



ADOPTED

FY2014 & FY2015 STRATEGIC OPERATING PLAN

AND

FY2014 – 2018 CAPITAL INVESTMENT PLAN

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CHARLOTTE.

**FY2014 & FY2015 STRATEGIC OPERATING PLAN
AND
FY2014 - 2018 CAPITAL INVESTMENT PLAN**

MAYOR

Anthony Foxx

MAYOR PRO TEM

Patrick Cannon

CITY COUNCIL

John Autry

Michael D. Barnes

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Andy Dulin

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Reader's Guide

This reader's guide describes the structure of two plans contained in this document: the **FY2014 & FY2015 Strategic Operating Plan (SOP)** and the **FY2014 - 2018 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.

FY2014 & FY2015 Strategic Operating Plan

This document provides a detailed record of the spending plan adopted by the City Council for FY2014 & FY2015. It contains the following elements:

Section	Description
Executive Summary (Pages 1-33)	An overview of the Strategic Operating Plan which highlights the priorities reflected in the budget, itemized budget decreases and increases, fund summaries, and Capital Investment Plan Summary.
Corporate Strategy & Priorities (Pages 35-48)	The City's corporate strategy, objectives, and Focus Area Plans (Community Safety, Housing and Neighborhood Development, Environment, Transportation, and Economic Development).
Operating Budgets (Pages 49-106)	<p><u>General Fund Operating Budgets:</u> The budgets and performance achievements of departments that are funded by the City's property and sales taxes. These include: Police, Fire, Solid Waste Services, Transportation, Neighborhood & Business Services, Engineering & Property Management, and Planning.</p> <p><u>Enterprise Operating Budgets:</u> 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 Utility Department.</p> <p><u>Support Departments Budgets:</u> 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 & Evaluation, Shared Services, Finance, and Human Resources.</p>
Summary Statistics and Schedules (Pages 107-136)	Tabular presentations of key revenue and expenditure information as city wide totals and by fund.
Capital Investment Plan Summary (Pages 137-164)	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 165-186)	A listing of city regulatory and non-regulatory fees by department.
Key Terms (Pages 187-190)	References and defines key terms that are used throughout the document.

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. A sample page containing this information is provided below.

- Summary of department operations
- Program summary with budget and number of personnel positions for FY2013 revised, and FY2014 & FY2015 adopted
- Budget decreases and increases
- Service delivery highlights and challenges
- Performance measures and achievements

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.

	FY2013	FY2014	FY2015
<u>Program Summary</u>	Revised Budget/ Positions	Budget/ Positions	Budget/ Positions
City Clerk Services	\$ 539,017	\$ 551,851	\$ 561,866
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	6.00
Total	\$ 539,017	\$ 551,851	\$ 561,866
Total Positions	6.00	6.00	6.00

Budget Decreases

None

Budget Increases

\$9,115 in FY2014 and \$10,015 in FY2015 in printing and publishing for searchable electronic records services and other printing requirements.

\$1,100 in FY2014 and \$1,970 in FY2015 in advertising due to an increase in the number of projects requiring advertisement by state law.

Service Delivery Highlights and Challenges

In FY2013, the City Clerk's Office completed meeting minutes for 54 total City Council meetings and provided support for 13 Civil Service Board meetings and four 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 the appointment of 64 advisory board members, assisted 572 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 88 oaths for new employees and citizens appointed to boards and commissions.

The Clerk's Office experienced significant personnel challenges during FY2013, and as a result did not meet performance targets for City Council meeting minutes production. The Clerk's Office is making every effort to comply with the minutes completion performance target in FY2014. In FY2013 the Clerk's Office contracted with American Legal and reinstated a searchable records archive for minutes and agendas from 1998 to the present. This archive allows customers to conduct content searches across years and document types with one search resulting in increased productivity and a better customer service product.

Performance Measures	Performance Achievement		
	FY2013 Target	FY2014 Target	FY2015 Target
Complete Council business meeting minutes within 28 business days 98% of the time	98%	98%	98%
Upload stamped RCAs to CNET within four business days of a City Council meeting	100%	100%	100%

Budget Process

PHASE I – BUDGET POLICY DEVELOPMENT

<p><u>November 2012</u></p> <p>Strategic Operating Plan Kick-off</p>	<p><u>March 2013</u></p> <p>Mayor and Council Budget Workshop</p> <ul style="list-style-type: none">• Property & Sales Tax Revenue Update• General Capital Investment Plan (CIP)• Committee Referral Report Outs• Charlotte-Mecklenburg Utility Budget <p>Council Budget Committee Meeting</p> <ul style="list-style-type: none">• Review Proposed March 20 Budget Workshop Agenda• Current Pay-As-You-Go Capital Program Overview• General Review Overview
<p><u>December 2012</u></p> <p>City Council Business Meeting</p> <ul style="list-style-type: none">• Approve FY2014 & FY2015 Budget Calendar	
<p><u>February 2013</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 FY2014 & FY2015 <p>Council Budget Committee Meeting</p> <ul style="list-style-type: none">• Review Proposed February 27 Budget Workshop Agenda• Charlotte Area Transit System (CATS) Budget• Capital Investment Plan (CIP) Committee Referrals <p>Mayor and Council Budget Workshop</p> <ul style="list-style-type: none">• CATS Budget• Storm Water Services Budget• Financial Partner and Outside Agency Funding Requests	<p><u>April 2013</u></p> <p>Council Budget Committee Meeting</p> <ul style="list-style-type: none">• Review Proposed April 10 Budget Workshop Agenda• Employee Benefits• Council Referral: School Resource Officers (SROs)• Council Referral: Review Potential Budget Calendar Adjustments <p>Mayor and Council Budget Workshop</p> <ul style="list-style-type: none">• General Capital Investment Plan• Employee Pay and Benefits• General Fund Update• Financial Partner and Outside Agency Recommendations• Council Referrals to Budget Committee <p>City Council Business Meeting</p> <ul style="list-style-type: none">• Adopt FY2014 & FY2015 Focus Area Plans

PHASE II – BUDGET DELIBERATIONS AND ADOPTION

<p><u>May 2013</u></p> <p>Budget Presentation by City Manager</p> <p>Public Hearing on Budget</p> <p>Budget Adjustments Meeting</p> <p>Straw Votes Meeting</p>	<p><u>June 2013</u></p> <p>Budget Adoption</p>
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Manager's Transmittal

July 1, 2013

To the Mayor and City Council of Charlotte,

The budget for the City consists of three major components supported by general tax receipts (net of transfers):

- ◆ A \$494 million General Fund, increasing 1.2%, supporting current levels of service with few enhancements;
- ◆ An \$88 million Debt Service Fund, increasing 34.6%, supporting long-term capital investments as outlined in a revised General Capital Improvement Plan; and
- ◆ A \$75 million General Capital Investment Plan/Pay-As-You-Go Fund, increasing 74.1%, which maintains current infrastructure and makes short to mid-term investments in subsequent years.

For the first time in Charlotte's recent history, property tax revenue – the General Fund's primary revenue source – is expected to decline by 1.7% as a result of the County's revaluation appeals. However, sales tax revenue is expected to increase 3.5%, contributing towards the resources necessary for the General Fund budget.

The budget reflects an increase of 3.17¢ in the property tax rate (for a total rate of 46.87¢) to support capital investments. This increase equates to an increment of \$4.60 a month on a \$174,100 home value (median Charlotte home value).

No other tax rate increases are reflected for FY2014. In the second year of the budget (FY2015), an estimated increase of less than a penny (0.80¢) is projected to restore lost funding from the County's property revaluation study. The Council will not consider action on this projected increase until next year's budget process, when more specific information is known.

In addition to the public functions supported by general tax dollars, the adopted budget includes four major enterprise funds that are supported by fees and other dedicated funding including earmarked sales taxes, federal, and state grants. The enterprise fund operating budgets are:

- ◆ \$113 million Charlotte-Mecklenburg Utility Department (Water and Sewer), down less than 1% due to reduced levels of temporary and contract work;
- ◆ \$110 million Charlotte Area Transit System (CATS), up 4.8% to maintain current service levels;
- ◆ \$114 million Charlotte Douglas International Airport, up 1.8% to maintain current service levels; and
- ◆ \$13 million Storm Utility, up 17.0% to help reduce project backlogs.

Capital Investments Keep Charlotte Growing

The most significant change in the budget is the adoption of an updated General Capital Investment Plan. The budget largely reflects the plan previously considered by the Council, minus the streetcar project, which was presented separately and is not part of the property tax increase for the debt service fund. The \$816.4 million capital investment plan focuses on enhancing infrastructure to leverage private investment to create jobs and housing, resulting in thriving neighborhoods that are economically diverse.

This budget provides the foundation for further refinements as we target investments for neighborhood improvements. A further revision to the capital plan will be recommended as part of the fiscal year 2015 update in preparation for your consideration of a bond referendum in November 2014.

Changes in Operating Programs are Modest

Overall, the budget continues current service levels for day-to-day operations in the General Fund. Based on Council guidance, there are only two new initiatives:

- ◆ Implementing the Charlotte Business INClusion program (\$153,287 in FY2014; \$239,980 in FY2015; three positions); and
- ◆ First year funding to partner with the Foundation for the Carolinas to create a Rental Assistance Program Endowment (\$2 million; no positions) with matching funds from the private sector and County.

Consistent with the Council's personnel pay philosophy and pay plan, the budget includes the following compensation adjustments:

- ◆ Public safety -- 1% market adjustment, plus steps of 2.5% or 5%, up to top of the pay range;
- ◆ General employees -- merit pool of 2%; and
- ◆ Health insurance increase of only 3% due to the effectiveness of the City's wellness and cost containment programs.

The total compensation changes represent an investment of \$15 million in the City's human capital.

Manager's Transmittal

Enterprise Funds Support Enhancements at the Airport and in Storm Water Services

Among the City's four enterprise funds, there are no significant changes in the Charlotte Area Transit System or in the Water and Sewer program. The only significant changes are as follows:

- ◆ Charlotte Douglas International Airport – the airport director has requested a 1.8% increase to support 11 new positions to meet customer and service delivery needs. Additionally, the City has revised its methodology for calculating charges to the airport for public safety, resulting in decreased charges to the airport of \$374,274.
- ◆ Storm Water Services – an increase of 17% is included in order to help reduce the capital maintenance project backlog. This increase would add five new positions.

Annual Impact on "Average" Homeowner: \$86

As noted above, due to expected revaluation reductions, some tax payers would see the amount of property taxes they pay decrease under current rates. To support capital investment, an increase in the portion of the property tax allocated to debt service was approved. The impact of this increase on an owner of a home valued at \$174,100 is \$4.60 a month. Average user fee increases associated with Water/Sewer and Storm Water rate add another \$2.55 per month. Combined, the typical Charlotte home owner would pay approximately \$7.15 more per month in taxes and user fees – approximately \$85.80 per year.

Challenges and Risks

Charlotte has a strong tax base and a growing economy. Local governments in North Carolina, however, face a number of potential budget impacts – not from economic forces – but rather from other external influences. The impact of the County revaluation has been noted above. Another potential threat lies with State Tax "Reform," which poses a risk in FY2015 and subsequent fiscal years. It appears that current tax reform legislation will not negatively impact the City, but it is possible that additional reforms will be presented in future legislative sessions.

Conclusion

Charlotte has a tradition of strong financial management. Previous budget actions by the Mayor and City Council have solidified Charlotte's financial strength and earned the community's trust in stewardship of their funds. Nonetheless, as a new City Manager, it is my obligation to undertake a comprehensive review of the City's finances and programs. In Charlotte's case, this is not to fix a broken system, but to ensure that the success of the past continues into the future as the City and the economy evolves. I will now begin a systematic review of each department's operations and the development of a targeted plan for neighborhood development.

Charlotte is an incredibly vibrant community with a remarkable entrepreneurial foundation that has propelled the City to greatness. Ultimately, the greatest threat to any high performing community is complacency, for which there appears little tolerance in Charlotte. Among my goals as City Manager is to encourage and nurture the creative spirit and aspirational attitude that characterizes the community and the City's workforce.

I look forward to our discussion and your guidance as we continue this journey.

Respectfully submitted,



Ron Carlee, City Manager

FY2014 – 2018 Capital Investment Plan Resolution

June 10, 2013
Resolution Book 44, Page 404

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHARLOTTE AMENDING THE FIVE-YEAR CAPITAL INVESTMENT PLAN FOR FISCAL YEARS 2014 TO 2018.

WHEREAS, the City of Charlotte recognizes the importance of developing long- range capital investment planning to maintain the growth and vitality of the community; and

WHEREAS, the City of Charlotte continuously develops and reviews the policy, financial and planning assumptions and impacts of capital investment projects for the City; and

WHEREAS, the City of Charlotte has a five-year Capital Investment Plan based on policy assumptions, so stated in the FY2014-2018 Capital Investment Plan that balances potential physical development with long-range financial capacity; and

WHEREAS, The Capital Investment Plan is amended from time to time to reflect changes in capital planning of the community,

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Charlotte, in its regular session duly assembled, that it hereby adopt the Capital Investment Plan for fiscal years 2014 to 2018.

This 10th day of June 2013

CERTIFICATION

I, Stephanie C. Kelly, City Clerk of the City of Charlotte, North Carolina, DO HEREBY CERTIFY that the foregoing is a true and exact copy of a Resolution adopted by the City Council of the City of Charlotte, North Carolina, in regular session convened on the 10th day of June, 2013, the reference having been made in Minute Book 134, and recorded in full in Resolution Book 44, Page(s) 404.

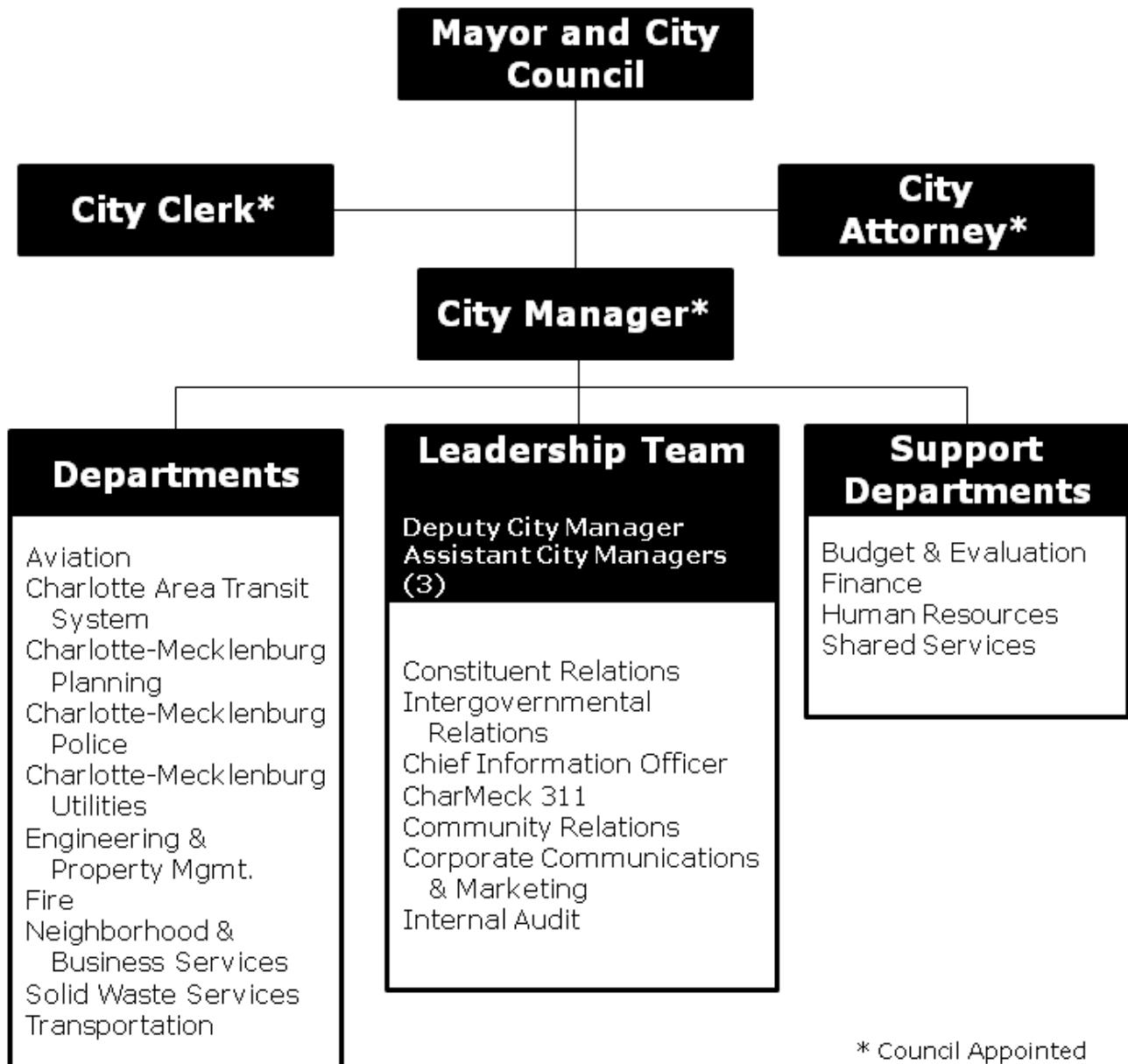
WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this the 12th day of June, 2013.




Stephanie C. Kelly, MMC NCCMC, City Clerk

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City of Charlotte Organizational Chart



* Council Appointed

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Executive Summary

Introduction

The adopted budget is comprised of three categories supported by general tax receipts (net of transfers):

- ◆ A \$494 million General Fund, increasing 1.2%, supporting current levels of service such as Police, Fire, and Solid Waste Services, with few enhancements;
- ◆ An \$88 million Debt Service Fund, increasing 34.6%, supporting long-term capital investments as outlined in a revised General Capital Improvement Plan; and
- ◆ A \$75 million General Capital Investment Plan/Pay-As-You-Go Fund, increasing 74.1%, which still maintains current infrastructure and makes short to mid-term investments in subsequent years.

For the first time in recent memory, property tax revenue – the General Fund's primary revenue source – is expected to decrease by 1.7% below prior year levels. This revenue constraint is mitigated by increases to other revenues such as sales tax, as well the use of one-time "Register Motor Vehicle" revenue in FY2014 (due to the alignment of property tax bills with renewal bills) and a revised revenue neutral property tax rate adjustment in FY2015.

The FY2014 adopted property tax rate of 46.87¢ per \$100 valuation, an increase of 3.17¢ above FY2013, is dedicated to the debt service fund for General capital projects that approach the City's infrastructure with a long-term, sustainable emphasis on: 1) investing in corridors, 2) increasing connections, and 3) improving communities. The General Obligation bond referenda will be scheduled for November of 2014, 2016, 2018, and 2020. The adopted FY2014-2018 five-year Capital Investment Plan (CIP) includes two of these four bond referenda (the third and fourth bond referenda in 2018 and 2020 will be reflected in future five-year CIPs beginning in FY2015).

The FY2015 planned property tax rate of 47.67¢, a 0.8¢ increase above the FY2014 rate, maintains a revenue neutral tax rate. It has been the City's practice to adjust the tax rate to remain revenue neutral following property revaluations. During 2011, Mecklenburg County conducted a reappraisal of real property, which resulted in a decrease of 2.16¢ to the City's FY2012 tax rate to remain revenue neutral (the prior revaluation was in 2003, which resulted in a 4.7¢ reduction to the tax rate). A preliminary study by Mecklenburg County has determined some properties were over-valued in the 2011 revaluation; therefore, it has been determined that the current revenue neutral tax rate was too low, resulting in the 0.8¢ adjustment in FY2015 to offset a 1.7% reduction in property tax revenue. This new rate allows the City to avoid negative service impacts and maintain core services. The revenue neutral rate is postponed to FY2015 because of a one-time increase in FY2014 motor vehicle tax revenue due to the realignment of motor vehicle personal property tax bills with the annual motor vehicle registration process.

The table below reflects the total City tax and fees impact for a \$200,000 home (the 2011 median home value was \$174,100), which results in an incremental \$94 per year, or \$7.83 per month:

	Prior Year FY2013	Adopted FY2014	\$ Change	% Change
Property taxes on \$200,000 home	\$874.00	\$937.40	\$63.40	7.3%
Solid Waste fee (Residential)	\$47.00	\$47.00	\$0.00	0.0%
Water & Sewer (Average user rate)	\$636.36	\$662.04	\$25.68	4.0%
Storm Water (Average user rate)	\$89.76	\$94.68	\$4.92	5.5%
Total Annual	\$1,647.12	\$1,741.12	\$94.00	5.7%
Total Monthly	\$137.26	\$145.09	\$7.83	5.7%

Total Budget

The City's total assessed property valuation is \$88.5 billion in FY2014 and \$89.8 billion in FY2015. Population is estimated at 749,737 in FY2014 and 756,110 in FY2015. This is in comparison to the FY2013 property valuation of \$89.2 billion and population of 743,397.

Executive Summary

The total adopted budget includes both the annual operating budget and the CIP for all General Fund and Enterprise departments. **The total budget for FY2014 is \$1.96 billion, and the budget for FY2015 is \$2.16 billion, a 15.3% increase and 10.2% increase, respectively, above the FY2013 budget of \$1.70 billion.** This increase is due primarily to the inclusion of a revised General CIP. The FY2014 budget includes a 3.17¢ tax increase (from 43.7¢ to 46.87¢) to support the General CIP Program that provides a platform to address the infrastructure needs of a growing community. The FY2015 budget plan proposes a 0.8¢ increase (from 46.87¢ to 47.67¢) to maintain a revenue neutral tax rate following the Mecklenburg County property revaluation appeals study, which is expected to be completed by October 2013.

Operating Budgets

The FY2014 and FY2015 total General Fund and Enterprise Funds operating budgets are \$1.18 billion and \$1.20 billion, respectively, compared to FY2013 total operating budget of \$1.12 billion.

General Fund operations are those supported by general tax revenues, such as Fire, Neighborhood & Business Services, Police, Solid Waste Services, and Transportation. Enterprise funds those departments with self-sustaining revenues, specifically Aviation, Charlotte Area Transit System, Charlotte Mecklenburg Utility, and Storm Water Services.

- ♦ The General Fund operating budget (net of transfers) increases by 1.2% in FY2014 and 2.3% in FY2015, which reflects the continuation of core services, with only small base budget adjustments.
- ♦ The Enterprise Funds' operating budgets increase by 3.4% in FY2014 and 2.7% in FY2015, primarily due to modest growth and stabilization of revenue sources. These small increases result from maintaining existing services and a modest pay plan increase in the FY2014 operating budget (there are no pay plan adjustments in the FY2015 operating budget).

Operating budgets are extremely tight after consecutive cuts in FY2009, FY2010, and FY2011, coupled with nearly flat operating growth in FY2012 and FY2013. The FY2014 and FY2015 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 increases include items such as fuel and vehicle maintenance cost escalations as well as anticipated contract growth for items such as garbage and recycling. **Highlights of the General Fund and Enterprise Funds operating budgets include:**

- ♦ In FY2014, a compensation adjustment of 2.0% for City Broadband employees and a Public Safety Pay Plan of 2.5% to 5.0% steps and 1.0% market increases are included in the adopted budget. In FY2015, there are no Broadband or Public Safety Play Plan adjustments budgeted.
- ♦ There are 36 new positions city-wide in FY2014 and an additional 12 positions added in FY2015.
 - In the General Fund, five positions are added, all of which will be located in the Neighborhood & Business Services Department. Of the five new positions, three support implementation of the Charlotte Business INCLUSION program adopted by Council in April 2013, and two positions accompany the Charlotte International Cabinet transition from a financial partner to an office within the City organization.
 - Utility Department positions increase by 15, as temporary and contracted positions are transferred to permanent positions, resulting in budget savings.
 - Within the Aviation Department, 11 positions are added to meet current service delivery needs.
 - In Storm Water Services, five positions are added to capital program initiatives, funded by user rates.
 - The additional 12 positions in FY2015 support the LYNX Gold Line Starter Project, which is funded in the General CIP Pay-As-You-Go Program.

Executive Summary

Capital Investment Plan (CIP)

The City's 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 total FY2014-2018 CIP is \$3.4 billion, a 2.7% increase over the current five-year capital program. The General CIP and Enterprise Fund CIPs are summarized below:

- ◆ The five-year General CIP is \$663.2 million, supported by a 3.17¢ property tax increase in FY2014 and two of four planned bond referenda dedicated to General CIP projects that invest in our community.
- ◆ Each of the four Enterprise CIPs (Aviation, CATS, Storm Water, and Utility) decrease an average of 15% primarily due to construction expenses for significant projects occurring in FY2013 (e.g. CATS' Blue Line Extension) or the completion of significant projects (e.g. Airport's East Terminal Expansion).

Challenges and Risks

As the City enters FY2014, there are two categories of items at the state level with significant implications to the City's budget, with the greatest impact to the FY2015 budget – the Revaluation Appeals legislation and the State Tax Reform. These items will be closely monitored throughout the fiscal year.

- ◆ The Revaluation Appeals legislation is anticipated to facilitate a reappraisal of property valuations and provide for refunds from the 2011 Mecklenburg County revaluation (the total amount of these refunds is not yet known, but is estimated to be approximately \$20 million).
- ◆ A potential threat lies with State Tax "Reform," which poses an estimated risk in FY2015. There has been discussion in the legislature of keeping the financial impacts on local governments' revenue neutral through expansion of the sales tax; however, nothing is resolved at this time.

Detail on the City's General and Enterprise Funds' operating and capital budgets are provided on the following pages.

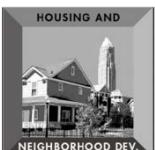
Executive Summary

Council Focus Areas

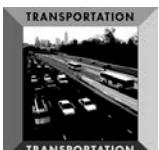
Council's five focus area plans, approved in April 2013, enable the organization to direct limited resources to the areas deemed most important by City Council. The Focus Areas include:



Community Safety: *"Charlotte will be one of America's safest communities."*



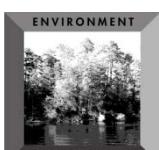
Housing and Neighborhood Development: *"Creating and sustaining communities of choice for living, working, and recreation."*



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 adopted General Fund Budget is \$563.5 million in FY2014, and \$572.7 million in FY2015, compared to the FY2013 budget of \$551.1 million. The FY2014 budget reflects an increase of 2.3% above FY2013, and the FY2015 budget reflects an increase of 1.7% over the FY2014 budget. 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.

General Fund Increases Overview

The City continues to hold most operating line items flat, despite a growth in both population and service needs. The modest increases from FY2013 to FY2014 and FY2015 focuses on maintaining current, base service levels in response to increased external costs and investing in our workforce. The only service level change within the operating budget is the addition of three positions to support the Charlotte Business INClusion (formerly Small Business Opportunities) program enhancements approved by Council on April 8, 2013.

From a City-wide perspective, the increases to the FY2014 and FY2015 operating budget impacting most General Fund departments are primarily that of fuel and vehicle maintenance in the annual amounts of \$0.6 million and \$0.8 million, respectively, over FY2013 in police and fire.

Also inclusive of all departments are the changes to the salary and benefits plans. Over the past five years, three of those years included modest increases to the pay plans. Market data analysis continues to indicate movement related to employee compensation at rates that exceed the City's trends. To recruit and maintain a skilled and diverse workforce, only the first year of the two-year budget includes a pay adjustment. The FY2014 budget includes a Public Safety Pay Plan increase of 2.5% or 5.0% steps and 1.0% market, and the Broadband Pay Plan includes a 2.0% merit budget increase. The FY2015 budget includes no pay plan increases. However, a compensation contingency of \$5 million is provided in the FY2015 budget plan for the goal of developing a pay plan. The City continues to experience tremendous success with health insurance cost management resulting in a very favorable increased City contribution of only 3.0% for group insurance. The components of the salary and benefits plans are further detailed in the "Employee Compensation" section of this Executive Summary.

General Fund Decreases by Council Focus Area

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

Community Safety

- ◆ None

Economic Development

- ◆ None

Transportation

- ◆ None

Housing and Neighborhood Development

- ◆ None

Environment

- ◆ None

Executive Summary

General Government

- ◆ \$133,191 in FY2014 and \$123,523 in FY2015 in postage costs due to increased participation in the Citizen Web Portal and Electronic Bill Presentment and Payment (Finance)

General Fund Increases by Council Focus Area

Community Safety

- ◆ \$600,000 in FY2014 and FY2015 for fuel price escalations (Police)
- ◆ \$391,000 in FY2014 and FY2015 for external maintenance and repair of specialized equipment (Police)
- ◆ \$400,000 in FY2014 and \$600,000 in FY2015 for maintenance and repair of vehicles and equipment (Fire)
- ◆ \$300,000 in FY2014 and FY2015 for specialized firefighter training, conferences, and meetings that were previously provided at no charge by the State's community college system (Fire)

Economic Development

- ◆ \$156,121 in FY2014 and FY2015 for two positions and related operating expense associated with transitioning Charlotte International Cabinet from a Financial Partner to a division within Neighborhood & Business Services' department at same funding level as FY2013 (no increase to the General Fund) (Neighborhood & Business Services)
- ◆ \$263,287 in FY2014 and \$239,980 in FY2015 for three Small Business Program Specialists associated with the Council-adopted expansion of the Small Business/Minority and Women Owned Business Enterprise program (\$110,000 of the \$263,287 in FY2014 funded by Development and Revitalization Fund, \$153,287 is the net increase to the General Fund in FY2014); transitions to full General Fund funding in FY2015 (Neighborhood & Business Services)

Transportation

- ◆ None

Housing and Neighborhood Development

- \$2,000,000 in FY2014 for first year funding to partner with the Foundation for the Carolinas to create a Rental Assistance Program Endowment, with matching funds from the private sector (Non-Departmentals)

Environment

- ◆ \$395,872 in FY2014 and \$1,251,053 in FY2015 for annual contract escalations and projected unit count growth for the residential recycling and multi-family garbage, as well as roll-out cart maintenance and replacement (Solid Waste Services)
- ◆ \$220,770 in FY2015 for projected increases in Mecklenburg County landfill disposal cost increases (Solid Waste Services)
- ◆ \$18,000 in FY2014 and \$26,109 in FY2015 for an Energy & Sustainability Shared Fellowship temporary position funded by contributions from Charlotte Center City Partners and other City Departments (City Manager's Office)

General Government

- ◆ \$366,542 in FY2014, and \$361,043 in FY2015 for various contracts related to technology services and infrastructure maintenance contracts (Shared Services)
- ◆ \$35,000 increase in FY2015 for Cashiering System Maintenance and Support (\$15,000) and Utility Management System Maintenance and Support (\$20,000) (Finance)
- ◆ \$10,215 in FY2014 and \$11,985 in FY2015 for searchable electronic records services and advertising costs due to the number of projects requiring advertisement by State law (Clerk)

Executive Summary

General Fund Financial Partners

Direct Discretionary Allocations

Beginning in FY2014, the Charlotte International Cabinet, a former General Fund Financial Partner, will transition to an office within the Neighborhood & Business Services Department at no additional cost to the General Fund; this is consistent with the recommendation of both the agency's Board of Directors and The Lee Institute. The remaining General Fund Financial Partners that do not receive formula-driven revenue distributions are held flat:

- ♦ Arts & Science Council
- ♦ Community Building Initiative
- ♦ Safe Alliance (formerly United Family Services – Victim Assistance)
- ♦ Charlotte Regional Partnership (CRP) (note: on April 5 CRP reduced their FY2014 funding request to their FY2013 funding level)

Formula-Driven, Dedicated Revenue Sources

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

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

Neighborhood & Business Services Financial Partners

Housing & Community Development and Crisis Assistance

Housing & Community Development and Crisis Assistance Financial Partners remain at their current FY2013 funding level, with the exception of Charlotte Family Housing and the Carolinas Care Partnership. The recommended funding level for Charlotte Family Housing in FY2014 and FY2015 is an increase of \$130,000 to serve an additional 25 households per year. The funding level for Carolinas Care Partnership increased by \$42,731; this program is funded by a formula-driven federal housing grant program. The following financial partners are held flat:

- ♦ Charlotte-Mecklenburg Housing Partnership, Inc – Affordable Housing
- ♦ Charlotte-Mecklenburg Housing Partnership, Inc – House Charlotte
- ♦ Community Link
- ♦ Crisis Assistance Ministry
- ♦ YMCA Community Development

Out of School Time Partners

FY2014 is the second year of the Request for Proposals process, which includes the Budget Committee and the Economic Development Committee recommendations approved by Council in November 2012. The FY2014 funding level is \$1.2 million, funded by Pay-As-You-Go (PAYGO) and Community Development Block Grant (CDBG) federal grants; this funding level is \$42,918 less than the prior year due to anticipated reduced federal CDBG grant funding. The evaluation of the Out of School Time Partners applications resulted in funding the following five agencies: Above and Beyond Students, YWCA, Greater Enrichment Program, Police Activities League, and First Baptist Church West.

The funding levels for each of the Financial Partners are found in the "Operating Budget" section of this report.

Executive Summary

Employee Compensation and Benefits

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 compensation increase trends. As revenue begins to increase, the City is in a position to begin to address the compensation trend disparity. The FY2014 budget includes salary increases for both the Broadbanding and Public Safety pay plans.

Thus, the adopted FY2014 budget includes:

- ♦ 2.0% Broadband merit budget
- ♦ 2.5% or 5.0% Public Safety step adjustment based on rank and current step
- ♦ 1.0% Public Safety market adjustment

The adopted FY2015 budget plan does not include a pay plan due to uncertainties about potential State Tax Reform revenue impacts in FY2015 and the final disposition of the Mecklenburg County valuation review study and associated legislation. However, the FY2015 budget plan does set aside \$5 million of compensation contingency for the goal of designing a specific pay plan as part of next year's budget development process.

401(k)

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

Retirement System

The State required retirement contribution increases above the FY2013 level of 6.74% for non-sworn employees and 7.04% for sworn police. In FY2014, the retirement contribution is 7.07% for non-sworn employees and 7.28% for sworn police. In FY2015, the retirement contribution is 7.42% for non-sworn employees and 7.64% for sworn police. The Charlotte Firefighters' Retirement System is not impacted, as the system is administered by a separate Board of Trustees.

Group Insurance

The FY2014 health insurance components 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

Driven by these philosophies, the FY2014 and FY2015 City contribution to group insurance increase is only 3.0% and 6.0%, respectively, compared to an estimated annual national trend of over 8.0% for FY2014. 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, and out-of-pocket maximums for current employees and retirees
- ♦ Consolidating vendors for preferred pricing and deeper discounts
- ♦ Continued wellness focus through plan design incentives
- ♦ Implementing, then expanding, a chronic condition management program

Executive Summary

Group Insurance (cont.)

These efforts resulted in significant medical plan savings for 2012, best in class non-specialty prescription drug trends, further increases in generic utilization rates, and increased participation in wellness programs.

As the City continues to stay ahead of health care costs, the following FY2014 Benefits Action are included in the adopted budget:

- ◆ Continued focus on implementing aggressive wellness strategies to control health care costs and promote employee well-being
- ◆ Continuation of medical plan contribution strategy change
 - Continued transition of PPO Plus Plan to a true “buy up” plan
 - Employee PPO Basic Wellness Plan premiums remain at FY2012 levels
- ◆ Implementation of minor changes to medical plan design provisions (deductibles/out-of-pocket/out-of-network)
- ◆ Implement telemedicine program
- ◆ Implement additional step therapy requirements
- ◆ Continue to focus on aggressive strategies to control specialty drug trend increases
- ◆ Address requirements of the Patient Protection and Affordable Care Act, including expanded eligibility and additional fees

To further manage costs to the self-insurance fund, the City continues to emphasize its Wellness and Chronic Condition Management strategies.

Other

Note \$550,000 in FY2014 and FY2015 to create mandated unemployment insurance reserve fund over two fiscal years from General Fund fund Balance (see page 97)

Executive Summary

General Fund Revenues

The FY2014 General Fund totals \$563.5 million, including all transfers between funds, an increase of 2.3% over FY2013's \$551.1 million. For FY2015 the total General Fund is \$572.7 million, an increase of 1.7%.

Property Tax

General Fund Property tax revenues, including current and prior year collections, interest, and other penalties and rebates are projected to total \$320.3 million, or a 1.2% increase in FY2014. Property tax revenues would be decreasing by \$2.5 million if not for the one-time "Register Motor Vehicle" revenue anticipated only for FY2014.

FY2015, General Fund revenues are anticipated to grow 1.5% on the base, and the revenue neutral tax rate of 0.65¢ is expected to generate a total General Fund Property Tax revenue of \$323.8 million. One cent on the property tax rate equals \$8.6 million.

The FY2014 assessed property value decreases to \$88.5 billion, or 0.8% under the FY2013 adopted value of \$89.2 billion. The FY2015 assessed Property is anticipated to increase to \$89.8 billion, or 1.5% over the FY2014 anticipated value.

As depicted in the table below, this budget reflects the new capital investments and the 3.17¢ property tax rate increase in Debt Service, for FY2014 that is necessary to fund the infrastructure investments.

Fund	FY2013	FY2014	FY2014 Rate Increase/ (Decrease)	FY2015	FY2015 Rate Increase/ (Decrease)
General Fund	36.00¢	36.00¢	0.00¢	36.65¢	0.65¢
Debt Service	6.50¢	9.67¢	3.17¢	9.79¢	0.12¢
Pay As You Go Capital	1.20¢	1.20¢	0.00¢	1.23¢	0.03¢
Total	43.70¢	46.87¢	3.17¢	47.67¢	0.80¢

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 3.5% is projected for FY2014 and FY2015, producing \$71.8 million and \$74.3 million, respectively.

State Statute	Distribution Method	Year	Rate	FY2014 (\$ millions)	FY2015 (\$ millions)
General Fund					
Article 39	Point of distribution	1967	1.0%	\$42.46	\$43.94
Article 42	Point of distribution	1986	0.5%	\$19.08	\$19.74
City Hold Harmless	Formula derived by State	2008	- %	\$10.27	\$10.63
Total General Fund			1.5%	\$71.81	\$74.31
Article 40 Debt Service	Per capita	1983	0.5%	\$13.82	\$14.30
Article 43 CATS (countywide)	Point of distribution	1999	0.5%	\$70.62	\$73.09
Total All Funds			2.5%	\$156.25	\$161.70

Executive Summary

Utilities Franchise Tax

Utilities Franchise Tax revenues are projected to decrease 0.1% over FY2013 to \$38.1 million for FY2014 and \$38.8 million for FY2015. 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, in support of the enterprises, increased by 0.5% to \$27.3 million in FY2014 and 2.2% to \$27.9 million in FY2015. The services reimbursed to the General Fund include financial, technology, customer service, budgetary, and human resource functions.

Police Services

FY2014 completes the School Resource Officers (SRO) cost sharing transition with the Charlotte-Mecklenburg School System (CMS) approved by City Council in FY2012. Forty-nine officers and one supervisor (sergeant) comprise the SRO Unit. The FY2014 reimbursement formula transitions to 80% of a full year's cost, an increase of approximately \$0.2 million from CMS, using a revised full cost methodology supported by the CMS Superintendent and the City Manager.

Mecklenburg County's share for police services to the unincorporated areas of the County increases by 4.9% in FY2014. This increase results from the impact of the public safety pay plan adjustments in the FY2014 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 6.26% to 6.45% of CMPD's total service area. For FY2013 Mecklenburg County reimbursed the City \$13.1 million; the reimbursement rises to \$13.8 million in FY2014 and \$13.9 million in FY2015. CMPD's geographic service area is comprised of 93.5% City of Charlotte and 6.5% unincorporated areas.

Solid Waste Services Fee

Solid waste services fee revenue is projected at \$12.2 million in FY2014 and \$12.4 million in FY2015, compared to \$12.1 million in FY2013. The Mecklenburg County disposal facilities charges remain unchanged in FY2014, but are anticipated to increase in FY2015. The single-family fee of \$47 and a multi-family fee of \$24 remain unchanged for FY2014. 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 by 2% to \$17.4 million in FY2014 and \$17.9 million in FY2015. There are no changes in the license rate schedules.

