40,000,000	24,377,701				64,377,701
Passenger Vehicle Lanes	2,500,000	23,000,000	3,000,000			28,500,000
Public Parking Surface Lot Expansion	2,234,305					2,234,305
Rental Car Storage Facility	14,750,000					14,750,000
Terminal Building Expansion (West)	5,595,100	2,404,900				8,000,000
Terminal Lobby Expansion		10,000,000	70,000,000	75,000,000	45,000,000	200,000,000
Upper Level Commercial Vehicle Roadway	2,500,000	10,000,000	2,000,000			14,500,000
Total Terminal Complex	\$ 171,804,959	197,871,112	155,000,000	162,000,000	95,000,000	781,676,071

FY2013-2017 Capital Investment Plan

PROJECT TITLE	FY2013	FY2014	FY2015	FY2016	FY2017	TOTAL
<u>Miscellaneous Aviation Projects</u>						
Air Traffic Control Tower	\$ 3,600,000	20,700,000	20,700,000			45,000,000
Airport Entrance Road	16,000,000					16,000,000
Airport Office Relocation	500,000					500,000
Master Plan Land Acquisition	10,000,000					10,000,000
Master Plan Update	2,000,000					2,000,000
Noise Compatibility Program	2,000,000	2,000,000	2,000,000			6,000,000
Roadway Signage Project	2,437,000					2,437,000
Storm Water Facilities	4,226,000					4,226,000
Vehicle Wash Facility	530,000					530,000
Total Miscellaneous Aviation Projects	\$ 41,293,000	22,700,000	22,700,000	-	-	86,693,000
<u>General Aviation Projects</u>						
Bank of America Road Relocation	\$		1,500,000			1,500,000
Fixed Based Operator (FBO) Ramp Expansion		3,000,000				3,000,000
FBO Ramp Rehabilitation	4,650,000					4,650,000
FBO Terminal Expansion		1,150,000	1,850,000			3,000,000
FBO Terminal Canopy	1,000,000					1,000,000
GADO Site Redevelopment			1,250,000	3,750,000		5,000,000
General Aviation Maintenance Hangar		3,500,000				3,500,000
Total General Aviation Projects	\$ 5,650,000	7,650,000	3,350,000	1,250,000	3,750,000	21,650,000
<u>Cargo Development Projects</u>						
Cargo Buildings #8	\$	2,600,000				2,600,000
Cargo Ramp Expansion (Buildings 6 & 7)		3,200,000	3,000,000			6,200,000
Old Terminal Loop Road	2,000,000					2,000,000
Total Cargo Development	\$ 2,000,000	5,800,000	3,000,000			10,800,000
TOTAL AVIATION	\$ 254,045,190	242,630,218	234,884,881	188,525,081	121,826,875	1,041,912,245
<u>AVIATION REVENUE SUMMARY</u>						
Revenue Bonds	\$ 169,143,290	196,205,529	188,675,031	166,670,081	99,269,219	819,963,150
FAA Grants and Funding	34,409,150	12,673,019	41,439,850	13,875,000	12,807,656	115,204,675
Excluded Cost Centers	4,162,500	8,800,000	4,100,000	1,250,000	3,750,000	22,062,500
State Funding			670,000	6,730,000	6,000,000	13,400,000
CFC Fund Balance	21,345,027	6,951,671				28,296,698
Transportation Security Admin Funding	24,985,223	17,999,999				42,985,222
Total Revenue Aviation	\$ 254,045,190	242,630,218	234,884,881	188,525,081	121,826,875	1,041,912,245
TOTAL ECONOMIC DEVELOPMENT REVENUES	\$ 257,790,010	244,878,442	237,161,552	190,885,661	124,217,040	1,054,932,705

FY2013-2017 Capital Investment Plan

PROJECT TITLE	FY2013	FY2014	FY2015	FY2016	FY2017	TOTAL
ENVIRONMENT						
<u>Environmental Services</u>						
Environmental Services Program	\$ 1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	6,000,000
Tree Trimming & Removal Program	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	7,000,000
Tree Replacement Program	700,000	700,000	700,000	700,000	700,000	3,500,000
Total Environmental Services	\$ 3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	16,500,000
ENVIRONMENTAL SERVICES REVENUE						
General Pay-As-You-Go Fund	\$ 3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	16,500,000
TOTAL REVENUES	\$ 3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	16,500,000
Storm Water						
Storm Water Repairs to Existing Drains	\$ 8,415,000	11,000,000	12,335,000	11,000,000	11,000,000	53,750,000
Storm Water Pollution Control	3,700,000	2,025,000	2,750,000	2,750,000	2,750,000	13,975,000
Storm Water Stream Restoration	4,285,000	1,625,000	3,765,000	6,265,000	1,265,000	17,205,000
Minor Storm Water Projects	1,650,000	1,350,000	1,350,000	6,350,000	6,350,000	17,050,000
Storm Water Flood Control	2,200,000	4,320,000	5,500,000	6,000,000	6,000,000	24,020,000
Area Improvements						
Alanhurst/Cherrycrest SDIP*		340,000		2,300,000		2,640,000
Country Club SDIP*					4,000,000	4,000,000
First Ward NECI*		900,000				900,000
Hinsdale/Tinkerbell SDIP*		500,000			4,000,000	4,500,000
Lincoln Heights Minor CIP*		300,000	2,500,000			2,800,000
Meadowridge SDIP*		1,200,000				1,200,000
Parkwood NECI*		5,800,000				5,800,000
Pierson/Greenhaven Minor CIP*		300,000		2,500,000		2,800,000
Pressley Rd Minor CIP*		300,000		2,500,000		2,800,000
Taragate Farms SDIP*		500,000			4,000,000	4,500,000
Water Oak SDIP*		500,000			4,000,000	4,500,000
Gaynor SDIP		4,500,000				4,500,000
Sunnyvale/Chandworth SDIP	1,000,000	500,000	1,000,000		4,000,000	6,500,000
Wiseman SDIP	4,400,000					4,400,000
McAlway/Churchill SDIP		5,400,000				5,400,000
Robinhood-Dooley Neighborhood	3,300,000					3,300,000
Tillman/Blenheim SDIP		2,200,000				2,200,000
Myrtle/Morehead SDIP		13,800,000				13,800,000
Brentwood	7,800,000					7,800,000
Lyon Court SDIP	1,000,000		5,000,000	4,000,000		10,000,000
Kenilworth/Romany SDIP	450,000			3,700,000		4,150,000
Hampton Ave Minor CIP		2,500,000				2,500,000
Hill Street Minor CIP			5,300,000			5,300,000
Cedars East Minor CIP				6,600,000		6,600,000
Edgewater/Rosecrest		500,000		4,000,000		4,500,000
Princeton/Somerset Minor CIP				1,000,000		1,000,000
Parkwood SDIP	1,300,000	2,100,000			5,400,000	8,800,000
Post Construction Control Program	750,000	750,000	750,000	750,000	750,000	3,750,000
Stream Mitigation Bank	750,000	750,000	750,000	750,000	750,000	3,750,000
Total Storm Water	\$ 41,000,000	63,960,000	41,000,000	60,465,000	54,265,000	260,690,000
STORM WATER REVENUE SUMMARY						
Revenue Bonds	\$ 5,500,000	25,460,000	3,500,000	19,965,000	11,765,000	66,190,000
Storm Water Pay-As-You-Go	34,000,000	37,000,000	36,000,000	39,000,000	41,000,000	187,000,000
Program Income	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000
TOTAL STORM WATER REVENUES	\$ 41,000,000	63,960,000	41,000,000	60,465,000	54,265,000	260,690,000