User Fee

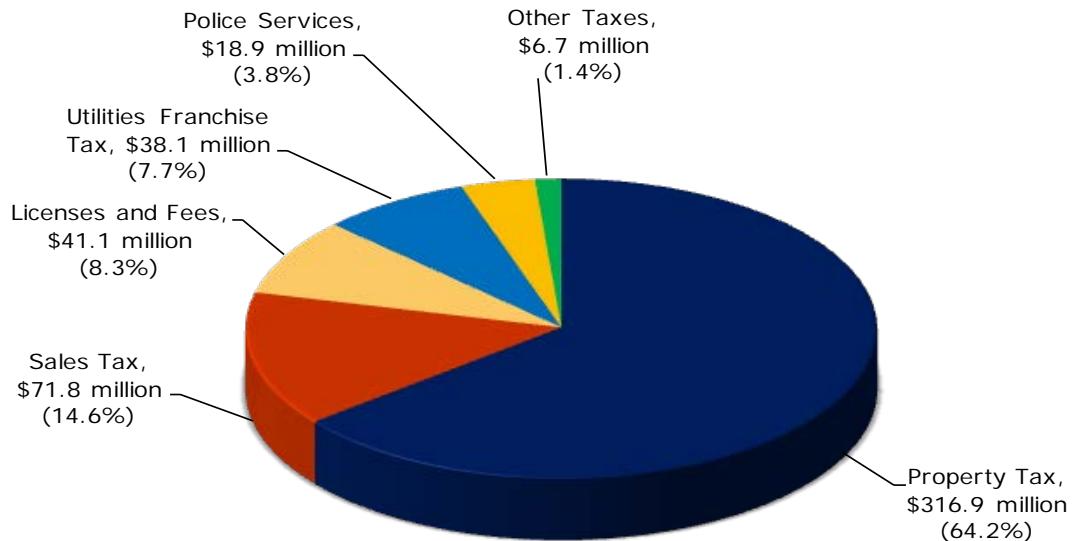
The FY2014 regulatory and non-regulatory user fee revenue is \$10.0 million, an increase of 9.6% above FY2013. Regulatory user fee rates (e.g. charges for development review services) were held flat from FY2009 through FY2012 due to economic conditions, suspending Council's 100% fully allocated cost recover 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

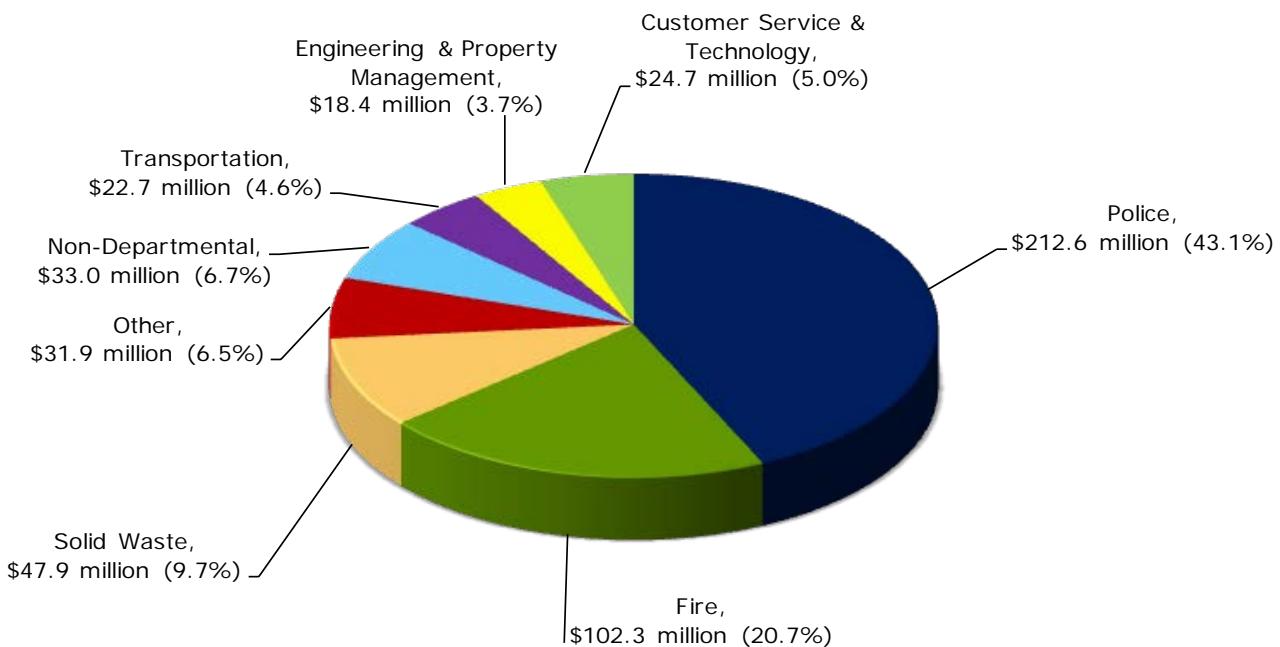
The City's other General Fund revenues, including licenses, grants, parking fees, and charges totaling \$47.9 million in FY2014, a slight increase of 1.5% from FY2013.

Executive Summary

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



General Fund Expenditures Where the Money Goes (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 FY2014 non-general fund operating budgets total \$664.5 million, representing an increase of 8.5% from FY2013. These amounts are net of transfers to any related debt service or capital pay as you go projects.

Water and Sewer Fund

FY2014 \$112.7 million

FY2015 \$114.8 million

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 \$55.17, an increase of \$2.14 per month. The average bill assumes 5,250 gallons or 7 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	Prior Year FY2013	Adopted FY2014
Water Rates		
Fixed Billing Charges	\$2.46	\$2.46
Availability Fee	2.41	2.47
Tiered Rate		
Tier 1: 0-4 ccf	1.09	1.20
Tier 2: 4-8 ccf	2.18	2.40
Tier 3: 8-16 ccf	3.81	4.30
Tier 4: >16 ccf	5.96	6.76
Non Residential	2.33	2.46
Sewer Rates		
Fixed Billing Charges	\$2.46	\$2.46
Availability Fee	4.56	4.56
Volume Rate *	4.32	4.46

*up to 16 ccf for residential customers

1 ccf = 748 Gallons

Average Residential Bill

Average user = 7 ccf/month		
Water Rates for avg. ccf use:	\$10.90	\$12.00
Fixed Billing Charge:	2.46	2.46
Availability Fee:	2.41	2.47
Total Water Cost:	\$15.77	\$16.93
Sewer Rates:	\$30.24	\$31.22
Fixed Billing Charge:	2.46	2.46
Availability Fee:	4.56	4.56
Total Sewer Cost:	\$37.26	\$38.24
<i>Average User's Monthly Fee:</i>	<i>\$53.03</i>	<i>\$55.17</i>

There is no increase in the fixed fees for FY2014. The water availability fee increased \$.06 per account for FY2014. The sewer volume rate increases from \$4.32 to \$4.46 per ccf for all sewer customers.

Executive Summary

Non-General Fund

Water and Sewer Fund (cont.)

Expenditures

For FY2014, Operating Expenses (excluding debt service) decrease by \$827,078 from the FY2013 revised budget. The decrease in the operating budget is driven mostly by the department hiring permanent employees and reducing temporary staffing contracts. After undergoing a contract review process, CMUD found that it could do more contracted work internally by hiring 15 new positions, which will help the department save in the cost of temporary and contract workers.

Contributions from the operating fund to Debt Service and Pay-As-You-Go will increase by 32.4% to \$235.0 million from \$177.5 million.

Charlotte Area Transit System Fund (CATS) FY2014 \$110.2 million FY2015 \$114.1 million

The FY2014 and FY2015 Transit budget builds on programs of past years and is responsive to service and revenue challenges. Despite severe reductions in key sources of income and significant volatility in fuel prices, CATS has maintained its focus on maximizing assets and providing core mass transit services in the Charlotte-Mecklenburg region. CATS continues to implement and maintain cost containment measures thus preventing any impact to transit service levels. CATS continues planning and design for future corridor developments.

The FY2014 and FY2015 Transit Operating Program and the FY2014-2018 Transit Capital Program were approved by the Metropolitan Transit Commission (MTC) on April 24, 2013. The operating program budget includes \$110.2 million in FY2014 and \$114.1 million in FY2015. Operating revenues are projected at \$138.4 million in FY2014 and \$145.3 million in FY2015. A total of \$1.08 billion supports capital investments over the five year period.

Service

- CATS revenue service hours will increase by 7,198 in FY2014. This increase includes new routes, which are funded through a federal Congestion Mitigation and Air Quality operating assistance grant.

Revenues

- The ½¢ public transit Sales and Use Tax is projected at \$70.6 million in FY2014 and \$73.1 million in FY2015. This represents a 3.5% increase over FY2013.
- FY2014 advertising revenue is projected to increase 22% over FY2013.
- Per MTC policy, FY2015 is a scheduled fare increase year. A base fare increase, with a proposed effective date of July 1, 2014, is built into the FY2015 budget.

Expenditures

The FY2014 Operating Budget reflects a 2.3% increase over the FY2013 Budget. Net operating expenditures are projected to increase \$5.0 million (4.8%) from FY2013 to FY2014. Highlights include:

- Personal services costs represent 68% of CATS' operating budget. Factors impacting these costs include:
 - Negotiated increases for personnel and benefit costs for the bus operators' contract and provisions for changes in the bus mechanics' contract.
- \$226,626 increase in FY2014 for costs associated with contract maintenance services.
- Fuel costs account for 11% of operating budget. An increase of 2% per gallon per year is budgeted for a total increase of \$200,800 in FY2014.
- \$192,461 for increased cost in tire prices in FY2014.
- \$750,000 in FY2015 including 12 positions to operate the LYNX Gold Line. These positions are funded by PAYGO, resulting in net impact of \$0 on CATS operating budget.

Executive Summary

Non-General Fund

Aviation Fund	FY2014 \$113.6 million	FY2015 \$116.9 million
The Charlotte Douglas International Airport (Airport) is the second busiest airport on the Eastern seaboard. Passenger traffic has grown from 2.9 million enplanements in 1982 when the current terminal opened, to over 19.2 million domestic and 1.3 million international enplanements in 2012. The Airport remains one of the nation's busiest airfields with over 550,000 operations annually and over 100 flights in a given hour. 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 service experience, and it strives to maintain a lean, flexible organization that can respond efficiently and effectively to its ever-changing environment. As a result, Charlotte is well-positioned as both a geographically and economically desirable hub for operations.		

Revenues

Revenues come from user fees, rents received from tenants, the sales of goods and services to passengers, and parking fees. 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.

Overall revenue projections for FY2014 and FY2015, including the Passenger Facility Charge and the Contract Facility Charge, show an increase over the FY2013 revised budget, with an estimated increase of \$3.6 million, or 1.8% in FY2014. \$4.7 million is the increase in FY2015 or 2.3% over FY2014. Changes in specific operating revenue sources vary, as detailed below:

- \$3.0 million or 11.5% increase in FY2014 Passenger Facility Charge revenues
- \$509,874 or 1.0% increase in FY2014 Concession revenues
- \$364,498 or 1.0% increase in FY2014 Parking revenues
- \$341,005 or 1.1% increase in FY2014 Cargo Area and Ground Rent revenues
- \$334,254 or 1.9% increase in FY2014 Airfield Usage revenues
- \$(173,555) or 4.3% decrease in FY2014 Contract Facility Charge revenues
- \$(3.2 million) or 9.8% decrease in FY2014 Terminal revenues

Expenditures

The total FY2014 and FY2015 budgets, which includes discretionary and debt support as well as the Passenger Facility Charge and the Contract Facility Charge show an increase of \$3.6 million or 1.8% in FY2014. \$4.7 million is in the increase in FY2015 or 2.3% over FY2014.

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

- Continue construction of Charlotte's new intermodal facility, bringing all four modes of transportation together, as one of the major transfer points on the Eastern seaboard
- Continue recognizing sustainability as an important driver to help control costs, reduce the Airport's environmental impact, and be a good steward of resources
- Establish 11 new positions to meet current customer and service delivery needs
- Respond to growing needs of passengers and achieve operational efficiencies in service delivery
- Continue to seek other revenue streams to help mitigate impacts from changes to airline operations, and to serve as a platform for regional economic development

Executive Summary

Non-General Fund

Storm Water Fund

FY2014 \$12.6 million FY2015 \$12.8 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 5.5% impervious surface fee rate increase in FY2014 and a 5.0% fee rate increase in FY2015. For the average City residential storm water customer, the monthly variable rate fee will increase from \$7.48 in FY2013 to \$7.89 in FY2014.

Revenues

Revenues are projected to be \$57.1 million in FY2014. This projection reflects an increase of \$2.8 million or 5.1% over FY2013.

The increase in revenues is driven by a 5.5% impervious surface fee rate increase in FY2014, resulting in additional revenue of \$2.8 million. The City's General Fund impervious surface rate fee contribution increases \$151,309. FY2014 is the final year of a three-year phase in of equal increases to restore the 453,929 General Fund budget reduction implemented in FY2011.

For the average city residential storm water customer, the monthly variable rate fee will increase from \$7.48 in FY2013 to \$7.89 in FY2014.

There will be an appropriation from fund balance of \$1.5 million in FY2014, and \$2.2 million in FY2015 to support the capital program. The Storm Water Operating Fund balance is \$17.4 million. The FY2014 and FY2015 fund balance appropriations will reduce fund balance to \$13.7 million.

Expenditures

Expenditures increase \$3.3 million or 6.0%, in FY2014. The increase in FY2014 is the result of:

- Increase to the Storm Water Capital Investment Plan Pay-As-You-Go contribution by \$2.0 million or 5.9%
- Increase to operating expenditures by \$1.8 million or 17.0%
- Decrease to the contribution to debt service of \$0.5 million

The budget continues to reflect the trend toward greater reliance on Pay-As-You-Go versus Revenue Bonds for the capital program. Five new positions are included. These position changes will help Storm Water better address its backlog of capital maintenance projects.

Executive Summary

Non-General Fund

Municipal Service Districts (MSDs) **FY2014 \$4.7 million** **FY2015 \$4.7 million**

The FY2014 and FY2015 budgets include 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. A property revaluation is anticipated during FY2014. Although a citywide revenue neutral property tax rate is budgeted in FY2015, the MSDs do not reflect an adjustment. If the revaluation results in impacts to the MSDs, a revenue neutral rate will be calculated at that time.

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 \$1,284,720 in FY2014 and \$1,301,935 in FY2015.

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 \$738,344 in FY2014 and \$740,929 in FY2015. The tax rate for Center City District 3 is 3.58¢, which will generate estimated revenue of \$1,256,115 in FY2014 and \$1,273,816 in FY2015. All services for the three Center City MSDs are provided through contracts with Charlotte Center City Partners, Inc.

South End District 4 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 \$752,999 in FY2014 and \$760,475 in FY2015. Services for District 4 are provided through a contract with Charlotte Center City Partners, Inc.

University City District 5 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 \$640,327 in FY2014 and \$648,685 in FY2015. Services for District 5 are provided through a contract with University City Partners, Inc.

Municipal Service Districts Property Tax Revenue

District	FY2013 Tax Rate	FY2014 Tax Rate	FY2014 Revenues	FY2015 Revenues
District 1 - Center City	1.68¢	1.68¢	\$ 1,284,720	\$ 1,301,935
District 2 - Center City	2.33	2.33	738,344	740,929
District 3 - Center City	3.58	3.58	1,256,115	1,273,816
District 4 - South End	6.68	6.68	752,999	760,475
District 5 - University City	2.79	2.79	640,327	648,685
Total All Districts			\$ 4,672,505	\$ 4,725,840

Executive Summary

Non-General Fund

Other Non-General Operating Funds FY2014 \$324.8 million FY2015 \$318.3 million
The City's remaining non-general fund operating funds includes:

Net of Transfers	FY2014 (\$ million)	FY2015 (\$ million)
Debt Service (all programs)	263.5	257.6
Powell Bill (State street maintenance aid)	23.5	22.7
Convention Center and Hall of Fame	18.1	18.5
Tourism	1.1	1.8
Neighborhood & Business Services Grants	8.0	8.0
Public Safety 911 Services & Other Grants	9.2	8.4
Risk Management	1.4	1.4

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 FY2014 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 FY2014 Powell Bill budget are projected to be \$24.6 million, a 3.6% increase over FY2013. Total Revenues for FY2015 are projected to be \$24.6 million. Powell Bill (state gas tax) revenues account for \$19.6 million of the FY2014 total revenues. The FY2014 gas tax projection assumes a 4.6% increase over FY2013 budget disbursements. Other FY2014 and FY2015 revenues include the General Fund contribution to street resurfacing at \$4.3 million, Street Degradation Fee at \$650,000, and Interest on Investments at \$80,000, all unchanged from FY2013.

Fund balance in the Powell Bill Fund totals \$3.2 million, of which \$1.6 million will be appropriated in FY2014, and \$0.4 million in FY2015. Total revenues and fund balance are projected to be \$26.2 million in FY2014, a 4.6% increase over FY2013, and \$25.0 million in FY2015.

Expenditures

Powell Bill expenditures for FY2014 total \$26.2 million, reflecting an increase of \$1.2 million or 4.6% over FY2013. Total expenditures for FY2015 are \$25.0 million. Most of the increase in FY2014 will support the City's Street Resurfacing Program. Major expenditures in FY2014 and FY2015 include:

- ◆ \$10.3 million in FY2014 and FY2015 for street resurfacing
- ◆ \$9.7 million in FY2014 and \$9.4 million in FY2015 for street maintenance labor and construction materials
- ◆ \$2.7 million in FY2014 and \$2.3 million in FY2015 for street resurfacing and maintenance equipment
- ◆ \$1.1 million for storm water fees

Executive Summary

Capital Investment Plan

The FY2014-2018 CIP is supported by a 3.17¢ property tax increase from 43.7¢ to 46.87¢ dedicated to the \$816.4 million debt-funded General CIP projects that invest in infrastructure to keep Charlotte growing. The property tax increase will fund these projects through four General Obligation bond referenda scheduled for November of 2014, 2016, 2018, and 2020. The FY2014-2018 five-year CIP will be supported by two of these four bond referenda in 2014 and 2016. The third and fourth bond referenda in 2018 and 2020 will be reflected in future five-year CIPs beginning in FY2015.

The FY2014-2018 CIP totals \$3.4 billion, a 2.7% increase over the current capital program. The first year of the five-year CIP in FY2014 is \$779.3 million, a 35.0% increase over the first year of the prior year's CIP of \$577.5 million, due mostly to growth in the CATS and Aviation Enterprise capital programs. The second year of the five-year General Government CIP in FY2015 is \$220.0 million, a \$283.5 million increase over the FY2014 General Government CIP of \$75.2 million. The FY2015 increase reflects new funding scheduled for the 2014 bond referendum for the approved capital projects that approach the City's infrastructure needs with a long-term, sustainable emphasis on: 1) investing in corridors, 2) increasing connections, and 3) improving communities.

General Government CIP includes: Housing and Neighborhood Development at \$197.7 million to support improving communities through the Affordable Housing Program and the new Comprehensive Neighborhood Improvement Program; Transportation at \$205.5 million to support new investments in Corridors and increased transportation connections; Economic Development at \$94.0 million for additional corridor investments; and Facility Investments at \$149.5 million to support additional public safety and maintenance facilities.

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 \$663.2 million, and is funded by \$502.8 million in bonds and COPS of which \$9.0 million is authorized and \$493.8 million is included for authorization through bond referenda in 2014 and 2016; \$117.3 million in Pay-As-You-Go funding, \$24.6 million in housing grants, and \$8.5 million in other funding.
- ◆ Storm Water totals \$213.2 million, an 18.2% decrease, and is funded by \$206.5 million in cash and \$6.7 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 \$1.1 billion, a 9.9% decrease, and is funded by federal and state grants and the one half-cent sales tax for transit.
- ◆ Water and Sewer totals \$461.6 million, a 25.9% decrease, and is funded by \$391.7 million in cash and \$70.0 million in revenue bonds.
- ◆ Aviation totals \$966.8 million, a 7.2% decrease, and is funded by \$624.0 million in revenue bonds, \$156.3 million in Federal Aviation Administration grants, \$40.5 million in Transportation Security Administration funding, and \$146.1 million in cash.

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.)

Municipal Debt Funded

The FY2014-2018 General Government Capital Investment Plan includes scheduling previously authorized debt-financed projects with the following funding sources:

- ◆ \$9.0 million in 2010 Neighborhood Improvement Bonds for traditional Neighborhood Improvement Projects (NIP)

\$365.5 million in new debt-financing for the 2014 and 2016 bond referenda, including:

- ◆ \$134.5 million for transportation-related projects in the corridors
- ◆ \$60.0 million for Comprehensive Neighborhood Improvement Program (CNIP)
- ◆ \$52.0 million for Northeast Corridor Infrastructure (NECI)
- ◆ \$35.0 million for the 26-Mile Cross Charlotte Multi-Use Trail
- ◆ \$30.0 million for the Sidewalk and Pedestrian Safety program
- ◆ \$30.0 million for the Affordable Housing Program
- ◆ \$24.0 million for traffic control, road, and bridge infrastructure

\$128.3 million in new Certificates of Participation debt-financing:

- ◆ \$68.0 million for the Joint Communications Center
- ◆ \$29.2 million for three new Police Division Stations
- ◆ \$25.0 million for Bojangles/Ovens Area Redevelopment
- ◆ \$4.0 million for Future Fire Station Land Acquisition
- ◆ \$2.1 million for Vehicle Maintenance Facilities

Pay-As-You-Go Funded

The Pay-As-You-Go capital program includes \$50.7 million in FY2014 revenues, a \$4.2 million increase, or 8.9%, over the FY2013 CIP.

Major Pay-As-You-Go Projects for FY2014 include:

- ◆ \$19.0 million for the City's Maintenance of Effort (MOE) contribution to Transit
- ◆ \$9.5 million for cultural facilities, county and towns' portion of the vehicle rental tax, and road planning, design, and right-of-way
- ◆ \$6.9 million for building, roof, and parking facility maintenance
- ◆ \$4.5 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 Technology Investments

Enterprise Funded

Storm Water FY2014-2018 totals \$213.2 million and includes the following major projects:

- ◆ \$112.9 million for flood control projects in neighborhood water basins
- ◆ \$70.0 million for storm water repairs to existing drains and stream restoration
- ◆ \$11.4 million for minor storm water projects
- ◆ \$10.7 million for pollution control projects

Executive Summary

Capital Investment Plan (cont.)

Enterprise Funded (cont.)

Charlotte Area Transit System (CATS) FY2014-2018 totals \$1.1 billion and includes the following major projects:

- ◆ \$907.8 million for the LYNX Blue Line Extension (NE Corridor Light Rail)
- ◆ \$76.8 million for bus and special transportation vehicle replacement
- ◆ \$22.3 million for LRT facilities, maintenance, and equipment
- ◆ \$22.2 million for preventative maintenance

Water and Sewer FY2014-2018 totals \$461.7 million and includes the following major projects:

- ◆ \$187.8 million to maintain and extend existing infrastructure
- ◆ \$165.3 million to support growth and development
- ◆ \$85.8 million to support other public projects and Utilities operations

Aviation FY2014-2018 totals \$966.8 million and includes the following major projects:

- ◆ \$175.0 million for the International Terminal (Phase I)
- ◆ \$125.0 million for terminal lobby expansion
- ◆ \$92.3 million for the Fourth Parallel Runway
- ◆ \$67.0 million for Concourse B Expansion
- ◆ \$47.5 million for the Business Valet Parking Deck II
- ◆ \$45.0 million for an In-line Baggage System
- ◆ \$45.0 million for the Air Traffic Control Tower

Executive Summary

FY2014-2018 CIP General Obligation (G.O.) Bonds and Certificates of Participation (COPs) Funding ⁽¹⁾

† G.O. Bonds; * COPs

INVESTING IN CORRIDORS	<u>2014 Bond</u>	<u>2016 Bond</u>	Total FY14-FY18	<u>2018 Bond</u>	<u>2020 Bond</u>
Airport/West Corridor	\$ -	\$ 31.20	\$ 31.20	\$ 13.52	\$ -
† Spine Dixie Berryhill Infrastructure (New Garrison Road)		31.20	31.20		
† Southern Dixie Berryhill Infrastructure (Widen Dixie River Road)			-	13.52	
East/Southeast Corridor	\$ 37.50	\$ 26.58	\$ 64.08	\$ 22.32	\$ 6.16
† Land Acquisition and Street Connections	12.50	12.50	25.00		
† Monroe Road Streetscape		2.08	2.08	8.32	
* Bojangles/Ovens Area Redevelopment	25.00	-	25.00		
† Public/Private Redevelopment Opportunities		10.00	10.00	10.00	
† Idlewild Road/Monroe Road Intersection			-		4.16
† Sidewalk and Bikeway Improvements		2.00	2.00	4.00	2.00
Northeast Corridor	\$ 47.20	\$ 43.08	\$ 90.28	\$ 48.54	\$ 27.30
† Research Drive - J.W. Clay Connector over I-85 (North Bridge #1)	3.00		3.00	12.48	
† University Pointe Connection - IBM Drive to Ikea Blvd (South Bridge #2)	15.08		15.08		
† Northeast Corridor Infrastructure (NECI)	16.64	35.36	52.00	27.30	27.30
† Applied Innovation Corridor	12.48	7.72	20.20	8.76	
INCREASING CONNECTIONS					
Road/Infrastructure Projects	\$ 17.26	\$ 8.63	\$ 25.90	\$ -	\$ -
† Prosperity Church Road NW Arc	5.20		5.20		
† Eastern Circumferential/Railroad Bridge	12.06		12.06		
† Park South Drive Extension		8.63	8.63		
† 26-Mile Cross Charlotte Multi-Use Trail		\$ 35.00	\$ 35.00		
† Sidewalks and Pedestrian Safety	\$ 15.00	\$ 15.00	\$ 30.00	\$ 15.00	\$ 15.00
Traffic Control and Bridges	\$ 14.00	\$ 10.00	\$ 24.00	\$ 10.00	\$ 14.00
† Upgrade Traffic Signal System Coordination	3.00	3.00	6.00	3.00	6.00
† Upgrade Traffic Control devices	7.00	4.00	11.00	4.00	4.00
† Repair and Replace Bridges	4.00	3.00	7.00	3.00	4.00
IMPROVING COMMUNITIES					
Public Safety Facilities	\$ 78.50	\$ 22.75	\$ 101.25	\$ 21.90	\$ 9.75
* Joint Communications Center	68.00		68.00		
* 6 Police Division Stations	10.50	18.75	29.25	21.90	9.75
* Land Purchase for Future Fire Stations		\$ 4.00	4.00		
Maintenance Facilities/Customer Service	\$ -	\$ 2.08	\$ 2.08	\$ 9.62	\$ 19.50
* Sweden Road Maintenance Yard Replacement			-	3.12	19.50
* Northeast Equipment Maintenance Facility		2.08	2.08	6.50	
† Affordable Housing	\$ 15.00	\$ 15.00	\$ 30.00	\$ 15.00	\$ 15.00
† Comprehensive Neighborhood Improvement Program	\$ 20.00	\$ 40.00	\$ 60.00	\$ 40.00	\$ 20.00
Total Estimated Cost	\$ 244.46	\$ 249.32	\$ 493.79	\$ 195.90	\$ 126.71
† G.O. Bonds	\$ 140.96	\$ 224.49	\$ 365.46	\$ 164.38	\$ 97.46
* COPs	\$ 103.50	\$ 24.83	\$ 128.33	\$ 31.52	\$ 29.25

Notes

(1)

Four referenda will be scheduled for November of 2014, 2016, 2018, and 2020. The approved FY2014-2018 five-year CIP will be supported by two of these four bond referenda in 2014 and 2016. The third and fourth bond referendum in 2018 and 2020 will be reflected in future five-year CIPs beginning in FY2015.

Executive Summary

All Funds - Summary of Expenditures

(Net of Transfers)

FY2014

Fund / Activity	Operating	Percent Change	Capital	Percent Change	Total	Percent Change
General	\$ 493,539,580	1.2%			493,539,580	1.2%
Aviation	113,585,716	4.5%	326,459,151	28.5%	440,044,867	21.3%
Water and Sewer	112,735,314	0.9%	106,355,400	30.7%	219,090,714	13.5%
Charlotte Area Transit System	110,245,360	3.6%	233,841,903	48.1%	344,087,263	30.2%
Storm Water Utility	12,553,697	17.0%	37,500,000	-8.5%	50,053,697	-3.2%
Debt Service	270,950,137	16.0%			270,950,137	16.0%
Powell Bill	23,457,304	7.0%			23,457,304	7.0%
Convention Center	15,098,476	10.2%			15,098,476	10.2%
NASCAR Hall of Fame	3,000,000	474.7%			3,000,000	474.7%
Public Safety and Other Grants	5,797,186	-19.5%			5,797,186	-19.5%
Public Safety 911 Services	3,358,643	28.2%			3,358,643	28.2%
Neighborhood & Business Svcs Grants	7,870,234	-11.5%			7,870,234	-11.5%
Municipal Service Districts	4,672,505	4.9%			4,672,505	4.9%
Risk Management	1,353,364	2.9%			1,353,364	2.9%
Tourism Operating	1,103,550	3.1%			1,103,550	3.1%
Pay-As-You-Go	599,296	-9.7%			599,296	-9.7%
General CIP			75,182,582	74.1%	75,182,582	74.1%
Total Budget	\$ 1,179,920,362	5.2%	779,339,036	35.0%	1,959,259,398	15.3%

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 FY2014 by the General's Fire Department, which totals \$4,677,674 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 FY2014, the total budget included in the above Operating Fund is:

Risk and Loss at \$19,559,828; Workforce Group Insurance at \$56,716,626; Totaling to \$76,276,454

FY2015

Fund / Activity	Operating	Percent Change	Capital	Percent Change	Total	Percent Change
General	\$ 504,691,876	2.3%			504,691,876	2.3%
Aviation	116,931,358	2.9%	269,518,626	-17.4%	386,449,984	-12.2%
Water and Sewer	114,824,538	1.9%	75,215,400	-29.3%	190,039,938	-13.3%
Charlotte Area Transit System	114,072,771	3.5%	354,465,140	51.6%	468,537,911	36.2%
Storm Water Utility	12,790,236	1.9%	43,700,000	16.5%	56,490,236	12.9%
Debt Service	266,924,329	-1.5%			266,924,329	-1.5%
Powell Bill	22,697,304	-3.2%			22,697,304	-3.2%
Convention Center	15,537,000	2.9%			15,537,000	2.9%
NASCAR Hall of Fame	3,000,000	0.0%			3,000,000	0.0%
Public Safety and Other Grants	5,797,186	0.0%			5,797,186	0.0%
Public Safety 911 Services	3,358,643	0.0%			3,358,643	0.0%
Neighborhood & Business Svcs Grants	6,987,050	-11.2%			6,987,050	-11.2%
Municipal Service Districts	4,725,840	1.1%			4,725,840	1.1%
Risk Management	1,415,413	4.6%			1,415,413	4.6%
Tourism Operating	1,770,816	60.5%			1,770,816	60.5%
Pay-As-You-Go	612,717	2.2%			612,717	2.2%
General CIP			219,986,760	192.6%	219,986,760	192.6%
Total Budget	\$ 1,196,137,077	1.4%	962,885,926	23.6%	2,159,023,003	10.2%

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 FY2014 by the General's Fire Department, which totals \$4,814,075 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 FY2015, the total budget included in the above Operating Fund is:

Risk and Loss at \$20,390,486; Workforce Group Insurance at \$60,119,956; Totaling to \$80,510,442

Executive Summary

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

Funds	FY2013 Revised	FY2014	FY2015	Percent Change FY2013 to FY2014
General	\$ 487.9	\$ 493.5	\$ 504.7	1.1%
Enterprise				
Water and Sewer	\$ 111.7	\$ 112.7	\$ 114.8	0.9%
Charlotte Area Transit (CATS)	106.4	110.2	114.1	3.6
Aviation	108.7	113.6	116.9	4.5
Storm Water Utility	10.7	12.6	12.8	17.8
Total Enterprise	\$ 337.5	\$ 349.1	\$ 358.6	3.4%
Debt Service				
Water and Sewer	\$ 83.9	81.1	76.7	-3.3
Municipal	65.0	87.7	84.5	35.0
Aviation	42.1	53.3	54.8	26.6
CATS	7.6	14.6	16.4	92.1
Convention Center	7.1	6.6	6.2	-7.0
Tourism	8.0	8.5	8.2	6.3
Cultural Facilities	6.5	6.4	6.3	-1.5
Storm Water	6.0	5.4	6.7	-10.0
NASCAR Hall of Fame	7.3	7.2	7.2	-1.4
Total Debt Service	\$ 233.5	\$ 270.9	\$ 266.9	16.0%
Other Operating Funds				
Powell Bill	21.9	23.5	22.7	7.3
Convention Center	13.7	15.1	15.5	10.2
Public Safety & Other Grants	7.2	5.8	5.8	-19.4
Neighborhood & Business Svcs Grants	8.9	7.8	7.0	-12.4
Public Safety 911 Services	2.6	3.4	3.4	30.8
NASCAR Hall of Fame	0.5	3.0	3.0	500.0
Municipal Service Districts	4.5	4.7	4.7	4.4
Tourism Operating	1.1	1.1	1.8	-
Risk Management	1.3	1.4	1.4	7.7
Pay As You Go**	0.7	0.6	0.6	-14.3
Total Other Operating	\$ 62.4	\$ 66.4	\$ 65.9	6.4%
Total Operating Budgets	\$ 1,121.3	\$ 1,179.9	\$ 1,196.1	5.2%

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

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

Executive Summary

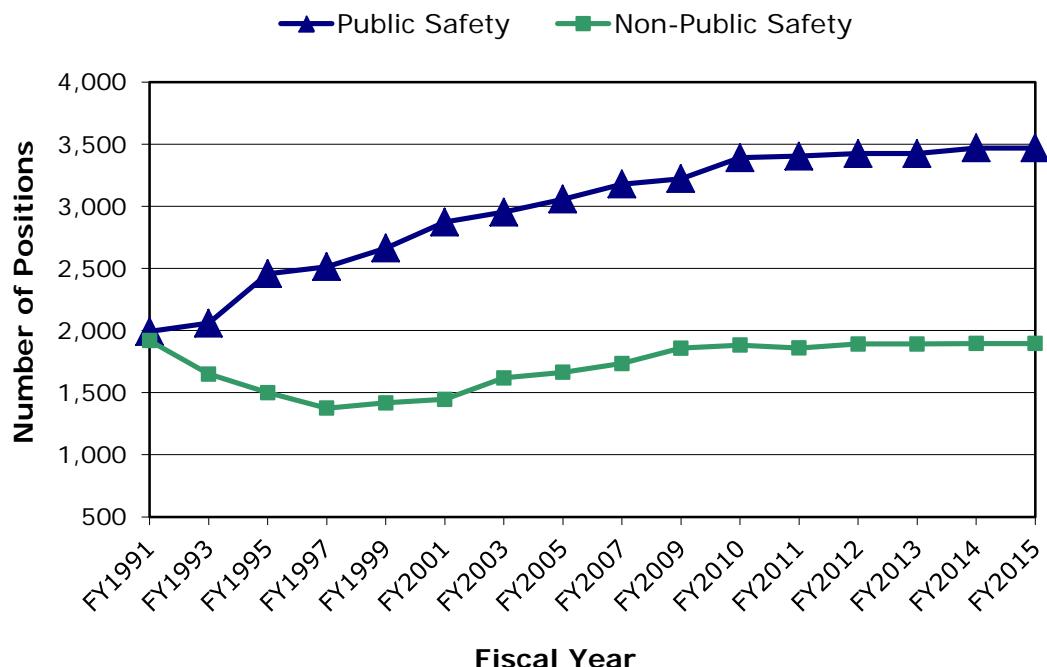
Summary of Position Allocations by Fund

Departments	FY2013 Revised Positions	FY2014 Positions	FY2015 Positions	FTE Change FY2013 FY2014
Police	2,306.50	2,306.50	2,306.50	-
Fire	1,166.00	1,166.00	1,166.00	-
Solid Waste	289.00	289.00	289.00	-
Transportation	431.50	431.50	431.50	-
Neighborhood & Business Services	149.00	154.00	154.00	5.00
Engineering & Property Management	322.00	322.00	322.00	-
Planning	61.00	61.00	61.00	-
Mayor and City Council	9.00	9.00	9.00	-
City Attorney	28.50	28.50	28.50	-
City Clerk	6.00	6.00	6.00	-
City Manager	12.00	12.00	12.00	-
Office of the Chief Information Officer	21.00	21.00	21.00	-
Community Relations Committee	10.00	10.00	10.00	-
Corporate Communications & Marketing	19.00	19.00	19.00	-
CharMeck 311	139.00	139.00	139.00	-
Internal Audit	9.00	9.00	9.00	-
Human Resources	33.00	33.00	33.00	-
Finance	81.00	81.00	81.00	-
Shared Services	257.00	257.00	257.00	-
Budget & Evaluation	13.00	13.00	13.00	-
Total General Fund	5,362.50	5,367.50	5,367.50	5.00
Charlotte-Mecklenburg Utility	746.50	761.50	761.50	15.00
Aviation	251.00	262.00	262.00	11.00
Storm Water	95.00	100.00	100.00	5.00
Charlotte Area Transit System	361.75	361.75	373.75	-
Risk Management	27.00	27.00	27.00	-
Grant Fund	3.00	3.00	3.00	-
Total All Funds	6,846.75	6,882.75	6,894.75	36.00

Executive Summary

The illustrations provided below highlight the public safety portion of the FY2014 and FY2015 General Fund operating budget and related positions. Public Safety comprises 66% of General Fund pay and benefits.

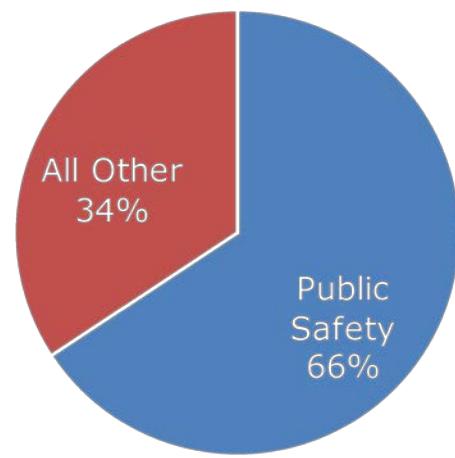
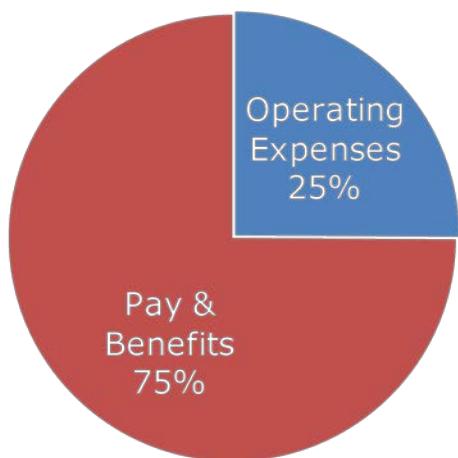
General Fund Positions



FY2014 Total Operating Budget General Fund

Total Budget \$563.5m

Pay and Benefits \$422.1m



City Profile

Total # of Employees	6,882.75 FTEs	<u>Fire Protection (FY2014)</u>	
Total Budget	\$1.96 Billion	Fire Prevention Inspectors	36
General Fund (net of transfers)	\$493.5 Million	Firefighters	1,059
General Bonded Debt per capita (FY2012)	\$ 777.5		
General Bonded Debt % of Property Value (FY2012)	0.68%	<u>Police Protection (FY2014)</u>	
Debt Service % of Non Capital Expenditures (FY2012)	17.60%	Sworn Police Officers	1,754
Assessed value (FY2014)	\$88.5 billion	Civilian	552.5
Land Area (square miles)	303.1	<u>Storm Water Rates (FY2014)</u>	
Street Miles	2,416	Single Family (monthly) < 2,000 sq feet -	\$5.36
		Single Family (monthly) 2,000 sq feet and up -	\$7.89
Retail Sales (FY2012)	\$14.3 billion	Commercial (monthly) per impervious acre	\$131.56
General Obligation Bond Rating (FY2011)	AAA		
<u>Meck County Building Permits (Projected FY2013)</u>			
Residential	7,476	Water Accounts (projected)	257,360
Non-Residential	940	Sewer Accounts (projected)	236,746
		<i>1 ccf = 748 gallons</i>	
<u>Population</u>			
2000 Census	540,828	Water Rates for avg. ccf use	\$ 12.00
2010 Census	731,424	Fixed Charge	\$ 4.93
2013 (projected July 1)	749,737	Avg. Total Water Rates	\$ 16.93
		Sewer Rates	\$ 31.22
<u>Unemployment Rate (Mecklenburg County)</u>			
2009 (as of May)	11.00%	Fixed Charge	\$ 7.02
2010 (as of May)	10.10%	Avg. Total Sewer Rates	\$ 38.24
2011 (as of May)	10.20%	<i>Average Residential User's</i>	
2012 (as of May)	10.00%	<i>Total Monthly Fee</i>	\$ 55.17
2013 (as of May)	8.90%		
<u>Top Principal Taxpayers (FY2012)</u>			
Bank of America	1.71%		
Wells Fargo/Wachovia	1.53%		
Duke Energy	1.06%		
US Airways	0.57%		
AT&T/BellSouth	0.45%		

City Profile

Continued

Property Tax (FY2014)

1-cent on the property tax rate	\$ 8.6 M
General Fund	36.00¢
Muni Debt Service	9.67¢
Pay-As-You-Go	1.20¢
Total Property Tax Rate (per \$100 valuation)	46.87¢

Local Sales Tax (FY2014)

State	4.75%
Local	2.0%
Transit Tax - CATS	0.5%
Total (as of July 1)	7.25%

Occupancy Tax (FY2014)

First 3-Percent	3.0%
Second 3-Percent	3.0%
NASCAR Hall of Fame Tax	2.0%
Total	8.0%

Prepared Food Tax (FY2014)

City/County	1.0%
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Business Privilege License (FY2013)

Per \$1,000 gross receipt (min. of \$50 and max of \$10,000)	\$ 0.60
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Car Rental Taxes (FY2014)

Road Use Tax	8.0%
Charlotte Vehicle Rental Tax	1.5%
Mecklenburg Vehicle Rental Tax	1.5%
Airport Tax (If applicable)	10.0%
U-Drive-it Vehicle Rental tax	5.0%

Area City and County Property Tax Rates (FY2014)

Charlotte	46.87¢
Cornelius	24.00¢
Davidson	35.00¢
Huntersville	28.25¢
Matthews	31.75¢
Mecklenburg County	81.57¢
Mint Hill	27.00¢
Pineville	32.00¢
Police Service District	19.37¢
Stallings	21.50¢
Union County	66.00¢

MOTOR VEHICLE REGISTRATION FEE (FY2014)

Charlotte	\$ 30.00
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SOLID WASTE FEES (FY2014)

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

MUNICIPAL SERVICE DISTRICTS (FY2014)

District	Tax Rate *
01 - Center City	1.68¢
02 - Center City	2.33¢
03 - Center City	3.58¢
04 - South End	6.68¢
05 - University City	2.79¢

*per \$100 valuation

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

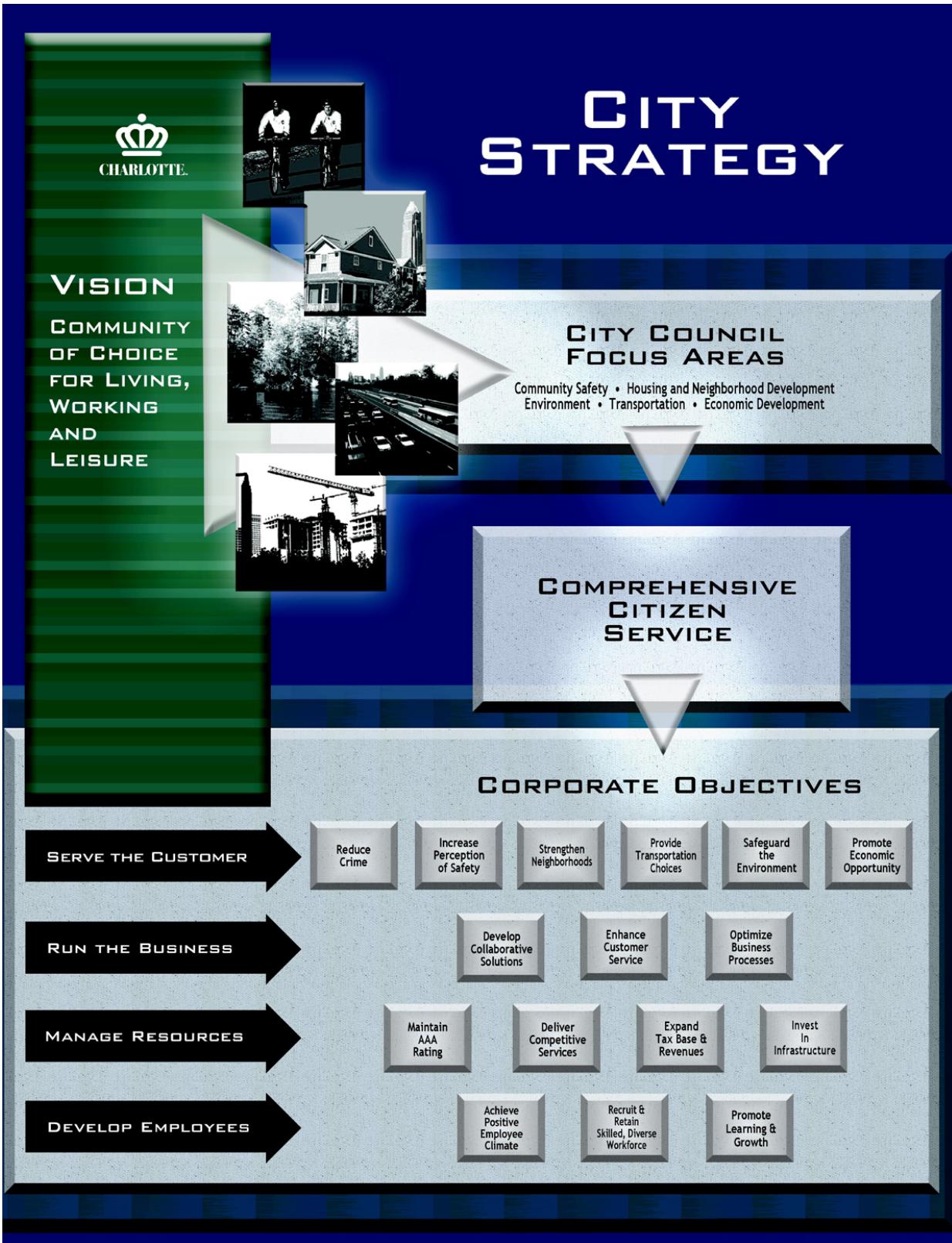
Community Safety In 1994, the City Council adopted a five-year community safety plan. That plan has been expanded and combined with housing and neighborhood development initiatives and the implementation of community problem-oriented policing. Therefore, the City considers community safety from the perspective 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 upon 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.



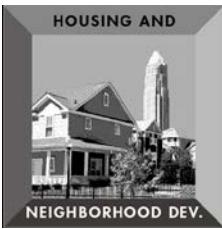
FY2014 Strategic Focus Area Plan

"Charlotte will be one of America's safest communities."

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 workforces 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	FY2012 Actual	FY2013 Mid-Year Status	FY2014 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	-2% actual crime; -2.86 rate per 100,000 population	1.37% increase in Part One UCR Crimes; .40% increase in rate per 100,000 population	3% reduction in the number of UCR Part One reported crimes and 3% reduction in the UCR Part One crime rates per 100,000 population
	Percent of arson cases cleared by investigators	51.3%	41%	36% clearance rate
	Percent of incidents where first fire unit arrives on scene within six minutes or less of 911 call	83.1%	83%	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 2014)	7.8-overall impression of CMPD; 7.6-courtesy; 8.0-professionalism; 8.2-safe in neighborhood	Survey will be conducted spring of 2013	Ratings of 7.0 or above on a 10 point scale
	Percent of fire code inspections conducted within state mandated frequencies	100%	49%	95%

Focus Area Initiative	Measure	FY2012 Actual	FY2013 Mid-Year Status	FY2014 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	44%	44.2%	30% of police officer applicants
		30%	Results available fiscal year-end	20% of firefighter applicants
Build collaborations with partners that enhance community safety initiatives	Bring federal charges against gang members to disrupt the activities of the gang	N/A	N/A	Federal charges against members of one gang per year
	Partner with other City agencies in addressing specific neighborhood issues that are enablers of crime	N/A	26 neighborhood projects	25 neighborhood projects that impact enablers of crime, disrupt gang activity, and/or nuisance locations in eight targeted patrol divisions
	Partner with other City, County, state, federal, and private agencies in planning and preparedness efforts for radiological, natural, and man-made disasters	8 exercises	3 exercises	6 exercises or training courses
	Leverage infrastructure improvements associated with the Democratic National Convention for public safety initiatives	N/A	Infrastructure improvements deployed throughout the community include: surveillance cameras; the spot shooter system; and license plate readers. Also improvements include the restart of the consolidated computer-aided design system.	Install cameras purchased for the Democratic National Convention in four patrol divisions



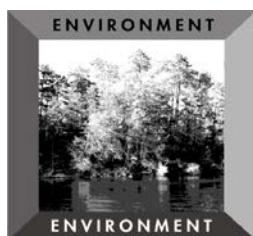
FY2014 Strategic Focus Area

"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	FY2012 Actual	FY2013 Mid-Year Status	FY2014 Target
Create healthy and vibrant neighborhoods by improving and implementing quality physical infrastructure	Reduce the number of nuisance violations	N/A	N/A	Reduce by 5%
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	1:10
Implement policies that will assist with geographically dispersing and increasing the supply of affordable housing	Number of developer inquiries and approval for the new voluntary single and multi-family density bonus programs	N/A	N/A	5
	Allocate Housing Trust Fund dollars to developments consistent with Housing Policy goals	N/A	N/A	Housing Trust Fund Awards
Continue refinement of the new Quality of Life Study for 2014	Create a trend methodology, establish Neighborhood Profile Area goals, enhance referrals, and include new data points	N/A	N/A	100% completion



FY2014 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.

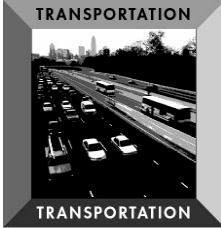
Charlotte will become a national leader in environmental sustainability by:

- 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	FY2012 Actual	FY2013 Mid-Year Status	FY2014 Target
Promote and participate in the development of a sustainable community	Focus growth and development in appropriate locations, following the guidance provided in the City Council adopted <i>Centers, Corridors and Wedges Growth Framework</i> and articulated more specifically in adopted land use plans	95.2%	Currently 96% of rezoning decisions are consistent with area plans and/or staff recommendations	Make 95% rezoning decisions consistent with area plans and/or staff recommendations
	Reduce residential waste	New Target in FY2013	Current landfill diversion rate is 25.9%	Increase the landfill diversion rate from 25% to 35% by 2015
	Maintain a significant and healthy tree canopy	New Target in FY2013	In Progress	Refine and implement strategies to achieve 50% tree canopy coverage by 2050
	Maintain a safe and adequate drinking water supply for the community	Achieved	In Progress	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 in FY2013	In Progress	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 in FY2013	In Progress	Determine baseline conditions using the Quality of Life Study in order to establish community goals for environmental sustainability
		N/A	New Target in FY2014	Launch process to develop Community Sustainability Plan

Focus Area Initiative	Measure	FY2012 Actual	FY2013 Mid-Year Status	FY2014 Target
Lead by example by practicing environmental stewardship in city operations and facilities	Reduce energy use	Achieved	In Progress	Maintain energy use practices so that City facilities compare favorably with available benchmark information in the South Atlantic region including multiple government and private sector data
	Reduce stormwater pollution	New Target in FY2013	In Progress	Develop and implement plans for stormwater management practices
		N/A	New Target in FY2014	Reduce stormwater pollution at City facilities by prioritizing facilities for pollution control devices to be implemented in future years.
	Reduce air pollution emissions and improve fuel economy for the City's fleet	New Target in FY2013	In Progress	Continue to evaluate and field test alternative fuel vehicles for potential expansion in the fleet Expand the fleet of CATS buses that use a new diesel exhaust system (Diesel Exhaust Fluid System) designed to reduce fumes from buses
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	In Progress. Actively engaged in CONNECT Consortium and Envision Charlotte to positively impact air quality, energy efficiency, water resources, and the reduction of waste	Continue work with partners such as CONNECT Consortium, Envision Charlotte and public and private entities
Facilitate the growth of the clean energy industry, including the alternative energy sector	Work with partners through E4 Carolinas to attract and grow the clean energy industry sectors in Charlotte	New Target in FY2013	The Energy Capital Project evolved into a regional effort, E4 Carolinas, which is focused on improving the economy of the Carolinas by focusing on energy, environment, economy, and efficiency. Since the establishment of E4 in FY2013, City staff has closely collaborated with them on several initiatives	Collaborate with E4 Carolinas Board to further goals focused on growing the clean energy industry in the region



FY2014 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	FY2012 Actual	FY2013 Mid-Year Status	FY2014 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	Charlotte: 0.8% increase Top 25: .7%	Charlotte: 0.7% Top 25: - 3.4%	Any increase will be less than 5-year average of top 25 cities
	Reduce Vehicle Miles Travelled (VMT) per capita	N/A	N/A	Reduce VMT per capita from prior year
	Decrease commute times	40.8%	N/A	Increase the percent of Charlotte commuters with a commute time of less than 20 minutes.
	Accelerate implementation of 2030 Transit Corridor System Plan as conditions allow: LYNX BLE LYNX Gold Line Transit Ridership Red Line	DEIS Complete PE Complete 3% Goal 6.4% Actual Advanced Work Plan	FFGA Approved Construction underway 0% Goal 0.3% YTD Oct 2012 N/A	Begin construction by 6/30/14 Complete construction by 6/30/15 Increase by 2% Participate in NCDOT/NS Corp "O" Line Capacity Study

Focus Area Initiative	Measure	FY2012 Actual	FY2013 Mid-Year Status	FY2014 Target
Promote transportation choices, land use objectives, and transportation investments that improve safety, promote sustainability, and livability	Improve Charlotte's walkability and bicycle-friendliness	N/A	N/A	Increase Charlotte's walk score relative to peer cities.
		N/A	N/A	Increase Charlotte's walk score in mixed-use activity centers and transit station areas.
		N/A	N/A	Complete a scan of City policies and practices impacting walkability and recommend needed improvements by June 2014.
		N/A	N/A	Implement 15 or more pedestrian safety and/or crossing projects by June 2014.
		18.8 sidewalk 11.1 bikeways	13.4 sidewalk 2.5 bikeways	Implement 10 miles of new sidewalk and 10 miles of new bikeways annually.
	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%	N/A (Reported at end of year)	Decrease vehicle accidents per mile traveled below prior year
	Improve City Pavement Condition Survey Rating	88	85.4	Achieve Survey Rating of 90
	Increase % of transportation bond road projects completed or forecast to be completed on schedule	79%	73%	90% or better
	Complete and present TAP Annual Report to the City Council	Completed	Completed	Complete by January 2014
	The City will work with MUMPO to initiate the 2040 Long Range Transportation Plan to help advance economic development and regional land use goals.	N/A	N/A	Complete project ranking by August 2013 MPO approval of 2040 LRTP by March 2014
Communicate land use and transportation objectives as outlined in the Transportation Action Plan (TAP)	Collaborate with regional partners on CONNECT, to plan for future growth and development.	N/A	N/A	Collaborate with CONNECT Partners to engage the public in developing a consensus growth scenario by June 2014.
	Work with legislative partners and stakeholders to consider new revenue sources to fund transportation improvements.	N/A	N/A	Continue to evaluate the legislative environment regarding new revenue sources and lend support to acceptable solutions.
	Develop CIP funding strategy for transportation improvements	N/A	N/A	Develop project list for CIP bond funding.
Seek financial resources, external grants, and funding partnerships necessary to implement transportation programs and services				



FY2014 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.

Focus Area Initiative	Measure	FY2012 Actual	FY2013 Mid-Year Status	FY2014 Target
Help grow small businesses in our community	Update the City's Small Business Strategy Plan to include the following: 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 businesses to expand sales; and Initiatives to strengthen the existing consortium of community resource partners.	New Target for FY2013	City Council approved a High Growth Entrepreneurship Strategy in November. Phase 2 enhancements to the small business web portal are underway and expected to be complete by year-end. Small business week activities were expanded to over 20 events each May.	Complete Phase 2 enhancements to the small business web portal and increase marketing. Complete a review of the City's small business loan programs, including the SBE Loan Fund Agreement, which expires on March 31, 2014.
	Achieve an increasing percentage SBE utilization through combined formal and informal opportunities	7%	6.85% (1 st Quarter) Mid-Year utilization pending	Implement the new Charlotte Business INClusion program. Communicate with 100% of the State-certified MWBEs in the Charlotte market area by January 2014; register 50% by year-end FY2014.

Focus Area Initiative	Measure	FY2012 Actual	FY2013 Mid-Year Status	FY2014 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 the City's role in creating public parking to assist retailers and small businesses. 	New Target for FY2013	<p>The Eastland Mall site was purchased for redevelopment, and an RFQ/RFP process is underway to solicit development proposals.</p> <p>City Council authorized the use of the Business Corridor Fund (current balance \$13.4 million) to all commercial areas. Matching grant programs have been updated, including the development of façade and security grant program for eligible apartment complexes. The City participated in the renovation of the Four Seasons Shopping Center façade, as well as the renovation of Midwood Middle School into an international center.</p> <p>A parking demand analysis was completed for the North Davidson (NoDa) business district; evaluation of public parking model for NoDa being considered.</p>	<p>Explore a new relationship with the Charlotte-Mecklenburg Development Corporation (CMDC)</p> <p>Evaluate a retail market assessment to help attract the right retail mix to underserved areas.</p> <p>Implement the public parking partnership model where appropriate to assist retailers and small businesses.</p>
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	Implemented Phase 2 of electronic plans submittal project by including subdivisions.	Continued work on the Development Services Consolidated Business Plan (CDOT/Planning/Engineering)	Complete Development Services Consolidated Business Plan (CDOT/Planning/Engineering)
	Average number of reviews on all land development permitting submissions	2.0	1.80	Average ≤ 2.5 reviews on all plans submitted for FY2014

Focus Area Initiative	Measure	FY2012 Actual	FY2013 Mid-Year Status	FY2014 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, and 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	City Council approved an update to the Business Investment Program, which included the inclusion of a provision encouraging use of local suppliers in future grant agreements. The balance of the year will be used to develop the process to audit grant recipients.	Begin audits or assessments of grant recipients
	Work with tourism partners to develop a plan for growing sports in the Charlotte Region: Develop a new public/private model for adding amateur sports facilities in the Region Attract sports and sporting events to the City	New Targets for FY2013	Bojangles Arena/ Ovens redevelopment plan was developed. Since July, Charlotte has been selected to host the following events: 2013/14 – Powerade State Games 2015 NCAA Basketball 2 nd and 3 rd rounds	Continue to work with tourism partners to grow the amateur sports industry
	Develop an approach to international economic development through the integration of the Charlotte International Cabinet into the City	New Target for FY2014	New Target for FY2014	Develop a work plan by year-end FY2014
	Determine the City's role in a comprehensive community Energy Strategy	New Target for FY2014	New Target for FY2014	Adopt plan by September 30, 2013
Work with community partners to support youth employment and development in the community	Continue work with partners to increase work experiences and summer internships as well as explore opportunities to expand services to additional youth and businesses through the creation of a Youth Council	New Target for FY2014	New Target for FY2014	≥3,000 work experiences ≥ 300 summer internships Explore opportunities through creation of a Youth Council

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.

<u>Program Summary</u>	FY2013 Revised Budget/ Positions	FY2014 Budget/ Positions	FY2015 Budget/ Positions
Field Services/Community Policing/Patrol/Crime Prevention	\$ 145,175,384	145,358,682	147,466,044
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	1,607.00	1,607.00	1,607.00
Special Investigations	8,480,546	8,423,270	8,424,017
Investigates vice, gathers criminal intelligence information, and investigates gangs. Includes Vice and Narcotics, Gang and Firearm Enforcement Division, and Criminal Intelligence	80.00	80.00	80.00
Criminal Investigations	17,280,872	17,323,164	17,337,981
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	171.00	171.00	171.00
Special Operations & Crime Lab	11,940,641	12,427,782	12,166,215
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	109.00	109.00	109.00
Communications	13,992,099	14,335,243	14,609,725
Answers and dispatches 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	176.00	176.00	176.00
Community Services	4,307,207	4,142,637	4,170,609
Provides a variety of services that promote positive police-citizen interaction	49.00	49.00	49.00
Police Officer Training/Recruiting	3,974,158	3,885,395	3,891,236
Conducts recruitment, background investigations, and hiring of police officers; provides recruit and in-service training to sworn and non-sworn personnel	31.00	31.00	31.00
Animal Care & Control	6,563,867	6,677,582	6,786,964
Enforces animal control ordinances and operates the animal shelter	83.50	83.50	83.50
Total	\$ 211,714,774	212,573,755	214,852,791
Total Positions	2,306.50	2,306.50	2,306.50

Police

Budget Decreases

None

Budget Increases

\$600,000 in FY2014 and FY2015 for fuel price escalations

\$391,000 in FY2014 for external maintenance and repair of specialized equipment

Service Delivery Highlights and Challenges

CMPD experienced significant reductions in crime from 2009-2011, with an average reduction of 11.9%. However, there was a slight increase of 2.8% in 2012. While it is challenging to sustain significant annual reductions in the crime rate over an extended period of time, CMPD will attempt to achieve a reduction in FY2014. The department 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 distribute information to citizens who do not make use of traditional media outlets. CMPD's goal is for neighborhood involvement to become more proactive to major incidents or a series of crimes. CMPD continues to be challenged by the lack of resources in other components of the criminal justice system. The crime totals over the past five years are listed below:

Year	Total Index	% Change from Previous Year	Estimated Population*	Rate per 100,000 Est. Population	% Change from Previous Year
2008	54,333	-7.8%	765,766	7,095	-9.3%
2009	44,307	-18.5%	777,827	5,696	-19.7%
2010	39,824	-10.1%	778,958	5,113	-10.2%
2011	36,980	-7.1%	785,882	4,706	-8.0%
2012	38,015	2.8%	793,454	4,791	1.8%

*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 September 2012 Democratic National Convention (DNC) was the most complex task ever undertaken by CMPD and it required significant amounts of time from a large number of CMPD personnel. The event required coordination with more outside partners than any event in which CMPD has been a participant. CMPD received numerous accolades following the department's successful security management during the DNC. Convention security planning was praised by the U.S. Department of Justice and the consulting group they hired to evaluate security planning in Charlotte and Tampa. All CMPD personnel are committed to the dual goals of maintaining focus on crime reduction and developing new strategies to combat recent increases in the community crime rate.

Other performance highlights include:

- 2.8% increase in Part One crimes (homicide, rape, robbery, aggravated assault, burglary, larceny, theft, and arson) in 2011; 5.5% decrease in homicide; 9.1% reduction in burglary
- 2.5% decrease in citizen initiated calls for service
- 67% homicide clearance rate for calendar year 2012

Police

Performance Measures	Performance Achievement		
	FY2013 Target	FY2014 Target	FY2015 Target
Field Services/Community Policing/Patrol/Crime Prevention			
Reduction in Uniform Crime Report Part One crime per 100,000 population over previous fiscal year	-6%	-3%	-3%
Special Investigations			
Federal charges against gang members to disrupt gang activity	N/A	1 gang per year	1 gang per year
Criminal Investigations			
Increase homicide clearance rate	≥75%	≥75%	≥75%
Special Operations & Crime Lab			
Complete DNA lab analysis for priority cases in ten working days	≥90%	≥90%	≥90%
Communications			
Percentage of 911 calls answered in 10 seconds or less	90%	90%	90%
Police Officer Training and Recruitment			
Increase the number of females and minorities in applicant pool	≥30%	≥30%	≥30%
Animal Control			
Reduction in euthanasia of cats and dogs	N/A	-5%	-5%

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>	FY2013	FY2014	FY2015
	Revised Budget/ Positions	Budget/ Positions	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	\$ 94,326,759 1,059.00	97,229,920 1,059.00	98,432,176 1,059.00
Emergency Preparedness/Homeland Security Coordinates large-scale emergency situations in Charlotte and Mecklenburg County	693,232 5.00	711,228 5.00	715,205 5.00
Fire Communications Provides 24-hour emergency communications responsible for matching the public's requests with the resources of the Fire Department	2,728,154 39.00	3,124,792 39.00	3,172,238 39.00
Fire Investigations Provides for investigation into origin and cause of fires under special conditions including large loss, injury or death, and arson	934,442 10.50	969,547 10.50	979,342 10.50
Fire Code Enforcement Provides enforcement of the fire code for buildings under construction and for existing commercial and business buildings	2,716,844 36.00	2,774,063 36.00	2,815,235 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	400,475 4.50	415,520 4.50	419,718 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	1,413,194 12.00	1,798,624 12.00	1,802,045 12.00
Total	\$ 103,213,100	107,023,694	108,335,959
Total Positions	1,166.00	1,166.00	1,166.00

Fire

Budget Decreases

None

Budget Increases

\$400,000 in FY2014 and \$600,000 in FY2015 for maintenance and repair of vehicles and equipment

\$300,000 in FY2014 and FY2015 for training, conferences, and meetings to cover mandatory reductions to training programs previously provided by community colleges.

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 749,737 citizens. The operation includes 41 engines, 15 ladders, two heavy rescue units, and six blaze units, which responded to over 95,900 incidents last year.

The Charlotte Fire Department had many accomplishments in FY2013, including: continued success with the Focused CPR Program; first arriving truck on-scene, within six minutes or less, 83% of the time; interconnection of the E-911 phone system in all four communication centers (CFD, CMPD, Backup Center-Training Academy, and MEDIC); and achieved 100% on fire code inspections conducted within state-mandated frequencies.

A current challenge that is being evaluated is that of ladder companies. The response area for a ladder company in Charlotte correlates to approximately four miles. Three areas with the most imminent needs, as it relates to ladder coverage, are Northlake Mall (Station 28), Arboretum (Station 39), and the Little Rock Area (Station 21). Ladder trucks are equipped with a comprehensive assembly of vehicle extrication tools and contain an aerial device that is essential for rescue and for delivering elevated water streams. This makes them a critical component of effective emergency response. 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.

Fire

Performance Measures	Performance Achievement		
	FY2013 Target	FY2014 Target	FY2015 Target
Fire Emergency Response			
Percent of first alarms to which an effective firefighting force will be on scene within nine minutes	80%	80%	80%
Percent of alarms to which first-due fire companies will be on scene within six minutes	80%	80%	80%
Percent of women and minorities in firefighter applicant pool	20%	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	5
Fire Communications			
Percent of time telecommunicators answer calls within 10 seconds	90%	90%	90%
Fire Investigations			
Percent of arson cases investigations will be cleared	36%	36%	36%
Fire Code Enforcement			
Percent of fire code inspections conducted within state-mandated frequencies	95%	95%	95%
Fire Community Education/Involvement			
Percent of Charlotte-Mecklenburg School 3rd grade classrooms that receive fire education programs	80%	100%	100%
Firefighter Training			
Percent of active firefighters who will maintain emergency medical technician (EMT) certification	98%	100%	100%

Solid Waste Services

Solid Waste Services (SWS) strives to excel in the quality management of solid waste. SWS crews provide weekly collection service citywide for garbage, yard waste, and bulky waste from single family homes. Inland Service Corporation, a private hauler, provides bi-weekly collection of recyclables citywide under a City contract. Republic Services, a private hauler, provides weekly collection of garbage, recycling, and bulky waste for multi-family complexes of 30 or more units. In addition to these services, SWS collects business garbage, dead animals, and sweeps and removes litter from City streets and right-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>	FY2013 Revised Budget/ Positions	FY2014 Budget/ Positions	FY2015 Budget/ Positions
Solid Waste Collections Provides Single Family (weekly collection of garbage, yard waste, and bulky waste; bi-weekly collection of recycling); Multi-Family (weekly collection of garbage and recycling to multi-family complexes of 30 or more units)	\$ 39,760,492 210.50	40,637,872 210.50	41,525,631 210.50
Special Services Provides street sweeping, right-of-way cleaning, and traffic hazard removal on City streets. Manages the infrastructure and cleanliness of the Central Business District and supports special events. Maintains bus stops and light rail corridor	5,772,262 72.25	6,132,628 72.25	6,243,162 72.25
Neighborhood Services Provides cleaning services and unscheduled bulky waste pick-up in challenged and transitioning neighborhoods	1,053,363 5.00	841,147 5.00	865,659 5.00
Community Education Communicates information and provides educational materials to the public on solid waste services	284,008 1.25	307,139 1.25	313,026 1.25
Total	\$ 46,870,125	47,918,786	48,947,478
Total Positions	289.00	289.00	289.00

Solid Waste Services

Budget Decreases

None

Budget Increases

\$395,872 in FY2014 and \$1,251,053 in FY2015 for annual contract escalations and projected unit count growth for residential recycling and multi-family garbage, as well as roll-out cart maintenance and replacement

\$220,770 in FY2015 for projected increases in landfill service costs

Service Delivery Highlights and Challenges

SWS has been successful in providing many quality service initiatives that contribute to a healthy and more attractive environment for the City and its residents. For the 11th consecutive year, the University of North Carolina School of Government's North Carolina Benchmarking Project indicated that SWS outperformed other North Carolina municipalities with lower collection costs in categories including: recyclables collection (cost per ton collected of \$98; statewide average is \$254) and residential refuse collection (cost per collection point of \$63; statewide average is \$84). SWS' collections and right-of-way programs helped achieve a litter index rating of 1.71 from Charlotte's Keep America Beautiful annual assessment (scale of 1.0 to 4.0; highest rating is 1.0), and for the sixth consecutive year has provided street sweeping and right-of-way cleaning for approximately 2,400 miles of city streets. In an ongoing effort to engage in business practices that promote a healthy environment, SWS plans to increase the total number of compressed natural gas refuse trucks in its fleet to 10 by the close of FY2014, and is expected to continue increasing this number in future years.

Replacement of the Work Asset Management System

The replacement of Emerald, SWS' current Work Asset Management System (created in-house), with the proposed Cityworks solution will be an important initiative in FY2014. Challenges associated with implementing a new Work Asset Management System include developing all current business process workflows in the new application, coordinating integration points with other departments and contractors, and training for all stakeholders impacted by the system.

Disposal Site Locations and Tipping Fees

Having the use of only one disposal facility each for garbage, yard waste, and recycling continues to challenge productivity. Extended travel time and mileage reduces the useful life of collection trucks and increases fuel consumption.

Increasing Number of Service Requests

Service requests for SWS continue to grow annually. Requests for right-of-way cleaning on State streets continue to increase, which has impacted the overall cleanliness of the City. The number of activities held in the Center City and the Historic South End that require SWS' support have increased substantially due to the growing number of people that live or assemble in these areas. More events are being held in the Time Warner Cable Arena and NASCAR Hall of Fame. The volume of parades, festivals, and other special events has risen, and the number of businesses in Uptown Charlotte has increased resulting in much higher levels of activity. In 2014, the new baseball stadium will further impact the need for additional SWS services in the Center City.

Solid Waste Services

Performance Measures	Performance Achievement		
	FY2013 Target	FY2014 Target	FY2015 Target
Solid Waste Collections			
Maintain cost per ton for refuse collection below the statewide average as reported in the University of North Carolina School of Government's North Carolina Benchmarking Project	≤\$98	≤\$98*	≤\$98*
Maintain cost per ton for the collection of recyclables below the statewide average as reported in the University of North Carolina School of Government's North Carolina Benchmarking Project	≤\$254	≤\$254*	≤\$254*
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	≤2.0
Provide at least twelve hours of safety-based training monthly in an effort to reduce accidents and injuries	144	144	144
Community Education			
Conduct educational sessions for 50% of 20 neighborhoods participating in the Call and Send Program	10	10	10
Increase the number of complexes on the multi-family and facilities refuse contract that recycle	20	32	32

* These targets are updated annually based on the results of the University of North Carolina School of Government's North Carolina Benchmarking Project

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 FY2014, CDOT will serve 749,737 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>	FY2013 Revised Budget/ Positions	FY2014 Budget/ Positions	FY2015 Budget/ Positions
Street Maintenance Provides road maintenance services, including pothole and base failure repairs, patching utility cuts, and drainage system maintenance	\$ 31,919,723 250.50	33,442,167 250.50	32,599,820 250.50
Traffic Control Provides new and replacement pavement markings and signs. Also includes traffic signal installation and maintenance	6,655,511 109.50	7,069,880 109.50	7,270,207 109.50
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 traffic calming measures	3,281,219 15.25	3,322,742 15.25	3,369,900 15.25
Land Development Regulations Reviews development plans for conformance with City ordinances	2,691,982 21.25	2,721,926 21.25	2,769,221 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	2,323,952 35.00	2,258,890 35.00	2,325,178 35.00
Total	\$ 46,872,387	48,815,605	48,334,326
Total Positions	431.50	431.50	431.50

<u>Transportation Operating Funds</u>	FY2013 Revised Budget	FY2014 Budget	FY2015 Budget
General Fund	\$ 21,864,717	22,654,587	23,304,791
Powell Bill Fund	25,007,670	26,161,018	25,029,535
Total	\$ 46,872,387	48,815,605	48,334,326

Transportation

Budget Decreases

None

Budget Increases

None

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, LEDs 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 began 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		
	FY2013 Target	FY2014 Target	FY2015 Target
Street Maintenance			
Respond to pothole complaints involving safety and property damage within 24 hours 97% of the time	97%	97%	97%
Improve the pavement condition survey rating over the previous survey rating of 85.4	≥82.0	≥90.0	≥90.0
Traffic Control			
Perform preventative maintenance on 100% of traffic signals every two years (met the 100% target in FY2012)	100%	100%	100%
Respond to all sign and signal emergencies within two hours 90% of the time	90%	90%	90%
Transportation Safety & Neighborhood Services			
Complete 10 miles of new sidewalks annually	10.0	10.0	10.0
Complete 10 miles of new bikeways annually	10.0	10.0	10.0
Land Development Regulations			
Complete 95% of plan reviews on time annually	95%	95%	95%
Capital Program Planning and Management			
90% of transportation bond projects complete or on schedule	90%	90%	90%
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	<Top 25	<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>	FY2013	FY2014	FY2015
	Revised Budget/ Positions	Budget/ Positions	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	\$ 2,365,674 18.00	2,112,386 17.00	2,129,921 17.00
Housing Services Provides loans and grants to finance affordable housing, rehabilitation services, and funds housing support agencies	248,583 23.00	567,149 23.00	598,096 23.00
Code Enforcement Conducts housing, property, and zoning inspections to enforce City codes	7,503,779 88.00	7,338,291 90.00	7,451,635 90.00
Business Services Supports public/private partnerships, business attraction and retention, small business growth and opportunity, workforce development and transit corridor development	1,212,073 11.00	1,459,176 12.00	1,473,219 12.00
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/Minority and Women Owned Business Enterprise utilization, and monitoring and reporting services to ensure compliance with the program	696,548 9.00	971,917 12.00	1,071,555 12.00
Total	\$ 12,026,657	12,448,919	12,724,426
Total Positions	149.00	154.00	154.00

Neighborhood & Business Services

Budget Decreases

None

Budget Increases

\$156,121 in FY2014 and FY2015 for two positions associated with transitioning Charlotte International Cabinet from a Financial Partner to a division within Neighborhood & Business Services' department at same funding level (no increase to the General Fund).

\$263,287 in FY2014 and \$239,980 in FY2015 for three Small Business Program Specialists associated with the Council-adopted expansion of the Small Business/Minority and Women Owned Business Enterprise program (\$110,000 of the \$263,287 in FY2014 funded by Development and Revitalization Fund, \$153,287 is the net increase to the General Fund in FY2014); transitions to full General Fund funding in FY2015.

Service Delivery Highlights and Challenges

Neighborhood & Business Services (N&BS) accomplished many milestones during FY2013. N&BS continued to focus on collaboration and innovation. Partnering with the Charlotte-Mecklenburg Police Department during FY2013, N&BS successfully implemented its new Service Area delivery model, four geographical service area teams mirror the Charlotte-Mecklenburg Police Department's districts, to efficiently assess neighborhood needs, analyze, and remedy, in a timely manner, customers' concerns.

N&BS examined retail opportunities and parking needs to support retail throughout the Business Corridor Revitalization Area.

N&BS released the Charlotte-Mecklenburg Quality of Life Dashboard in January, 2013, increasing the variables from 20 to 80 and the neighborhood statistical areas from 173 to over 460 neighborhood profile areas.

Due to N&BS successfully re-designing the Mayor's Youth Employment Program (MYEP), MYEP continued to produce record-breaking numbers placing youth in public/private sector internships, host employment partnerships, and youth career engagement experiences.

N&BS has successfully implemented measures to control/reduce the cost of nuisance abatement by educating citizens to prevent the violation and taking steps to identify other contact addresses to ensure that owners are notified when a violation occurs to reduce/eliminate the need to engage a nuisance contractor.

While striving to improve the quality of life in Charlotte, engage the community, develop and implement strategies to address issues related to neighborhood services, economic development, and community safety, N&BS also faces the challenges of shrinking federal funds, increasing operating costs, and a slow economy. Additional service delivery challenges are presented below:

Charlotte Business INClusion Program

On April 8, 2013, City Council approved revisions to the Charlotte Business INClusion Policy to expand the Small Business/Minority and Women Business Enterprise (S/MWBE) Program. N&BS will continue to work with S/MWBE contractors to achieve this Council goal to expand the Charlotte Business INClusion Program and the City's geographic area such that additional small businesses can be certified, ensuring eligibility for City of Charlotte construction and services contracts.

Reduction in Federal Grants

Federal grants that support housing and out-of-school partners continue to decline. Since 2011, the City of Charlotte has experienced a 15% reduction in grants or \$1.36 million. For FY2014, an additional decrease of 8.4% or \$541,000 is projected, which will affect neighborhood revitalization, down payment assistance, and development of housing by Community Housing Development Organizations.

Neighborhood & Business Services

Service Delivery Highlights and Challenges (cont.)

Lack of Bond Capacity

In FY2014, the final \$9 million in Neighborhood Infrastructure Bonds will be appropriated. Without additional bond capacity, N&BS will have limited means to provide gap financing to develop affordable housing and meet the infrastructure needs of the community.

Eastland Mall

The sale and development of Eastland Mall remains a key issue. Three developers have been invited by Council to submit proposals on the use of the Eastland Mall site by May 30, 2013. A recommendation to Council is planned for July 2013.

Performance Measures	Performance Achievement		
	FY2013 Target	FY2014 Target	FY2015 Target
Economic Development 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	1:10
Housing Services Develop and recommend policies that will assist with increasing the supply of affordable housing units	Continued implementation of the 10-Year Plan	Continued implementation of the 10-Year Plan	Continued implementation of the 10-Year Plan
Code Enforcement Create healthy and vibrant neighborhoods and business districts by ensuring that properties meet community and code standards through education	5% reduction in overall complaints	5% reduction in overall complaints	5% reduction in overall complaints

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>	FY2013 Revised Budget/ Positions	FY2014 Budget/ Positions	FY2015 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	\$ 6,539,591 183.00	6,750,383 183.00	6,777,086 183.00
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	3,323,525 33.00	2,638,164 33.00	2,745,340 33.00
Storm Water Services Provides Water Quality/Clean Water Act enforcement, maintenance of existing infrastructure, and capital project planning, design, and construction	10,729,612 95.00	12,553,697 100.00	12,790,236 100.00
Municipal Facilities Maintenance Provides maintenance for Charlotte-Mecklenburg Government Center, Old City Hall, and other facilities	3,422,027 50.00	3,666,651 50.00	3,694,830 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	5,590,175 56.00	5,871,682 56.00	6,001,014 56.00
Total	\$ 29,604,930	31,480,577	32,008,506
Total Positions	417.00	422.00	422.00
Engineering & Property Management Operating Funds	FY2013 Revised Budget	FY2014 Budget	FY2015 Budget
General Fund	\$ 18,875,318	18,926,880	19,218,270
Storm Water Fund	10,729,612	12,553,697	12,790,236
Total	\$ 29,604,930	31,480,577	32,008,506

Engineering & Property Management

Budget Decreases

None

Budget Increases

\$320,078 (no general fund impact) in FY2014 and \$326,479 in FY2015 for five new positions in Storm Water to support the Storm Water capital program:

- Five new positions (Senior Engineer, Water Quality Program Manager, two Storm Water Project Coordinator's, and a Storm Water Business System Specialist) to help reduce the Storm Water project backlog

Service Delivery Highlights and Challenges

Sustainability

City Council's new policy for Sustainable City Facilities 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.