FY2013-2017 Capital Investment Plan

PROJECT TITLE	FY2013	FY2014	FY2015	FY2016	FY2017	Total
<u>WATER</u>						
Annexation						
2014 Annexation - Water	\$	8,800,000				8,800,000
Maintain Existing Infrastructure						
N Meck WTP Generator	5,500,000					5,500,000
Lee S. Dukes WTP Rehab & Upgrades	3,500,000					3,500,000
Sulkirk Road 24" Water Main Replacement	2,300,000					2,300,000
Water Metering Upgrade Program	1,600,000	1,600,000	1,600,000	1,600,000		6,400,000
Franklin to Vest - Raw/Finished WM ROW		1,500,000				1,500,000
Valve Rehab and Replacement	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
Catawba PS to Franklin Raw Water Main	100,000					100,000
CBD Water / Sewer Replacement		1,500,000		1,500,000		3,000,000
WTP's and BP Stations Upgrades and Rehab		500,000	250,000			750,000
WM - Freedom / Tuckaseegee Rd. Replacement				7,200,000		7,200,000
Vest Plant Rehab/Upgrades				1,150,000		1,150,000
Provide Service to Existing Residence						
Street and Minor Water Main Extensions		3,600,000	3,600,000	5,500,000	5,500,000	18,200,000
New Service Installation Water			2,000,000	2,000,000	2,000,000	6,000,000
Regulatory Requirements						
Water Treatment Regulatory Improvements	200,000	100,000				300,000
Support for Other Public Projects and for Utilities Operations						
Water Line Rehabilitation/Replacement	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	47,500,000
Technology Projects	2,025,000	1,375,000	1,275,000	1,275,000	850,000	6,800,000
UMS / Advantage Operations and 4.3 Upgrade	150,000	150,000	150,000	150,000		600,000
Admin/Eng Bldg. Upgrades	100,000					100,000
Water Lines for Street Improvements		1,800,000	1,800,000	1,800,000	1,800,000	7,200,000
GIS Facilities Mapping		400,000	450,000	200,000		1,050,000
Independence Blvd. Widening-Water & Sewer	100,000					100,000
LIMS Replacement	400,000	50,000				450,000
Support Growth and Development						
Dixie Berryhill Water Infrastructure	1,900,000		2,750,000	2,630,000		7,280,000
978' North-South Transmission Main		8,000,000				8,000,000
978 Booster Pump Station		5,000,000				5,000,000
North Tryon Transmission Main		2,000,000				2,000,000
Carmel Rd to NC-51 Transmission Main			2,100,000			2,100,000
Rozzelles Ferry WM			1,300,000			1,300,000
Plaza BPS Intake Transmission Main -NEWT						
Extension			1,250,000			1,250,000
Water Main to Plaza Tank			1,000,000			1,000,000
WM: Main St. Huntersville (Gilead to Ramah Ch)			800,000			800,000
Plaza Rd. to W.T. Harris TM			500,000			500,000
Northeast Water Transmission Main				25,700,000		25,700,000
W.T. Harris / Albemarle Rd.				5,800,000		5,800,000
LS Dukes WTP/Stumptown Rd. Transmission Main				3,650,000		3,650,000
Gibbon / Nevin to Mallard Tank Transmission Main				3,000,000		3,000,000
McKee Creek Tributary-Larkhaen GC Trunk					2,500,000	2,500,000
Total Water		\$ 28,375,000	46,875,000	31,325,000	73,655,000	23,150,000
						203,380,000

FY2013-2017 Capital Investment Plan

PROJECT TITLE	FY2013	FY2014	FY2015	FY2016	FY2017	Total
<u>SEWER</u>						
Annexation						
2014 Annexation - Sewer	\$	15,000,000				15,000,000
Maintain Existing Infrastructure						
Sanitary Sewer Line Rehabilitation	11,000,000	13,000,000	13,000,000	13,000,000	13,000,000	63,000,000
McAlpine Creek WMF Rehab and Upgrades	2,250,000	2,000,000	1,500,000			5,750,000
Paw Creek Force Main Replacement	2,250,000					2,250,000
66" McAlpine Creek Sewer Replacement	2,000,000					2,000,000
Sugar WWTP Rehab and Upgrades	1,200,000	1,000,000	100,000			2,300,000
McDowell WWTP Rehab and Upgrades	1,200,000	400,000				1,600,000
Site Work at All WWTPs	1,000,000	1,500,000	1,000,000	500,000		4,000,000
Irwin WWTP Rehab and Upgrades	1,000,000	200,000	200,000	200,000		1,600,000
McAlpine Creek WWMF Dewatering Imp.	1,000,000					1,000,000
Mallard WWTP Rehab and Upgrades	950,000	600,000	250,000	250,000		2,050,000
McAlpine Creek WWMF Final Clarifier Imp.	750,000					750,000
Provide Service to Existing Residence						
Street and Minor Sewer Main Extension	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	30,000,000
New Service Installation Sewer	500,000	1,500,000	1,500,000	1,500,000	1,500,000	6,500,000
Regulatory Requirements						
WW System Evaluation	100,000					100,000
Support for Other Public Projects and for Utilities Operations						
McAlpine Creek WWMF Methane to Power	1,873,000					1,873,000
Sewer Lines in Streets to be Widened		1,850,000	1,850,000	1,850,000	1,850,000	7,400,000
Work and Asset Management	835,400	780,400	790,400	770,400		3,176,600
Support Growth and Development						
Ramah Creek Trunk Sewer	5,000,000					5,000,000
Long Creek WWTP to 11 mgd	4,000,000			18,300,000	164,700,000	187,000,000
Steele Creek LS Replacement	3,000,000					3,000,000
Paw Creek FM Repl	2,250,000					2,250,000
Mallard Creek WWTP Clarifier & Flood Prot.	1,000,000					1,000,000
Irvins Creek Parallel Sewer	1,000,000					1,000,000
Coffey / Taggart Creek Outfall	1,000,000					1,000,000
Wastewater Master Plan Study	750,000					750,000
Little Paw Creek LS, Force Main, & Grav Sewer	500,000	4,400,000				4,900,000
Matthews Commons Gravity Sewer	475,000					475,000
Developer Constructed Sewer - Reimbursable	100,000	250,000	200,000			550,000
Briar Creek Relief Sewer		20,000,000				20,000,000
McMullen Creek Parallel Sewer & Flow EQ		2,000,000	7,000,000			9,000,000
Upper McAlpine Creek Relief Sewer		500,000		4,500,000		5,000,000
Dixie Berryhill Sewer Infrastructure			3,000,000	1,750,000	790,000	5,540,000
Cane Creek Outfall			1,230,500			1,230,500
South Davidson LS Replacement			400,000			400,000
McDowell Basin Trunk Sewers					3,000,000	3,000,000
Clarkes Creek to Ramah Church Road					2,900,000	2,900,000
North Fork of Crooked Creek					2,700,000	2,700,000
Campus Ridge Rd. LS, Force Main, & Grav Sew					2,500,000	2,500,000
Dixon Branch Trunk Sewer Extension					1,600,000	1,600,000
Little Sugar Creek Lift Station					1,500,000	1,500,000
McCullough Branch LS Improvements					1,500,000	1,500,000
Beaver Dam Creek West Branch Outfall					1,300,000	1,300,000
Rocky River (South Prong) to Mayes					1,100,000	1,100,000
Upper Clear Creek Tributary Sewer					1,000,000	1,000,000
Fuda Creek Trunk Sewer					850,000	850,000
Lake Road Trunk Sewer (Matthews)					625,000	625,000
Mountain Island Tributary Extension					510,000	510,000
Total Sewer	\$	52,983,400	70,980,400	38,020,900	48,620,400	208,925,000
WATER/SEWER REVENUE SUMMARY						
Water Revenue Bonds	\$	13,400,000	33,100,000	17,800,000	60,130,000	11,800,000
Sewer Revenue Bonds		37,958,400	53,710,400	20,790,900	31,610,400	192,685,400
Water / Sewer Operating Fund		30,000,000	31,045,000	30,755,000	30,535,000	27,589,600
TOTAL REVENUES	\$	81,358,400	117,855,400	69,345,900	122,275,400	232,075,000
						622,910,100