Landscape Management

TreesCharlotte is developing 22 new projects. This presents a challenge to Landscape Management because these will need design, contracts, coordination and plant material selection services. While significant for its impact on our tree canopy, the success of the City's new tree strategy and creation of TreesCharlotte has created a workload challenge.

Storm Water Infrastructure

In FY2012, 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 projects within six months and medium priority in 12 months.

Engineering & Property Management

Performance Measures	Performance Achievement		
	FY2013 Target	FY2014 Target	FY2015 Target
Municipal Capital Project Planning, Design, and Construction			
Manage capital projects so that at least 85% are completed on schedule	85%	85%	85%
Complete 90% Neighborhood Infrastructure and Business Corridor projects on schedule or as forecasted	New Target in FY2015	New Target in FY2015	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	<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	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 2013	June 2014	June 2015
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	Overall EUI <68
Landscape Management			
Maintain a significant and healthy tree canopy:			
Achieve Arbor Foundation's "Tree City USA" status	June 2013	June 2014	June 2015
Meet mitigation requirements through local rather than state-level restoration efforts 100% of the time when streams are negatively impacted by City projects	100%	100%	100%

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-related services. Planning focuses on: coordinating the zoning ordinance, 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>		FY2013	FY2014	FY2015
		Revised Budget/ Positions	Budget/ Positions	Budget/ Positions
Development Services	\$ 1,920,910 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	24.50	24.50	24.50
Strategic Planning Services	936,371 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	9.50	9.50	9.50
Long Range Planning Services	2,414,851 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, and 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 MUMPO	27.00	27.00	27.00
Total	\$ 5,272,132		5,319,035	5,439,564
Total Positions	61.00		61.00	61.00

Planning

Budget Decreases

None

Budget Increases

None

Service Delivery Highlights and Challenges

Planning is proud of the many achievements it has accomplished during FY2013. One accomplishment included conducting a Zoning Ordinance Assessment to determine how well the ordinance aligns with current planning and development policies. Over the past year, Planning has worked to more effectively engage the community to obtain stakeholder feedback and enhance project understanding.

Planning initiated two projects relative to encouraging the provision of low and moderate-income housing throughout the community. The first project was a review of the Affordable Housing Transit Station Policy. For the second project, staff pursued various regulatory incentives to encourage the private sector to develop affordable housing. As a result, City Council adopted text amendments with density bonuses to promote single family and multi-family mixed-use developments and another amendment to allow accessory dwelling units without tenant restrictions.

Area plans completed by Planning in FY2013 include:

- Blue Line Extension Transit Station Area Plan
- Park Woodlawn Area Plan
- Prosperity Hucks Area Plan
- Eastfield Road Developer's Response

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

Managing Community and Political Expectations

Planning plays a major role in framing, facilitating, and addressing community issues involving land use and land development. Economic growth, which fosters development, will increase demands on staff resources to respond to and address planning-related issues.

Increasing External and Internal Collaboration

Collaboration and feedback from stakeholders is essential for the long-term success of the Planning Department. Innovation is key to addressing the complex land use and land development issues the City of Charlotte faces, and a critical aspect of innovation is the engagement of internal and external stakeholders in the decision-making process. In FY2014 and FY2015, Planning will continue to engage stakeholders from across the organization and across the community to develop new ideas and enhance existing processes and services.

Improving Public Education and Outreach

The key to a successful planning program is an informed group of stakeholders, including citizens and members of the development community, that understand the role of planning and the important choices the community faces when addressing quality of life issues. Creating an effective education and outreach program is essential for citizens to make informed choices and better understand the reasons behind City policies, regulations, and processes.

Planning

Performance Measures	Performance Achievement		
	FY2013 Target	FY2014 Target	FY2015 Target
Development Services			
Complete process and schedule to amend the Zoning Ordinance including public input process	New Target in FY2014	100%	100 %
Average number of reviews on all submitted plans	≤2.5	≤2.5	≤2.5
Document and initiate regulatory process improvements	New Target in FY2014	10	5
Strategic Planning Services			
Review and strengthen relationships between transportation, infrastructure, and economic development in the City's Capital Investment Plan	New Target in FY2014	June 30, 2014	June 30, 2015
Develop strategies for education and outreach process	New Target in FY2014	Complete strategy development by June 30, 2014	Begin strategy implementation by June 30, 2015
Long Range Planning Services			
Initiate two area planning projects, facilitate two development response processes, and complete one urban design guidelines document	New Target in FY2014	5	5
Collaborate with CONNECT partners to engage the public in developing a consensus-growth scenario	New Target in FY2014	Participate in the public engagement process by June 30, 2014	Continue participation in the public engagement process by June 30, 2015
Complete project ranking by August 2013 and Metropolitan Planning Organization approval of the 2040 Long Range Transportation Plan by March 2014	New Target in FY2014	100%	100 %

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.

<u>Program Summary</u>	FY2013 Revised Budget/ Positions	FY2014 Budget/ Positions	FY2015 Budget/ Positions
Airport Operations Provides Law Enforcement, Parking & Ground Transportation, Facilities Operations, and Valet Parking Operations	\$ 37,280,131 113.00	31,558,216 113.00	31,460,644 113.00
Airport Capital Project Planning, Design, and Construction Provides Planning, Engineering and Construction, Community Programs, and Environmental Compliance	38,295,857 19.00	36,299,503 21.00	36,887,551 21.00
Airport Maintenance Provides Building Maintenance, Field Maintenance, Vehicle Maintenance, and Janitorial Maintenance	43,719,428 119.00	45,727,997 128.00	48,583,163 128.00
Sub-Total Aviation Services	\$ 119,295,416	113,585,716	116,931,358
Discretionary, Debt Support, Passenger Facility Charge, and Customer Facility Charge	85,930,580	87,535,324	88,842,221
Total	\$ 205,225,996	201,121,040	205,773,579
Total Positions	251.00	262.00	262.00

Aviation

Budget Decreases

None

Budget Increases

\$812,493 in FY2014 and \$744,695 in FY2015 for 11 new positions and associated operating costs to meet current customer and service delivery needs; those new positions are:

- 2 Airport Operation Officers to assist with passenger enplanements, primarily on International flights
- 2 Airport Operations Supervisors to eliminate vendor contract for access/traffic control services and to manage customer relations
- 5 positions to support Tenant/Client Relations and the Commercial Property Manager
- 2 Heavy Equipment Service Technicians to support the Aviation fleet

Service Delivery Highlights and Challenges

Aviation's mission to be the preferred transportation center and airline hub is recognized by its accomplishments. The passenger airlines operate an average of 721 flights per day to 142 non-stop destinations in the United States, Canada, Mexico, Europe, South America, and the Caribbean. By virtue of the Airport and the passenger airlines that serve it, citizens of the Charlotte Region have access to one-stop service to most airports in the United States. CLT passenger traffic has grown from 2.9 million enplanements in 1982 (when the current passenger terminal opened) to over 19.2 million domestic and 1.3 million international enplanements in 2012. This is the third consecutive year of record breaking enplanements for Charlotte and a 5% increase over 2011.

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. Airport management also continues to seek other revenue streams to help mitigate impacts from changes to airline operations and, to develop as a platform for regional economic development.

Significant capital improvements for both internal and external customers continue to be Airport's focus this year. As part of these infrastructure enhancements, Norfolk Southern broke ground on an intermodal site at the Airport in May 2012. The new facility is forecasted to place the Charlotte region in the crossroads of transportation logistics in the Southeast. Currently, Aviation is constructing a \$120 million, seven-story parking deck in front of the Terminal; upon completion in 2014, it will accommodate hourly passenger parking as well as a consolidated rental car facility. In addition, it is also redesigning and expanding the road system, parking facilities, and terminals. Construction of a new onsite recycling facility is diverting 25% of Airport waste from the landfill. All of these projects include an emphasis on reusing and recycling old materials while installing more energy efficient materials. The Aviation Department will continue to identify and implement sustainable solutions.

Aviation

Performance Measures	Performance Achievement		
	FY2013 Target	FY2014 Target	FY2015 Target
Airport Operations			
Increase food/beverage/retail revenue per passenger by 1%	≥1 %	≥1 %	≥1 %
Maintain low cost of enplaned passenger to airlines	≤\$2.00/per passenger	≤\$1.50/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	Maintain construction schedule and budget	Maintain construction schedule and budget	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 FY2013	N/A	Complete in FY2015
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	Generate debt service coverage of 1.25 (125%) or greater
Airport Maintenance			
Maintain Part 139 Certification annually with zero defects	0	0	0
OSHA injuries less than 5% of workforce	<5 %	<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>		FY2013 Revised Budget/ Positions	FY2014 Budget/ Positions	FY2015 Budget/ Positions
Transportation Services	\$ 105,144,848	263.75	111,955,068	116,904,857
Provides day-to-day public transportation services across the Charlotte-Mecklenburg region: conducts operations planning; vehicle maintenance; route scheduling; facilities security; transit support and management				
Transit Development	2,635,216	23.00	3,211,780	3,328,286
Provides for planning and developing long-range rapid transit systems outlined in the 2030 Transit Corridor System Plan				
Marketing and Communications	2,915,216	32.00	2,928,147	3,014,709
Provides customer service, public relations, communications and service marketing; develops market research, sales, and promotional activities				
Executive and Administration	8,518,532	43.00	8,823,542	9,057,327
Provides leadership and management of the public transit program and support for the Metropolitan Transit Commission; manages financial planning, budget, and grants administration				
Less Transfers to Eligible CIP Projects and Grants	(13,981,768)		(16,673,177)	(18,232,408)
Sub-Total CATS	\$ 105,232,044		110,245,360	114,072,771
Contributions to Capital Program and Future Capital	30,033,534		12,580,197	13,540,240
Total	\$ 135,265,578		122,825,557	127,613,011
Total Positions	361.75		361.75	373.75

Charlotte Area Transit System

Budget Decreases

None

Budget Increases

\$250,000 in FY2014 for a LYNX Red Line Commuter Rail Study contingent upon other jurisdictions also contributing an appropriate amount to support the study's cost

\$226,626 in FY2014 and \$300,983 in FY2015 for increased costs associated with maintenance services contracts

\$200,800 in FY2014 and \$573,010 in FY2015 for fuel price escalations

\$192,461 in FY2014 and \$233,261 in FY2015 for increased tire prices

\$750,000 in FY2015 including 12 positions to operate the CityLYNX Gold Line. These positions are funded by Pay-As-You-Go, resulting in net impact of \$0 on CATS

Service Delivery Highlights and Challenges

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 continues a gradual recovery, CATS will maintain transit service levels by continuing to align expenditures with projected revenues.

Five years of successful LYNX Blue Line service with a 99.0% on-time performance.

4.9 million trips were provided and weekday ridership averaged 15,464.

Increased ridership for 12 out of 13 years (only decrease was in 2009).

Preventable accident rates are at the top of industry standards for all modes of transportation, (bus, rail, and Special Transportation Services (STS)), reflecting an outstanding performance level with a combined total of less than .5 per 100,000 miles.

Shielded operations from the current instability of the half cent sales tax by seeking new sources of revenue.

Maintained facilities and infrastructure within a tightened budget, while balancing funding for current operations with needed capital funding for bus and equipment replacement and corridor advancement.

Charlotte Area Transit System

Performance Measures	Performance Achievement		
	FY2013 Target	FY2014 Target	FY2015 Target
Transportation Services			
Grow system ridership (light rail) by % increase	2.00%	1.47%	1.47%
Maintain passengers per service hour (bus)	25.80	26.50	26.80
Maintain passengers per service hour (rail car)	114.50	117.90	120.20
Transit Development			
Advance the Northeast Corridor, BLE light rail project to the Construction Stage	N/A	By 6/30/14	N/A
Complete 100% Design phase for South Corridor Blue Line Platform Capacity Expansion	N/A	By 6/30/14	N/A
Marketing and Communications			
Call Center abandonment rate	≤ 10%	≤ 8%	≤ 8%
Percent of customer complaint responses within five days	95%	95%	95%
Executive and Administration			
Targeted cost per service hour (rail only)	\$ 338.13	\$ 324.00	\$ 335.92
Targeted cost per service hour (bus)	\$ 99.51	\$ 103.08	\$ 106.35
Targeted cost per service hour (STS)	\$ 63.47	\$ 61.48	\$ 63.92
Targeted cost per service hour (vanpool)	\$ 26.57	\$ 26.61	\$ 27.37
Apply for competitive grants (based on availability)	5	2	2

Charlotte-Mecklenburg Utility Department

Charlotte-Mecklenburg Utilities Department's (CMUD) core business is to provide safe water and safely transport and treat wastewater for the Charlotte-Mecklenburg region. CMUD is organized into multiple internal divisions that contribute to carrying out the organization's objectives. A Citizen Advisory Committee comprised of members representing neighborhoods, civil engineers, water-sewer contractors, financial experts, real estate developers, and Mecklenburg towns is charged with reviewing: the annual 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.

<u>Program Summary</u>		FY2013 Revised Budget/ Positions	FY2014 Budget/ Positions	FY2015 Budget/ Positions
Administration, Management, & Support	\$ 29,391,679	47.00	27,635,296	28,085,739
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				
Customer Service	7,814,123	113.00	7,573,195	7,633,219
Oversees new connections, service availability and customer account management including bill inquiries, meter reading, leak investigation, and backflow prevention				
Utility System Planning & Engineering	-	-	-	-
Provides design and construction of CMUD facilities, water and sewer main rehabilitation and extensions, donated projects, and surveying	92.00	94.00	94.00	94.00
Laboratory Services	1,147,512	35.00	1,104,580	1,161,771.00
Provides testing of water, wastewater, and industrial users for compliance and manages water quality issues relating to taste, color, and odor.				
Environmental Management	46,915,328	183.50	47,944,271	49,209,403.00
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				
Field Operations	28,293,751	276.00	28,477,973	28,734,410
Maintains more than 8,000 miles of water and sewer pipe and more than 249,000 service connections				
Total Operating Expenses	\$ 113,562,393		112,735,315	114,824,542
Total Contribution to Capital and Debt Service	177,523,567		234,983,535	218,209,119
Total	\$ 291,085,960		347,718,850	333,033,661
Total Positions	746.50		761.50	761.50

Charlotte-Mecklenburg Utility Department

Budget Decreases

\$310,000 in FY2014 and FY2015 for temporary employee services

\$230,000 in FY2014 and \$360,000 in FY2015 in external contracts, which will be brought in-house at a lower cost

\$222,000 in FY2014 and \$160,000 in FY2015 for contractual equipment maintenance

Budget Increases

\$768,104 in FY2014 and \$646,303 in FY2015 for 15 new positions, which are entirely offset by a reduction in contractual services and temporary employees; those additional positions are:

- 2 new positions (Civil Engineering Survey Party Chief, Survey Technician) to address Survey needs
- 9 new Customer Service positions to maintain current level of customer service
- 2 new Field Operations Survey Technician positions to address underground utility location needs
- 1 new Treatment Plant Operator position to cover shifts and maintain safe operations
- 1 new Lift Station Wastewater Operator position for reliable and consistent monitoring of lift stations

\$493,000 in FY2014 and \$490,000 in FY2015 for maintenance and repair of vehicles and equipment

\$416,000 in FY2014 and \$732,000 in FY2015 for the increased cost of water treatment chemicals

\$395,500 in FY2014 and \$585,500 in FY2015 for sludge disposal cost escalations

\$280,000 in FY2014 and \$300,000 in FY2015 for fuel price escalations

Service Delivery Highlights and Challenges

CMUD remains committed to the City's corporate strategy and to providing high-quality, low-cost services to its customers. The primary lesson learned in FY2013 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 during recent years. The lessons learned will impact how CMUD repositions itself to best respond to customer needs and maintain efficient operations in the future. CMUD plans to promote the achievement of organizational goals and objectives as well as a continuing commitment to providing vital basic services to customers in upcoming fiscal years.

Below is a chart detailing annual CMUD statistics.

Statistics	2008	2009	2010	2011	2012	2013 Projection
Water Accounts	241,637	242,631	245,854	248,257	253,557	257,360
Wastewater Accounts	222,887	223,855	226,978	229,002	235,157	236,746
Water Mains (miles)	3,929	4,025	4,064	4,094	4,206	4,255
Wastewater Mains (miles)	3,942	4,028	4,047	4,073	4,180	4,220

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

- All five wastewater treatment plants received 2012 Peak Performance Awards from the National Association of Clean Water Agencies
- CMUD received the Platinum Award for Utility Excellence from the Association of Metropolitan Water Agencies (AMWA)

Charlotte-Mecklenburg Utility Department

Performance Measures	Performance Achievement		
	FY2013 Target	FY2014 Target	FY2015 Target
Reduce Sanitary Sewer Overflow	7.5	6.5	6.5
Repair Water Leaks	8 calendar weeks	8 calendar weeks	8 calendar weeks
Maintain compliance with the National Pollutant Discharge Elimination System permits	100%	100%	100%
Maintain compliance - report quarterly to ensure permit compliance and identify preparations needed for future compliance requirements	100%	100%	100%
Work with Catawba-Wateree Water Management Group to complete Basin-Wide Water Plan	Begin Phase 2	Complete Phase 2	Implementation of the basin-wide water supply master plan

Mayor & 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>	FY2013 Revised Budget/ Positions	FY2014 Budget/ Positions	FY2015 Budget/ Positions
Mayor and City Council Provides leadership and strategic vision for the City of Charlotte	\$ 576,767 0.00	598,665 0.00	603,962 0.00
Administrative Support Assist the elected officials' pursuit of goals for the City of Charlotte	907,288 9.00	921,385 9.00	930,451 9.00
Total	\$ 1,484,055	1,520,050	1,534,413
Total Positions	9.00	9.00	9.00

Budget Decreases

None

Budget Increases

None

Service Delivery Highlights and Challenges

In FY2013, the Mayor and City Council engaged in 23 City Council meetings, seven District/Town Hall meetings and have considered 17 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.

<u>Program Summary</u>	FY2013 Revised Budget/ Positions	FY2014 Budget/ Positions	FY2015 Budget/ Positions
City Attorney Services The City Attorney's Office drafts or reviews all ordinances and resolutions considered by the City Council. The Office also drafts or reviews all contracts, leases, deeds, franchises, and other legal documents to which the City is a party.	\$ 2,301,307 28.50	2,354,931 28.50	2,371,155 28.50
Total	\$ 2,301,307	2,354,931	2,371,155
Total Positions	28.50	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: concluded the delivery of legal services that supported a successful Democratic National Convention that generated no civil litigation; obtained favorable decision from the North Carolina Court of Appeals on supplemental multi-family collection disposal fee; helped negotiate potential agreement with the Carolina Panthers on the renovation of Bank of America Stadium that would "tether" the Panthers to Charlotte; and negotiation and drafting of railroad agreements necessary to secure a Full Funding Grant Agreement with the FTA for the Blue Line Extension.

Challenges in the upcoming year include: providing legal services for the acquisition and condemnation of numerous parcels necessary to keep the Blue Line Extension project on schedule; and working through legal issues related to the General Assembly to forcing a transfer of Charlotte Douglas International Airport from the City to a new regional airport authority.

Performance Measures	Performance Achievement		
	FY2013 Target	FY2014 Target	FY2015 Target
Ensure that attorneys and paralegals maintain certifications	240 training hours	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	\$99.36 per hour	\$114.03 per hour	\$117.89 per hour
Publish a newsletter for City employees with legal topics of interest	4 per year	4 per year	4 per year
Manage active real estate condemnation cases	220	200	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.

<u>Program Summary</u>	FY2013	FY2014	FY2015
	Revised Budget/ Positions	Budget/ Positions	Budget/ Positions
City Clerk Services	\$ 539,017	551,851	561,866
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	6.00
Total	\$ 539,017	551,851	561,866
Total Positions	6.00	6.00	6.00

Budget Decreases

None

Budget Increases

\$10,215 in FY2014 and \$11,985 in FY2015 for searchable electronic records services and advertising costs due to the number of projects requiring advertisement by State law

Service Delivery Highlights and Challenges

In FY2013, the City Clerk's Office completed meeting minutes for 54 City Council meetings and provided support for 13 Civil Service Board meetings and four 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 the appointment of 64 advisory board members, assisted 572 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 88 oaths for new employees and citizens appointed to boards and commissions.

The Clerk's Office experienced significant personnel challenges during FY2013, and as a result did not meet performance targets for City Council meeting minutes production. The Clerk's Office will be making every effort to comply with the minutes completion performance target in FY2014. In FY2013 the Clerk's Office contracted with American Legal and reinstated a searchable records archive for minutes and agendas from 1998 to the present. This archive allows customers to conduct content searches across years and document types with one search resulting in increased productivity and a better customer service product.

City Clerk

Service Delivery Highlights and Challenges (cont.)

The technology that is available at the dais in the Charlotte-Mecklenburg Government Center's Chamber is outdated and makes some of the duties performed by the Clerk's Office more difficult. The City Clerk's Office is working with stakeholders on dais improvements and the technology used to manage meetings.

The Clerk's Office staff has provided verbatim minutes for all City Council meetings, workshops, and budget workshops as well as recordings and minutes of required closed sessions. Though the Clerk's Office was not able to meet the minutes performance target due to continued staffing challenges, every effort has been made to complete special requests for draft excerpts so that no government business would be interrupted or delayed.

Performance Measures	Performance Achievement		
	FY2013 Target	FY2014 Target	FY2015 Target
Complete Council business meeting minutes within 28 business days 98% of the time	98%	98%	98%
Upload stamped RCAs to CNET within four business days of a City Council meeting	100%	100%	100%
Attest and return documents within three business days of receiving them	95%	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, Charlotte-Mecklenburg Community Relations (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>	FY2013 Revised Budget/ Positions	FY2014 Budget/ Positions	FY2015 Budget/ Positions
CharMeck 311 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	\$ 8,670,916 139.00	8,884,847 139.00	8,981,986 139.00
Charlotte-Mecklenburg Community Relations Promotes community harmony by: addressing personal and community conflicts, fairness in housing and preventing discrimination, training and education as well as police community relations	915,300 10.00	952,562 10.00	966,515 10.00
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	2,179,628 12.00	2,378,359 12.00	2,405,100 12.00
Corporate Communications & Marketing Provides strategic and integrated communications and marketing solutions. Partners with departments to develop and implement strategic planning to market specific campaigns, services and initiatives for City department and the citizens of Charlotte	1,971,797 19.00	2,059,921 19.00	2,085,661 19.00
Internal Audit Conducts reviews of the City's system of internal controls then reports findings, recommendations and corrective actions to department managers	1,097,299 9.00	1,134,980 9.00	1,170,322 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 to support, enhance, and advance citizen service delivery	2,475,654 21.00	2,515,404 21.00	2,234,440 21.00
Total	\$ 17,310,594	17,926,073	17,844,024
Total Positions	210.00	210.00	210.00

City Manager

Budget Decreases

None

Budget Increases

City Administration

\$47,088 in FY2014 and \$55,547 in FY2015 for a temporary Energy & Sustainability Shared Fellowship position funded by contributions from Charlotte Center City Partners and other City Departments.

Service Delivery Highlights and Challenges

CharMeck 311 Customer Service Call Center

As CharMeck 311 strives to be the “trusted” service provider for both City and County non-emergency services and information, the incorporation and consolidation of other services will be a challenge without enhanced technology, specifically a robust Citizen Relationship Management System.

CharMeck 311 connected citizens to City and County services by answering 1.4 million calls and also provided expanded services with Utility billing and tax assessment call types.

Charlotte-Mecklenburg Community Relations

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

City Administration

In FY2013, City Administration organized the provision of City services for the DNC while simultaneously maintaining or improving service levels on traditional, citizen-facing services during that event. This office also maintained continuity of leadership between city managers, carrying forth ongoing initiatives and managing new demands during this period.

City Administration also led the organization’s environmental efforts, both internal and those with outside partners, and initiated work on a community-wide sustainability plan.

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 resources to keep up with the demand.

Internal Audit

Limited funding with an increasing workload along with the increase in 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 (OCIO)

In FY2014 and FY2015, the OCIO will continue to lead, advise, and influence City departments and other partners to fulfill the City of Charlotte’s Comprehensive Citizen Service Strategy while bridging gaps and identifying needs for the future state of technology. A focus on the Citizen Service Principles remains the OCIO’s ongoing mission.

While the OCIO has been engaged in setting technology direction over the past five years, future efforts will focus on completion of the transformational ERP project, replacement of the CRM system, information security enhancements, and internal IT governance processes. All of these investments contribute directly to the OCIO strategic theme to drive seamless and secure information processes.

City Manager

Performance Measures	Performance Achievement		
	FY2013 Target	FY2014 Target	FY2015 Target
CharMeck 311			
Answer 70% of calls within 30 seconds or less	70% within ≤ 30 seconds	70% within ≤ 30 seconds	70% within ≤ 30 seconds
Maintain less than 5% call abandonment rate	<5%	<5%	<5%
Charlotte-Mecklenburg Community Relations			
CRC client, customer, partner, member and staff satisfaction year-end survey (rating on 5.0 scale)	4.5	4.5	4.5
City Administration			
Level of customer service provided to department directors (rating on 10.0 scale)	≥ 7.5 on 90% of responses	≥ 8.0 on 90% of responses	≥ 8.0 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	≥ 8.0 on 90% of responses	≥ 8.0 on 90% of responses
Corporate Communications & Marketing			
Provide centralized web resources and communication and marketing services for City-wide initiatives	90%	95%	95%
Internal Audit			
Conduct independent and objective appraisals of the City's system of internal controls, the efficiency of operations and the effectiveness with which these functions are managed	10	10	10
Office of the Chief Information Officer			
Improve internal business processes to achieve efficiencies by implementing the new ERP support model for governance, staffing and funding	Continue implementation of the ERP system	Continue implementation of the ERP system	Complete implementation of the ERP system

Budget & Evaluation

Budget and Evaluation (B&E) is responsible for the development and oversight of the City's strategic operating plan of \$1.17 billion and five-year capital investment plan of \$743.8 million. 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>	FY2013 Revised Budget/ Positions	FY2014 Budget/ Positions	FY2015 Budget/ Positions
Budget and Evaluation Services	\$ 1,629,206 13.00	1,597,854 13.00	1,615,545 13.00

Strategic Planning and Monitoring

Recommends strategy and resource allocation for achievement of the City's vision and mission, manages decision-making process and information that allows for strategic investment, and manages organizational resources that ensure competitive services

Total	\$ 1,629,206	1,597,854	1,615,545
Total Positions	13.00	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, preparation of Council business agendas, special studies, and long-range financial planning.

Performance Measures	Performance Achievement		
	FY2013 Target	FY2014 Target	FY2015 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	1 of 3 lowest
Percent of General Fund growth exclusive of property taxes	New Target	≥3%	≥3%

Develop Competitive Services

% of City measures at or above School of Government Benchmarking Project averages	78.3%	78.3%	78.3%
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Shared Services

Shared Services is one of four internal service departments in the City of Charlotte's organizational structure. The department is responsible for providing many of the corporately shared services and much of the service infrastructure necessary for the success of the City. Enterprise-wide Shared Services provides equipment and fleet maintenance, technology management, public safety communication services, and procurement; all of which are vital to City customers, who in turn provide respective 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.

<u>Program Summary</u>	FY2013 Revised Budget/ Positions	FY2014 Budget/ Positions	FY2015 Budget/ Positions
Resource Management & Administration	\$ 2,275,601	2,322,347	2,344,998
Provides centralized support throughout Shared Services through administration, communications, business analysis, human resources, and financial services. Resource Management is also the City-wide manager of all telecommunication services	17.00	17.00	17.00
Procurement Management	2,115,619	2,158,192	2,180,970
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	18.00	18.00	18.00
Technology Management	17,952,217	19,092,160	19,576,140
Ensures 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 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 data management	100.00	100.00	100.00
Fleet Management	1,962,622	1,522,069	1,741,404
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	122.00	122.00	122.00
Total	\$ 24,306,059	25,094,768	25,843,512
Total Positions	257.00	257.00	257.00

Shared Services

Budget Decreases

None

Budget Increases

\$366,542 in FY2014 and \$361,043 in FY2015 for various contracts related to technology services and infrastructure

Service Delivery Highlights and Challenges

Shared Services is always focused on delivering the best value services and finding savings opportunities for all customers. This continues to be a critical focus in the upcoming years. Shared Services' role as the corporate shared services provider means that the quality, efficiency, and the timeliness of these services have a direct impact on the ability of the operational departments to serve citizens.

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 FY2014, 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 operational mission, and not divert resources into areas where the best value and return on investment will not be beneficial. 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 an increase in demand for medium and heavy equipment maintenance, which is driving the need for additional maintenance bays to support this service as described in the Capital Improvement Project requests.

The City of Charlotte was granted permission by the Federal Communications Commission (FCC) to build a 700 Megahertz (MHz) public-safety broadband network together with Mecklenburg County, and supported by 20 other governmental entities. The City applied for and was awarded a \$16.7 million Broadband Technology Opportunities Program (BTOP) Grant on August 17, 2010 to construct the network. The grant funds 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. The BTOP Project is a major initiative for the City. When the project is released to continue, additional resources will likely be required to complete the project as planned.

City and County departments rely on Shared Services/Procurement Management for acquisition of goods and services through competitive processes, consulting services, contract development, administration, and contract monitoring. Shared Services also coordinates property disposal for the City, County, Charlotte-Mecklenburg Schools, Charlotte Housing Authority, and other entities through the Asset Recovery and Disposal (ARD) program. Procurement Management staff play a crucial role in the implementation of the City's Enterprise Resource Planning (ERP) program that will replace the 30-year old procurement system and transform how the City operates.

Shared Services

Performance Measures	Performance Achievement		
	FY2013 Target	FY2014 Target	FY2015 Target
Shared Services Customer Surveys (Average rating on a 10 point scale)	Quality: 7.0 Responsiveness: 7.0 Expertise: 7.0 Communications: 7.0 Professionalism: 7.0	Quality: 7.0 Responsiveness: 7.0 Expertise: 7.0 Communications: 7.0 Professionalism: 7.0	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	Percent will be at or below 1% threshold
Demonstrate environmental sustainability in the management of the City's vehicle fleet	Publish a semiannual report on number of alternative fuel and hybrid vehicles and vehicles outfitted with emission reduction technology	Publish a semiannual report on number of alternative fuel and hybrid vehicles and vehicles outfitted with emission reduction technology	Publish a 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 Utility Department (CMUD) 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.

	FY2013	FY2014	FY2015
	Revised Budget/ Positions	Budget/ Positions	Budget/ Positions
<u>Program Summary</u>			
Financial Management Provides strategic financial planning, debt and cash management, and revenue and economic forecasting to City Council, the City Manager, and City departments	\$ 1,846,804 12.00	1,924,776 12.00	1,969,167 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	2,978,275 38.25	2,940,604 38.25	3,403,471 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.	5,146,440 30.75	5,162,403 30.75	5,290,587 30.75
Risk Management Provide general risk management services to the City, County, Board of Education, and other quasi-governmental agencies	3,009,007 27.00	3,100,402 27.00	3,244,854 27.00
Total	\$ 12,980,526	13,128,185	13,908,079
Total Positions	108.00	108.00	108.00
Finance Operating Funds	FY2013	FY2014	FY2015
General Fund	Budget	Budget	Budget
Risk Management Fund	9,971,519	10,027,783	10,339,486
Total	3,009,007	3,100,402	3,244,854
\$ 12,980,526	13,128,185	13,584,340	

Finance

Budget Decreases

\$133,191 in FY2014 and \$123,523 in FY2015 in postage costs due to increased participation in the Citizen Web Portal and Electronic Bill Presentment and Payment

Budget Increases

\$35,000 net increase in FY2015 for Cashiering System Maintenance and Support (\$15,000) and Utility Management System Maintenance and Support (\$20,000)

Service Delivery Highlights and Challenges

In FY2013 the Finance Department, working with CATS, executed the largest and most complex local government financing in the history of North Carolina in order to fund the Blue Line Extension. The nearly \$600 million financing included a \$125 million public offering, a \$300 million private placement and an additional \$150 million public offering scheduled for 2015. The financing plan also includes an approximately \$100 million refunding broken into two parts, which will lower debt service and increase CATS operational flexibility. The large scale of the financing was necessary with slowing down of grant receipts for the project from the State and Federal Governments. The first \$425 million of the financing will be repaid through grant receipts and the remaining through the transit sales tax. Due to the significant debt burden, new accounting procedures have been developed in order to ensure the debt is paid while maintaining CATS operating service at its current rate of growth. The rating agencies gave positive reviews to the transaction. Standard and Poor's notes strong risk management indicating that officials have taken steps to mitigate risks related to any potential lower-than-anticipated sales tax collections, grant receipts, interest-rate volatility and any unexpected costs; and Moody's points out that "Charlotte's financial operations are expected to continue to be well-managed, characterized by considerable operating flexibility, a trend of ample reserves and a strong cash position."

Finance was awarded the Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report for the 27th consecutive year by the Government Finance Officers Association. In FY2013, 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.

Citizen Web Portal and Electronic Bill Presentment and Payment (EBPP)

The Citizen Web Portal and Electronic Bill Presentment and Payment went live on June 27, 2012 and rolled out to the public on October 29, 2012. Customers now have the ability to link their water, sewer, and storm water accounts to their City portal account; and then view 24 months of their billing, consumption, and payment history. Customers enrolled in EBPP will also have access to the City's website to view and pay their bills electronically. As of April 2013, over 8,878 utility accounts were linked to the City portal accounts and 2,924 of those accounts were enrolled in paperless billing. Finance staff continues to collaborate with other departments to stabilize Citizen Web Portal and EBPP functionality and implement numerous enhancements.

Risk Management Reduced Litigation

The City of Charlotte is currently experiencing a reduced volume of high dollar litigated claims. The number of claims requiring litigation is on par with annual averages, but the number of potentially high dollar and high severity cases is down considerably compared to previous years. Some of the reduced frequency is likely attributed to the efforts of the Executive Level Risk Management Task Force and enhanced awareness, training, and investigation of events. The extensive use of video on CATS buses is a certain factor in reducing litigation from incidents that occur on City buses.

Finance

Performance Measures	Performance Achievement		
	FY2013 Target	FY2014 Target	FY2015 Target
Financial Management			
Achieve cost savings using variable rate financing to support Capital Investment Plan	\$3.0 million	\$3.0 million	\$3.0 million
Analyze and review debt refunding opportunities to determine savings opportunities	June 30, 2013	June 30, 2014	June 30, 2015
General Accounting			
Receive an unqualified opinion on the Comprehensive Annual Financial Report	October 31, 2012	October 31, 2013	October 31, 2014
Revenue Management			
Increase the number of customers using e-business service for utility billings	25%	25%	25%
Coordinate completion of the online Self-Assessment Questionnaire	June 30, 2013	June 30, 2014	June 30, 2015
Risk Management			
Provide quarterly updates to departments of loss metrics for respective departments	June 30, 2013	June 30, 2014	June 30, 2015

Human Resources

Human Resources provides core services by partnering with all City 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, departmental services, training, organizational development, payroll services, as well as benefits design, consulting, and management.

<u>Program Summary</u>	FY2013 Revised Budget/ Positions	FY2014 Budget/ Positions	FY2015 Budget/ Positions
Compensation, Benefits Services, Compliance, Recruitment and Retention Supports over 6,800 employees and 2,000 retirees. Services cover compliance, recruitment and retention; employee compensation, and employee benefits.	\$ 2,281,400 18.00	2,287,587 18.00	2,309,350 18.00
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.	880,759 9.00	925,028 9.00	933,141 9.00
Human Resources Management Services Manages the human resource management system, which manages the human resources and payroll software, produces payroll and maintains employment records for pay, taxes, benefits, and leave.	916,652 6.00	951,031 6.00	969,328 6.00
Total	\$ 4,078,811	4,163,646	4,211,819
Total Positions	33.00	33.00	33.00

Budget Decreases

None

Budget Increases

None

Service Delivery Highlights and Challenges

Human Resources highlights include 76.6% of employees opting for health insurance coverage also enrolled in the Wellness Incentive option and to provide employees with new voluntary benefit 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.

Human Resources

Performance Measures	Performance Achievement		
	FY2013 Target	FY2014 Target	FY2015 Target
Develop, create, and test PeopleSoft interface for the new ERP system	N/A	ERP System go-live date	Phase II ERP System go-live date
Benefit vendor interfaces are updated to work with new ERP Chart of Accounts	N/A	Complete work by June 30, 2014	N/A
Facilitate changes related to departments, earnings, and deductions for the ERP Chart of Accounts	N/A	ERP System go-live date	N/A
Percentage of City employees electing medical coverage will also elect the wellness incentive premium option	≥65%	≥65%	≥65%
HR staff electing medical insurance will also enroll in the wellness incentive premium option	≥80%	≥80%	≥80%
HR staff enrolling in the wellness incentive premium option remain engaged in the program	≥80%	≥80%	≥80%

Non-Departmental Accounts

The City of Charlotte uses "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.