FY2013-2017 Capital Investment Plan

PROJECT TITLE	FY2013	FY2014	FY2015	FY2016	FY2017	TOTAL
FACILITY INVESTMENTS						
Building Maintenance Program	\$ 3,550,000	3,650,000	3,650,000	3,650,000	3,650,000	18,150,000
Roof Replacement Program	1,400,000	1,500,000	1,500,000	1,500,000	1,500,000	7,400,000
Parking Lot and Deck Repairs	300,000	300,000	300,000	300,000	300,000	1,500,000
Government Plaza Building Maintenance	650,000	700,000	700,000	700,000	700,000	3,450,000
Fire Station Renovations	400,000	400,000	400,000	400,000	400,000	2,000,000
Landscape Maintenance and Renovation	250,000	250,000	250,000	250,000	250,000	1,250,000
Technology Investments	2,000,000	2,000,000	2,000,000	2,000,000	1,910,479	9,910,479
TOTAL FACILITY INVESTMENTS	\$ 8,550,000	8,800,000	8,800,000	8,800,000	8,710,479	43,660,479
FACILITY INVESTMENTS REVENUE SUMMARY						
Pay-As-You-Go Fund	\$ 8,550,000	8,800,000	8,800,000	8,800,000	8,710,479	43,660,479
TOTAL REVENUES	\$ 8,550,000	8,800,000	8,800,000	8,800,000	8,710,479	43,660,479

FY2013-2017 Capital Investment Plan

City Manager's Recommended FY2013-2017 General Capital Investment Plan Summary (Unfunded)

Mission	Objective	Recommended
INVESTING IN CORRIDORS	To promote economic development, expansion and job creation	
Airport/West Corridor		\$43,000,000
Spine Dixie-Berryhill Infrastructure (New Garrison Road)		\$30,000,000
Southern Dixie-Berryhill Infrastructure (Widen Dixie River Road)		\$13,000,000
East/Southeast Corridor		\$92,000,000
Land Acquisition and Street Connections		\$25,000,000
Monroe Road Streetscape		\$10,000,000
Bojangles/Ovens Area Redevelopment		\$25,000,000
Public/Private Redevelopment Opportunities		\$20,000,000
Idlewild Road/Monroe Road Intersection		\$4,000,000
Sidewalk and Bikeway Improvements		\$8,000,000
Northeast Corridor		\$170,000,000
Research Drive – J.W. Clay Connector over I-85 (North Bridge #1)		\$15,000,000
University Pointe Connection - IBM Drive to Ikea Blvd (South Bridge #2)		\$14,500,000
Northeast Corridor Infrastructure (NECI)		\$102,500,000
Applied Innovation Corridor		\$28,000,000
UNCC Informatics and Innovation Partnership		\$10,000,000
INCREASING CONNECTIONS	To increase connectivity with road projects, streetcar extension, and infrastructure improvements	
Road/Infrastructure Projects		24,900,000
Prosperity Church Road NW Arc		5,000,000
Eastern Circumferential/Railroad Bridge		11,600,000
Park South Drive Extension		8,300,000
Cross Charlotte Multi-Use Trail		\$35,000,000
Streetcar Extension		\$119,000,000
Sidewalks and Pedestrian Safety		\$60,000,000
Traffic Control & Bridges		\$48,000,000
Upgrade Traffic Signal System and Control Devices		\$34,000,000
Repair and Replace Bridges		\$14,000,000
IMPROVING COMMUNITIES	To address affordable housing, neighborhood improvement, and quality of life needs	
Public Safety Facilities		\$124,500,000
Joint Communications Center (1)		\$64,000,000
Police Division Stations (6)		\$56,500,000
Land Purchase for Future Fire Stations		\$4,000,000
Maintenance Facilities Sweden Road Maintenance Yard and Northeast Equipment Maintenance Facility		\$30,000,000
Affordable Housing		\$60,000,000
Comprehensive Neighborhood Improvement Program Prosperity (\$30M); Whitehall (\$30M); West Trade/Rozelles Ferry (\$20M); Central (\$20M); Sunset (\$20M)		\$120,000,000
Grand Total Estimated Cost		\$926,400,000*

*General Obligation (G.O.) bonds and Certificates of Participation (COPs)

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Adopted FY2013 User Fees

Definitions (City Ordinance 844, Chapter 2, Section 2-4):

Regulatory – user fees associated with or incident to a regulatory program, such as land use permits, subdivision reviews, and fire permits, which are eligible for Council's cost recovery policy. Effective July 1, 2005, Council adopted a fully allocated cost recovery rate of 100%.

Non-Regulatory – all other user fees for City services or facilities, such as cemeteries or hiring an off-duty police officer, are calculated using various methods including market and contract rates.

Regulatory User Fee Cost Recovery Example

Step 1: Department's total direct and indirect budgeted costs = Fully Allocated Cost

Direct & Indirect Costs	Eligible Budget	Fee Activity 1		Fee Activity 2		Fee Activity 3		Non User Fee Activity	
Staff Member 1	\$30,000	40%	\$12,000	25%	\$7,500	30%	\$9,000	5%	\$1,500
Fire	35,000	15%	5,250	10%	3,500	35%	12,250	40%	14,000
Solid Waste	12,000	25%	3,000	20%	2,400	15%	1,800	40%	4,800
Fully Allocated Cost	\$77,000		\$20,250		\$13,400		\$23,050		\$20,300

Step 2: Fully Allocated Cost divided by five-year average number of units = Cost Per Unit

Description	Fee Activity 1	Fee Activity 2	Fee Activity 3
Fully Allocated Cost	\$20,250	\$13,400	\$23,050
5-yr avg # of permits/applications	500	40	24
100% Cost per Unit	\$41	\$335	\$960

Step 3: Cost per Unit multiplied by cost recovery rate = Fee

Description	Fee Activity 1	Fee Activity 2	Fee Activity 3
100% Cost to Applicant/Customer	\$41	\$335	\$960

FY2013 User Fee Recommendation

The City's User Fee Ordinance requires the City Manager to notify City Council of any new or increased fees through the budget process.

As part of the FY2012 budget, City Council approved holding regulatory user fee rates flat from the FY2011 rate due to uncertainties in development activities and the economy. Regulatory user fees typically fluctuate from year to year because they are based on the annual operating budget, and are driven by the complexity of the service, number of units, and staff time. Staff recommends increasing the Regulatory user fee rates by an average of 6% for FY2013.

User fees have been held flat for the past four years. If Council's fully allocated cost recovery policy was reinstated it would result in a significant increase to fees in FY2013. Therefore, in FY2013 a multi-year approach is recommended to incrementally increase user fees, over a three to five year period, to return to the fully allocated cost recovery model.

As detailed in this report, significant personnel cost reductions have been made to reduce the cost of regulatory user fees impacted by the economic decline. Staff anticipates achieving revenue recovery of all direct costs associated with regulatory fees. Based upon user fee activity, fixed overhead costs such as payroll and building rent may not be fully recovered and are therefore absorbed by the General Fund.

Non-regulatory fees, such as cemeteries and airport landings, will continue to be charged based upon market rates and negotiated contracts.

Adopted FY2013 User Fees

The following pages detail the proposed rates for regulatory user fees as well as the recommended rates for non-regulatory user fees.

Regulatory User Fees

Land Development Services

To reduce the costs allocated to user fee services and to remain in-line with user fee activity, the land development divisions have made significant budget cuts over the past two years. Because of these budget reductions, staff anticipates recovering most of the direct costs associated with land development services in FY2013. Depending upon user fee activity in the upcoming fiscal year, fixed overhead costs such as payroll and building rent may not be fully recovered and therefore absorbed by the General Fund. The following chart depicts the FY2013 allocation of positions to user fee activities for each division:

Land Development Divisions	E&PM	CDOT	Planning	Fire	N&BS	Total
Positions Allocated to User Fee Services	22.00	4.50	7.00	4.00	11.00	48.50

Other Regulatory Fees

Transportation (CDOT)

CDOT is introducing one new fee, Expedited Review which will mirror the expedited review fee charged by Engineering & Property Management. Two of the eight Regulatory fees charged by CDOT are increasing for FY2013.