	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
<u>Services Provided</u>	<u>Revised Budget</u>	<u>Budget</u>	<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.	\$ 2,940,823	2,940,823	2,940,823
Safe Alliance (formerly United Family Services) Funding for program that provides counseling and guidance for crime victims and their families.	333,977	333,977	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 was 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.	94,554	-	-
Charlotte International Cabinet Promotes the development of Charlotte as an international city and supports an international cultural exchange program. As of July 1, 2013, the Charlotte International Cabinet will transition into the Neighborhood & Business Services department of the City.	156,121	-	-
Community Building Initiative Serves as community resource providing strategic assistance in addressing race and ethnicity issues.	49,000	49,000	49,000
Library Provides funding for maintenance for the Charlotte-Mecklenburg Library, contributed according to legal requirements.	2,500	2,500	2,500
Protocol Services Provides assistance to City officials with regards to visiting dignitaries and international protocol.	40,000	40,000	40,000
City Memberships and Subscriptions Funds the City's participation in the following organizations:	649,019	658,731	658,731
UNC Chapel Hill School of Government	73,760	83,472	83,472
NC League of Municipalities	76,242	76,242	76,242
NCLM - Charlotte Host City	50,000	-	-
US Conference of Mayors	26,216	26,216	26,216
National League of Cities	32,000	32,000	32,000
ICMA - Charlotte Host City	-	50,000	50,000
NC Metropolitan Coalition	16,225	16,225	16,225
Charlotte Regional Partnership	199,034	199,034	199,034
Centralina Council of Governments	175,542	175,542	175,542
Total Financial Partners and Other Community Agencies	\$ 4,265,994	4,025,031	4,025,031

Non-Departmental Accounts

<u>Services Provided</u>		<u>FY2013 Revised Budget</u>	<u>FY2014 Budget</u>	<u>FY2015 Budget</u>
COUNTY ADMINISTERED				
County Storm Water Provides for the City's payment of its County storm water fees.	\$ 1,631,724	1,631,692	1,664,326	
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. FY2014 includes the 2013 City Elections and FY2015 includes the 2014 mid-term election. Reduction for FY2014, due to the final payment on the voting machine upgrade in FY2013.	2,106,451	1,893,946	1,931,825	
County Tax Office Provides funding for reimbursement of expenses associated with collecting the City's auto license and business privilege license fees. Reduction for FY2014, due to the internal reorganization in the County Tax Office.	1,442,661	1,020,455	1,040,864	
Total County Administered	\$ 5,180,836	4,546,093	4,637,015	
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.	\$ 15,022,939	16,131,540	14,230,375	
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.	440,000	288,000	288,000	
Street Resurfacing Provides supplemental funding to the Powell Bill for increased level of street resurfacing	4,261,000	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.	4,387,981	4,539,291	4,539,291	
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.	13,614,752	13,821,022	14,304,757	
Total Capital Investment	\$ 37,726,672	39,040,853	37,623,423	

Non-Departmental Accounts

Services Provided	FY2013 <u>Revised Budget</u>	FY2014 <u>Budget</u>	FY2015 <u>Budget</u>
OTHER ACCOUNTS			
Street Lighting Represents electrical operating costs for the City's street lighting program.	\$ 9,572,640	10,274,659	10,496,367
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.	3,636,590	3,876,024	3,980,754
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.	2,786,075	2,824,592	2,923,452
Unemployment Insurance Reserve Provides funding for creation and Reserve of State mandated reserve fund for unemployment insurance. Establishment of the reserve must equate to 1% payroll and will be established over two fiscal years. Funding for the reserve is provided within General Fund fund balance.	-	550,000	550,000
Compensation Contingency A pay plan is currently not included in the FY2015 budget plan due to revenue uncertainties associated with potential State tax reform and ongoing Mecklenburg County review of property valuation repeals. Funding provides a compensation contingency for potential allocation to a pay plan in FY2015.	-	-	5,000,000
General Fund Fuel Reserve Provides a reserve for potential budget impacts due to fuel price escalations or price shocks.	500,000	-	-
Rental Assistance Program Provides initial funding to support the \$10 million rental assistance endowment program City request from the Foundation for the Carolinas. The \$10 million will leverage \$10 million from the private sector and \$1.4 million of Mecklenburg County funding. Future City contributions of \$8 million are contingent upon the Foundation's ability to secure the full private sector pledge. Future City contributions will be programmed into future CIP programs.	-	2,000,000	-
Reimbursable Accident Repairs Provides funding for the repair of accident-damaged vehicles by third parties	275,000	275,000	275,000

Non-Departmental Accounts

<u>Services Provided</u>	FY2013 <u>Revised Budget</u>	FY2014 <u>Budget</u>	FY2015 <u>Budget</u>
OTHER ACCOUNTS (cont.)			
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.	\$ 347,082	361,758	362,246
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.	1,732,537	1,874,175	1,875,542
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.	300,000	300,000	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	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. It is the intent of the City to seek award after 2014.	200,000	200,000	200,000
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	396,044	396,014	374,871
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 5, 2013, was \$63,192	200,000	200,000	200,000
Charlotte-Mecklenburg Government Center Rent Funds building rent for unoccupied areas	-	10,506	10,591
Federal Program Representative Provides the General Fund's share of the contract for local government liaison with the federal government. Includes \$12,840 for eClvis grant research subscription. The remaining funding portion is provided by CATS, Utilities, and Aviation.	104,340	96,840	96,840

Non-Departmental Accounts

<u>Services Provided</u>		<u>FY2013 Revised Budget</u>	<u>FY2014 Budget</u>	<u>FY2015 Budget</u>
OTHER ACCOUNTS (cont.)				
Maintenance of Public Spaces	\$ 157,975	153,252	156,317	
Provides funding for facility maintenance expenses for overstreet walkways and other facilities not assigned to specific departments				
Annual Audit	59,000	66,000	66,000	
Represents the pro rata amount charged to the General Fund for the annual audit				
Citizens Review Board	20,000	20,000	20,000	
Funds operating expenses for the volunteer citizens committee, which reviews Police related incident complaints.				
Reserve for Annexation Start-up	50,000	-	-	
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. The \$50,000 programmed in FY2013 was for review work to determine if any annexation law changes impact the City's annexation program and what possible modifications, if any, needed to be made.				
Synthetic Tax Increment Grant	1,933,237	2,109,598	\$2,164,590	
Provides funding from the equivalent of property tax revenues generated from private/public investment to support economic development projects as approved by Council:				
	FY2014	FY2015		
Cultural Facilities	1,268,871	1,270,103		
External Agreements	840,727	894,487		
Total	\$2,109,598	\$2,164,590		
City Burials	3,400	3,400	3,400	
Funds burials in City-owned cemeteries for indigent citizens				
Total Other Accounts	\$ 22,473,920	25,791,818	29,255,970	
Total Non-Departmental Accounts	\$ 69,822,422	73,403,795	75,541,439	

Non-Departmental Accounts

Financial Partner Summary

General Fund

Financial Partner	FY2013 Revised Budget	FY2014 Budget	FY2015 Budget
Arts & Science Council	\$ 2,940,823	2,940,823	2,940,823
Charlotte Regional Partnership	199,034	199,034	199,034
Charlotte International Cabinet	156,121	-	-
Community Building Initiative	49,000	49,000	49,000
Safe Alliance	333,977	333,977	333,977
Charlotte Center City Partners*	3,814,743	3,967,333	4,126,026
University City Partners*	638,461	678,934	678,934
Charlotte Regional Visitors Authority*	10,892,411	11,499,500	11,850,754
TOTAL	\$ 19,024,570	19,668,601	20,178,548

* Revenues for these financial partners are from formula-driven, dedicated sources, such as Municipal Service District tax revenue and the Occupancy tax

Neighborhood & Business Services

Financial Partner	FY2013 Revised Budget	FY2014 Budget	FY2015 Budget
Charlotte-Mecklenburg Housing Partnership, Inc. - Affordable Housing	\$ 1,960,000	1,960,000	1,960,000
Charlotte-Mecklenburg Housing Partnership - House Charlotte	231,000	231,000	231,000
Community Link	450,000	450,000	450,000
Crisis Assistance Ministry	380,000	380,000	380,000
Carolinas Care Partnership (Regional HIV/AIDS Consortium)	830,903	873,634	873,634
Charlotte Family Housing (formerly WISH)	200,000	330,000	330,000
YMCA Community Development	48,699	48,699	48,699
TOTAL	\$ 4,100,602	4,273,333	4,273,333

Out of School Time*	FY2013 Revised Budget	FY2014 Budget	FY2015 Budget
Above and Beyond Students	\$ -	124,158	n/a
YWCA	158,826	307,000	n/a
Greater Enrichment Program (GEP)**	605,854	400,000	n/a
Police Activities League	282,145	287,410	n/a
First Baptist Church West	-	81,432	n/a
CMS After School Enrichment Program	350,012	-	n/a
Bethlehem Center	170,357	-	n/a
St. Paul Baptist Church	70,476	-	n/a
TOTAL	\$ 1,637,670	1,200,000	n/a

*Request for Proposals process is conducted annually

**For FY2013, Council approved a one-time appropriation from General Fund fund balance of \$394,752 to fund GEP 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 FY2014 is \$7,867,432,273. Budget continues the current MSD tax rate of 1.68¢ per \$100 valuation.

<u>Budget Summary</u>	<u>FY2013 Budget</u>	<u>FY2014 Budget</u>	<u>FY2015 Budget</u>
Revenues			
Property Taxes	\$ 1,232,567	1,284,720	1,301,935
Total Municipal Service District 1 Revenues	1,232,567	1,284,720	1,301,935
Expenditures			
Contractual Services	1,232,567	1,284,720	1,301,935
Total Municipal Service District 1 Expenditures	\$ 1,232,567	1,284,720	1,301,935

District 2 (Center City)

Assessed value for FY2014 is \$3,260,141,406. Budget continues the current MSD tax rate of 2.33¢ per \$100 valuation.

<u>Budget Summary</u>	<u>FY2013 Budget</u>	<u>FY2014 Budget</u>	<u>FY2015 Budget</u>
Revenues			
Property Taxes	\$ 708,226	738,344	740,929
Total Municipal Service District 2 Revenues	708,226	738,344	740,929
Expenditures			
Contractual Services	708,226	738,344	740,929
Total Municipal Service District 2 Expenditures	\$ 708,226	738,344	740,929

Municipal Service Districts

District 3 (Center City)

Assessed value for FY2014 is \$3,609,775,266. Budget continues the current MSD tax rate of 3.58¢ per \$100 valuation.

<u>Budget Summary</u>	<u>FY2013 Budget</u>	<u>FY2014 Budget</u>	<u>FY2015 Budget</u>
Revenues			
Property Taxes	\$ 1,124,873	\$ 1,256,115	\$ 1,273,816
Total Municipal Service District 3 Revenues	1,124,873	1,256,115	1,273,816
Expenditures			
Contractual Services	1,099,538	1,230,020	1,246,938
City Services	25,335	26,095	26,878
Total Municipal Service District 3 Expenditures	\$ 1,124,873	\$ 1,256,115	\$ 1,273,816

District 4 (South End)

Assessed value for FY2014 is \$1,159,716,580. Budget continues the current MSD tax rate of 6.68¢ per \$100 valuation.

<u>Budget Summary</u>	<u>FY2013 Budget</u>	<u>FY2014 Budget</u>	<u>FY2015 Budget</u>
Revenues			
Property Taxes	\$ 749,077	\$ 752,999	\$ 760,475
Total Municipal Service District 4 Revenues	749,077	752,999	760,475
Expenditures			
Contractual Services	749,077	752,999	760,475
Total Municipal Service District 4 Expenditures	\$ 749,077	\$ 752,999	\$ 760,475

District 5 (University City)

Assessed value for FY2014 is \$2,361,190,543. Budget continues the current MSD tax rate of 2.79¢ per \$100 valuation.

<u>Budget Summary</u>	<u>FY2013 Budget</u>	<u>FY2014 Budget</u>	<u>FY2015 Budget</u>
Revenues			
Property Taxes	\$ 638,461	\$ 640,327	\$ 648,685
Total Municipal Service District 5 Revenues	638,461	640,327	648,685
Expenditures			
Contractual Services	638,461	640,327	648,685
Total Municipal Service District 5 Expenditures	\$ 638,461	\$ 640,327	\$ 648,685

Synthetic Tax Increment Grant

Synthetic Tax Increment Grant Program

The City uses Synthetic Tax Increment Grants (STIG) as a public/private partnership tool to advance Economic Development and land use planning goals. STIG does not require the establishment of a Tax Increment Financing 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, and Pay As You Go) each contribute its pro-rate share. Per City Council policy, the amount of total STIG assistance to all projects is limited to 3.0% 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. Sale of South Parcel pending settlement.

	FY2014	FY2015	FY2016	FY2017	FY2018	5-Yr. Total
Est. % of investment completed	80%	100%	100%	100%	100%	
Est. property tax increment	504,337	159,390	-	-	-	663,727
Est. STIG Payment	453,904	143,451	-	-	-	597,355

The Levine Center for the Arts (Cultural Facilities)

Project included development of four Cultural Facilities (Harvey B. Gantt African-American Cultural Center, Bechtler Art Museum, Knight 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.

	FY2014	FY2015	FY2016	FY2017	FY2018	5-Yr. Total
Est. % of investment completed	100%	100%	100%	100%	100%	
Est. property tax increment	1,968,707	2,002,310	2,002,310	2,002,310	2,002,310	9,977,946
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 the 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. Project sold and assigned to Legacy Partners.

	FY2014	FY2015	FY2016	FY2017	FY2018	5-Yr. Total
Est. % of investment completed	100%	100%	100%	100%	100%	
Est. property tax increment	131,396	133,638	133,638	133,638	133,638	665,949
Est. STIG Payment	110,258	110,258	110,258	110,258	110,258	551,290

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 \$96,058,000. Total STIG payments not to exceed \$3.6 million to offset HUD 108 loan payments. Brownfield agreement in place which offsets incremental tax payments.

	FY2014	FY2015	FY2016	FY2017	FY2018	5-Yr. Total
Est. % of investment completed	22%	32%	42%	54%	66%	
Est. property tax increment	24,778	69,284	129,550	212,063	290,215	725,890
Est. STIG Payment	22,300	62,356	116,595	190,856	261,194	653,301

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.

	FY2014	FY2015	FY2016	FY2017	FY2018	5-Yr. Total
Est. % of investment completed	9%	10%	51%	51%	51%	
Est. property tax increment	1,129,153	1,234,751	6,097,537	6,097,537	6,097,537	20,656,516
Est. STIG Payment	508,119	555,638	2,743,892	2,743,892	2,743,892	9,295,432

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 million. Completion of parking deck construction of 1,000 spaces triggers payment. Deadline for parking deck completion extended from 2014 to 2020.

	FY2014	FY2015	FY2016	FY2017	FY2018	5-Yr. Total
Est. % of investment completed	0%	0%	5%	5%	5%	
Est. property tax increment	-	115,259	147,496	294,991	589,982	1,147,728

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. Contract for road extension extended until 2014. Anticipated total private investment equals \$170 million. Total STIG payments not to exceed \$5.4 million. Completion of the Ikea Road street connector triggers payment.

	FY2014	FY2015	FY2016	FY2017	FY2018	5-Yr. Total
Est. % of investment completed	20%	40%	60%	80%	100%	
Est. property tax increment	159,358	324,156	486,234	648,312	810,390	2,428,450
Est. STIG Payment	-	291,740	437,611	583,481	729,351	2,042,183

Pope & Land Coliseum

Project supports mixed-use development of the former Tyvola Road Coliseum land. Developer revising site plan and working with Planning on zoning requirements. Infrastructure Agreement to be revised for new plan. Anticipated total private investment equals \$267,090,000. Total 45% STIG payments not to exceed \$5.81 million.

	FY2014	FY2015	FY2016	FY2017	FY2018	5-Yr. Total
Est. % of investment completed	0%	5%	5%	10%	10%	
Est. property tax increment	-	286,474	286,474	572,948	572,948	1,718,843

Seaboard Street/NC Music Factory

Project involves construction of the Seaboard Street extension and three development phases. Phase I includes construction of the Seaboard Street extension, 1,350 residential (with affordable) 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, and 140,000 sq. ft. of retail space. Phase III involves renovations to the Silver Hammer Studio, and 200,000 sq. ft. of retail space. Anticipated total private investment equals \$246 million. Total STIG payments not to exceed \$1.7 million. Completion of street, residential, and NC Music Factory elements triggers payment. Extension has been requested to build residential units.

	FY2014	FY2015	FY2016	FY2017	FY2018	5-Yr. Total
Est. % of investment completed	0%	0%	25%	50%	80%	
Est. property tax increment	-	-	295,484	590,968	945,550	1,832,003
Est. STIG Payment	-	-	-	531,872	850,995	1,382,867

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. Contract for commencement of road construction extended until 12/31/2015.

	FY2014	FY2015	FY2016	FY2017	FY2018	5-Yr. Total
Est. % of investment completed	8%	8%	16%	16%	32%	
Est. property tax increment	202,862	206,325	412,650	412,650	825,300	2,059,787
Est. STIG Payment	-	-	-	371,385	742,770	1,114,155

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. An amendment approved in FY2013 reduces the City/County deck grant amount by \$6,044,208. Anticipated total private investment equals \$700 million. City's total STIG payments not to exceed \$23,705,792 for second STIG.

	FY2014	FY2015	FY2016	FY2017	FY2018	5-Yr. Total
Est. % of investment completed	0%	0%	1%	10%	20%	
Est. property tax increment	-	-	181,808	1,983,244	4,326,831	6,491,882
Est. STIG Payment	-	-	163,627	1,784,920	3,894,148	5,842,694

STIG Projects Combined Total

Anticipated total investment = \$3,402,344,463

	FY2014	FY2015	FY2016	FY2017	FY2018	5-Yr. Total
Est. property tax increment	4,120,591	4,531,587	10,173,181	12,948,661	16,594,701	48,368,721
Est. TOTAL STIG Payment	2,746,580	2,815,443	5,223,982	7,968,663	10,984,607	29,739,276

Est. Total STIG Payment by Fund

General Fund	2,109,598	2,164,590	4,016,341	6,126,526	8,445,266	22,862,322
Municipal Debt Service	566,662	578,208	1,072,851	1,636,526	2,255,912	6,110,158
Pay-As-You-Go	70,320	72,645	134,791	205,611	283,429	766,796

Synthetic Tax Increment Grant

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City-wide Summary of Tax Levies

	<u>FY2013 Budget</u>	<u>FY2014 Budget</u>	<u>FY2015 Budget</u>
<u>City-wide Assessed Valuation</u>			
Assessed Property Value	\$ 89,168,608,580	88,477,105,898	89,804,262,487
<u>City-wide Tax Rate Per \$100 Valuation</u>			
<u>Fund</u>			
General	0.3600	0.3600	0.3665
Municipal	0.0650	0.0967	0.0979
Pay-As-You-Go	0.0120	0.0120	0.0123
Total City-wide Tax Rate	0.4370	0.4687	0.4767
<u>Collection Rate</u>			
All Funds	0.9720	0.9720	0.9720
<u>City-wide Tax Levy*</u>			
<u>Fund</u>			
General	\$ 309,595,783	313,430,976	316,925,873
Municipal Debt Service	57,145,978	85,645,487	86,265,908
Pay-As-You-Go	10,551,366	10,677,099	10,793,725
Total City-wide Tax Levy	\$ 377,293,127	409,753,562	413,985,506
* Levy includes estimated rebates			
<u>Municipal Service Districts</u>			
<u>Rates Per \$100 in Valuation</u>			
District 1 - Center City	0.0168	0.0168	0.0168
District 2 - Center City	0.0233	0.0233	0.0233
District 3 - Center City	0.0358	0.0358	0.0358
District 4 - South End	0.0668	0.0668	0.0668
District 5 - University City	0.0279	0.0279	0.0279
<u>Municipal Service Districts</u>			
<u>Assessed Valuation</u>			
District 1 - Center City	\$ 7,548,050,810	7,867,432,273	7,867,432,273
District 2 - Center City	3,127,155,507	3,260,141,406	3,260,141,406
District 3 - Center City	3,232,616,553	3,609,775,266	3,609,775,266
District 4 - South End	1,153,676,151	1,159,716,580	1,159,716,580
District 5 - University City	2,354,311,239	2,361,190,543	2,361,190,543

Note: Assessed Valuation for Municipal Service Districts for FY2015 will be updated at a later date.

Summary of Position Allocations by Fund

Departments	FY2013 Revised Positions	FY2014 Positions	FY2015 Positions	FTE Change FY2013 FY2014
Police	2,306.50	2,306.50	2,306.50	-
Fire	1,166.00	1,166.00	1,166.00	-
Solid Waste	289.00	289.00	289.00	-
Transportation	431.50	431.50	431.50	-
Neighborhood & Business Services	149.00	154.00	154.00	5.00
Engineering & Property Management	322.00	322.00	322.00	-
Planning	61.00	61.00	61.00	-
Mayor and City Council	9.00	9.00	9.00	-
City Attorney	28.50	28.50	28.50	-
City Clerk	6.00	6.00	6.00	-
City Manager	12.00	12.00	12.00	-
Office of the Chief Information Officer	21.00	21.00	21.00	-
Community Relations Committee	10.00	10.00	10.00	-
Corporate Communications & Marketing	19.00	19.00	19.00	-
CharMeck 311	139.00	139.00	139.00	-
Internal Audit	9.00	9.00	9.00	-
Human Resources	33.00	33.00	33.00	-
Finance	81.00	81.00	81.00	-
Shared Services	257.00	257.00	257.00	-
Budget & Evaluation	13.00	13.00	13.00	-
Total General Fund	5,362.50	5,367.50	5,367.50	5.00
Charlotte-Mecklenburg Utility	746.50	761.50	761.50	15.00
Aviation	251.00	262.00	262.00	11.00
Storm Water	95.00	100.00	100.00	5.00
Charlotte Area Transit System	361.75	361.75	373.75	-
Risk Management	27.00	27.00	27.00	-
Grant Fund	3.00	3.00	3.00	-
Total All Funds	6,846.75	6,882.75	6,894.75	36.00

All Funds - Summary of Expenditures (Net of Transfers)

FY2014

Fund / Activity	Operating	Percent Change	Capital	Percent Change	Total	Percent Change
General	\$ 493,539,580	1.2%			493,539,580	1.2%
Aviation	113,585,716	4.5%	326,459,151	28.5%	440,044,867	21.3%
Water and Sewer	112,735,314	0.9%	106,355,400	30.7%	219,090,714	13.5%
Charlotte Area Transit System	110,245,360	3.6%	233,841,903	48.1%	344,087,263	30.2%
Storm Water Utility	12,553,697	17.0%	37,500,000	-8.5%	50,053,697	-3.2%
Debt Service	270,950,137	16.0%			270,950,137	16.0%
Powell Bill	23,457,304	7.0%			23,457,304	7.0%
Convention Center	15,098,476	10.2%			15,098,476	10.2%
NASCAR Hall of Fame	3,000,000	474.7%			3,000,000	474.7%
Public Safety and Other Grants	5,797,186	-19.5%			5,797,186	-19.5%
Public Safety 911 Services	3,358,643	28.2%			3,358,643	28.2%
Neighborhood & Business Svcs Grants	7,870,234	-11.5%			7,870,234	-11.5%
Municipal Service Districts	4,672,505	4.9%			4,672,505	4.9%
Risk Management	1,353,364	2.9%			1,353,364	2.9%
Tourism Operating	1,103,550	3.1%			1,103,550	3.1%
Pay-As-You-Go	599,296	-9.7%			599,296	-9.7%
General CIP			75,182,582	74.1%	75,182,582	74.1%
Total Budget	\$ 1,179,920,362	5.2%	779,339,036	35.0%	1,959,259,398	15.3%

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 FY2014 by the General's Fire Department, which totals \$4,677,674 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 FY2014, the total budget included in the above Operating Fund is:

Risk and Loss at \$19,559,828; Workforce Group Insurance at \$56,716,626; Totaling to \$76,276,454

FY2015

Fund / Activity	Operating	Percent Change	Capital	Percent Change	Total	Percent Change
General	\$ 504,691,876	2.3%			504,691,876	2.3%
Aviation	116,931,358	2.9%	269,518,626	-17.4%	386,449,984	-12.2%
Water and Sewer	114,824,538	1.9%	75,215,400	-29.3%	190,039,938	-13.3%
Charlotte Area Transit System	114,072,771	3.5%	354,465,140	51.6%	468,537,911	36.2%
Storm Water Utility	12,790,236	1.9%	43,700,000	16.5%	56,490,236	12.9%
Debt Service	266,924,329	-1.5%			266,924,329	-1.5%
Powell Bill	22,697,304	-3.2%			22,697,304	-3.2%
Convention Center	15,537,000	2.9%			15,537,000	2.9%
NASCAR Hall of Fame	3,000,000	0.0%			3,000,000	0.0%
Public Safety and Other Grants	5,797,186	0.0%			5,797,186	0.0%
Public Safety 911 Services	3,358,643	0.0%			3,358,643	0.0%
Neighborhood & Business Svcs Grants	6,987,050	-11.2%			6,987,050	-11.2%
Municipal Service Districts	4,725,840	1.1%			4,725,840	1.1%
Risk Management	1,415,413	4.6%			1,415,413	4.6%
Tourism Operating	1,770,816	60.5%			1,770,816	60.5%
Pay-As-You-Go	612,717	2.2%			612,717	2.2%
General CIP			219,986,760	192.6%	219,986,760	192.6%
Total Budget	\$ 1,196,137,077	1.4%	962,885,926	23.6%	2,159,023,003	10.2%

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 FY2014 by the General's Fire Department, which totals \$4,814,075 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 FY2015, the total budget included in the above Operating Fund is:

Risk and Loss at \$20,390,486; Workforce Group Insurance at \$60,119,956; Totaling to \$80,510,442

General Fund Summary of Expenditures

Department	FY2013 Revised	FY2014	FY2015	Percent Change FY2013 FY2014
Police	\$ 211,714,774	212,573,755	214,852,791	0.4%
Fire ¹	103,213,100	107,023,694	108,335,959	3.7
Solid Waste	46,870,125	47,918,786	48,947,478	2.2
Transportation ²	21,864,717	22,654,587	23,304,791	3.6
Engineering & Property Management	18,875,319	18,926,880	19,218,270	0.3
Neighborhood & Business Services ³	12,026,657	12,448,919	12,724,426	3.5
Planning	5,272,132	5,319,035	5,439,564	0.9
Mayor & Council	1,484,055	1,520,050	1,534,413	2.4
City Attorney	2,301,307	2,354,931	2,371,155	2.3
City Clerk	539,017	551,851	561,866	2.4
City Manager's Office	17,310,594	17,926,073	17,844,024	3.6
Budget & Evaluation	1,629,206	1,597,854	1,615,545	-1.9
Shared Services ⁴	24,306,059	25,094,768	25,843,512	3.2
Finance	9,971,519	10,027,783	10,339,486	0.6
Human Resources	4,078,811	4,163,646	4,211,819	2.1
Non-Departmentals ⁵	69,647,422	73,403,795	75,541,439	5.4
Total General Fund Expenditures	\$ 551,104,814	563,506,407	572,686,538	2.3%

Notable Budget Drivers

¹ Fire increases - \$400,000 in FY2014 and \$600,000 in FY2015 for maintenance and repair of vehicles and equipment, \$300,000 in FY2014 and FY2015 for specialized firefighter training, conferences, and meetings that were previously provided at no charge by the State's community college system

² Transportation increases - \$44,073 in FY2014 for a reduction in personnel costs to the capital program

³ Neighborhood & Business Services increases - \$153,287 in FY2014 and \$239,980 in FY2015 for three Small Business Program Specialists associated with the Council-adopted expansion of the Small Business/Minority and Women Owned Business Enterprises program; \$156,121 in FY2014 and FY2015 for two positions and related operating expense associated with transitioning Charlotte International Cabinet from a Financial Partner to a division within Neighborhood & Business Services' department at same funding level as FY2013 (no increase to the General Fund)

⁴ Shared Services increases - \$366,542 in FY2014, and \$361,043 in FY2015 for various contracts related to technology services and infrastructure maintenance contracts

⁵ Non-Departmentals increases - \$2,000,000 in FY2014 for first year funding to partner with the Foundation for the Carolinas to create a Rental Assistance Program Endowment; with matching funds from the private sector; \$700,000 in FY2014 and \$900,000 in FY2015 for Streetlight electricity costs

General Fund

Summary of Revenues

	<u>FY2013 Revised</u>	<u>FY2014 Budget</u>	<u>FY2015 Budget</u>	<u>Percent Change FY2013 FY2014</u>
PROPERTY TAX				
5101 Property Tax - Current Year Base	\$ 310,092,483	307,489,491	317,161,283	-0.8%
5101 Property Tax - Synthetic TIG Properties	1,927,300	2,109,598	2,164,590	9.5
5101 Register Motor Vehicle Revenue	-	6,231,887	-	100.0
5102 Prior Year	4,848,000	4,800,000	4,800,000	-1.0
5103 Rebates	(2,424,000)	(2,400,000)	(2,400,000)	-1.0
5111 Penalties	595,900	590,000	590,000	-1.0
5112 Interest	1,515,000	1,500,000	1,500,000	-1.0
5113 Rebates of Listing Penalties	(8,080)	(8,000)	(8,000)	-1.0
Total	\$ 316,546,603	320,312,976	323,807,873	1.2%
SALES TAX				
5121 Sales - Article 39 (1.0%)	41,020,750	42,456,476	43,942,453	3.5%
5121 Sales - Article 42 (0.5%)	18,433,375	19,078,543	19,746,292	3.5
5121 Sales - Article 44/Hold Harmless (0.5%) *	9,917,675	10,264,794	10,624,061	3.5
Total	\$ 69,371,800	71,799,813	74,312,806	3.5%
UTILITIES FRANCHISE TAX				
5430 Utility Franchise	38,100,000	38,058,732	38,819,906	-0.1%
Total	\$ 38,100,000	38,058,732	38,819,906	-0.1%
POLICE SERVICES				
5451 Law Enforcement Services - County	13,147,196	13,786,581	13,881,138	4.9%
5477 Small Town Service Fees	337,403	337,403	337,403	-
5999 School Resource Officers - School Board	4,431,450	4,749,888	4,892,385	7.2
Total	\$ 17,916,049	18,873,872	19,110,926	5.3%
TAX REIMBURSEMENTS				
5431 Beer & Wine Tax	3,261,279	3,326,505	3,393,035	2.0%
5436 State Waste Disposal Tax	620,000	485,000	485,000	-21.8
Total	\$ 3,881,279	3,811,505	3,878,035	-1.8%
SOLID WASTE FEE				
5560 Refuse Disposal Fees	12,100,000	12,221,000	12,404,315	1.0%
Total	\$ 12,100,000	12,221,000	12,404,315	1.0%
BUSINESS PRIVILEGE LICENSES				
5202 Business Privilege Licenses	17,100,000	17,442,000	17,878,050	2.0%
Total	\$ 17,100,000	17,442,000	17,878,050	2.0%
OTHER REVENUES				
Licenses and Permits				
5201 Motor Vehicle Licenses	2,600,750	2,631,981	2,710,940	1.2%
5332 Motor Vehicle Licenses - Rebates	(48,000)	(48,000)	(48,000)	-
5204 Animal Licenses - Fertile	250,000	224,000	228,480	-10.4
5209 Animal Licenses - Spay/Neuter	581,000	590,000	601,800	1.5
5210 Fire Plan Review Fees	1,085,780	1,157,825	1,180,982	6.6
5211 Vehicle Licenses - City Billed	15,450	15,450	15,450	-
5212 Fire Permits - New	321,456	408,830	417,007	27.2
5213 Fire Permits - Renewal	689,744	713,250	727,515	3.4
5214 Tryon Mall Vendor Fees	2,960	2,960	2,960	-
5215 Security Dog Licenses	200	100	100	-50.0
5218 Vehicle for Hire Fees and Permits	468,385	422,865	431,322	-9.7
5219 Carrier Franchise Fees	100,000	100,000	100,000	-
5220 Video Programming (Cable Franchise) Fees	8,364,820	7,895,766	7,895,766	-5.6
5240 Grading Permits	1,705,164	2,041,180	2,102,415	19.7
5246 Sexually Oriented Businesses Licenses	84,455	104,300	104,300	23.5
5613 Parking and Parade Permits	21,022	23,475	24,179	11.7
Total	\$ 16,243,186	16,283,982	16,495,216	0.3%

* 0.25% pt of delivery + 0.25% per capita

General Fund

Summary of Revenues

	<u>FY2013 Revised</u>	<u>FY2014 Budget</u>	<u>FY2015 Budget</u>	Percent Change <u>FY2013 FY2014</u>
Fines, Forfeits and Penalties				
5222 Vehicle for Hire Penalties	\$ 11,000	11,000	11,000	- %
5244 Tree Mitigation Fees	-	250,000	250,000	100.0
5305 Housing Code Violations	6,000	25,000	25,000	316.7
5307 Parking Citations	750,000	750,000	765,000	-
5308 Parking Citation Penalties	63,000	80,000	80,000	27.0
5309 Security Alarm Fines	450,000	450,000	450,000	-
5310 Fire Citation Fines	16,000	12,710	16,000	-20.6
5311 Fire Citation Penalties	600	1,100	300	83.3
5315 Zoning Enforcement Fines	55,000	40,000	40,000	-27.3
5316 Court Assessment Crime Lab	225,000	215,000	215,000	-4.4
5331 Privilege License Penalties	550,000	650,000	669,500	18.2
5335 Animal License Penalties	68,000	50,000	51,500	-26.5
5337 Animal Citation Penalties	25,712	25,712	25,712	-
5340 Grading Permit Penalties	4,000	15,000	15,000	275.0
5502 Court Costs - Superior	280,000	200,000	200,000	-28.6
5661 Court Awards - Fair Housing Settlements	70	70	70	-
5664 Court Awards - Vice & Narcotics	2,500	100	100	-96.0
5699 Animal License Late Fees	91,620	91,620	91,620	-
Total	\$ 2,598,502	2,867,312	2,905,802	10.3%
Interlocal Grants and Agreements				
5414 Wireless Communications	2,892,991	3,060,356	3,329,463	5.8%
5438 Fleet Maintenance	1,975,043	1,988,001	1,988,001	0.7
5439 Webhosting - County	-	91,950	91,950	100.0
5442 First Responder	500,000	484,500	484,500	-3.1
5445 Procurement Services	728,456	738,593	753,344	1.4
5447 Customer Services - CharMeck 311	2,438,152	2,527,520	2,567,956	3.7
5458 CMGC Occupancy	733,864	742,827	757,684	1.2
5459 Recycling Program Proceeds	97,000	175,000	175,000	80.4
5460 Corporate Communications Services	32,360	20,600	21,218	-36.3
5461 CMGC Phone Costs - County	692,916	786,054	823,685	13.4
Total	\$ 10,090,782	10,615,401	10,992,801	5.2%
Federal and State Shared Revenues				
5450 ABC Stores Revenue	2,082,000	2,353,260	2,423,857	13.0%
Total	\$ 2,082,000	2,353,260	2,423,857	13.0%
General Government				
5242 Land Development Zoning Fees	525,392	528,315	538,881	0.6%
5519 Utility Right-of-Way Ordinance Fees	508,237	600,000	612,000	18.1
5245 County Plan Review	668,525	808,535	832,791	20.9
5503 Zoning Petition Filing Fees	450,000	490,775	505,498	9.1
5504 Annexation Fees	400	400	400	-
5506 Subdivision Services	161,325	223,220	229,917	38.4
5507 Zoning Admin Fees	29,600	27,705	28,536	-6.4
5508 Sale of Maps	5,000	5,000	5,000	-
5550 Equipment Mgmt Svcs - Fleet	4,000	4,000	4,000	-
5555 Procurement Professional Services	200,000	390,000	390,000	95.0
5599 Park It! Program Fees	23,000	21,408	19,895	-6.9
5603 Parking Garage Fees	877,536	1,000,000	1,000,000	14.0
5610 Parking Meter Revenue	675,565	584,550	587,470	-13.5
5604 Rent Revenue - Misc	872,333	1,212,450	1,236,699	39.0
5644 Telecom Review/Modifications	-	167,000	167,000	100.0
Total	\$ 5,000,913	6,063,358	6,158,087	21.2%

General Fund

Summary of Revenues

		<u>FY2013 Revised</u>	<u>FY2014 Budget</u>	<u>FY2015 Budget</u>	Percent Change
					FY2013 FY2014
Public Safety					
5478 State Reimb for Services Provided - DOT	\$ 675,000	875,000	875,000	29.6%	
5478 State Reimb for Services Provided - Fire	\$ 190,707	270,092	270,092	41.6	
5513 CMPD - Fingerprint Reports	5,150	1,500	1,500	-70.9	
5514 Underbrush and Debris Removal	500,000	550,000	550,000	10.0	
5515 Demolition - Clearing	274,500	185,000	185,000	-32.6	
5516 Sale of Animals	62,860	61,903	61,903	-1.5	
5518 Utility Street Cuts	1,700,000	2,300,000	2,369,000	35.3	
5529 Spay/Neuter Fees	144,585	142,230	146,497	-1.6	
5542 Vehicle Towing and Storage	70,000	60,000	60,000	-14.3	
5544 Animal Reclaim Fees	124,497	115,000	118,450	-7.6	
5627 Dead Animal Collection	3,300	5,000	5,000	51.5	
Total	\$ 3,750,599	4,565,725	4,642,442	21.7%	
Cemeteries					
5530 Sale of Cemetery Lots	159,250	161,950	166,809	1.7%	
5532 Grave Digging	282,121	294,971	300,870	4.6	
5533 Duplicate Deeds and Transfer Fees	600	600	600	-	
5534 Monument Foundation	52,570	56,450	52,570	7.4	
5535 Perpetual Care	8,000	10,400	10,400	30.0	
Total	\$ 502,541	524,371	531,249	4.3%	
Use of Money and Property					
5608 Interest on Liens	120,000	120,000	120,000	- %	
5624 Damage to City-Owned Equipment	360,500	303,504	303,504	-15.8	
5625 Reimbursement for City Car Use	48,410	85,000	85,000	75.6	
Total	\$ 528,910	508,504	508,504	-3.9%	
Sale of Salvage and Land					
5660 Sale of Salvage	25,000	30,000	35,000	20.0%	
5662 Sale of Used Autos	866,990	720,000	615,000	-17.0	
Total	\$ 891,990	750,000	650,000	-15.9%	
Other					
5000 Miscellaneous Grants and Contributions	300,000	300,000	300,000	- %	
5641 Newspaper Rack Revenue	14,000	13,662	13,573	-2.4	
5646 Reimb City Svcs - SWS Spec Svcs	155,700	95,000	95,000	-39.0	
5669 Other Revenue	664,229	802,883	822,281	20.9	
Total	\$ 1,133,929	1,211,545	1,230,854	6.8%	
Total Other Revenues	\$ 42,823,352	45,743,458	46,538,812	6.8%	

General Fund Summary of Revenues

		<u>FY2013 Revised</u>	<u>FY2014 Budget</u>	<u>FY2015 Budget</u>	<u>Percent Change FY2013 FY2014</u>
TRANSFERS AND FUND BALANCE					
Transferred Revenues					
5123 Occupancy Taxes - CRVA		\$ 3,601,590	3,841,024	3,945,754	6.6%
5437 Heavy Equipment Tax		133,900	280,000	280,000	109.1
5695 Municipal Debt Service - CRVA		35,000	35,000	35,000	-
5695 Convention Center Tax - Towns' Tourism Subsidy		2,786,075	2,824,592	2,824,592	1.4
5601 Interest on Investments - Debt Svc		440,000	288,000	288,000	-34.5
Total		\$ 6,996,565	7,268,616	7,373,346	3.9%
Intragovernmental Revenues					
5421 Cost Allocation - Storm Water		824,165	977,208	996,752	18.6%
5422 Cost Allocation - Water and Sewer		7,970,497	8,474,702	8,644,196	6.3
5423 Cost Allocation - Aviation		1,929,294	1,724,690	1,759,184	-10.6
5424 Fire Control Services - Aviation		4,556,773	4,677,674	4,814,075	2.7
5425 Account Services - Storm Water		404,683	328,626	335,199	-18.8
5425 Account Services - Storm Water		1,470,036	1,249,105	1,274,087	-15.0
5426 Account Services - Utilities		1,301,741	1,088,010	1,109,770	-16.4
5426 Account Services - Utilities		3,650,767	3,803,293	3,879,359	4.2
5427 Cost Allocation - EMD		716,594	742,518	757,368	3.6
5427 Cost Allocation - Radio		334,146	331,946	338,585	-0.7
5428 Cost Allocation - CATS		3,292,948	3,370,592	3,438,004	2.4
5429 Cost Allocation - Risk Management		713,011	490,912	500,730	-31.1
Total		\$ 27,164,655	27,259,276	27,847,309	0.3%
Transfers from Other Funds					
5695 Cemetery Trust		96,000	96,000	96,000	- %
5695 Municipal Debt Service - Treasury Reimbursement		64,820	69,160	69,160	6.7
Total		\$ 160,820	165,160	165,160	2.7%
Appropriated Fund Balance					
4110 Fund Balance - Capital Reserve (Out-of-School Time Partners FY2013, Unemployment Insurance FY2014 & FY2015)		394,752	550,000	550,000	39.3%
Total		\$ 394,752	550,000	550,000	39.3%
Total Transfers and Fund Balance		\$ 34,716,792	35,243,052	35,935,815	1.5%
Total General Fund Revenues		\$ 551,104,814	563,506,407	572,686,538	2.3%

Aviation Operating Funds Summary of Revenues and Expenditures

	FY2013 <u>Revised</u>	FY2014 <u>Budget</u>	FY2015 <u>Budget</u>	Percent Change FY2013 FY2014
<u>Operating Revenues</u>				
Concessions	\$ 50,985,002	51,494,876	52,011,702	1.0 %
Parking	36,449,788	36,814,286	38,782,348	1.0
Terminal	32,905,942	29,695,619	30,429,700	-9.8
Airfield Usage	17,200,001	17,534,255	17,895,141	1.9
Cargo Area and Ground Rents	31,473,332	31,814,337	32,159,432	1.1
Other	4,733,377	3,425,946	3,504,673	-27.6
Interest on Investments	361,265	366,778	372,376	1.5
Total Operating Revenues	\$ 174,108,707	171,146,097	175,155,372	-1.7 %
Passenger Facility Charge Fund	\$ 27,125,150	26,156,359	26,153,375	-3.6 %
Contract Facility Charge Fund	\$ 3,992,139	3,818,584	4,464,832	-4.3 %
Total Revenues	\$ 205,225,996	201,121,040	205,773,579	-2.0 %
<u>Operating Expenditures</u>				
Airport Operations	\$ 37,280,131	31,558,216	31,460,644	-15.3 %
Airport Capital Project Planning, Design, & Construction	38,295,857	36,299,503	36,887,551	-5.2
Airport Maintenance	43,719,428	45,727,997	48,583,163	4.6
Total Operating	\$ 119,295,416	113,585,716	116,931,358	-4.8 %
Discretionary and Debt Support*	85,930,580	87,535,324	88,842,221	1.9 %
Total Expenditures	\$ 205,225,996	201,121,040	205,773,579	-2.0 %

*Passenger Facility Charge and Contract Facility Charge are included.

Water and Sewer Operating Fund

Summary of Operating Revenues and Expenditures

	<u>FY2013 Revised</u>	<u>FY2014 Budget</u>	<u>FY2015 Budget</u>	<u>Percent Change FY2013 FY2014</u>
<u>Operating Revenues</u>				
Variable Rate Revenues	\$ 247,671,227	253,101,394	271,270,837	2.2%
Fixed Rate Revenues	43,213,653	44,647,531	44,356,209	3.3
Specific Service and Capacity Charges	11,698,141	12,691,603	12,766,968	8.5
Industrial Waste Surcharge	3,462,989	3,556,489	3,652,515	2.7
Other	3,042,229	3,474,364	3,571,645	14.2
Interest on Investments	610,000	544,000	544,000	-10.8
Total Revenues	\$ 309,698,239	318,015,381	336,162,174	2.7%
Fund Balance	\$ -	29,703,469	-	100.0%
Balance	\$ 309,698,239	347,718,850	336,162,174	12.3%
<u>Operating Expenditures</u>				
Administration, Management & Support	\$ 29,391,679	27,635,296	28,085,739	-6.0%
Customer Service	7,814,123	7,573,195	7,633,219	-3.1
Laboratory Services	1,147,512	1,104,580	1,161,771	-3.7
Water and Wastewater Services	46,915,328	47,944,271	49,209,403	2.2
Field Operations	28,293,751	28,477,973	28,734,410	0.7
Total Operating Expenditures	\$ 113,562,393	112,735,315	114,824,542	-0.7%
Debt Service/Capital Investment Plan Support	177,523,567	234,983,535	218,209,119	32.4%
Total Expenditures	\$ 291,085,960	347,718,850	333,033,661	19.5%
Reserved for Future Years	\$ 18,612,279	-	3,128,513	-

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

<u>Operating Revenues</u>	FY2013 <u>Revised</u>	FY2014 <u>Budget</u>	FY2015 <u>Budget</u>	Percent Change FY2013 FY2014
Half-Percent Sales Tax*	\$ 68,227,000	*	*	
Transfer from Debt Service *	-	55,051,815	55,434,684	100.0%
Maintenance of Effort - Charlotte	18,400,000	18,952,000	19,520,560	3.0
Maintenance of Effort - Mecklenburg	181,866	187,322	181,866	3.0
Maintenance of Effort - Huntersville	17,500	18,025	17,500	3.0
Operating Assistance	13,345,171	12,873,971	12,873,971	-3.5
Fares and Service Reimbursements	32,729,978	32,765,091	36,399,066	0.1
Other Miscellaneous Income	2,087,000	2,477,333	2,685,364	18.7
Interest on Investments	277,063	500,000	500,000	80.5
Total Operating Revenues	\$ 135,265,578	122,825,557	127,613,011	-9.2%
<u>Operating Expenditures</u>				
Transportation Services	\$ 105,144,848	111,955,068	116,904,857	6.5%
Transit Development	2,635,216	3,211,780	3,328,286	21.9
Marketing and Communications	2,915,216	2,928,147	3,014,709	0.4
Executive and Administration	8,518,532	8,823,542	9,057,327	3.6
Sub-total Operating	\$ 119,213,812	126,918,537	132,305,179	6.5%
Transfers to Eligible CIP Projects	\$ (13,981,768)	(16,673,177)	(18,232,408)	19.2%
Total Net Operating	\$ 105,232,044	110,245,360	114,072,771	4.8%
Debt Service Support	\$ 8,433,435	-	-	-
Capital Program Support	16,559,062	9,425,920	12,077,824	-43.1%
Contribution for Future Capital	5,041,037	3,154,277	1,462,416	-37.4
Total Expenditures	\$ 135,265,578	122,825,557	127,613,011	-9.2%

* In accordance with the current debt model for financing the Blue Line Extension

Storm Water Fund

Summary of Revenues and Expenses

	<u>FY2013 Revised</u>	<u>FY2014 Budget</u>	<u>FY2015 Budget</u>	Percent Change <u>FY2013 FY2014</u>
<u>Operating Revenues</u>				
Impervious Fee- City	\$ 5,525,253	5,676,562	5,676,562	2.7%
Impervious Fee- Other	48,643,015	51,430,170	54,540,895	5.7
Interest on Investments	150,000	-	-	-100.0
Total Revenues	\$ 54,318,268	57,106,732	60,217,457	5.1%
Fund Balance	\$ 1,016,886	1,530,370	2,182,477	50.5%
Total Revenues and Fund Balance	\$ 55,335,154	58,637,102	62,399,934	6.0%
<u>Operating Expenditures</u>				
Operating Budget	\$ 10,729,612	12,553,697	12,790,236	17.0%
Transfer to Storm Water- Capital Project Fund	34,000,000	36,000,000	37,000,000	5.9
Transfer to Storm Water- Debt Service Fund	10,605,542	10,083,405	12,609,698	-4.9
Total Expenditures	\$ 55,335,154	58,637,102	62,399,934	6.0%

Municipal Debt Service Fund

Summary of Revenues and Expenditures

	<u>FY2013 Revised</u>	<u>FY2014 Budget</u>	<u>FY2015 Budget</u>	<u>Percent Change FY2013 FY2014</u>
<u>Revenues</u>				
Property Tax	\$ 56,471,172	83,120,864	85,335,255	47.2%
Property Tax - Synthetic TIG Appreciation	674,806	850,141	930,653	26.0
Register Motor Vehicle Revenue	-	1,674,482	-	100.0
Sales Tax	13,353,644	13,821,022	14,304,757	3.5
Interest on Investments	1,310,000	1,064,000	1,064,000	-18.8
Interest Transferred from Other Funds				
General	288,000	288,000	288,000	-
Contribution from Other Funds				
General Fund - Equip	12,490,984	15,814,279	13,221,015	26.6
General Fund - Public Safety Communications	1,685,888	1,686,788	1,687,288	0.1
Powell Bill Fund	1,145,288	1,566,441	1,194,958	36.8
County Share				
Park and Rec Lease Purchase	692,853	284,122	288,274	-59.0
Proceeds from Lease Purchases	500,000	1,500,000	1,000,000	200.0
Proceeds from Refunding	-	150,000,000	-	100.0
Premium on Sale of Bonds	-	2,550,000	-	100.0
Other	1,007,999	1,035,738	1,066,480	2.8
Total Revenues	\$ 89,620,634	275,255,877	120,380,680	207.1%
<u>Expenditures</u>				
Bonds				
Principal	\$ 26,024,250	34,624,312	35,485,635	33.0%
Interest	24,458,741	26,570,109	24,981,665	8.6
Debt Issue Expense	500,000	4,050,000	1,000,000	710.0
Payment to Refunded Bond Escrow Agent	-	150,000,000	-	100.0
Lease Purchase Agreements				
Principal	19,679,247	22,666,524	19,932,600	15.2
Interest	6,111,912	6,778,048	6,149,979	10.9
Bond Anticipation Note Interest	150,000	355,000	250,000	136.7
Bank Charges and Other	800,000	1,200,000	1,200,000	50.0
Contribution to				
General Fund	101,936	104,160	105,889	2.2
Cultural Facilities Operating Fund	363,440	340,833	339,272	-6.2
Synthetic TIG External Agreements	562,849	225,829	238,937	-59.9
Total Expenditures	\$ 78,752,375	246,914,815	89,683,977	213.5%
Restricted for Future Years	\$ 10,868,259	28,341,062	30,696,703	160.8%

Aviation Debt Service Fund - Consolidated Summary of Revenues and Expenditures

	FY2013 <u>Revised</u>	FY2014 <u>Budget</u>	FY2015 <u>Budget</u>	Percent Change <u>FY2013</u> <u>FY2014</u>
<u>Revenues</u>				
Contribution from Aviation Operating	\$ 53,477,893	60,485,730	71,567,276	13.1%
Contribution from Airlines	7,104,025	7,096,525	7,096,525	-0.1
Contribution from Rental Car Facilities	3,411,959	3,818,584	4,464,832	11.9
Premium from Sale of Debt	-	5,263,716	-	100.0
Interest on Investments	22,000	13,500	31,500	-38.6
Transfer from Capital Project Fund	1,745,000	-	-	-100.0
Total Revenues	\$ 65,760,877	76,678,055	83,160,133	16.6%
<u>Expenditures</u>				
Retirement of Debt	\$ 23,655,000	23,053,125	28,346,461	-2.5%
Interest on Debt	40,958,932	47,244,768	53,550,227	15.3
Cost of Bond Sale	-	5,263,716	-	100.0
Fees and Other Charges	1,102,445	1,094,945	1,249,945	-0.7
Transfers to Operating Fund	44,500	21,500	13,500	-51.7
Total Expenditures	\$ 65,760,877	76,678,055	83,160,133	16.6%

Consolidated Water and Sewer Debt Service Funds

Summary of Revenues and Expenditures

	FY2013 <u>Revised</u>	FY2014 <u>Budget</u>	FY2015 <u>Budget</u>	Percent Change <u>FY2013</u> <u>FY2014</u>
<u>Operating Revenues</u>				
Contribution from W/S Operating Fund	\$ 146,913,566	150,084,135	147,449,719	2.2%
Interest on Investments	350,450	1,400	1,400	-99.6
Proceeds from Sale of Bonds	43,200	-	-	-100.0
Premium from Sale of Bonds	-	47,813	-	100.0
Interest Transferred from other funds				
Water and Sewer Operating	610,000	544,000	544,000	-10.8
CIP and Other	501,500	328,000	328,000	-34.6
Total Revenue	\$ 148,418,716	151,005,348	148,323,119	1.7%
<u>Operating Expenditures</u>				
Bond Retirement	\$ 64,521,590	69,857,400	71,637,661	8.3%
Interest on Bonds	76,801,748	72,610,570	69,318,113	-5.5
Bank Charges	2,868,700	3,518,287	3,730,978	22.6
Equipment Lease - Purchase Principal	3,575,753	4,408,557	2,878,609	23.3
Equipment Lease - Purchase Interest	650,925	610,534	757,758	-6.2
Total Expenditures	\$ 148,418,716	151,005,348	148,323,119	1.7%

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

		FY2013 Revised	FY2014 Budget	FY2015 Budget	Percent Change FY2013 FY2014
<u>Operating Revenues</u>					
Half-Percent Sales Tax*			70,615,000	73,087,000	100.0%
Transfers from Other Funds					
CATS Operating	\$	8,453,435	-	-	-100.0
Debt Proceeds		-	-	1,954,000	-
Federal Formula Grant		4,884,119	4,824,282	2,742,830	-1.2
State Match for Federal Formula		610,524	603,036	342,854	-1.2
Total Revenues	\$	13,948,078	76,042,318	78,126,684	445.2%
<u>Operating Expenditures</u>					
Transfer to Operating Fund *	\$	-	55,051,815	55,434,684	100.0%
Contribution to Revenue Reserve		-	2,514,000	2,602,000	100.0
Debt Retirement		6,350,000	6,375,000	4,340,000	0.4
Interest on Debt		7,492,406	12,017,000	13,707,000	60.4
Cost of Sale of Debt		-	-	1,954,000	100.0
Fees		105,672	84,503	89,000	-20.0
Total Expenditures	\$	13,948,078	76,042,318	78,126,684	445.2%

*In accordance with the current debt model for financing the Blue Line Extension

Storm Water Debt Service Fund

Summary of Revenues and Expenditures

	FY2013 <u>Revised</u>	FY2014 <u>Budget</u>	FY2015 <u>Budget</u>	Percent Change FY2013 FY2014
<u>Revenues</u>				
Contribution from Storm Water Operating	\$ 10,605,542	10,083,405	12,609,698	-4.9%
Premium on Sale of Debt	-	-	2,000,000	
Proceeds from Sale of Bonds	-	-	5,000,000	
Interest on Investments	-	-	17,500	
Total Revenues	\$ 10,605,542	10,083,405	19,627,198	-4.9%
<u>Expenditures</u>				
Bond Retirement	\$ 4,604,160	4,659,942	5,930,235	1.2%
Interest on Bonds	5,971,382	5,393,463	6,666,963	-9.7
Cost of Bond Sale	-	-	2,000,000	
Refunding Bond Escrow Agent	-	-	5,000,000	
Fees	30,000	30,000	30,000	-
Total Expenditures	\$ 10,605,542	10,083,405	19,627,198	-4.9%

Convention Center Debt Service Fund Summary of Revenues and Expenditures

	FY2013 <u>Revised</u>	FY2014 <u>Budget</u>	FY2015 <u>Budget</u>	Percent Change FY2013 FY2014
<u>Revenues</u>				
Contribution from Convention Center Tax Fund	\$ 15,910,344	15,897,294	15,916,294	-0.1%
Total Revenues	\$ 15,910,344	15,897,294	15,916,294	-0.1%
<u>Expenditures</u>				
Bond Retirement	\$ 8,825,000	9,255,000	9,745,000	4.9%
Interest on Bonds	6,945,344	6,502,294	6,006,294	-6.4
Fees	140,000	140,000	165,000	-
Total Expenditures	\$ 15,910,344	15,897,294	15,916,294	-0.1%

Hall of Fame Debt Service Fund Summary of Revenues and Expenditures

		<u>FY2013 Revised</u>	<u>FY2014 Budget</u>	<u>FY2015 Budget</u>	Percent Change <u>FY2013 FY2014</u>
<u>Revenues</u>					
Hall of Fame Tax Fund	\$	9,524,346	9,567,797	9,659,659	0.5%
Total Revenues	\$	9,524,346	9,567,797	9,659,659	0.5%
<u>Expenditures</u>					
Debt Retirement	\$	2,255,000	2,380,000	2,510,000	5.5%
Interest on Debt		6,493,663	6,412,114	6,299,659	-1.3
Bank Charges and Other		775,683	775,683	850,000	-
Total Expenditures	\$	9,524,346	9,567,797	9,659,659	0.5%

Cultural Facilities Debt Service Fund Summary of Revenues and Expenditures

		FY2013 <u>Revised</u>	FY2014 <u>Budget</u>	FY2015 <u>Budget</u>	Percent Change FY2013 FY2014
<u>Revenues</u>					
Tourism Operating Fund	\$	9,190,563	9,192,963	9,190,963	- %
Total Revenues	\$	9,190,563	9,192,963	9,190,963	- %
<u>Expenditures</u>					
Debt Retirement	\$	2,690,000	2,800,000	2,910,000	4.1%
Interest on Debt		6,480,563	6,372,963	6,260,963	-1.7
Bank Charges and Other		20,000	20,000	20,000	-
Total Expenditures	\$	9,190,563	9,192,963	9,190,963	- %

Tourism Debt Service Fund Summary of Revenues and Expenditures

	<u>FY2013</u> <u>Revised</u>	<u>FY2014</u> <u>Budget</u>	<u>FY2015</u> <u>Budget</u>	Percent Change <u>FY2013</u> <u>FY2014</u>
<u>Revenues</u>				
Contribution from Other Funds				
Tourism Operating Fund	\$ 12,239,184	12,993,115	13,569,581	6.2%
Contribution from CRVA	1,233,821	1,209,893	595,966	-1.9
Interest on Investments	60,000	48,000	48,000	-20.0
Total Revenues	\$ 13,533,005	14,251,008	14,213,547	5.3%
<u>Expenditures</u>				
Debt Retirement	\$ 5,570,000	5,750,000	5,975,000	3.2%
Interest on Debt	7,490,017	7,275,383	7,022,956	-2.9
Bank Charges and Other	472,988	1,225,625	1,215,591	159.1
Total Expenditures	\$ 13,533,005	14,251,008	14,213,547	5.3%

Powell Bill Fund

Summary of Revenues and Expenditures

	<u>FY2013</u> <u>Revised</u>	<u>FY2014</u> <u>Budget</u>	<u>FY2015</u> <u>Budget</u>	Percent Change <u>FY2013</u> <u>FY2014</u>
<u>Revenues</u>				
State Gas Tax Refund	\$ 18,754,590	19,615,727	19,615,727	4.6%
Transfer from General Fund	4,261,000	4,261,000	4,261,000	-
Interest on Investments	80,000	80,000	80,000	-
Street Degradation Fee	650,000	650,000	650,000	-
Total Revenues	\$ 23,745,590	24,606,727	24,606,727	3.6%
Fund Balance	\$ 1,262,080	1,554,291	422,808	23.2%
Total Revenues and Fund Balance	\$ 25,007,670	26,161,018	25,029,535	4.6%
<u>Expenditures</u>				
Contracted Resurfacing	\$ 10,232,679	10,318,814	10,318,814	0.8%
Repairs by City Forces	9,250,719	9,739,887	9,389,887	5.3
Equipment Rent/Purchase	1,145,739	1,151,957	1,151,957	0.5
Street Drainage Maintenance	160,000	160,860	160,860	0.5
Traffic Control Improvements	623,786	623,786	623,786	-
Snow Removal	150,000	150,000	150,000	-
Physical Inventory of Streets	12,000	12,000	12,000	-
Pavement Management System	50,000	150,000	140,000	200.0
Wheel Chair Ramps	150,000	150,000	150,000	-
Annexation	950,186	1,000,000	600,000	5.2
Storm Water Program Fees	1,137,273	1,137,273	1,137,273	-
Lease Purchase Contribution	1,145,288	1,566,441	1,194,958	36.8
Total Expenditures	\$ 25,007,670	26,161,018	25,029,535	4.6%

Convention Center Tax Fund Summary of Revenues and Expenditures

	FY2013 <u>Revised</u>	FY2014 <u>Budget</u>	FY2015 <u>Budget</u>	Percent Change FY2013 FY2014
<u>Revenues</u>				
Taxes				
Occupancy	\$ 13,711,719	14,395,974	14,827,853	5.0%
Prepared Food	23,097,881	23,759,499	24,591,082	2.9
Total Taxes	\$ 36,809,600	38,155,473	39,418,935	3.7%
Interest on Investments	230,000	192,000	192,000	-16.5%
Total Revenues	\$ 37,039,600	38,347,473	39,610,935	3.5%
<u>Expenditures</u>				
Promotion and Marketing	\$ 5,411,011	5,723,321	5,912,840	5.8%
Business Development	1,845,000	1,900,155	1,957,160	3.0
Administration	75,000	75,000	75,000	-
Contributions for Convention Center:				
Operating Allocation	6,603,421	6,400,000	6,592,000	-3.1
General Tourism Subsidy	2,786,075	2,824,592	2,923,452	1.4
Bank of America Stadium Maintenance Contribution	-	1,000,000	1,000,000	100.0
Transfer to Other Funds:				
Convention Center Debt Service	15,910,344	15,897,294	15,916,294	-0.1
General Fund-Stadium Traffic Control	-	250,000	250,000	100.0
Total Expenditures	\$ 32,630,851	34,070,362	34,626,746	4.4%
Reserved for Future Years	\$ 4,408,749	4,277,111	4,984,189	-3.0%

Hall of Fame Tax Fund Summary of Revenues and Expenditures

	<u>FY2013</u> <u>Revised</u>	<u>FY2014</u> <u>Budget</u>	<u>FY2015</u> <u>Budget</u>	Percent Change <u>FY2013</u> <u>FY2014</u>
<u>Revenues</u>				
Occupancy Tax	\$ 9,151,682	9,619,580	9,908,167	5.1%
Interest on Investments	140,000	104,000	104,000	-25.7
Total Revenues	\$ 9,291,682	9,723,580	10,012,167	4.6%
Fund Balance	\$ 754,664	2,844,217	2,647,492	276.9%
Total Revenues and Fund Balance	\$ 10,046,346	12,567,797	12,659,659	25.1%
<u>Expenditures</u>				
Transfer to Debt Service	\$ 9,524,346	9,567,797	9,659,659	0.5%
Contributions:				
Maintenance & Repair Allocation	522,000	1,000,000	1,000,000	91.6
Maintenance & Repair Reserve Deposit ¹	-	2,000,000	2,000,000	100.0
Total Expenditures	\$ 10,046,346	12,567,797	12,659,659	25.1%

¹ Increase for Maintenance & Repair Reserve based on previous agreement with NASCAR

Public Safety and Other Grants Fund

Summary of Revenues and Expenditures

		FY2013 <u>Revised</u>	FY2014 <u>Budget</u>	FY2015 <u>Budget</u>	Percent Change FY2013 <u>FY2014</u>
<u>Revenues</u>					
Federal Grants	\$ 5,551,106		3,974,839	3,995,982	-28.4%
State Grants	792,160		689,500	689,500	-13.0
Contributions	567,672		500,000	500,000	-11.9
Assets Forfeiture	136,050		137,877	137,877	1.3
MUMPO	98,956		98,956	98,956	-
Contribution from General Fund	396,044		396,014	374,871	-
Total Revenues	\$ 7,541,988		5,797,186	5,797,186	-23.1%
<u>Expenditures</u>					
Police					
Assets Forfeiture Attorney	\$ 136,050		137,877	137,877	1.3%
Forensics and Analysis	92,273		112,450	112,450	21.9
Police Equipment and Overtime	241,475		150,000	150,000	-37.9
Fire					
Emergency Management	170,000		142,500	142,500	-16.2
Homeland Security	168,500		80,000	80,000	-52.5
Medical Response	301,550		337,608	337,608	12.0
Urban Area Security Initiative	3,826,822		2,272,751	2,272,751	-40.6
CDOT					
Unified Planning Work Program	1,450,318		1,500,000	1,500,000	3.4
Transportation Planning Assistance	405,000		450,000	450,000	11.1
MUMPO	250,000		250,000	250,000	-
Miscellaneous from Donations	500,000		150,000	150,000	-70.0
Community Relations					
Fair Housing	-		102,000	102,000	100.0
Dispute Settlement	-		100,000	100,000	100.0
Private Contributions	-		12,000	12,000	100.0
Total Expenditures	\$ 7,541,988		5,797,186	5,797,186	-23.1%

Public Safety 911 Services Fund

Summary of Revenues and Expenditures

					Percent Change
	FY2013 <u>Revised</u>	FY2014 <u>Budget</u>	FY2015 <u>Budget</u>	FY2013 <u>FY2013</u>	FY2014
<u>Operating Revenues</u>					
NC 911 Fund Distributions	\$ 2,524,058	3,263,643	2,524,058	29.3%	
Interest on Investments	95,000	95,000	95,000	-	
Total Revenues	\$ 2,619,058	3,358,643	2,619,058	28.2%	
 <u>Operating Expenditures</u>					
Consolidated 911 Services	\$ 2,524,058	3,263,643	2,524,058	29.3%	
Reserved for Future Projects	95,000	95,000	95,000	-	
Total Expenditures	\$ 2,619,058	3,358,643	2,619,058	28.2%	

Neighborhood & Business Services - Consolidated Grant Funds

Summary of Revenues and Expenditures

		FY2013 Revised	FY2014 Budget	FY2015 Budget	Percent Change FY2013 FY2014
<u>Operating Revenues</u>					
Federal Grants:					
Workforce Investment Act (WIA) Adult	\$ 1,744,460	1,744,460	1,744,460	1,744,460	- %
WIA Administration	630,786	630,786	630,786	630,786	-
WIA Youth	1,917,975	1,917,975	1,917,975	1,917,975	-
WIA Dislocated Worker	1,710,073	1,710,073	1,710,073	1,710,073	-
Housing Opportunities for People with AIDS (HOPWA) Program	830,903	873,634	873,634	873,634	5.1
Emergency Shelter Program	495,819	322,208	322,208	322,208	-35.0
Lead Based Paint Grant	2,299,414	-	-	-	-100.0
Healthy Homes	180,000	-	-	-	-100.0
One NC Grant	2,503,114	-	-	-	-100.0
Double Oaks Loan Repayment	657,068	671,098	671,098	671,098	2.1
Duke Energy Help Grant	19,805	-	-	-	-100.0
Total Federal Grants	\$ 12,989,417	7,870,234	7,870,234	7,870,234	-39.4%
Total Operating Revenues	\$ 12,989,417	7,870,234	7,870,234	7,870,234	-39.4%
<u>Capital Revenues (Federal Grants)</u>					
Community Development Block Grant (CDBG)	\$ 4,416,652	4,865,370	4,865,370	4,865,370	10.2%
Housing Grant (HOME)	2,031,879	2,055,548	2,055,548	2,055,548	1.2
Total Federal Capital Grants	\$ 6,448,531	6,920,918	6,920,918	6,920,918	7.3%
Total Operating and Capital Grant Revenues	\$ 19,437,948	14,791,152	14,791,152	14,791,152	-23.9%
<u>Operating Expenditures</u>					
Dislocated Worker Contract	\$ 1,710,073	1,710,073	1,710,073	1,710,073	- %
Education & Training Courses	1,744,460	1,744,460	1,744,460	1,744,460	-
Summer & Year Round Youth Program	1,917,975	1,917,975	1,917,975	1,917,975	-
Contribution to Workforce Development Board & Subgrantee Administration	630,786	630,786	630,786	630,786	-
Housing Opportunities for People with AIDS (HOPWA) Program	830,903	873,634	873,634	873,634	5.1
Emergency Shelter Program	495,819	322,208	322,208	322,208	-35.0
Healthy Homes Grant	180,000	-	-	-	-100.0
Lead Based Paint Grant	2,299,414	-	-	-	-100.0
One NC Grant	2,503,114	-	-	-	-100.0
Double Oaks Loan Repayment	657,068	671,098	671,098	671,098	2.1
Duke Energy Help Grant	19,805	-	-	-	-100.0
Total Operating Expenditures	\$ 12,989,417	7,870,234	7,870,234	7,870,234	-39.4%
<u>Capital Expenditures</u>					
Community Development and Housing Programs	6,448,531	6,920,918	6,920,918	6,920,918	7.3%
Total Capital Expenditures	\$ 6,448,531	6,920,918	6,920,918	6,920,918	7.3%
Total Operating and Capital Grant Expenditures	\$ 19,437,948	14,791,152	14,791,152	14,791,152	-23.9%

Consolidated Municipal Service Districts

Summary of Revenues and Expenditures

	FY2013 <u>Revised</u>	FY2014 <u>Budget</u>	FY2015 <u>Budget</u>	Percent Change <u>FY2013</u> <u>FY2014</u>
<u>Operating Revenues</u>				
Property Taxes	\$ 4,453,204	4,672,505	4,725,840	4.9%
Total Revenues	\$ 4,453,204	4,672,505	4,725,840	4.9%
<u>Operating Expenditures</u>				
Contractual Services	\$ 4,427,869	4,646,410	4,698,962	4.9%
City Services	25,335	26,095	26,878	3.0
Total Expenditures	\$ 4,453,204	4,672,505	4,725,840	4.9%

Risk Management Fund

Summary of Revenues and Expenditures

	FY2013 <u>Revised</u>	FY2014 <u>Budget</u>	FY2015 <u>Budget</u>	Percent Change <u>FY2013</u> <u>FY2014</u>
<u>Revenues</u>				
City of Charlotte - General Fund \$	959,421	977,246	1,022,617	1.9%
City of Charlotte - Other Funds	734,458	769,792	806,824	4.8
Mecklenburg County	749,504	772,538	807,010	3.1
Board of Education	524,924	542,751	570,328	3.4
Other Agencies	40,700	38,075	38,075	-6.4
Total Revenues	\$ 3,009,007	3,100,402	3,244,854	3.0%
<u>Expenditures</u>				
Operating Budget	\$ 3,009,007	3,100,402	3,244,854	3.0%
Total Expenditures	\$ 3,009,007	3,100,402	3,244,854	3.0%

Tourism Operating Fund* Summary of Revenues and Expenditures

		<u>FY2013 Revised</u>	<u>FY2014 Budget</u>	<u>FY2015 Budget</u>	Percent Change <u>FY2013 FY2014</u>
<u>Revenues</u>					
Occupancy Tax	\$	6,121,161	6,341,562	6,531,808	3.6%
Rental Car Tax		2,691,765	2,765,048	2,820,349	2.7
Interest on Investments		210,000	152,000	152,000	-27.6
Interest on Investments		140,000	128,000	128,000	-8.6
Contribution from Bobcats		335,024	351,775	369,364	5.0
Transfers from General Capital PAYGO		7,019,606	7,159,999	7,303,199	2.0
Transfers for Synthetic TIF Agreements from:					
General Fund		1,246,160	1,268,871	1,270,103	1.8
Municipal Debt Service		363,440	340,833	339,272	-6.2
PAYGO		45,389	42,296	42,626	-6.8
Contribution from Mecklenburg County		2,948,040	2,948,040	2,948,040	-
Total Revenues	\$	21,120,585	21,498,424	21,904,761	1.8%
Fund Balance	\$	1,379,210	1,791,204	2,626,599	29.9%
Total Revenues and Fund Balance	\$	22,499,795	23,289,628	24,531,360	3.5%
<u>Expenditures</u>					
Contractual Services:					
Baseball Stadium Allocation	\$	-	-	632,088	%
Contributions:					
Arena Maintenance Reserve		670,048	703,550	738,728	5.0
Ovens/Bojangles Maintenance		400,000	400,000	400,000	-
Tourism Debt Service Fund		12,239,184	12,993,115	13,569,581	6.2
Cultural Facilities Debt Service Fund		9,190,563	9,192,963	9,190,963	-
Total Expenditures	\$	22,499,795	23,289,628	24,531,360	3.5%

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

FY2014-2018 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 February 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.

For the FY2014-2018 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

CIP FUNDING

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 \$551.0 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.

The FY2014-2018 CIP is supported by a 3.17¢ property tax increase from 43.7¢ to 46.87¢ dedicated to General CIP projects that invest in our community. The property tax increase will fund four General Obligation bond referenda scheduled for November of 2014, 2016, 2018, and 2020. The FY2014-2018 five-year CIP will be supported by two of these four bond referenda in 2014 and 2016. The third and fourth bond referenda in 2018 and 2020 will be reflected in future five-year CIPs beginning in FY2015.

HIGHLIGHTS OF THE FY2014-2018 CIP

The FY2014-2018 CIP totals \$3.4 billion, a 2.7% increase over the current capital program. The first year of the five-year CIP in FY2014 is \$779.3 million, a 35.0% increase over the first year of the prior year's CIP of \$577.5 million, due mostly to growth in the CATS and Aviation Enterprise capital programs. The second year of the five-year General Government CIP in FY2015 is \$220.0 million, a 183.5 million increase over the FY2014 General Government CIP of \$75.2 million. The FY2015 increase reflects new funding scheduled for the 2014 bond referendum for the capital projects that 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 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 \$663.2 million, and is funded by \$502.8 million in bonds and COPS of which \$9.0 million is authorized and \$493.8 million is included for authorization through bond referenda in 2014 and 2016; \$117.3 million in Pay-As-You-Go (PAYGO) funding, \$34.6 million in housing grants, and \$8.5 million in other funding.
- ◆ Storm Water totals \$213.2 million, an 18.2% decrease, and is funded by \$206.5 million in cash and \$6.7 million in revenue bonds. The program is self-funded through user fees charged to property owners according to areas of impervious surface.

FY2014-2018 Capital Investment Plan

HIGHLIGHTS OF THE FY2014-2018 CIP (cont.)

- ◆ Charlotte Area Transit System totals \$1.1 billion, a 9.9% decrease, and is funded by federal and state grants and the one half-cent sales tax for transit.
- ◆ Water and Sewer totals \$461.6 million, a 25.9% decrease, and is funded by \$391.7 million in cash and \$70.0 million in revenue bonds.
- ◆ Aviation totals \$966.8 million, a 7.2% decrease, and is funded by \$624.0 million in revenue bonds, \$156.3 million in Federal Aviation Administration grants, \$40.5 million in Transportation Security Administration funding, and \$146.1 million in cash.

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 FY2014 is 9.67¢, an increase of 3.17¢ reflecting the dedication of the 3.17¢ property tax rate increase to the debt service fund.
- ◆ PAYGO: The property tax rate dedicated to the PAYGO Fund in FY2014 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 \$663.2 million. Funding highlights of the program are as follows:

Housing and Neighborhoods (\$197.7 million)

- ◆ \$60.0 million for Comprehensive Neighborhood Improvement Program
- ◆ \$65.6 million for Grant and PAYGO-funded housing programs
- ◆ \$31.5 million for the PAYGO and bond-funded Affordable Housing Program
- ◆ \$30.0 million for sidewalks and pedestrian safety
- ◆ \$9.0 million for traditional Neighborhood Improvement Program funded with prior 2010 bonds
- ◆ \$1.6 million for PAYGO-funded Neighborhood Matching Grants

Transportation (\$205.5 million)

- ◆ \$77.2 million for transportation-related investments in the corridors
- ◆ \$52.0 million for Northeast Corridor Infrastructure (NECI)
- ◆ \$35.0 million for the 26-Mile Cross Charlotte Multi-Use Trail
- ◆ \$24.0 million traffic control, and road and bridge infrastructure

Economic Development (\$94.0 million)

- ◆ \$57.3 million for Economic development-related investments in the corridors
- ◆ \$25.0 million for Bojangles/Ovens Area Redevelopment
- ◆ \$10.0 million for Business Corridor Revitalization Strategy
- ◆ \$1.7 million for the Business Grant Program and Synthetic Tax Increment Financing

Environment (\$16.5 million)

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

FY2014-2018 Capital Investment Plan

Facility Investments (\$149.5 million)

- ◆ \$68.0 million for the Joint Communications Center
- ◆ \$36.2 million for building and roof maintenance and renovation
- ◆ \$29.2 million for three new Police Division Stations
- ◆ \$10.0 million for technology investments
- ◆ \$4.0 million for Future Fire Station Land Acquisition
- ◆ \$2.1 million for one Vehicle Maintenance Facility

Storm Water (\$213.2 million)

This program funds repairs to private properties with flooding problems and improvements in the public right-of-way drainage system. The program totals \$213.2 million and is fully financed through storm water fees.

Major projects include:

- ◆ \$112.9 million for flood control projects in neighborhood water basins
- ◆ \$70.7 million for storm water repairs to existing drains and stream restoration
- ◆ \$11.4 million for minor storm water projects
- ◆ \$10.7 million for pollution control projects

Charlotte Area Transit System (CATS) (\$1.1 billion)

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 \$1.1 billion and is fully financed through the one half-cent sales tax and federal and state capital grants.

Major projects include:

- ◆ \$907.8 million for the LYNX Blue Line Extension (NE Corridor Light Rail)
- ◆ \$76.8 million for bus and special transportation vehicle replacement
- ◆ \$22.3 million for LRT facilities, maintenance, and equipment
- ◆ \$22.2 million for preventative maintenance

Water and Sewer (\$461.7 million)

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 \$461.7 million and is fully financed from water and sewer fees. Major projects include:

- ◆ \$187.8 million to maintain and extend existing infrastructure
- ◆ \$165.3 million to support growth and development
- ◆ \$85.8 million to support other public projects and Utilities operations

Aviation (\$966.8 million)

This program includes funding for maintenance and expansions to the airfield, terminal, cargo, and parking areas. The program totals \$966.8 million and is fully funded from airline, cargo, and general aviation revenues, commercial leases, and federal grants. Major projects include:

- ◆ \$175.0 million for the International Terminal (Phase I)
- ◆ \$125.0 million for terminal lobby expansion
- ◆ \$92.3 million for the Fourth Parallel Runway
- ◆ \$67.0 million for Concourse B Expansion
- ◆ \$47.5 million for the Business Valet Parking Deck II
- ◆ \$45.0 million for an In-line Baggage System
- ◆ \$45.0 million for the Air Traffic Control Tower

FY2014-2018 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

FY2014-2018 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 FY2014-2018 Capital Investment Plan was 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

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 begins in August with a review of the Capital Investment Plan process.
- ◆ In January, City Departments complete and submit CIP requests for the upcoming five-year CIP.
- ◆ Between August and March, internal collaborative meetings are held to develop capital program recommendations.
- ◆ In March and April, the draft five-year CIP is presented to City Council for review and discussion.

FY2014-2018 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:
 - PAYGO
 - 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 PAYGO 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 PAYGO 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.

FY2014-2018 Capital Investment Plan

CAPITAL FINANCING: BONDS AND PAYGO

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 \$9.0 million in previously authorized 2010 Neighborhood Improvement Bonds for traditional Neighborhood Improvement Projects (NIP), all programmed in FY2014.

New General Government Municipal Debt Status

- \$365.5 million in new debt-financing for the 2014 and 2016 bond referenda, including:
 - \$134.5 million for transportation and economic development-related projects in the corridors
 - \$60.0 million for the Comprehensive Neighborhood Improvement Program (CNIP)
 - \$52.0 million for Northeast Corridor Infrastructure (NECI)
 - \$35.0 million for the 26-Mile Cross Charlotte Multi-Use Trail
 - \$30.0 million for the Sidewalk and Pedestrian Safety program
 - \$30.0 million for the Affordable Housing Program
 - \$24.0 million traffic control, and road and bridge infrastructure
- \$128.3 million in new Certificates of Participation debt-financing:
 - \$68.0 million for the Joint Communications Center
 - \$29.2 million for three new Police Division Stations
 - \$25.0 million for Bojangles/Ovens Area Redevelopment
 - \$4.0 million for Future Fire Station Land Acquisition
 - \$2.1 million for Vehicle Maintenance Facilities

FY2014-2018 Capital Investment Plan

FY2014-2018 CIP General Obligation (G.O.) Bonds and Certificates of Participation (COPs) Funding ⁽¹⁾

† G.O. Bonds; * COPs

INVESTING IN CORRIDORS	<u>2014 Bond</u>	<u>2016 Bond</u>	Total FY14-FY18	<u>2018 Bond</u>	<u>2020 Bond</u>
Airport/West Corridor	\$ -	\$ 31.20	\$ 31.20	\$ 13.52	\$ -
† Spine Dixie Berryhill Infrastructure (New Garrison Road)		31.20	31.20		
† Southern Dixie Berryhill Infrastructure (Widen Dixie River Road)			-	13.52	
East/Southeast Corridor	\$ 37.50	\$ 26.58	\$ 64.08	\$ 22.32	\$ 6.16
† Land Acquisition and Street Connections	12.50	12.50	25.00		
† Monroe Road Streetscape		2.08	2.08	8.32	
* Bojangles/Ovens Area Redevelopment	25.00	-	25.00		
† Public/Private Redevelopment Opportunities		10.00	10.00	10.00	
† Idlewild Road/Monroe Road Intersection			-		4.16
† Sidewalk and Bikeway Improvements		2.00	2.00	4.00	2.00
Northeast Corridor	\$ 47.20	\$ 43.08	\$ 90.28	\$ 48.54	\$ 27.30
† Research Drive - J.W. Clay Connector over I-85 (North Bridge #1)	3.00		3.00	12.48	
† University Pointe Connection - IBM Drive to Ikea Blvd (South Bridge #2)	15.08		15.08		
† Northeast Corridor Infrastructure (NECI)	16.64	35.36	52.00	27.30	27.30
† Applied Innovation Corridor	12.48	7.72	20.20	8.76	
INCREASING CONNECTIONS					
Road/Infrastructure Projects	\$ 17.26	\$ 8.63	\$ 25.90	\$ -	\$ -
† Prosperity Church Road NW Arc	5.20		5.20		
† Eastern Circumferential/Railroad Bridge	12.06		12.06		
† Park South Drive Extension		8.63	8.63		
† 26-Mile Cross Charlotte Multi-Use Trail		\$ 35.00	\$ 35.00		
† Sidewalks and Pedestrian Safety	\$ 15.00	\$ 15.00	\$ 30.00	\$ 15.00	\$ 15.00
Traffic Control and Bridges	\$ 14.00	\$ 10.00	\$ 24.00	\$ 10.00	\$ 14.00
† Upgrade Traffic Signal System Coordination	3.00	3.00	6.00	3.00	6.00
† Upgrade Traffic Control devices	7.00	4.00	11.00	4.00	4.00
† Repair and Replace Bridges	4.00	3.00	7.00	3.00	4.00
IMPROVING COMMUNITIES					
Public Safety Facilities	\$ 78.50	\$ 22.75	\$ 101.25	\$ 21.90	\$ 9.75
* Joint Communications Center	68.00		68.00		
* 6 Police Division Stations	10.50	18.75	29.25	21.90	9.75
* Land Purchase for Future Fire Stations		\$ 4.00	4.00		
Maintenance Facilities/Customer Service	\$ -	\$ 2.08	\$ 2.08	\$ 9.62	\$ 19.50
* Sweden Road Maintenance Yard Replacement			-	3.12	19.50
* Northeast Equipment Maintenance Facility		2.08	2.08	6.50	
† Affordable Housing	\$ 15.00	\$ 15.00	\$ 30.00	\$ 15.00	\$ 15.00
† Comprehensive Neighborhood Improvement Program	\$ 20.00	\$ 40.00	\$ 60.00	\$ 40.00	\$ 20.00
Total Estimated Cost	\$ 244.46	\$ 249.32	\$ 493.79	\$ 195.90	\$ 126.71
† G.O. Bonds	\$ 140.96	\$ 224.49	\$ 365.46	\$ 164.38	\$ 97.46
* COPs	\$ 103.50	\$ 24.83	\$ 128.33	\$ 31.52	\$ 29.25

Notes

(1)

Four referenda will be scheduled for November of 2014, 2016, 2018, and 2020. The approved FY2014-2018 five-year CIP will be supported by two of these four bond referenda in 2014 and 2016. The third and fourth bond referendum in 2018 and 2020 will be reflected in future five-year CIPs beginning in FY2015.