Planning

Planning is introducing one new fee, Urban Plan Review – Minor & Revision, an Administrative Review/Fee. The majority of the regulatory fees for Planning are increasing for FY2013.

Fire

There are two fee categories in the Fire Department: plans review and permits. Fire is introducing three new fees to the permit category: Non-Mandated Inspection Fee, Re-Inspection Fee, and Bulk Terminal Operations Fee for FY2013. All other Regulatory fees for Fire will be held flat from FY2012.

Police

The regulatory user fees in the Police Department include Passenger Vehicles for Hire, Adult Oriented Businesses, and Dance Halls. These revenues have not been significantly impacted by the economic downturn. There are no new regulatory Police fees proposed for FY2013.

Adopted FY2013 User Fees

Non Regulatory User Fees

Aviation

One of the Airport's fees changed - Landing fees increased \$0.48 per 1,000 pounds load-weight. All other fees remain flat.

Engineering & Property Management

The Land Development Bond Administration Services fee, an optional fee, decreases from \$445 to \$430. This fee is charged for each bond administration service, as is consistent with other national jurisdictions as well as actual workload allocations.

CMPD – Animal Care & Control

Fees remain unchanged from FY2012 with the exception of setting prices for parrots, horses, and cows. These animals will be offered at the going market rate or auction starting price.

City Clerk

In FY2013 the fee for Zoning Advertisements will increase by \$10.

Charlotte Area Transit System

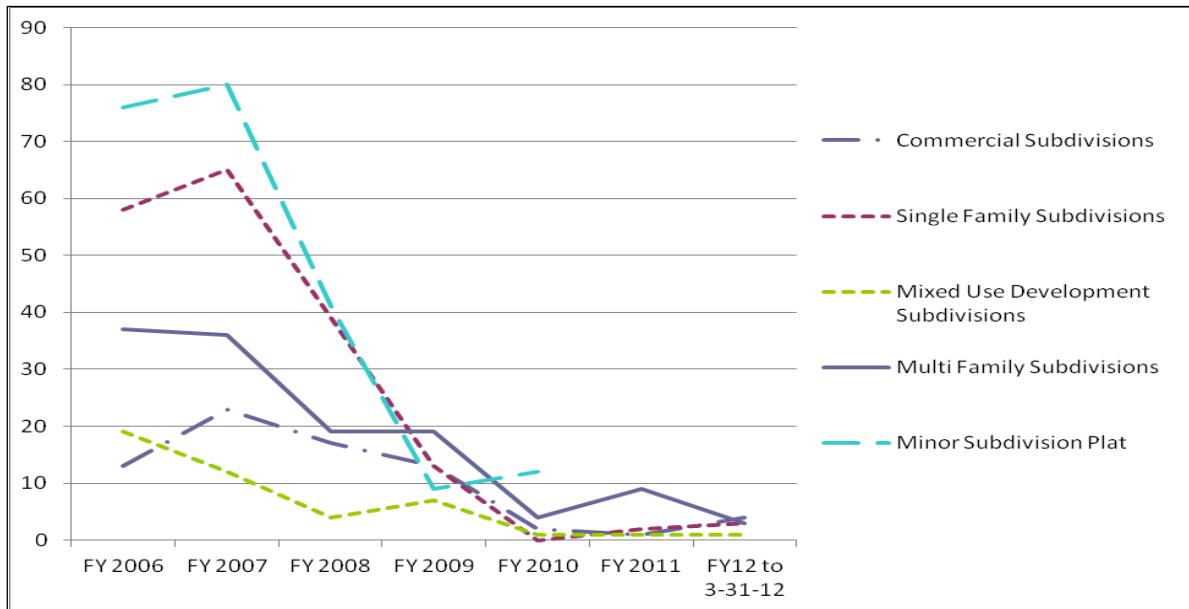
For FY2013, CATS has moved forward with a contractual provision of advertising services for both exterior and internal vehicle advertisement with guaranteed minimum revenue plus a percentage share of overall revenue. As such, rates will be established by the advertising contractors rather than Mayor and Council.

Adopted FY2013 User Fees

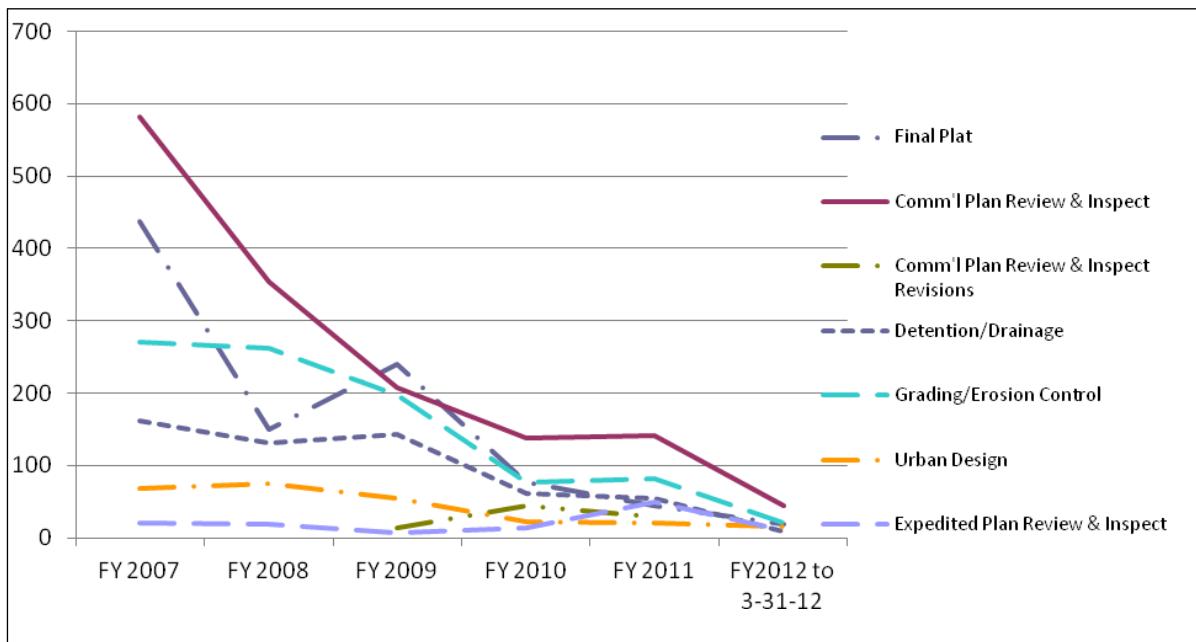
Land Development Services' User Fees Occurrences

Five departments comprise the regulatory land development services: Engineering & Property Management (E&PM), Charlotte Department of Transportation (CDOT), Charlotte-Mecklenburg Planning Commission (Planning), Neighborhood & Business Services (N&BS) and the Fire Department. As illustrated in the charts below, most of the land development user fee categories have experienced a decline in occurrences.

Subdivision Development Fees and Permits



Other Land Development Fees and Permits



Adopted FY2013 User Fees

E&PM – Storm Water

More frequent and larger flood events are straining older drainage systems and increasing the number of citizen requests. These newer requests compete with a backlog of lower priority requests for limited funding. The proposed user fee schedule includes a 6% impervious surface fee rate increase in FY2013. For the average City residential storm water customer, the monthly variable rate fee will increase from \$7.06 in FY2012 to \$7.48 in FY2013.

Charlotte-Mecklenburg Utilities Department

In the FY2013 recommended budget, Utilities customers will experience an increase in the volume rate, fixed billing charge, and the availability fee for both water and sewer. The average monthly total water/sewer bill for residential customers is estimated to be \$59.53 in FY2013, an increase of \$3.30 per month. This average bill assumes 5,984 gallons or 8 ccf used each month. Based on the current rate structure, users consuming more than the average level of consumption are charged a higher rate to encourage conservation and responsible use of this resource.

The increase of \$.06 per account, per day increases the total fixed billing charge per month to \$2.46 for sewer and \$2.46 for water. The sewer volume rate increases from \$4.14 to \$4.32 per ccf for all sewer customers.