FY2014-2018 Capital Investment Plan

Pay-As-You-Go and Current Revenues

The PAYGO fund 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 \$50.7 million in FY2014 revenues, a \$4.2 million increase, or 8.9%, over the FY2013 CIP.

Below is a summary of the major FY2014 PAYGO revenues:

- \$27.3 million from Auto and Sales Taxes
- \$10.6 million from PAYGO Property Tax
- \$9.5 million from Vehicle Rental Tax
- \$2.2 million from General Capital fund balance

The PAYGO Fund property tax rate for FY2014 is 1.20¢, no change from FY2013.

Major projects funded by PAYGO in FY2014:

- \$19.0 million for the City's Maintenance of Effort (MOE) contribution to Transit
- \$9.5 million for cultural facilities, county and towns' portion of the vehicle rental tax, and road planning, design, and right-of-way
- \$6.9 million for building, roof, and parking facility maintenance
- \$4.5 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 Technology Investments

The next page provides detailed information on PAYGO program revenues and expenditures.

FY2014-2018 Capital Investment Plan

PAY-AS-YOU-GO SCHEDULE

<u>PROJECT TITLE</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>TOTAL</u>
Pay-As-You-Go Revenues						
Property Tax	\$ 10,363,717	10,679,485	10,839,677	11,002,273	11,167,307	54,052,459
Register Motor Vehicle Revenue	207,730					207,730
Property Tax - Synthetic TIG	105,498	116,926	262,492	334,106	428,183	1,247,206
PAYGO Fund - Interest Income	344,000	344,000	430,000	602,000	903,000	2,623,000
Sales Tax	13,821,022	14,304,757	14,805,424	15,323,614	15,859,940	74,114,756
Auto Tax	13,511,225	13,916,562	14,334,059	14,764,080	15,207,003	71,732,928
Vehicle Rental Tax (a)	9,521,270	9,711,696	9,905,929	10,104,048	10,306,129	49,549,072
Capital Fund Balance	2,240,472	2,104,872	295,099			4,640,442
Grant Program Income (c)	600,000	600,000	600,000	600,000	600,000	3,000,000
Sale of Land (Central Yard)			1,099,736	714,950		1,814,686
TOTAL REVENUES	\$ 50,714,934	51,778,297	52,572,416	53,445,070	54,471,562	262,982,280
EXPENDITURES						
Contribution to MTC (MOE) (b)	\$ 18,952,000	19,520,560	20,106,177	20,709,362	21,330,643	100,618,742
Contribution to Cultural	7,159,999	7,303,199	7,449,262	7,598,248	7,750,213	37,260,920
County/Towns Share	571,272	582,697	594,351	606,238	618,363	2,972,922
Road Planning/Design/ROW	1,790,000	1,825,800	1,862,316	1,899,562	1,937,553	9,315,230
Synthetic TIG Projects	70,320	72,645	134,791	205,611	283,429	766,796
Neighborhood Grants	325,000	325,000	325,000	325,000	325,000	1,625,000
Innovative Housing (c)	4,479,290	4,479,290	4,479,290	4,479,290	4,479,290	22,396,450
HOME Grant Match (c)	913,887	913,887	913,887	913,887	913,887	4,569,435
In Rem Remedy - Residential	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	2,750,000
Streetcar Starter Project Operations		750,000	1,500,000	1,500,000	1,500,000	5,250,000
Business Corridor Revitalization	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	6,000,000
Tree Trimming and 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
Building Maintenance	3,703,167	3,655,220	3,657,342	3,657,872	3,783,184	18,456,785
Roof Replacement Program	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000
Parking Lot/Deck Repairs	300,000	300,000	300,000	300,000	300,000	1,500,000
CMGC and Plaza Maintenance	700,000	700,000	700,000	700,000	700,000	3,500,000
Fire Station Renovations	400,000	400,000	400,000	400,000	400,000	2,000,000
Landscape and Median 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	2,000,000	10,000,000
Solid Waste Admin Bldg HVAC Replacement	1,200,000					1,200,000
Blumenthal Seat Replacement		800,000				800,000
TOTAL EXPENDITURES	\$ 50,714,934	51,778,297	52,572,416	53,445,070	54,471,562	262,982,280

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

(b) Maintenance of Effort (MOE)

(c) Includes annual program income (Innovative = \$200,000; HOME = \$400,000)

FY2014-2018 Capital Investment Plan

PUBLIC ART SCHEDULE

FY2014-2018 General Art Allocations	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
Neighborhood Improvements - Streetscape	\$ 9,000					9,000
Comprehensive Neighborhood Improvements		100,000		200,000		300,000
Northeast Corridor Infrastructure (NECI) University Pointe Connection-IBM Drive to Ikea		99,840		212,160		312,000
26-Mile Cross Charlotte Multi-Use Trail		15,080		-		15,080
Sidewalks and Pedestrian Safety		18,750	18,750	18,750	18,750	75,000
Joint Communications Center	140,000	320,000				460,000
South Division Police Station				56,250		56,250
Park South Division Police Station				56,250		56,250
Westover Division Police Station	63,000					63,000
Northeast Equipment Maintenance Facility				11,440		11,440
TOTAL	\$ 212,000	553,670	18,750	642,350	18,750	1,445,520

REVENUES

2010 Neighborhood Improvement Bonds	\$ 9,000					9,000
Neighborhood Improvement Bonds		100,000		200,000		300,000
Street Bonds		133,670	18,750	318,410	18,750	489,580
Certificates of Participation	203,000	320,000		123,940		646,940
TOTAL	\$ 212,000	553,670	18,750	642,350	18,750	1,445,520

FY2014-2018 Capital Investment Plan

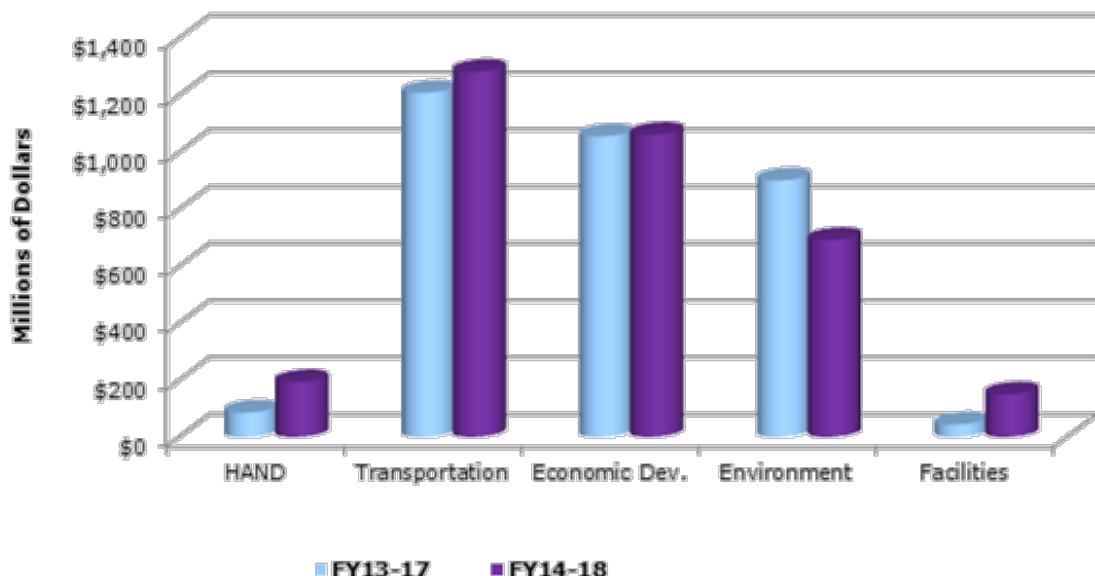
CAPITAL INVESTMENT PLAN (CIP) OVERVIEW

The next few pages provide a comparison of the FY2013-2017 CIP to the FY2014-2018 CIP and a summary for each program area.

The FY2014-2018 Capital Investment Plan totals \$3.4 billion, an \$88.8 million, 2.7% increase over the FY2013-2017 capital program. This increase is supported by a property tax increase dedicated to General CIP projects that invest in our community. The growth in the overall five-year CIP is due mostly to growth in the General Government CIP for new capital projects.

- ◆ **Housing and Neighborhood Development:** funding is increasing by \$111.9 million to support improving communities through the Affordable Housing Program, the Sidewalk and Pedestrian Safety Program, and the new Comprehensive Neighborhood Improvement Program.
- ◆ **Transportation:** funding for General Government capital projects is increasing \$191.8 million to support new investments in Corridors and increased transportation connections. Funding for Charlotte Area Transit Service capital projects is decreasing \$117.8 million, or 9.9%.
- ◆ **Economic Development:** funding for General Government capital projects is increasing \$80.9 million to support new investments in Corridors. Funding for the Aviation capital program is decreasing \$75.1 million, or 7.2%.
- ◆ **Environment:** funding for General Government capital projects for the Environmental Services and Tree Removal and Replacement Programs will remain unchanged from the FY2013-2017 CIP. Funding for the Storm Water capital program is decreasing \$47.5 million, or 18.2%, and funding for the Water and Sewer capital program is decreasing \$161.3 million, or 25.9%.
- ◆ **Facility Investments:** the Facility Investments five-year Program is increasing \$105.9 million to support additional public safety and maintenance facilities.

CIP Funding Levels



FY2014-2018 Capital Investment Plan

NEW GENERAL GOVERNMENT CAPITAL PROJECTS

This section provides a description of programs and projects that are new to the FY2014-2018 Capital Investment Plan.

With a focus on a more holistic approach to infrastructure investment that leverages public and private investments, sustains our assets and addresses a broader array of community needs, the City is pursuing new General Government capital projects that approach the City's infrastructure needs with a long-term, sustainable emphasis on: 1) investing in corridors, 2) increasing connections, and 3) improving communities.

INVESTING IN CORRIDORS

To promote economic development, expansion and job creation

Airport/West Corridor (\$31.2 million)

- ◆ \$31.2 million to extend Garrison Road to support economic development and leverage the Airport Intermodal Facility for development that provides quality jobs for the City. This infrastructure investment will facilitate economic development as recommended in the Dixie-Berryhill Area Plan and the Westside Strategic Plan. (An additional \$13.5 million to widen Dixie River Road will be reflected in the FY2015-2019 CIP supported by the 2018 Bond Referendum.)

East/Southeast Corridor (\$64.1 million)

- ◆ \$39.1 million for new street connections, streetscapes, sidewalk and bikeway improvements, land acquisitions, and public/private redevelopment. These investments will implement the Independence Boulevard Area Plan and will focus on streetscape improvements along Monroe Road, development of key catalyst sites, and connections to neighborhood services for pedestrians, bicyclists, motorists, and transit users. (An additional \$28.5 million for public/private redevelopment, Monroe Road Streetscape, Idlewild Road/Monroe Road Intersection Improvements and additional sidewalk and bikeway improvements will be reflected in future five-year CIPs supported by the 2018 and 2020 Bond Referenda.)
- ◆ \$25.0 million for the redevelopment of the Bojangles/Ovens Area. Using existing City assets and public/private partnerships, the Bojangles/Ovens Area redevelopment will create a destination defining amateur sports complex capable of hosting major events. This project includes the conversion of Bojangles Coliseum to a multi-court, multi-purpose venue, the acquisition and redevelopment of adjacent hospitality parcels, improvements to area streets, and the potential redevelopment of parcels on the north side of Independence Boulevard

Northeast Corridor (\$90.3 million)

- ◆ \$52.0 million for Northeast Corridor Infrastructure (NECI) connections to improve pedestrian, bicyclist and motorist access to the CATS Blue Line Extension. This investment will help implement station area plans along the Blue Line Extension. (An additional \$54.6 million for the remaining segments of the NECI Program will be reflected in future five-year CIPs supported by the 2018 and 2020 Bond Referenda)
- ◆ \$18.1 million to construct two bridges over I-85 that will connect Research Drive to JW Clay Boulevard and IBM Drive to Ikea Boulevard /University Pointe Boulevard. These investments will help implement several area plans, including the University City and University Research Park Area Plans. (An additional \$12.5 million for the remaining funding for the J.W. Clay Connector will be reflected in the FY2015-2019 CIP supported by the 2018 Bond Referendum)
- ◆ \$20.2 million for the Applied Innovation Corridor infrastructure to support entrepreneurialism and job recruitment in growing technology, biosciences, health care, and energy industries. These investments will help implement several area plans, including the Center City and North Tryon Area Plans. (An additional \$8.8 million will be reflected in the FY2015-2019 CIP supported by the 2018 Bond Referendum)

INCREASING CONNECTIONS

To increase connectivity through road projects, and infrastructure improvements

Road and Infrastructure Projects (\$25.9 million)

- ◆ \$5.2 million to construct Prosperity Church Road NW Arc to complete the northwestern leg of the I-485/Prosperity Church Road Interchange as envisioned in the Area Plan.
- ◆ \$12.1 million for planning and design of the Eastern Circumferential from Hanberry Boulevard to Back Creek Church Road, including bicycle lanes and sidewalks. This project will be coordinated with NCDOT's railroad project that proposes to build a railroad bridge over a future road and a future NCDOT project to build the portion of the Circumferential between NC 49 and Hanberry Boulevard.
- ◆ \$8.6 million to extend Park South Drive as a two-lane street from Fairview Road to a new roundabout at Carnegie Boulevard and to extend the existing eastbound left-turn lane on Fairview Road. This project will enhance the street network in the area and reduce delays at other signalized intersections along Fairview Road. It is consistent with two recent rezoning approvals, which will build a portion of this alignment and the roundabout.

FY2014-2018 Capital Investment Plan

Cross Charlotte Multi-Use Trail (\$35.0 million)

- ◆ \$35.0 million to construct a continuous bikeway trail extending across Charlotte from Pineville to the Cabarrus County line. The trail would connect the existing portions of the Little Sugar Creek Greenway with the Toby Creek and Mallard Creek Greenways. The trail will be a seamless and high-quality facility that is attractive to all bicyclists and will maintain separation between motorists and trail users. The trail will provide significant transportation and economic development benefits and will connect key destinations including Carolina Place, Park Road Shopping Center, Freedom Park, Carolinas Medical Center, Metropolitan mixed use village, Charlotte Center City, UNCC, CPCC, Cordelia Park, and the NoDa arts and entertainment district. The proximity of the trail to CATS Blue Line light rail extension will likely offer additional opportunities through redevelopment.

Sidewalk and Pedestrian Safety Program (\$30.0 million)

- ◆ \$30.0 million to provide for the construction of new sidewalks throughout the City, as well as Americans with Disabilities Act modifications. Sidewalks are selected for construction based on an evaluation of the roadway networks along thoroughfares and residential streets and on the sidewalk retrofit policy adopted by City Council. The current policy states that every thoroughfare should ultimately have sidewalk on both sides, while residential streets should have sidewalk on at least one side. The program encourages pedestrian use, improves safety, and provides connections within the existing sidewalk network. (An additional \$30.0 million to continue the Sidewalk and Pedestrian Safety Program will be reflected in future five-year CIPs supported by the 2018 and 2020 Bond Referenda)

Traffic Control and Bridges (\$24.0 million)

- ◆ \$6.0 million to upgrade the City's traffic signal coordination system. This program provides wiring for traffic signal coordination, cameras and computers for real-time traffic surveillance, traffic counts, and travel speed data to system operators. This program also provides incident management communication equipment for clearance of motor vehicle accidents, signal outages, traffic control during special events, and assistance to disabled motorists. (An additional \$9.0 million to continue this program will be reflected in future five-year CIPs supported by the proposed 2018 and 2020 Bond Referenda)
- ◆ \$11.0 million to upgrade the City's traffic control devices. This program provides funding for scheduled maintenance and replacement of obsolete traffic control devices, such as traffic signals and signs. Replacing obsolete traffic controllers and loop detectors is necessary to maintain optimal traffic flow as well as provide a safe travel environment. There are approximately 725 signal-controlled intersections in Charlotte. (An additional \$8.0 million to continue this program will be reflected in future five-year CIPs supported by the 2018 and 2020 Bond Referenda)
- ◆ \$7.0 million to repair and replace bridges. This program provides for the timely inspection, repair, and replacement of substandard bridges throughout the City. The program's purpose is to maintain a safe bridge system by repairing and replacing bridges that do not meet structural capacity and width standards. Locations for bridge repairs and replacements are identified through the State's biennial inspection program and by City annexations. (An additional \$7.0 million to continue this program will be reflected in future five-year CIPs supported by the 2018 and 2020 Bond Referenda)

IMPROVING COMMUNITIES

To address affordable housing, neighborhood improvements, and quality of life needs

Public Safety Facilities (\$101.3 million)

- ◆ \$68.0 million to construct the Joint Communications Center. This project provides funding for a Joint 911 Communications Center that will co-locate the 911 call centers for Charlotte Fire Department and the Charlotte-Mecklenburg Police Department, and will include a dedicated Emergency Operations Center (EOC) to provide increased operational efficiencies and infrastructure cost savings. Other occupants of this facility will include CharMeck 311, Mecklenburg County Sheriff's Department, CDOT's traffic cameras, and the City's IT Data Backup Center.
- ◆ \$29.3 million to construct three new permanent Police Stations in Westover Division, South Division, and New Park South Division. Two of these facilities will replace temporary and leased facilities currently being used. These new facilities will accommodate the current and future needs of the CMPD by meeting the following criteria as established in CMPD's strategic plan for facilities: 1. Properly sized for current and future staffing needs; 2. Prominently located in a neighborhood as an anchor to the community that encourages revitalization; 3. Easily accessible to the public by locating on a main thoroughfare that is pedestrian friendly and served by public transportation; and 4. Creation of a "brand" for CMPD that is easily recognizable by the public while retaining an appearance that is adapted well to the surrounding community. The Westover Division Station will include the co-location of Neighborhood & Business Services' Code Enforcement Offices. (An additional \$31.7 million for construction of the Hickory Grove Division, University City Division, and Independence Division will be reflected in future five-year CIPs beginning in FY2015-2019)
- ◆ \$4.0 million to purchase land for future Fire Stations

FY2014-2018 Capital Investment Plan

Maintenance Facilities (\$2.1 million)

- ◆ \$2.1 million for planning and design of the new Northeast Equipment Maintenance Facility. This project provides for construction of a vehicle maintenance facility off of Orr Road in northeast Charlotte. The city-owned site is located between two City operational yards - Street Maintenance and Water and Sewer. The facility will reduce operational costs associated with transporting equipment to the Central or Sweden Road Yards resulting in less crew downtime. (An additional \$6.5 million for construction of this facility will be reflected in the FY2015-2019 CIP)
(An additional \$22.6 million for construction of the Sweden Road Maintenance Yard replacement will be reflected in future five-year CIPs beginning in FY2015-2019)

Affordable Housing (\$30.0 million)

- ◆ \$30.0 million for the Affordable Housing Program, which is comprised of six programs described below to assist in increasing the supply of affordable housing. (An additional \$30.0 million to continue this program will be reflected in future five-year CIPs supported by the 2018 and 2020 Bond Referenda.)
 - (1) Housing Locational Policy Acquisition Program to support the development of new, assisted multi-family housing in permissible areas, which are primarily South Charlotte.
 - (2) Tax Credit Set Aside Program to provide funds to developers receiving a North Carolina low-Income Tax Credit Award from the North Carolina Housing Finance Agency (NCHFA) for the construction of new or rehabilitated multi-family housing developments serving households earning 60% or below the area median income.
 - (3) Supportive Services Housing Program to provide funds for developments that further the goals of the Ten-Year Plan to End and Prevent Homelessness.
 - (4) Incentive-Based Inclusionary Housing Program to encourage the development of affordable housing by the private sector.
 - (5) Single-Family Foreclosure/Blighted Acquisition and Rehabilitation Program to assist non-profit developers to acquire/rehabilitate and re-use foreclosed and blighted single-family properties to expand the supply of affordable housing in neighborhoods throughout the City.
 - (6) Multi-Family Rehabilitation and Acquisition Program to provide funds to acquire and renovate housing units in certain areas of town suffering from high vacancy rates and in financial distress, and make them available for the provision of affordable housing. This program would have a significant impact on increasing the supply of affordable housing units.

Comprehensive Neighborhood Improvement Program (\$60.0 million)

- ◆ \$60.0 million to continue and enhance traditional Neighborhood Improvement Projects. The new CNIP program will continue to focus on Area Plans, but will look beyond boundaries of residential areas for opportunities to enhance collaboration with public/private partners, leverage multiple investments in neighborhoods, and catalyze changes occurring in neighborhoods. The program will also coordinate with public safety, code enforcement, social services, and education to bring greater resources to the CNIP areas. This program will be conducted in five CNIP areas, including Prosperity Village, Whitehall/Arysley, West Trade/Rozelles Ferry, Central/Eastland/Albemarle, and Sunset/Beatties Ford. The FY2014-2018 five-year CIP provides funding for three of these areas. (An additional \$60.0 million to continue this program will be reflected in future five-year CIPs supported by the 2018 and 2020 Bond Referenda.)

FY2014-2018 Capital Investment Plan

Program Category	FY2014	FY2015	FY2016	FY2017	FY2018	FY2014-2018 CIP	%	FY2013-2017 CIP
HOUSING AND NEIGHBORHOOD DEVELOPMENT								
Housing	\$ 13,414,095	20,914,095	20,914,095	20,914,095	20,914,095	97,070,475	54.9%	\$62,683,284
Neighborhoods	9,325,000	27,825,000	7,825,000	47,825,000	7,825,000	100,625,000	335.1%	\$23,125,000
Total Housing and Neighborhood Development	\$ 22,739,095	48,739,095	28,739,095	68,739,095	28,739,095	197,695,475	130.4%	\$85,808,284
TRANSPORTATION								
Roads	\$ 2,340,000	62,109,800	10,912,316	121,141,562	8,987,552	205,491,230	1397.8%	\$13,719,844
Charlotte Area Transit	233,841,903	354,465,140	294,915,905	146,479,259	46,507,413	1,076,209,620	-9.9%	\$1,194,021,342
Total Transportation	\$ 236,181,903	416,574,940	305,828,221	267,620,821	55,494,965	1,281,700,850	6.1%	1,207,741,186
ECONOMIC DEVELOPMENT								
Economic Development	\$ 2,250,320	52,232,645	2,314,791	34,685,611	2,463,429	93,946,796	621.5%	\$13,020,460
Aviation	326,459,151	269,518,626	218,352,893	129,760,838	22,750,000	966,841,508	-7.2%	\$1,041,912,245
Total Economic Development	\$ 328,709,471	321,751,271	220,667,684	164,446,449	25,213,429	1,060,788,304	0.6%	1,054,932,705
ENVIRONMENT								
Environmental Services	\$ 3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	16,500,000	0.0%	16,500,000
Storm Water	37,500,000	43,700,000	41,500,000	44,950,000	45,500,000	213,150,000	-18.2%	260,690,000
Water	38,075,000	33,575,000	51,905,000	33,575,000	62,875,000	220,005,000	8.2%	203,380,000
Sewer	68,280,400	41,640,400	59,370,400	23,740,000	48,610,000	241,641,200	-42.4%	419,530,100
Total Environment	\$ 147,155,400	122,215,400	156,075,400	105,565,000	160,285,000	691,296,200	-23.2%	900,100,100
FACILITY INVESTMENTS								
	\$ 44,553,167	53,605,220	8,807,342	33,637,872	8,933,184	149,536,785	242.5%	43,660,479
TOTAL PROGRAM	\$ 779,339,036	962,885,926	720,117,742	640,009,237	278,665,673	3,381,017,614	2.7%	3,292,242,754
GENERAL GOVERNMENT	\$ 75,182,582	219,986,760	54,073,544	261,504,140	52,423,260	663,170,286	284.0%	172,709,067

FY2014-2018 Capital Investment Plan

Program Revenues Schedule	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
GENERAL GOVERNMENT REVENUES SUMMARY						
BONDS						
2010 Neighborhood Bonds	\$ 9,000,000					9,000,000
Housing Bonds TBA (2014, 2016)		7,500,000	7,500,000	7,500,000	7,500,000	30,000,000
Neighborhood Bonds TBA (2014, 2016)		20,000,000		40,000,000		60,000,000
Street Bonds TBA (2014, 2016)		91,464,000	14,500,000	156,992,000	12,500,000	275,456,000
CERTIFICATES OF PARTICIPATION (COPs)						
COPs - Economic Development		25,000,000				25,000,000
COPs - Joint Communications Center (TBA 2014)	24,000,000	44,000,000				68,000,000
COPs - Westover Division Police Station (TBA 2014)	10,500,000					10,500,000
COPs - South Division Police Station (TBA 2016)			9,375,000			9,375,000
COPs - Park South Division Police Station (TBA 2016)			9,375,000			9,375,000
COPs - NE Equipment Maintenance Facility (TBA 2016)			2,080,000			2,080,000
COPs - Land for Future Fire Stations (TBA 2016)			4,000,000			4,000,000
Total Bonds and COPs	\$ 43,500,000	187,964,000	22,000,000	229,322,000	20,000,000	502,786,000
TAXES						
Property Tax	\$ 10,363,717	10,679,485	10,839,677	11,002,273	11,167,307	54,052,459
Register Motor Vehicle Revenue	207,730					207,730
Property Tax - Synthetic TIF	105,498	116,926	262,492	334,106	428,183	1,247,206
Interest Income	344,000	344,000	430,000	602,000	903,000	2,623,000
Sales Tax	6,661,023	7,001,559	7,356,162	7,725,365	8,109,727	36,853,837
Auto Tax	3,509,223	3,525,000	3,539,460	3,552,528	3,564,125	17,690,336
Capital Fund Balance	2,240,472	2,104,872	295,099			4,640,442
Total Taxes	\$ 23,431,664	23,771,842	22,722,890	23,216,272	24,172,342	117,315,010
GRANTS						
Community Dev Block Grant	\$ 4,865,370	4,865,370	4,865,370	4,865,370	4,865,370	24,326,850
Community Dev HOME Grant	2,055,548	2,055,548	2,055,548	2,055,548	2,055,548	10,277,740
Total Grants	\$ 6,920,918	6,920,918	6,920,918	6,920,918	6,920,918	34,604,590
FUND BALANCES, LOAN REPAYMENTS, AND OTHER						
Innovative Housing Income	\$ 200,000	200,000	200,000	200,000	200,000	1,000,000
CDBG Program Income	250,000	250,000	250,000	250,000	250,000	1,250,000
HOME Program Income	400,000	400,000	400,000	400,000	400,000	2,000,000
Affordable Housing Income	300,000	300,000	300,000	300,000	300,000	1,500,000
Business Grant Program Income	180,000	180,000	180,000	180,000	180,000	900,000
Sale of Land (portion of Central Yard)			1,099,736	714,950		1,814,686
Total Fund Balances, Loan Repayments, and Other	\$ 1,330,000	1,330,000	2,429,736	2,044,950	1,330,000	8,464,686
TOTAL GENERAL GOVERNMENT REVENUES	\$ 75,182,582	219,986,760	54,073,544	261,504,140	52,423,260	663,170,286

FY2014-2018 Capital Investment Plan

Program Category	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
ENTERPRISE FUNDS REVENUES SUMMARY						
STORM WATER						
Storm Water Revenue Bonds	\$	5,200,000		1,450,000		6,650,000
Storm Water Pay-As-You-Go	36,000,000	37,000,000	40,000,000	42,000,000	44,000,000	199,000,000
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	\$ 37,500,000	43,700,000	41,500,000	44,950,000	45,500,000	213,150,000
CHARLOTTE AREA TRANSIT SYSTEM (CATS)						
Federal Transit Grants	\$ 92,365,718	95,635,170	97,687,334	99,079,175	25,123,198	409,890,595
Certificates of Participation	104,500,300	218,794,000	162,258,000	12,409,000	9,112,775	507,074,075
NCDOT Transit Grants	27,549,965	27,958,146	27,712,037	28,397,647	3,208,048	114,825,843
CATS Operating Budget Contribution	9,425,920	12,077,824	7,258,534	6,593,437	9,063,392	44,419,107
Total CATS	\$ 233,841,903	354,465,140	294,915,905	146,479,259	46,507,413	1,076,209,620
WATER AND SEWER						
Water Revenue Bonds	\$		23,250,000			23,250,000
Sewer Revenue Bonds	22,000,000	5,000,000	15,750,000		4,000,000	46,750,000
Water/Sewer Operating Fund	84,355,400	70,215,400	72,275,400	57,315,000	107,485,000	391,646,200
Total Water and Sewer	\$ 106,355,400	75,215,400	111,275,400	57,315,000	111,485,000	461,646,200
AVIATION						
Revenue Bonds	\$ 193,285,307	169,686,009	156,625,744	99,627,710	4,750,000	623,974,770
FAA Grants and Funding	22,411,654	34,770,793	55,977,503	28,883,128	14,250,000	156,293,078
Excluded Cost Centers	9,162,500	15,300,000	2,600,000	1,250,000	3,750,000	32,062,500
Contract Facility Charge Fund Balance	67,392,855	24,300,000				91,692,855
Transportation Security Admin Funding	18,674,613	18,674,613	3,112,435			40,461,661
Aviation Pay-As-You-Go	1,180,000	1,450,000				2,630,000
Passenger Facility Charge Pay-As-You-Go	14,352,222	5,337,211	37,211			19,726,644
Total Aviation	\$ 326,459,151	269,518,626	218,352,893	129,760,838	22,750,000	966,841,508
TOTAL ENTERPRISE FUND REVENUES	\$ 704,156,454	742,899,166	666,044,198	378,505,097	226,242,413	2,717,847,328
TOTAL CIP REVENUES	\$ 779,339,036	962,885,926	720,117,742	640,009,237	278,665,673	3,381,017,614

FY2014-2018 Capital Investment Plan

PROJECT TITLE	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
Housing and Neighborhoods						
Housing						
Affordable Housing	\$ 300,000	7,800,000	7,800,000	7,800,000	7,800,000	31,500,000
Community Dev BLOCK GRANT	5,115,370	5,115,370	5,115,370	5,115,370	5,115,370	25,576,850
Community Dev HOME GRANT	2,969,435	2,969,435	2,969,435	2,969,435	2,969,435	14,847,175
Innovative Housing Program	4,479,290	4,479,290	4,479,290	4,479,290	4,479,290	22,396,450
In Rem Remedy - Residential	550,000	550,000	550,000	550,000	550,000	2,750,000
Total Housing	\$ 13,414,095	20,914,095	20,914,095	20,914,095	20,914,095	97,070,475
Neighborhoods						
Neighborhood Improvements	\$ 9,000,000					9,000,000
Comprehensive Neighborhood Improvements		20,000,000		40,000,000		60,000,000
Sidewalk and Pedestrian Safety		7,500,000	7,500,000	7,500,000	7,500,000	30,000,000
Neighborhood Matching Grants	325,000	325,000	325,000	325,000	325,000	1,625,000
Total Neighborhoods	\$ 9,325,000	27,825,000	7,825,000	47,825,000	7,825,000	100,625,000
TOTAL HOUSING AND NEIGHBORHOOD DEVELOPMENT						
NEIGHBORHOOD DEVELOPMENT	\$ 22,739,095	48,739,095	28,739,095	68,739,095	28,739,095	197,695,475
HOUSING AND NEIGHBORHOOD DEVELOPMENT REVENUE SUMMARY						
2010 Neighborhood Bonds	\$ 9,000,000					9,000,000
Neighborhood Bonds TBA (2014, 2016)		20,000,000		40,000,000		60,000,000
Housing Bonds TBA (2014, 2016)		7,500,000	7,500,000	7,500,000	7,500,000	30,000,000
Street Bonds TBA (2014, 2016)		7,500,000	7,500,000	7,500,000	7,500,000	30,000,000
Pay-As-You-Go Fund	5,668,177	5,668,177	5,668,177	5,668,177	5,668,177	28,340,885
Community Dev Block Grant	4,865,370	4,865,370	4,865,370	4,865,370	4,865,370	24,326,850
HOME Grant	2,055,548	2,055,548	2,055,548	2,055,548	2,055,548	10,277,740
Innovative Housing Program Income	200,000	200,000	200,000	200,000	200,000	1,000,000
Community Development Program Income	250,000	250,000	250,000	250,000	250,000	1,250,000
HOME Program Income	400,000	400,000	400,000	400,000	400,000	2,000,000
Affordable Housing Bonds Program Income	300,000	300,000	300,000	300,000	300,000	1,500,000
TOTAL HOUSING AND NEIGHBORHOOD DEVELOPMENT REVENUE SUMMARY	\$ 22,739,095	48,739,095	28,739,095	68,739,095	28,739,095	197,695,475

FY2014-2018 Capital Investment Plan

PROJECT TITLE	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
TRANSPORTATION						
Roads						
SE Corridor Sidewalk and Bikeway Improvements	\$			2,000,000		2,000,000
Research Drive-J.W. Clay Connector over I-85 (N)		3,000,000				3,000,000
University Pointe Connection-IBM Dr. to Ikea Blvd (S)		15,080,000				15,080,000
Northeast Corridor Infrastructure (NECI)		16,640,000		35,360,000		52,000,000
Spine Dixie Berryhill Infrastructure (New Garrison Road)				31,200,000		31,200,000
Prosperity Church Road NW Arc		5,200,000				5,200,000
Eastern Circumferential (Hanberry to Back Creek Church)		12,064,000				12,064,000
Park South Drive Extension			8,632,000			8,632,000
26-Mile Cross Charlotte Multi-Use Trail			35,000,000			35,000,000
Traffic Signal System Coordination Upgrade Program		1,500,000	1,500,000	1,500,000	1,500,000	6,000,000
Traffic Control Devices Upgrade Program		3,500,000	3,500,000	2,000,000	2,000,000	11,000,000
Repair and Replace Bridges Program		2,000,000	2,000,000	1,500,000	1,500,000	7,000,000
Sidewalk and Curb and Gutter Repairs		550,000	550,000	550,000	550,000	2,750,000
Road Planning/Design/ROW		1,790,000	1,825,800	1,862,316	1,899,562	1,937,552
Streetcar Starter Project Operations			750,000	1,500,000	1,500,000	5,250,000
TOTAL ROADS	\$	2,340,000	62,109,800	10,912,316	121,141,562	8,987,552
						205,491,230
Charlotte Area Transit System						
Vehicles: Revenue	\$	9,130,995	10,958,943	14,096,000	18,378,321	22,525,610
Bus Facilities: Improvements		895,962	1,109,527	2,906,970	1,578,209	2,229,739
Bus Equipment: Shop		645,000	885,000	1,001,000	720,000	879,000
Preventive Maintenance		5,400,000	3,608,445	4,410,377	4,410,377	22,239,576
LRT Maintenance-Of-Way: Equipment & Tools		3,318,750	6,009,658	1,783,625	632,000	566,000
LRT Facilities Projects		2,288,250	3,834,750	1,747,875	845,000	1,289,000
Vehicles: Non Revenue		227,946	134,000	707,000	251,000	416,000
Safety & Security Equipment		996,389	1,009,376	1,142,738	1,033,362	927,376
Technology		4,748,311	7,083,441	4,066,320	5,531,990	2,698,286
LYNX Blue Line Extension (NE Corridor Light Rail)		204,500,300	318,794,000	262,258,000	112,409,000	9,871,025
Transit Corridor Development		1,164,000	505,000	255,000	165,000	170,000
Transit Planning		526,000	533,000	541,000	525,000	525,000
Total Charlotte Area Transit	\$	233,841,903	354,465,140	294,915,905	146,479,259	46,507,413
						1,076,209,620
TOTAL TRANSPORTATION	\$	236,181,903	416,574,940	305,828,221	267,620,821	55,494,965
						1,281,700,850
TRANSPORTATION REVENUE SUMMARY						
Street Bonds TBA (2014, 2016)	\$		58,984,000	7,000,000	117,192,000	5,000,000
Pay-As-You-Go Fund		2,340,000	3,125,800	3,912,316	3,949,562	3,987,552
Total Revenue Roads	\$	2,340,000	62,109,800	10,912,316	121,141,562	8,987,552
						205,491,230
Federal Transit Grants		92,365,718	95,635,170	97,687,334	99,079,175	25,123,198
Certificates of Participation		104,500,300	218,794,000	162,258,000	12,409,000	9,112,775
NCDOT Transit Grants		27,549,965	27,958,146	27,712,037	28,397,647	3,208,048
CATS Operating Budget Contribution		9,425,920	12,077,824	7,258,534	6,593,437	9,063,392
Total Revenue Transit	\$	233,841,903	354,465,140	294,915,905	146,479,259	46,507,413
						1,076,209,620
TOTAL TRANSPORTATION REVENUES	\$	236,181,903	416,574,940	305,828,221	267,620,821	55,494,965
						1,281,700,850

FY2014-2018 Capital Investment Plan

PROJECT TITLE	FY2014	FY2015	FY2016	FY2017	FY2018	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
Synthetic Tax Increment Financing (property tax)	70,320	72,645	134,791	205,611	283,429	766,796
Applied Innovation Corridor						
Graham Street Streetscape		10,480,000				10,480,000
Woodward/24th Street Connection				2,560,000		2,560,000
Tryon Street Connectivity				5,160,000		5,160,000
Private Development Leverage Fund		2,000,000				2,000,000
SE Corridor Land Acquisition & Street Connection		12,500,000		12,500,000		25,000,000
Monroe Road Streetscape				2,080,000		2,080,000
Bojangles/Ovens Area Redevelopment		25,000,000				25,000,000
Public/Private Redevelopment Opportunities				10,000,000		10,000,000
Total Economic Development	\$ 2,250,320	52,232,645	2,314,791	34,685,611	2,463,429	93,946,796
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	2,070,320	2,072,645	2,134,791	2,205,611	2,283,429	10,766,796
Street Bonds TBA (2014, 2016)		24,980,000		32,300,000		57,280,000
Certificates of Participation TBA (2014, 2016)		25,000,000				25,000,000
Total Revenue General ED	\$ 2,250,320	52,232,645	2,314,791	34,685,611	2,463,429	93,946,796