Other non-regulatory user fees held constant:

- Dead Animal Collections
- Parade Permits
- Cemetery Fees
- Parking Permits and Meters
- Off-Duty Police Officer Permits
- Voluntary Annexation Petitions

The FY2013 Proposed Regulatory and Non-Regulatory User Fee schedule is attached. The effective date of these fees is July 1, 2012.

Adopted FY2013 User Fees

REGULATORY USER FEES

Engineering & Property Management Recommended User Fees

Regulatory Fees	FY2012	FY2013	Basis
Commercial Plan Review & Inspection ¹	\$ 1,210	\$ 1,295	Per project
Commercial Tree Ordinance Review & Inspection	1,565 + 10	1,565 + 10	Per project + per tree planted
Grading / Erosion Control Permit ²	4,190 + 150	4,485 + 150	Per project + per acre
Commercial Tree Preservation	1,230	1,230	Per project
Detention / Drainage Plan Review & Inspection ²	2,240 + 100	2,400 + 100	Per project + denuded acre
Urban Design Plan Review & Inspection ³	3,295	3,525	Per project
Plat Review & Inspection	1,100	1,180	Per plat
Major Residential Subdivision Review & Inspection ⁴	3,670 + 100	3,670 + 100	Per project + per acre
Major Commercial Subdivision Review & Inspection ^{4,5}	3,495 + 50	3,495 + 50	Per project + denuded acre
Residential Tree Ordinance (Single-Family Subdivision) and Residential Tree Preservation	1,620 + 15	1,620 + 15	Per project + per acre
Minor Residential Subdivision (without streets)	1,355	1,450	Per project
Rezoning Staff Review & Inspection	240	260	Per project
Revision to Approved Plan (Administrative Review)/Administrative Fee	1,020	1,090	Per project
Minor Administrative Review	400	430	Per project
Commercial Zoning Plan Review & Inspection ⁶	85 - 805	90 - 860	Based on construction costs
Expedited Plan Review	1,605	1,720	Per project

Note 1: Engineering collects for driveway permit reviews, which include CDOT service on all complex traffic reviews for building permits, and driveway permit applications

Note 2: Grading, Detention, and Subdivision fees are based on exact acre. Fees are computed by adding the project fee and per acre fee

Note 3: Applies to Uptown Mixed Use Development, Mixed Used Development District , Pedestrian Overlay, Transit Station Overlays, and Transit Oriented District Overlays. Engineering collects for these reviews, which includes additional fees by CDOT and Planning

Note 4: Major Subdivision includes Single-Family, Multi-Family and Mixed-Use

Note 5: Major Subdivision costs based on total acreage; Commercial Subdivision costs based on denuded acreage

Note 6 (with FY2013 fees): City Engineering Fee(s) collected by Mecklenburg County LUESA. Construction costs of \$1 - \$3,000=\$90 fee; \$3,001-\$50,000=\$140 fee; \$50,001-\$100,000=\$340 fee; \$100,001-\$1,000,000=\$715; over \$1,000,001=\$845 fee; RTAP review = \$1130 fee; CTAC review = \$90 fee

Adopted FY2013 User Fees

Transportation Recommended User Fees

Regulatory Fees	FY2012	FY2013
Zoning Petition*	\$ 2,000	\$ 2,000
Commercial Building Permit/Site Plan*	65	100
Commercial Driveway Permit/Site Plan*	200	230
Subdivision Processing*	2,320	2,320
Right-of-Way Encroachment	2,000	2,000
Right-of-Way Abandonment**	1,450	1,450
Urban Reviews	1,975	1,975
Expedited Review (New)	-	200
Utility Right of Way Ordinance	***	***

* CDOT's portion; additional fees collected by Engineering & Property Management and Planning Department

** \$1,450 for one street or alleyway abandonment; \$725 for additional street or alley abandonments

***Per the Utility ROW Stakeholder Process, fees are calculated based on actual costs and usage, and billed annually in August

Planning

Recommended User Fees

Regulatory Fees	FY2012	FY2013
Rezoning:		
Single Family (Conventional)	\$ 800	\$ 850
Multi-Family (Conventional)	1,200	1,250
Other (Conventional)	2,000	2,100
Single Family (Conditional)	1,050	1,100
Multi Family (Conditional)	1,575	1,675
Other (Conditional)	2,650	2,800
Text Amendment	900	950
Amend. Site Plan Approval	425	450
Sign Flex Option	250	250
Subdivision Review:		
Preliminary Single Family (Streets)	1,225	1,300
Preliminary Non-Residential	975	1,025
Preliminary Plan Revisions	1,100	1,150
Variances & Appeals	2,500	2,500
Final Plats	275	300
Final Plats Revision	225	250
Condo Plats	200	215
Planned Multi-Family Review	1,675	1,775
Urban Plan Review*		
Urban Plan Review	1,350	1,425
Urban Plan Review - Minor & Revision (Admin Review/Fee) (New)	-	250
Zoning Administration:		
Appeals - Residential	150	175
Appeals - Non-Residential	350	375
Variances - Residential	555	600
Variances - Non-Residential	1,380	1,475
Administrative Deviation - Residential	150	175
Administrative Deviation - Non-Residential	350	375

*Planning portion of fee; additional fees collected by Engineering & Property Management and Charlotte Department of Transportation

Adopted FY2013 User Fees

Fire Recommended User Fees

Regulatory Fees	Fire	FY2012	FY2013
A. Fire Code Permits			
Hazardous Chemicals <110 gallons, 1,000 lbs	\$ 130	\$ 130	
Heliport/Helistop	130	130	
Fumigation & Thermal Insecticide Fogging	130	130	
Lumber Storage/Yards & Woodworking Plants	130	130	
Waste Handling (Junk Yards, Wrecking Yards)	130	130	
Dispensing of Flammable/Combustibles including service stations	130	130	
Day Care/Group Homes	130	130	
Temporary Membrane Structures, Tents, Canopies	130	130	
Repair Garages	130	130	
Combustible Dust Producing Operations/Pulverized particles	130	130	
Covered Mall Bldgs – Retail Fixtures/Concessions	130	130	
Covered Mall Bldgs – Display-liquid or gas-fired equipment	130	130	
Covered Mall Bldgs – Use of open flame producing equipment	130	130	
Aerosol Products	130	130	
Dry Cleaning Plants	130	130	
Flammable Liquids Class 1 (5-50 gallons inside/10-50 outside)	130	130	
Combustible Liquids Class 2 & 3 (25-60 gallons on property)	130	130	
ABC Inspection/Permit	130	130	
Non-Mandated Inspection Fee (New Fee)	130	130	
ReInspection Fee (3rd Inspection) (New Fee)	130	130	
B. Fire Code Permits			
Haz Chem 111-1,100 gallons; 1,001-10,000 lbs	170	170	
Compressed Gas	170	170	
Spraying or Dipping Operations	170	170	
Places of Assembly	170	170	
Explosives (Fireworks Indoors)	170	170	
Combustible Fibers	170	170	
Exhibits & Trade Shows	170	170	
Amusement Buildings	170	170	
Carnivals & Fairs	170	170	
Cryogenic Fluids	170	170	
Flammable Liquids Class 1 (51-500 gallons on property)	170	170	
Combustible Liquids Class 2 & 3 (61-500 gallons)	170	170	
Combustible Storage Permit (over 2,500 cubic ft)	170	170	
High Pile Storage	170	170	

Adopted FY2013 User Fees

Regulatory Fees	FY2012	FY2013
C. Fire Code Permits		
Haz Chem 1,101-5,500 gallons 10,001-50,000 lbs	\$ 215	\$ 215
Tire Rebuilding Plant	215	215
Flammable & Combustible Liquids (Install, alter, remove, abandon tanks – AG/BG tank removal)	215	215
Flammable & Combustible Liquids (Operate tank vehicles, tanks, plants, terminals, wells, refineries)	215	215
Flammable & Combustible Liquids (Change type of contents in tank to a greater hazard than tank's design)	215	215
Flammable & Combustible Liquids (manufacture, process, blend/refine)	215	215
Flammable & Combustible Liquids (dispensing from tank vehicles into motor vehicles)	215	215
Aviation Facilities	215	215
Flammable Liquids Class 1 (501-5,000 gallons on property)	215	215
Combustible Liquids Class 2 & 3A (501-5,000 gallons on property)	215	215
D. Fire Code Permits		
Hazardous Chemicals >5,500 gallons >50,000 lbs	245	245
Explosives – Blasting Operations	245	245
Explosives – Fireworks (Outdoors)	245	245
Explosives – (Manufacture, storage, handling & sale)	245	245
Flammable Liquids Class 1 (>5,000 gallons, on property)	245	245
Combustible Liquids Class 2 & 3A- > 5,000	245	245
Bulk Terminal Operations (Includes 3-5 permits for permit categories 13, 14, 15 & 18) (New Fee)	-	2,200

Adopted FY2013 User Fees

Fire Fees continued

Regulatory Fees	FY2012	FY2013
E. Plans Review		
Hydrant Test	\$ 155	\$ 155
Rezoning Petitions	165	165
Multi-Family	300	300
Fire Alarm Plans (Shop drawings)	140	140
Fire Sprinkler Plans (Shop drawings)	140	140
Plans Review-Const.<\$50,000	170	170
Plans Review-Const. \$50,001 to \$100,000	180	180
Plans Review-Const. \$100,001 to \$500,000	200	200
Plans Review-Const. \$500,001 to \$1,000,000	235	235
Plans Review-Const. \$1,000,001 to \$5,000,000	305	305
Plans Review-Const. \$5,000,001 to \$10,000,000	450	450
Plans Review-Const. > than \$10,000,000	690	690
Performance Tests - Fire pumps	160	160
Performance Tests - Sprinkler System (13R, drain test, etc)	160	160
Performance Tests - Fire Alarm (Shell) (Smoke evac, atriums, smoke detection systems)	590	590
Performance Tests - Fire Alarm (Upfit)	160	160
Performance Tests - Private fire hydrants	160	160
Performance Tests - Standpipe system tests	400	400
Performance Tests - Automatic fire-extinguishing systems (hood systems, Halon systems, pre-action systems in computer rooms or alternatives)	160	160

Adopted FY2013 User Fees

Police
Recommended User Fees

Regulatory Fees	FY2012	FY2013
Adult Businesses		
Application Fee	\$ 2,225	\$ 2,225
License Fee	800	800
Background Check Fee	30	30
Building Design Change Fee	1,090	1,090
Passenger Vehicle for Hire Fees		
Company Certification Fees		
Application Fee	220	220
Certification/Permit Fee	385	385
Renewal of Certification/Permit	425	425
Late Renewal Charge (per day) ¹	100	100
Driver/Chauffeur Fees		
Application Fee	80	80
New Driver/Chauffeur Fee ²	15	15
Renewal of Permit Fee	90	90
Reinstatement of Permit Fee	100	100
Transfer or Duplication of Permit Fee	30	30
Add or Change a Company Affiliation	70	70
Extend Driver Permit Expiration Date	100	100
Replace Driver Permit	70	70
Vehicle Fees		
New-Vehicle Permit (Decal/Medallion Fee)	190	190
Renew Vehicle Permit	155	155
Transfer Vehicle Permit	95	95
Replace Vehicle Permit	100	100
Replace Vehicle Decal	45	45
Dance Hall License Fees		
Application/Renewal Fee	2,320	2,320
License Fee	820	820
Background Check Fee	35	35
Building Design Change Fee	1,095	1,095
Carnival Permit Fee	865	865

Note 1: penalty; not a regulatory fee

Note 2: fee amount regulated by State statute

Adopted FY2013 User Fees

Neighborhood & Business Services
Recommended User Fees

Regulatory Fees		FY2012	FY2013
Zoning Administration			
Sign permits (\leq 100 sq ft; $>$ 100 sq ft)	\$ 130 or 185	\$ 130 or 185	
Change of Use Permits	125	135	
Zoning Use Permits	130	135	
Residential Single Family Reviews	25	30	
Business License Reviews	45	45	
Verification Letters	25	50	

City Clerk
Recommended User Fees

Regulatory Fees		FY2012	FY2013
Zoning Advertisements*	\$ 120	\$ 130	

*Collected by Planning Department

Adopted FY2013 User Fees

NON-REGULATORY USER FEES

Aviation

Recommended User Fees

Non-Regulatory Fees	FY2012	FY2013	Basis
Commuter Facility Charge	\$ 0.65	\$ 0.65	Per available seat
International Facility Use (FIS)	5.00	5.00	Per deplaned passenger
International Gate Use (City Gates)			
Narrow Body Jet	0.65	0.65	Per turn
Wide Body Jet	0.65	0.65	Per turn
Fuel Flowage (use of Airfield)	0.065	0.065	Per gallon delivered
Fuel through-put (fees for ground service equipment)	0.08	0.08	Per gallon delivered
Parking Cards (combined lots)	245.00	245.00	Per card
Airport ID Cards	10.00	10.00	Per card
Parking Fees			
Hourly Deck (\$16.00 daily maximum)	1.00	1.00	Per half hour
Daily Deck & Lot (\$6.00 daily maximum)	1.00	1.00	0-1 hour
Remote Lot	6.00	6.00	Daily maximum
Long Term Lot	4.00	4.00	Daily maximum
Curbside Valet (\$19.00 daily maximum)	4.00	4.00	Minimum
Business Valet (\$10.00 daily maximum)	4.00	4.00	Minimum
Cell Phone Lot (Free while waiting for arriving passengers)	Free	Free	

Adopted FY2013 User Fees

Aviation fees continued

Non-Regulatory Fees	FY2012	FY2013	Basis
Other Ground Transportation Operators			
Taxi Permits	\$312.50	\$312.50	Per permit per quarter
Off Airport Rent-A-Cars	10%	10%	% of gross revenue
Off Airport Parking	10%	10%	% of gross revenue
Hotel/Motel Courtesy Vans	\$400.00	\$400.00	Annually/per vehicle
Commercial Courier Vehicles	\$1.00	\$1.00	Per trip through lane
Contract Vans or Limos	\$1.00	\$1.00	Per trip through lane
Frequent Parking Cards	\$100.00	\$100.00	Per month
Land Rent	\$3,500 - \$9,584	\$3,500 - \$9,584	Per acre
Landing Fees	\$0.42	\$0.90	Per 1,000 lbs lwt.
Aircraft Ramp Parking Fees			
Per operation 0 to 30,000 lbs	\$25.00	\$25.00	Aircraft 0 to 30,000 lbs
≥30,000 lbs for 0-3 hours	\$50.00	\$50.00	0 to 30,000 lbs, 0-3 hrs
> 30,000 lbs for 3-24 hours	\$100.00	\$100.00	>30,000 lbs, 3-24 hrs
Terminal Area Rentals	\$5.21 to \$52.14	\$5.21 to \$52.14	Per square foot
Cargo Facility Rentals	\$3.00 to \$12.01	\$3.00 to \$12.01	Per square foot
Maintenance & Operations Costs	\$10.00 to \$12.00	\$10.00 to \$12.00	Per square foot
City Hanger Rentals			
60' x 60'	\$840.00	\$840.00	Per month
T-Hangers	\$300.00	\$300.00	Per month
Shadeports	\$155.00	\$155.00	Per month
Rent-A-Car Concessions	10%	10%	Minimum Annually
Cargo Ground Handling Fees	8%	8%	% of Gross Revenue

Adopted FY2013 User Fees

City Clerk

Recommended User Fees

Non-Regulatory Fees	FY2012	FY2013
Voluntary Annexation Petition	\$ 400	\$ 400

Engineering & Property Management Recommended Cemetery Fees

Non-Regulatory Fees: Oaklawn, North Pinewood, West Pinewood, 9th St Pinewood	FY2012	FY2013
Opening & Closing Fees		
Adult		
Weekdays	\$ 725	\$ 725
Weekdays after 3:30 p.m. & Saturday	1,088	1,088
Sunday & Holidays	1,360	1,360
Indigent (Catholic Social Svc-Weekdays)	300	300
Non-Permanent Burial Container/Adult - additional cost	250	250
Infant/Child (up to 3 feet)		
Weekdays	300	300
Weekdays after 3:30 p.m. & Saturday	450	450
Sunday and Holidays	563	563
Indigent (Catholic Social Svc-Weekdays)	100	100
Cremations (burial) (In-ground)		
Weekdays	300	300
Weekdays after 3:30 p.m. & Saturday	450	450
Sunday & Holidays	563	563
Second Right of Interment (new fee)	200	200
Disinterment		
Adult	1,088	1,088
Infant/Child (up to 3 feet)	300	300
Reinterment		
Adult	725	725
Infant/Child (up to 3 feet)	300	300
Sale of Grave Spaces		
Sale of Grave Sections 7 & 8 only	700	700
Sale of Grave Adult	700	700
Sale of Cremain Space In Ground	250	250
Perpetual Care Charge (one-time fee per space)	50	50
Amenities		
Flower Vase Installation	50	50
Sale and Installation of City Vase	90	90
Monument Foundation Construction (per sq. in)	0.65	0.65
Marker Installation (per sq. inch)	0.60	0.60
Transfer Burial Rights	100	100

Adopted FY2013 User Fees

Engineering & Property Management Fees continued

Non-Regulatory Fees: Elmwood and Evergreen Cemeteries	FY2012	FY2013
Charges for Opening and Closing Grave Spaces/Niche		
Adult		
Weekdays	\$ 725	\$ 725
Weekdays after 3:30 p.m. & Saturday	1,088	1,088
Sunday & Holidays	1,360	1,360
Non Permanent Burial Container/Adult – additional cost	250	250
Infant/Child (up to 3 feet)		
Weekdays	300	300
Weekdays after 3:30 p.m. & Saturday	450	450
Sunday and Holidays	563	563
Cremations (burial)		
Weekdays	300	300
Weekdays after 3:30 p.m. & Saturday	450	450
Second Right of Interment (new fee)	200	200
Sunday & Holidays	563	563
Disinterment		
Adult	1,088	1,088
Infant/Child (Up to 3 feet)	300	300
Re-interment		
Adult	725	725
Infant/Child (Up to 3 feet)	300	300
Sale of Grave Space		
Sale of Grave Space Adult/single	900	900
Sale of Grave Space Adult/double	900	900
Sale of Cremation Space - Lot	400	400
Sale of Cremation/Niche - Double	1,200	1,200
Sale of Cremation/Niche - Single	800	800
Perpetual Care Charge one-time upon purchase	50	50
Amenities		
Lettering of Niche Cover includes two lines/Name-Date (Evergreen Only)	150	150
Tent & Chair Setup (Evergreen only)	200	200
Flower Vase Installation	50	50
Sale and Installation of City Vase	90	90
Monument Foundation Construction (per sq. in.)	0.65	0.65
Marker Installation (per sq. in)	0.60	0.60
Transfer Burial Rights	100	100

Adopted FY2013 User Fees

Engineering & Property Management
Recommended Parking Fees

Non-Regulatory Fees	FY2012	FY2013
Employee Parking	\$25/Monthly	\$25/Monthly
Public Parking	\$1.00 first ½ hour \$1.00 additional ½ hrs Max \$12/day	\$1.00 first ½ hour \$1.00 additional ½ hrs Max \$12/day
After Hours/Weekends		
After Hours weekdays Mon - Thurs 7 p.m. - 7 a.m.	\$1/hour or fraction	\$1/hour or fraction
Weekends Fri 7 p.m. - Mon 7 a.m.	Maximum 6 hrs or \$6 After 6 hrs max period, \$1 each 1/2 hr or 1/2 hr fraction	Maximum 6 hrs or \$6 After 6 hrs max period, \$1 each 1/2 hr or 1/2 hr fraction

Engineering & Property Management
Recommended Land Development Fees

Non-Regulatory Fees	FY2012	FY2013
Bond Administration Service	\$445/per surety posted, extension, reduction, renewal, replacement, or release	\$430/per surety posted, extension, reduction, renewal, replacement, or release
Tree Ordinance Payment in Lieu Fee	\$80,100 per acre	\$80,100 per acre

Adopted FY2013 User Fees

Charlotte-Mecklenburg Police Department Recommended Animal Care & Control Fees

Non-Regulatory Fees	FY2012	FY2013
Animal Control Adoption Fees:		
Adult Dog/Cat	\$ 30	\$ 30
Adult Dog/Cat Senior Citizen 62 older		
Puppy/Kitten	30	30
Puppy/Kitten Senior Citizen 62 older		
Rescue Group Dog/Cat Approved Adoption		
0 - 3 ft Snake	25	25
3 - 6 ft Snake	50	50
6 + ft Snake	75	75
Small Pot Belly Pig	25	25
Medium Pot Belly Pig	15	15
Large Pot Belly Pig	5	5
Rats	2	2
Mice	1	1
Hamster/Gerbil	3	3
Chinchilla	35	35
Guinea Pigs	5	5
Rabbits	5	5
Chickens	2	2
Turkeys	5	5
Ferrets	25	25
Small Iguana	25	25
Medium Iguana	50	50
Large Iguana	75	75
Finch	5	5
Parakeet /Canary	10	10
Parrot - Max Price	Market Rate	Market Rate
Gray Cockatiel	25	25
Lutino Cockatiel	50	50
Peach Faced Lovebird	25	25
Other Lovebird	50	50
Horse/Cow	Auction Starting Price	Auction Starting Price
Goats	15	15
Animal Spay/Neuter Fees:		
Canine Spay/Neuter	55	55
Feline Spay	45	45
Feline Neuter	35	35
Rabbit Spay	30	30
Rabbit Neuter	25	25
Animal Reclaim/Boarding/Rabies Shot/Microchip:		
Canine	40/10/15/8	40/10/15/8
Feline	25/6/15/8	25/6/15/8
Livestock	55/12/0/0	55/12/0/0

Adopted FY2013 User Fees

**Solid Waste Services
Recommended User Fees**

Non-Regulatory Fees	FY2012	FY2013
Veterinary Dead Animal Collections	\$ 3 per animal or 15 minimum pickup charge	\$ 3 per animal or 15 minimum pickup charge
Annual Solid Waste Disposal		
Mobile Homes (Bus.)	\$ 45.00	\$ 47.00
Mobile Homes (Ind.)	45.00	47.00
Residential	45.00	47.00
Manufactured	45.00	47.00
Mobile Home	45.00	47.00
M/F Business Residential	27.00	24.00
M/F Individual Residential	27.00	24.00
M/F Others	27.00	24.00

Charlotte Department of Transportation

Recommended User Fees

Non-Regulatory Fees	FY2012	FY2013
Parking Permits:		
Parking Permits (4th Ward, 3rd Ward, etc)	\$ 30	\$ 30
Replacement Permits	5	5
Parade Permit*	10	10
Off-Duty Police Officer Permit:		
Registration Fee	25	25
Permit	50	50
Daily Permit	5	5
Permit Renewal	50	50
Parking Meters	1/hour	1/hour

*Although regulatory in nature, staff recommends categorizing parade permits as a non-regulatory fee

Adopted FY2013 User Fees

Engineering & Property Management
Recommended Storm Water Rates

Storm Water Rates	FY2012	FY2013
Single Family		
Tier I - <2,000 sq ft of impervious area	\$ 4.79/mo	\$ 5.08/mo
Tier II - ≥ 2,000 sq ft of impervious area	7.06/mo	7.48/mo
Commercial		
Per acre of impervious area	117.68/mo	124.74/mo

Charlotte Mecklenburg Utilities
Recommended Water & Sewer Rates

Water & Sewer Fees	FY2012	FY2013
Water Rates		
Fixed		
Administrative Charge	\$ 2.40	\$ 2.46
Availability Fee	2.25	2.41
Volume Rate		
Tier I - (0-4 ccf)	0.98	1.09
Tier II - (4-8 ccf)	1.96	2.18
Tier III - (8-16)	3.41	3.81
Tier IV - (16+ ccf)	5.32	5.96
Non Residential (ccf)	2.20	2.33
Sewer Rates		
Fixed		
Administrative Charge	2.40	2.46
Availability Fee	4.30	4.56
Volumetric - residential, commercial, others (ccf)*	4.14	4.32
Industrial Waste	0.30	0.24
Capacity/Connection		
Common residential water	2,125	2,168
Common residential sewer	4,038	4,018

* up to 16 ccf for residential customers

Key Terms

Adjustments to Recommended Budget: This session provides the opportunity for preliminary Council decisions regarding the Manager's Recommended Budget. By Council practice, each Council member has the opportunity to add or subtract any item or amount from the recommended budget. Council has traditionally required that the adjustments result in a balanced budget. Those items receiving five or more votes from Council members are then voted on at the straw votes session.

Allocation: The expenditure amount planned for a particular project or service that requires additional legislative action or appropriation before expenditures are authorized.

Appropriation: A legal authorization granted by the City's legislative authority (City Council) to make expenditures and incur obligations for specific purposes.

Balanced Scorecard: The Balanced Scorecard is a performance measurement system that translates strategy into tangible objectives and measures. The Balanced Scorecard uses four perspectives to ensure a balanced approach to evaluating achievement of organizational strategy. The four perspectives are serve the customer, run the business, manage resources, and develop employees.

Broadbanding Pay Plan: The City's Broadbanding Pay Plan covers all City employees with the exception of non-managerial sworn Police and uniformed Fire employees. The Plan provides merit increases based on the employee's performance and the employee's pay rate in relation to market.

Budget Adoption: North Carolina State law requires local government to have an adopted budget ordinance by fiscal year-end (June 30) specifying the budget plan.

Budget Committee: The Council organizes its Budget Committee as a mechanism for guiding the progression of the budget process and for providing oversight of agenda planning for the various sessions in the budget development process.

Budget Presentation: This session provides Council with a detailed overview of the Manager's recommended budget. This provides a forum for the Manager to share highlights of the budget and for Council to ask initial questions as the budget process moves into the review stage.

Budget Retreat(s): This series of half-day retreats, conducted by Council, provide for detailed discussions of the budget issues and decisions that characterize the development of the budget plan. Staff is available to share pertinent information during these sessions as Council works to identify and confirm areas of focus, operating and capital investment policies, and review projected revenues and expense information, and review program and service delivery priorities.

Budget Plan-Recommended and Adopted: The City Manager submits to the City Council a recommended expenditure and revenue plan for all city operations for the coming fiscal year in the Preliminary Strategic Operating Plan. When City Council agrees upon the revenue and expenditure levels, the Recommended Budget becomes the Adopted Budget, funds are appropriated and legal expenditure limits are established.

Capital Investment Plan (CIP): Annual appropriations from specific funding sources are shown in the City's budget for certain capital purposes such as street improvements, building construction, and facility maintenance. These appropriations are supported by a five-year allocation that details all projects, funding sources, and expenditure amounts. The allocation plan covers a five-year period.

Key Terms

Community Development Block Grant (CDBG): A United States Department of Housing and Urban Development grant that local governments receive annually to support economic development projects, low income housing, and services to low-income neighborhoods.

Corporate Objective: Organizational aims or purposes for the next 2-4 years that are the focal point of the organization's initiatives.

Debt Service: Annual principal and interest payments that the local government owes on money that it has borrowed.

Department: City's operating departments.

Enterprise Fund: One of four City Departments which are fully funded by operating revenues rather than property taxes. These are Charlotte-Douglas Airport, Charlotte Area Transit System, Charlotte-Mecklenburg Utilities Department, and Storm Water Services.

Financial Partner: Private, non-profit organizations which provide services to citizens by use of partial funding from the City.

Fiscal Year: A one-year fiscal period. The City's fiscal year extends from July 1st through June 30th.

Focus Areas: Five strategic areas of focus which serve as the framework for allocating funds and resources. These are: Housing and Neighborhood Development, Community Safety, Economic Development, Environment, and Transportation.

Full Time Equivalent (FTE): A term that expresses the amount of time for which a position has been budgeted in relation to the amount of time a regular, full-time employee normally works in a year.

Fund: An accounting entity with a set of self-balancing revenue and expenditure accounts used to record the financial affairs of a governmental organization.

Fund Balance: It is the difference between assets and liabilities of a particular fund. It incorporates the difference between the revenues and expenditures each year.

General Fund: A central fund into which most of the City's general tax revenues and discretionary resources are pooled, which is allocated to support many of the operations of City government.

General Obligation Bonds: Bonds whose payment is guaranteed by the full faith and credit of the government body.

Manager/Council Retreat: This initial retreat serves to reaffirm Council priorities and identify citizen concerns and desires for service delivery during the next fiscal year. This discussion also includes any other additional parameters for possible changes to the budget plan under development. City Council adopts a strategic plan as a result of this discussion and the Departments are charged with meeting these identified needs.

Key Terms

MUMPO (Mecklenburg Union Metropolitan Planning Organization): The transportation body that is responsible for overseeing the development of the transportation system in Mecklenburg and Union counties of North Carolina.

Municipal Service District (MSD): Taxing districts designed to enhance economic vitality and quality of life in the central business district or other commercial areas. Three MSDs are located in the Center City area, one in the South End area and one in the University City area.

Net of Transfers: Takes into account transfers between funds (General Fund, Enterprise Funds and Capital Funds).

Non-Departmental Account: Those services or functions that is not specifically associated with a particular Department.

Operating Budget: The portion of the budget plan that represents recurring expenditures such as salaries, utilities, postage, office supplies, fuel, etc.

Pay-As-You-Go Projects: Relatively small capital projects that do not lend themselves to debt financing and are paid with current available revenue.

Performance Measure: A quantitative indicator of how programs and services are directly contributing to the achievement of an agency's objectives. These indicators may include measures of inputs, outputs, outcomes, or activities.

Position Number: A term that refers to a unique position identification number assigned to each position authorized by the City Council through the budget or other ordinances. Positions may have a common title name, but each position has its own unique identification number assigned by the PeopleSoft Human Resources System. Only one person at a time can fill a regularly budgeted position.

Program: A group of services within a Department, aligned by a common purpose.

Public Hearing on Recommended Budget: This session, as required by State law (Local Government Budget and Fiscal Control Act), provides an opportunity for citizens to comment on the published budget plan. Notice of the public hearing and the Council discussion process are included on the City's website and on the Government Channel. The budget documents are made available to the public through the regional public libraries and the local university libraries.

Public Safety Pay Plan (PPSP): The City's Public Safety Pay Plan covers all Police classes below the rank of Police Captain and all Fire classes below the rank of Battalion Fire Chief. There are two components to the Public Safety Pay Plan. The first is progression through steps and the second is structural market adjustments to the steps.

Strategic Operating Plan (SOP): The Strategic Operating Plan includes organizational strategy and resources. It combines city strategy, operating, and capital budgets.

Straw Votes: This session provides the opportunity for Council to vote on each of the items that moved from the adjustments session. Each of these items receiving six or more straw votes will be incorporated into the budget ordinance that will become part of the budget adoption agenda item.

Key Terms

Support Department: The City's support departments include the City Attorney's Office, City Clerk's Office, City Manager's Office, Budget & Evaluation Office, Shared Services, Finance Department, and Human Resources.

Target: Quantifiable and specific level of achievement, communicates the expected level of performance.

Two-Year Budget: The City operates with a two-year budget plan. The plan is established to manage funds on a fiscal year (FY) that begins July 1 and ends June 30. Council appropriates the first year's budget and approves the plan for the second year's budget. Although the City's budget preparation and request is presented in two-year increments, Council is required to appropriate monies on an annual basis.