FY2014-2018 Capital Investment Plan

PROJECT TITLE	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
<u>Aviation</u>						
Airfield Projects						
Aircraft Hold Pads for 18L	\$ 2,800,000					2,800,000
Flight Track Monitoring System	37,211	37,211	37,211			111,633
Fourth Parallel Runway	3,568,800	23,693,700	43,325,000	21,662,500		92,250,000
Reconstruction Runway 18L				1,000,000	19,000,000	20,000,000
Rehabilitation Runway 18L	2,748,811					2,748,811
Taxiway 'D' Extension - South	3,980,071					3,980,071
Terminal Ramp Expansion (West)	6,700,000					6,700,000
Terminal Ramp Expansion (West) II		1,264,024	9,848,338	9,848,338		20,960,700
West Boulevard Relocation Phase II		670,000	6,730,000	6,000,000		13,400,000
Total Airfield Projects	\$ 17,034,893	28,464,935	59,940,549	38,510,838	19,000,000	162,951,215
Terminal Complex Projects						
Aircraft Automated Docking System	\$ 100,000					100,000
Building Automation	700,000					700,000
Business Valet Deck II	47,500,000					47,500,000
Communications Infrastructure	250,000					250,000
Concourse A North Expansion	13,800,000	4,000,000				17,800,000
Concourse B and C Electrical Upgrades	100,000					100,000
Concourse B and C - New Elevators	325,000					325,000
Concourse B Expansion	22,500,000	24,500,000	20,000,000			67,000,000
Concourse 'E' Baggage Transfer Station	540,000	703,000	120,750			1,363,750
Concourse 'E' Expansion - Phase VIII	7,300,000	8,700,000	1,500,000			17,500,000
Concourse 'E' Jet Bridges	7,806,250	7,806,250				15,612,500
Consolidated Fuel Farm Expansion	6,000,000					6,000,000
Consolidated Rental Car Facility	32,442,855					32,442,855
Deicing Trucks	3,200,000					3,200,000
East Terminal Expansion Phase II	4,700,000	3,800,000				8,500,000
Electrical Infrastructure Upgrade (Terminal)	4,000,000					4,000,000
In-Line Baggage System	20,749,570	20,749,570	3,458,261			44,957,401
International Terminal Phase I		67,000,000	58,000,000	50,000,000		175,000,000
New Short Term Public Parking Deck	24,142,587					24,142,587
Passenger Vehicle Lanes	7,500,000	9,100,000				16,600,000
PC Air Units	100,000					100,000
Public Parking Surface Lot Expansion	1,000,000					1,000,000
Rental Car Storage Facility	14,250,000					14,250,000
Security Enhancement Upgrades	5,890,200					5,890,200
Terminal Building Expansion (West)	6,250,000	1,250,000				7,500,000
Terminal Lobby Expansion		26,250,000	58,750,000	40,000,000		125,000,000
Upper Level Commercial Vehicle Roadway	10,038,462	4,461,538				14,500,000
Total Terminal Complex Projects	\$ 241,184,924	178,320,358	141,829,011	90,000,000	-	651,334,293
Miscellaneous Aviation Projects						
Air Traffic Control Tower	\$ 20,700,000	24,300,000				45,000,000
Airport Entrance Road		8,000,000				8,000,000
Airport Office Relocation	1,050,000	950,000				2,000,000
Master Plan Land Acquisition	10,000,000					10,000,000
Master Plan Land Acquisition (South)	11,733,334	11,733,333	11,733,333			35,200,000
Master Plan Update	700,000	1,300,000				2,000,000
Roadway Signage Project	3,150,000					3,150,000
Storm Water Facilities	226,000	4,000,000				4,226,000
Vehicle Wash Facility	30,000	500,000				530,000
Total Miscellaneous Aviation Projects	\$ 55,589,334	42,783,333	11,733,333	-	-	110,106,000

FY2014-2018 Capital Investment Plan

PROJECT TITLE	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
General Aviation Projects						
Bank of America Road Relocation	\$ 1,500,000					1,500,000
FBO Ramp Rehabilitation	4,650,000					4,650,000
FBO Ramp Expansion		3,000,000				3,000,000
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 Hangars	5,000,000	5,000,000				10,000,000
General Aviation Maintenance Hangar		3,500,000				3,500,000
Total General Aviation Projects	\$ 10,650,000	14,150,000	1,850,000	1,250,000	3,750,000	31,650,000
Cargo Development Projects						
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	\$ 326,459,151	269,518,626	218,352,893	129,760,838	22,750,000	966,841,508
AVIATION REVENUE SUMMARY						
Revenue Bonds	\$ 193,285,307	169,686,009	156,625,744	99,627,710	4,750,000	623,974,770
FAA Grants and Funding	22,411,654	34,770,793	55,977,503	28,883,128	14,250,000	156,293,078
Excluded Cost Centers	9,162,500	15,300,000	2,600,000	1,250,000	3,750,000	32,062,500
Contract Facility Charge Fund Balance	67,392,855	24,300,000				91,692,855
Transportation Security Admin						
Funding	18,674,613	18,674,613	3,112,435			40,461,661
Airport Pay-As-You-Go	1,180,000	1,450,000				2,630,000
Passenger Facility Charge Pay-As-You-Go	14,352,222	5,337,211	37,211			19,726,644
Total Revenue Aviation	\$ 326,459,151	269,518,626	218,352,893	129,760,838	22,750,000	966,841,508
TOTAL ECONOMIC DEVELOPMENT REVENUES	\$ 328,709,471	321,751,271	220,667,684	164,446,449	25,213,429	1,060,788,304

FY2014-2018 Capital Investment Plan

PROJECT TITLE	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
ENVIRONMENT						
<u>Environment 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
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 ENVIRONMENT REVENUES	\$ 3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	16,500,000
<u>Storm Water</u>						
Storm Water Repairs to Existing Drains	\$ 14,000,000	10,000,000	10,000,000	10,000,000	16,000,000	60,000,000
Storm Water Pollution Control	1,700,000	2,000,000	2,000,000	2,000,000	3,000,000	10,700,000
Storm Water Stream Restoration	1,700,000	2,000,000	2,000,000	2,000,000	3,000,000	10,700,000
Minor Storm Water Projects	1,900,000	450,000	750,000	2,450,000	5,800,000	11,350,000
Storm Water Flood Control	1,200,000		3,018,000		9,200,000	13,418,000
<u>Area Improvements</u>						
Alanhurst/Cherrycrest SDIP	200,000	150,000	2,400,000			2,750,000
Hinsdale/Tinkerbell SDIP		500,000		4,000,000		4,500,000
Lincoln Heights Minor CIP			2,500,000			2,500,000
Meadowridge SDIP	1,200,000					1,200,000
Parkwood NECI	2,800,000			4,000,000		6,800,000
Pierson/Greenhaven Minor CIP			1,400,000			1,400,000
Pressley Rd Minor CIP		400,000				400,000
Water Oak SDIP				4,000,000		4,000,000
Gaynor SDIP	5,300,000					5,300,000
Sunnyvale/Chandworth SDIP		5,000,000				5,000,000
McAlway/Churchill SDIP	350,000	2,500,000				2,850,000
Tillman/Blenhein SDIP	4,050,000					4,050,000
Myrtle/Morehead SDIP		5,800,000		5,000,000		10,800,000
Lyon Court SDIP	200,000	6,300,000	100,000	5,000,000		11,600,000
Kenilworth/Romany SDIP			7,332,000			7,332,000
Hampton Ave Minor CIP			4,500,000			4,500,000
Hill Street Minor CIP	400,000	5,300,000				5,700,000
Cedars East Minor CIP	500,000			5,000,000		5,500,000
Edgewater/Rosecrest	500,000		4,000,000			4,500,000
Princeton/Somerset Minor CIP		800,000				800,000
Beckwith/Meadow Minor CIP		500,000			3,000,000	3,500,000
Chatham Minor CIP		500,000			4,000,000	4,500,000
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	\$ 37,500,000	43,700,000	41,500,000	44,950,000	45,500,000	213,150,000
STORM WATER REVENUE SUMMARY						
Revenue Bonds	\$ -	5,200,000	-	1,450,000	-	6,650,000
Storm Water Pay-As-You-Go	36,000,000	37,000,000	40,000,000	42,000,000	44,000,000	199,000,000
Program Income	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000
TOTAL STORM WATER REVENUES	\$ 37,500,000	43,700,000	41,500,000	44,950,000	45,500,000	213,150,000

FY2014-2018 Capital Investment Plan

PROJECT TITLE	FY2014	FY2015	FY2016	FY2017	FY2018	Total
<u>WATER</u>						
Annexation						
2014 Annexation - Water	\$ 500,000		8,300,000			8,800,000
Maintain and Extend Existing Infrastructure						
N Meck WTP Generator		1,400,000				1,400,000
Lee S. Dukes WTP Rehab & Upgrades						
Sulkirk Road 24" Water Main Replacement	5,000,000					5,000,000
Water Metering Upgrade Program	1,600,000	1,600,000	1,600,000			4,800,000
Valve Rehab and Replacement	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
WM - Freedom / Tuckaseegee Rd. Replacement						7,200,000
Vest Plant Rehab/Upgrades			1,150,000			1,150,000
Street and Minor Water Main Extensions	3,600,000	3,600,000	3,600,000	3,600,000	3,600,000	18,000,000
New Service Installation Water	3,600,000	3,600,000	3,600,000	3,600,000	3,600,000	18,000,000
Replacement of Old Statesville Road 24" PCCP	1,000,000					1,000,000
Water Distribution Flow Monitoring Program	100,000	100,000	100,000	100,000	100,000	500,000
Support for Other Public Projects and for Utilities Operations						
Water Line Rehabilitation/Replacement	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	52,500,000
Technology Projects	1,875,000	1,275,000	1,275,000	1,275,000	1,275,000	6,975,000
UMS / Advantage Operations and 4.3 Upgrade	600,000	1,550,000	150,000	150,000	150,000	2,600,000
Admin/Eng Bldg. Upgrades						
Water Lines for Street Improvements	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	9,000,000
GIS Facilities Mapping		450,000	200,000	200,000	200,000	1,050,000
LIMS Replacement		50,000				50,000
Security Improvements - Water System	200,000	200,000	200,000	200,000	200,000	1,000,000
Support Growth and Development						
Dixie Berryhill Water Infrastructure		2,750,000	2,630,000			5,380,000
NE Transit Corridor Improvements - University	1,500,000					1,500,000
Camp Stewart and Rocky River Church Rd 12"						
Water Main	500,000	1,500,000				2,000,000
NC-115/Cornelius 24" Water Main	200,000					200,000
Water Dist. System Study		1,400,000				1,400,000
978' North-South Transmission Main			8,000,000			8,000,000
978 Booster Pump Station				5,000,000		5,000,000
978 Zone Elevated Storage	4,500,000					4,500,000
North Tryon Transmission Main			2,000,000			2,000,000
Carmel Rd to NC-51 Transmission Main				2,100,000		2,100,000
Rozelles 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
Dixie River Road 24" Water Main					900,000	900,000
Total Water	\$ 38,075,000	33,575,000	51,905,000	33,575,000	62,875,000	220,005,000

FY2014-2018 Capital Investment Plan

PROJECT TITLE		FY2014	FY2015	FY2016	FY2017	FY2018	Total
<u>SEWER</u>							
Annexation							
2014 Annexation - Sewer	\$	1,000,000		13,000,000			14,000,000
Maintain and Extend Existing Infrastructure							
Sanitary Sewer Line Rehabilitation		13,000,000	13,000,000	13,000,000	13,000,000	13,000,000	65,000,000
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		1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000
Irwin Creek WWTP Upgrade		12,000,000					12,000,000
Remove Aerial Crossings		1,000,000					1,000,000
Lift Station Improvements		500,000					500,000
Clems Branch Pump Station Improvements		400,000					400,000
Little Hope Creek Outfall Replacement		100,000					100,000
Sugar WWTP Rehab and Upgrades			100,000	500,000			600,000
McDowell WWTP Rehab and Upgrades			2,000,000	1,000,000			3,000,000
Site Work at All WWTPs			1,000,000	500,000			1,500,000
Irwin WWTP Rehab and Upgrades			1,000,000	200,000			1,200,000
Mallard WRF Rehab and Upgrades			1,250,000	800,000	600,000	300,000	2,950,000
Support for Other Public Projects and for Utilities Operations							
Sewer Lines in Streets to be Widened		1,850,000	1,850,000	2,850,000	1,850,000	1,850,000	10,250,000
Work and Asset Management		780,400	790,400	770,400			2,341,200
Support Growth and Development							
Ramah Creek Trunk Sewer		4,000,000					4,000,000
Paw Creek FM Repl		1,500,000					1,500,000
Little Paw Creek LS, Force Main, & Grav Sewer		4,400,000					4,400,000
Matthews Commons Gravity Sewer		1,000,000					1,000,000
Developer Constructed Sewer - Reimbursable		250,000	200,000				450,000
Briar Creek Relief Sewer		10,000,000					10,000,000
Mallard Creek WRF Reuse Water Main		5,000,000					5,000,000
Hidden Valley Trunk Sewer Replacement		1,500,000					1,500,000
Paw Creek Tributary Outfall Replacement		1,000,000	4,550,000				5,550,000
Upper Taggart Creek Outfall Replacement		1,000,000	4,000,000				5,000,000
McMullen Creek Parallel Sewer & Flow EQ				7,000,000			7,000,000
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
South Davidson LS Replacement			400,000				400,000
McDowell Basin Trunk Sewers				3,000,000			3,000,000
Gum Branch Outfall Replacement			1,000,000	3,000,000			4,000,000
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						1,550,000	1,550,000
Lake Road Trunk Sewer (Matthews)						625,000	625,000
Mountain Island Tributary Extension						510,000	510,000
McKee Creek Tributary-Larkhaen GC Trunk						2,500,000	2,500,000
Goose Creek PS and Outfall						3,000,000	3,000,000
Torrence Creek Tributary Sewer to Hambright Rd.						975,000	975,000
Cane Creek Southeast Tributary Trunk Sewer						700,000	700,000
Total Sewer	\$	68,280,400	41,640,400	59,370,400	23,740,000	48,610,000	241,641,200
WATER/SEWER REVENUE SUMMARY							
Water Revenue Bonds				23,250,000			23,250,000
Sewer Revenue Bonds		22,000,000	5,000,000	15,750,000		4,000,000	46,750,000
Water / Sewer Operating Fund		84,355,400	70,215,400	72,275,400	57,315,000	107,485,000	391,646,200
Interest Income							
TOTAL REVENUES	\$	106,355,400	75,215,400	111,275,400	57,315,000	111,485,000	461,646,200

FY2014-2018 Capital Investment Plan

PROJECT TITLE		FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
FACILITY INVESTMENTS							
Building Maintenance Program	\$	3,703,167	3,655,220	3,657,342	3,657,872	3,783,184	18,456,785
Roof Replacement Program		1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000
Parking Lot and Deck Repairs		300,000	300,000	300,000	300,000	300,000	1,500,000
CMGC and Plaza Maintenance		700,000	700,000	700,000	700,000	700,000	3,500,000
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
Joint Communications Center		24,000,000	44,000,000				68,000,000
Westover Division Police Station		10,500,000					10,500,000
South Division Police Station					9,375,000		9,375,000
Park South Division Police Station					9,375,000		9,375,000
Northeast Equipment Maintenance Facility					2,080,000		2,080,000
Land for Future Fire Stations					4,000,000		4,000,000
Technology Investments		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
Solid Waste Admin Bldg HVAC Replacement		1,200,000					1,200,000
Blumenthal Seat Replacement			800,000				800,000
TOTAL FACILITY INVESTMENTS	\$	44,553,167	53,605,220	8,807,342	33,637,872	8,933,184	149,536,785
FACILITY INVESTMENTS REVENUE SUMMARY							
COPs - Joint Communications Center (TBA 2014)	\$	24,000,000	44,000,000				68,000,000
COPs - Westover Division Police Station (TBA 2014)		10,500,000					10,500,000
COPs - South Division Police Station (TBA 2016)					9,375,000		9,375,000
COPs - Park South Division Police Station (TBA 2016)					9,375,000		9,375,000
COPs - NE Equipment Maintenance Facility (TBA 2016)					2,080,000		2,080,000
COPs - Land for Future Fire Stations (TBA 2016)					4,000,000		4,000,000
Pay-As-You-Go Fund		10,053,167	9,605,220	8,807,342	8,807,872	8,933,184	46,206,785
TOTAL REVENUES	\$	44,553,167	53,605,220	8,807,342	33,637,872	8,933,184	149,536,785

FY2014-2018 Capital Investment Plan

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Adopted FY2014 User Fees

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

By Council Policy, regulatory user fees are computed based on the annual operating budget and are driven by the complexity of the service, number of units, and staff time. For the past four years, fees remained flat to mitigate impacts from the economic decline. In FY2013, City Council approved an average increase of 6.0% and a multi-year approach to gradually return to the fully allocated cost recovery model for regulatory fees. Recognizing if the fully allocated cost recovery policy was reinstated in one year following four years of no changes, the fees could have increased significantly. Therefore, in FY2013, the multi-year approach incrementally increased user fees over a three-to-five year period to recover the full cost. Consistent with that Council direction, the regulatory user fee rates increase by an average of 6.0% for FY2014.

As detailed in this report, significant personnel and operating cost reductions have been made over the past several years to reduce the costs associated with user fees. In FY2014, 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.

The following pages detail the rates for regulatory user fees as well as the rates for non-regulatory 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 calculated according to 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
Staff Member 2	35,000	15%	5,250	10%	3,500	35%	12,250	40%	14,000
Building Rent	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	\$40	\$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	\$40	\$335	\$960

Adopted FY2014 User Fees

Regulatory User Fees

Engineering & Property Management

Land Development Division of Engineering & Property Management continues to provide quality service by completing plan reviews 95% on-time and approving plans on average of 1.9 reviews. There are two changes in the regulatory fee model. One change is the separating the cost of the final residential lot inspection from the Subdivision Review/Inspection fee. In the past, the Subdivision Review/Inspection fee included plan review, inspection of the streets and storm drainage, inspection of each subdivision lot for sidewalks, drainage, and tree installation. The final inspection for the residential lot prior to release of the certificate of occupancy will now be coordinated with the homebuilder and become a stand-alone Residential Lot Inspection fee of \$50.

The second change to the Subdivision Review/Inspection fee adds a new fee for Review of As-Builts for subdivisions older than two years from original plan approval date. This review is currently incorporated in the Subdivision Review/Inspection fee. Staff is challenged with closing out projects due to customers failing to submit subdivision as-built plans in a timely manner. The fee would be assessed after the initial two-year timeframe and recoups the costs associated with performing this review.

Charlotte Department of Transportation (CDOT)

For FY2014, Sidewalk Dining, Parade, Valet Parking, and Festival fees are included as a part of the Regulatory User Fees. While all four currently exist as right-of-way permits, these were never listed as part of CDOT's regulatory fee structure. Currently Sidewalk Dining, Parade, and Valet Parking permits charge \$1, \$10, and \$200 per permit respectively. There is no fee to obtain a Festival permit currently. These rates have not changed for several years; however, the FY2014 fees will increase in order to recover a portion of the associated costs.

The FY2014 Sidewalk Dining permit will increase to \$135 annually to recover 100% of the associated costs.

A three-tier fee structure is newly established for Parade permits. In previous years, the Parade permit fee was \$10 regardless of the size of the event and the amount of people attending the event. The proposal includes a tiered fee structure to differentiate between the size of parades based on attendance, which directly correlates to the amount of effort required to plan and coordinate these events. Small parades with less than 1,000 in attendance with a fee of \$50; events drawing more than 1,000 and less than 3,000 attendees with a fee of \$100; and events with more than 3,000 people in attendance with a fee of \$200. The fee structure recoups approximately 35% of the costs associated with coordination of parades.

The FY2014 Valet Parking permit will increase to \$250 per permit to recover 100% of the costs.

A two-tier festival permit distinguishes between large multiple day events and small events lasting several hours. Significant staff time is required to prepare, plan, and execute large events, whereas small events require little administrative time. Events with street closures for less than 24 hours are categorized as a small festival permit and will continue to have no fee associated with the event. Multiple day events are considered large events with a fee of \$300 per day after the first day to recover approximately 35% of the costs.

In recent years, CDOT reallocated a significant number of development resources to support other City programs and activities due to the economic downturn in 2008. However, the trend for development related work and reviews is on an upsweep with the improving economy. CDOT anticipates the request for development permits will continue to increase during the remainder of 2013 and 2014. The FY2014 Zoning Petition fee for CDOT's work decreases from \$2,000 to \$1,400 per permit. Based on the projected increase of permit requests, CDOT's remaining regulatory fees remain the same and recover 100% of the fully allocated costs.

Adopted FY2014 User Fees

Planning

No new fees are included for FY2014 by Planning. The majority of the regulatory fees for Planning are increasing for FY2014 by an average of 6.0%.

Fire

There are two fee categories in the Fire Department: plans review and permits. No new fees are included for FY2014. Fire's FY2014 fees continue to reflect the City's fully allocated cost recovery policy.

Police

The regulatory user fees in the Police Department include Passenger Vehicles for Hire, Adult Oriented Businesses, and Dance Halls. A few of these fees increased slightly to reflect the fully allocated costs. There are no new regulatory Police fees in FY2014.

Neighborhood & Business Services

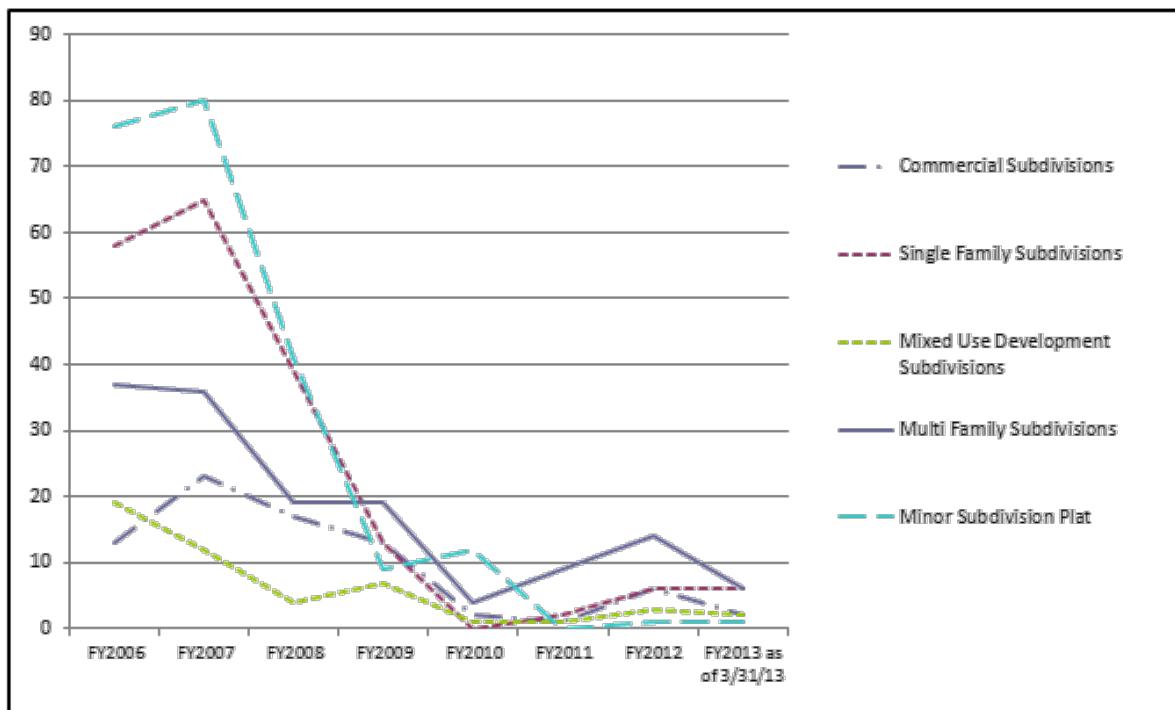
No new fees are included for FY2014 by Neighborhood & Business Services. The majority of the regulatory FY2014 fees are increasing by \$5 to \$15. The Business Licenses Review fee decreases by \$5.

Adopted FY2014 User Fees

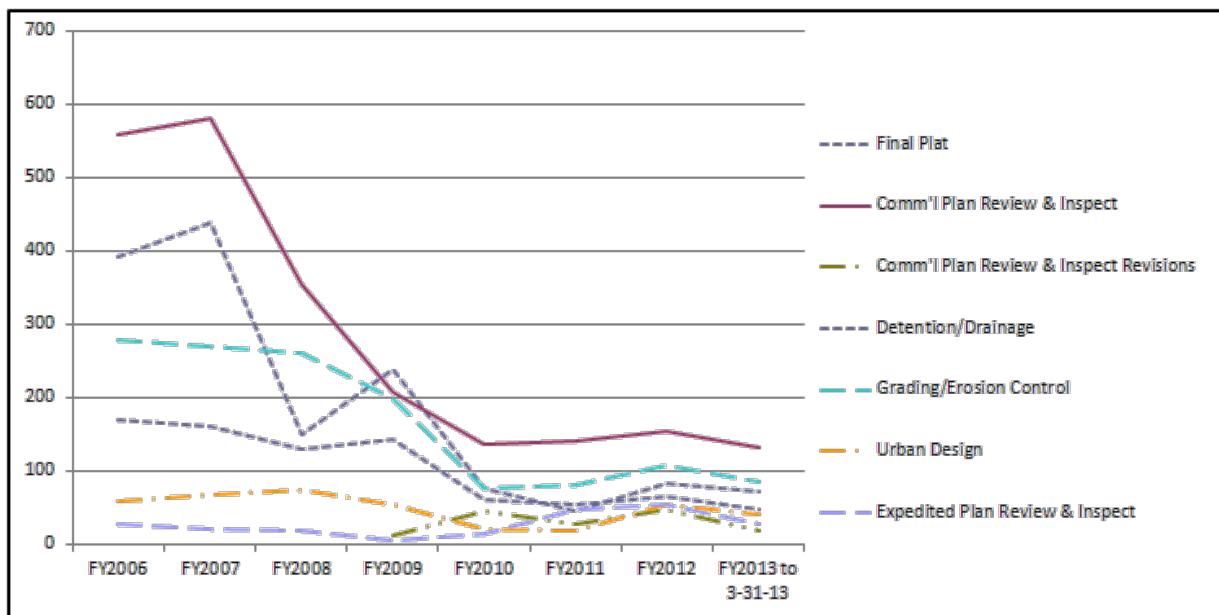
Land Development Services' User Fees Occurrences

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 Charlotte Fire Department. As illustrated in the charts below, most of the land development user fee categories have experienced a slight increase in occurrences.

Subdivision Development Fees and Permits



Other Land Development Fees and Permits



Adopted FY2014 User Fees

Non-Regulatory User Fees:

Aviation

Aviation's FY2014 fees remain virtually the same as FY2013. In FY2014, Remote Lot Parking Fee and Long Term Lot Parking increased by \$1.00 each from \$6.00 to \$7.00 and \$4.00 to \$5.00, respectively. In FY2013, Terminal Area Rental fee ranged from \$5.21 to \$52.14 and the FY2014 fee is one fee of \$17.42. In FY2013 the Maintenance/Operations fees range from \$10.00 to \$12.00, which is consolidated to one fee of \$13 in FY2014.

Engineering & Property Management

The Real Estate Division includes a new non-regulatory fee category for new and existing tenants with space on any of the 38 City-owned telecommunication towers. The fee consists of four components: New Lease, Lease Extension, Lease Amendment/Modification, and Lease Termination. The fee covers the cost of work required to accommodate equipment additions or reconfigurations, and inspection of changes to ensure all work complies with agreement. This is a common industry practice and fees are similar to fees charged by other tower owners that lease space to cell phone companies.

Charlotte Mecklenburg Police Department – Animal Care & Control

Fees remain unchanged from FY2013 with the exception of setting prices for parrots, horses, and cows. These animals will continue to be offered at the going market rate or auction starting price.

City Clerk

In FY2014, the fee for Legal Advertisements for Zoning will increase by \$20 to cover the cost increase of legal advertisements placed in the newspaper.

Charlotte Area Transit System (CATS)

In FY2013, CATS implemented 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 continue to be established by the advertising contractors.

Other non-regulatory user fees held constant:

- ♦ Dead Animal Collections
- ♦ Cemetery Fees
- ♦ Tree Ordinance Payment in Lieu Fee
- ♦ Annual Solid Waste Disposal Fee
- ♦ Parking Permits and Meters
- ♦ Off-Duty Police Officer Permits
- ♦ Voluntary Annexation Petitions

The FY2014 Adopted Regulatory and Non-Regulatory User Fee schedule is attached. The effective date of these fees is July 1, 2013.

Adopted FY2014 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 user fee schedule includes a 5.5% impervious surface fee rate increase in FY2014. For the average City residential storm water customer, the monthly variable rate fee will increase from \$7.48 in FY2013 to \$7.89 in FY2014.

Charlotte-Mecklenburg Utilities Department

In the FY2014 adopted budget, Utilities customers will experience an increase in the volume rate for both water and sewer, and the availability fee for water. The average monthly total water and sewer bill for residential customers is estimated to be \$55.17 in FY2014, an increase of \$2.14 per month. This average bill assumes 5,250 gallons or 7 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 total fixed billing charge per month remains at \$2.46 for sewer and \$2.46 for water. The sewer volume rate increases from \$4.32 to \$4.46 per ccf for all sewer customers.

Adopted FY2014 User Fees

REGULATORY USER FEES

Engineering & Property Management

Regulatory Fees	FY2013	FY2014	Basis
Commercial Plan Review & Inspection ¹	\$ 1,295	\$ 1,385	Per project
Commercial Tree Ordinance Review & Inspection	1,565 + 10	1,565 + 10	Per project + per tree planted
Grading/Erosion Control Permit ²	4,485 + 150	4,485 + 150	Per project + per acre
Commercial Tree Preservation	1,230	1,400	Per project
Detention/Drainage Plan Review & Inspection ²	2,400 + 100	2,400 + 100	Per project + denuded acre
Urban Design Plan Review & Inspection ³	3,525	3,560	Per project
Plat Review & Inspection	1,180	1,185	Per plat
Major Residential Subdivision Review & Inspection ⁴	3,670 + 100	3,925 + 100	Per project + per acre
Major Commercial Subdivision Review & Inspection ^{4,5}	3,495 + 50	3,740 + 50	Per project + denuded acre
Residential Tree Ordinance (Single-Family Subdivision) and Residential Tree Preservation	1,620 + 15	1,735 + 15	Per project + per acre
Minor Residential Subdivision (without streets)	1,450	1,550	Per project
Rezoning Staff Review & Inspection	260	265	Per project
Revision to Approved Plan (Administrative Review)/Administrative Fee	1,090	1,110	Per project
Minor Administrative Review	430	460	Per project
Commercial Zoning Plan Review & Inspection ⁶	90 - 860	90 - 860	Based on construction costs
Expedited Plan Review	1,720	1,730	Per project
Single Family Residential Lot Inspection ⁷	n/a	50	Per Certificate of Occupancy
As-Builts for Subdivisions > 2 years from approval date ⁸	n/a	1,385	Per As-Built

Note 1: Engineering collects for driveway permit reviews, which includes CDOT's services 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 FY2014 fees): City Engineering Fee(s) collected by Mecklenburg County. 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=\$860 fee; RTAP review = \$145 fee; CTAC review = \$90 fee

Note 7: New Fee: Separated fee for lot inspection prior to certificate of occupancy from the subdivision inspection fee

Note 8: Additional fee for As-Builts if two years has lapsed since date of subdivision approval

Adopted FY2014 User Fees

Charlotte Department of Transportation (CDOT)

Regulatory Fees	FY2013	FY2014
Zoning Petition*	\$ 2,000	\$ 1,400
Commercial Building Permit/Site Plan*	100	100
Commercial Driveway Permit/Site Plan*	230	230
Subdivision Processing*	2,320	2,320
Right-of-Way Encroachment	2,000	2,000
Right-of-Way Abandonment ¹	1,450	1,450
Urban Reviews	1,975	1,975
Expedited Review	200	200
Sidewalk Dining Permit ²	1	135
Valet Parking: ³		
New Permit	200	250
Revision of Existing Permit	50	50
Renew of Permit	25	25
Festival Permit: ⁴		
Small event - 1 day only	no fee	no fee
Large festival >1 day (permit required for each day after the first day for the duration of the event)	n/a	300
Parade Permit: ⁵		
Small < 1,000 attendees	10	50
Medium 1,000 to 3,000 attendees	10	100
Large >3,000 attendees	10	200
Utility Right-of-Way Ordinance ⁶	***	***

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

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

² Listing sidewalk dining permits with regulatory user fees and calculating per current policy - 100% of fully allocated costs.

³ Listing valet parking permits with regulatory user fees. 100% fully allocated costs moves annual cost to \$250.

⁴ New user fee for multi-day festivals that requires significant staff time to manage street closures. The user fees recoup approximately 35% of fully allocated costs

⁵ Moved parade permits to regulatory section while adding distinction based on cost drivers due to size . The user fees recoup approximately 35% of fully allocated costs

⁶ Per the Utility ROW Stakeholder Process, fees are calculated based on actual costs and usage. Billed annually in August

Adopted FY2014 User Fees

Fire

Regulatory Fees	FY2013	FY2014
A. Fire Code Permits:		
Hazardous Chemicals <110 gallons, 1,000 lbs	\$ 130	\$ 125
Heliport/Helistop	130	125
Fumigation & Thermal Insecticide Fogging	130	125
Lumber Storage/Yards & Woodworking Plants	130	125
Waste Handling (Junk Yards, Wrecking Yards)	130	125
Dispensing of Flammable/Combustibles including service stations	130	125
Day Care/Group Homes	130	125
Temporary Membrane Structures, Tents, Canopies	130	125
Repair Garages	130	125
Combustible Dust Producing Operations/Pulverized particles	130	125
Covered Mall Bldgs – Retail Fixtures/Concessions	130	125
Covered Mall Bldgs – Display-liquid or gas-fired equipment	130	125
Covered Mall Bldgs – Use of open flame producing equipment	130	125
Aerosol Products	130	125
Dry Cleaning Plants	130	125
Flammable Liquids Class 1 (5-50 gallons inside/10-50 outside)	130	125
Combustible Liquids Class 2 & 3 (25-60 gallons on property)	130	125
ABC Inspection/Permit	130	125
Non-Mandated Inspection Fee	130	125
ReInspection Fee (3rd Inspection)	130	125
B. Fire Code Permits:		
Haz Chem 111-1,100 gallons; 1,001-10,000 lbs	170	175
Compressed Gas	170	175
Spraying or Dipping Operations	170	175
Places of Assembly	170	175
Explosives (Fireworks Indoors)	170	175
Combustible Fibers	170	175
Exhibits & Trade Shows	170	175
Amusement Buildings	170	175
Carnivals & Fairs	170	175
Cryogenic Fluids	170	175
Flammable Liquids Class 1 (51-500 gallons on property)	170	175
Combustible Liquids Class 2 & 3 (61-500 gallons)	170	175
Combustible Storage Permit (over 2,500 cubic ft)	170	175
High Pile Storage	170	175

Adopted FY2014 User Fees

Fire Fees continued

Regulatory Fees	FY2013	FY2014
C. Fire Code Permits:		
Haz Chem 1,101-5,500 gallons 10,001-50,000 lbs	\$ 215	\$ 220
Tire Rebuilding Plant	215	220
Flammable & Combustible Liquids (Install, alter, remove, abandon tanks – AG/BG tank removal)	215	220
Flammable & Combustible Liquids (Operate tank vehicles, tanks, plants, terminals, wells, refineries)	215	220
Flammable & Combustible Liquids (Change type of contents in tank to a greater hazard than tank's design)	215	220
Flammable & Combustible Liquids (manufacture, process, blend/refine)	215	220
Flammable & Combustible Liquids (dispensing from tank vehicles into motor vehicles	215	220
Aviation Facilities	215	220
Flammable Liquids Class 1 (501-5,000 gallons on property)	215	220
Combustible Liquids Class 2 & 3A (501-5,000 gallons on property)	215	220
D. Fire Code Permits:		
Hazardous Chemicals >5,500 gallons >50,000 lbs	245	250
Explosives – Blasting Operations	245	250
Explosives – Fireworks (Outdoors)	245	250
Explosives – (Manufacture, storage, handling & sale)	245	250
Flammable Liquids Class 1 (>5,000 gallons, on property)	245	250
Combustible Liquids Class 2 & 3A- > 5,000	245	250
Bulk Terminal Operations (Includes 3-5 permits for permit categories 13, 14, 15 & 18)	2,200	2,200

Adopted FY2014 User Fees

Fire Fees continued

Regulatory Fees	FY2013	FY2014
<u>E. Plans Review:</u>		
Hydrant Test	\$ 155	\$ 155
Rezoning Petitions	165	125
Multi-Family	300	250
Fire Alarm Plans (Shop drawings)	140	125
Fire Sprinkler Plans (Shop drawings)	140	125
Plans Review-Const.<\$50,000	170	190
Plans Review-Const. \$50,001 to \$100,000	180	220
Plans Review-Const. \$100,001 to \$500,000	200	250
Plans Review-Const. \$500,001 to \$1,000,000	235	315
Plans Review-Const. \$1,000,001 to \$5,000,000	305	405
Plans Review-Const. \$5,000,001 to \$10,000,000	450	625
Plans Review-Const. > than \$10,000,000	690	940
Performance Tests - Fire pumps	160	190
Performance Tests - Sprinkler System (13R, drain test, etc)	160	190
Performance Tests - Fire Alarm (Shell) (Smoke evac, atriums, smoke detection systems)	590	250
Performance Tests - Fire Alarm (Upfit)	160	125
Performance Tests - Private fire hydrants	160	155
Performance Tests - Standpipe system tests	400	405
Performance Tests - Automatic fire-extinguishing systems (hood systems, Halon systems, pre-action systems in computer rooms or alternatives)		
	160	155

Adopted FY2014 User Fees

Police

Regulatory Fees	FY2013	FY2014
Adult Businesses:		
Application Fee	\$ 2,225	\$ 2,380
License Fee	800	855
Background Check Fee	30	35
Building Design Change Fee	1,090	1,090
Passenger Vehicle for Hire Fees:		
Company Certification Fees:		
Application Fee	220	235
Certification/Permit Fee	385	410
Renewal of Certification/Permit	425	455
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	95
Reinstatement of Permit Fee	100	100
Transfer or Duplication of Permit Fee	30	35
Add or Change a Company Affiliation	70	75
Extend Driver Permit Expiration Date	100	110
Replace Driver Permit	70	75
Vehicle Fees:		
New-Vehicle Permit (Decal/Medallion Fee)	190	190
Renew Vehicle Permit	155	155
Transfer Vehicle Permit	95	100
Replace Vehicle Permit	100	110
Replace Vehicle Decal	45	45
Dance Hall License Fees:		
Application/Renewal Fee	2,320	2,480
License Fee	820	875
Background Check Fee	35	40
Building Design Change Fee	1,095	1,170
Carnival Permit Fee	865	865

Note 1: penalty; not a regulatory fee

Note 2: fee amount regulated by State statute

Adopted FY2014 User Fees

Planning

Regulatory Fees	FY2013	FY2014
Rezoning:		
Single Family (Conventional)	\$ 850	\$ 905
Multi-Family (Conventional)	1,250	1,335
Other (Conventional)	2,100	2,240
Single Family (Conditional)	1,100	1,175
Multi Family (Conditional)	1,675	1,790
Other (Conditional)	2,800	2,990
Text Amendment	950	1,000
Amend. Site Plan Approval	450	475
Sign Flex Option	250	250
Subdivision Review:		
Preliminary Single Family (Streets)	1,300	1,375
Preliminary Non-Residential	1,025	1,075
Preliminary Plan Revisions	1,150	1,200
Variances & Appeals	2,500	2,500
Final Plats	300	315
Final Plats Revision	250	265
Condo Plats	215	230
Planned Multi-Family Review	1,775	1,875
Urban Plan Review*:		
Urban Plan Review	1,425	1,500
Urban Plan Review - Minor & Revision (Admin Review/Fee)	250	250
Zoning Administration:		
Appeals - Residential	175	175
Appeals - Non-Residential	375	400
Variances - Residential	600	640
Variances - Non-Residential	1,475	1,550
Administrative Deviation - Residential	175	185
Administrative Deviation - Non-Residential	375	400

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

Adopted FY2014 User Fees

Neighborhood & Business Services

Regulatory Fees	FY2013	FY2014
Zoning Administration		
Sign permits ≤100 sq ft	\$ 130	\$ 140
Sign permits >100 sq ft	185	200
Change of Use & Zoning Use Permits	135	145
Residential Single Family Reviews	30	35
Business License Reviews	45	40
Verification Letters	50	55

City Clerk

Regulatory Fees	FY2013	FY2014
Zoning Advertisements*	\$ 130	\$ 150

*Collected by Planning Department

Adopted FY2014 User Fees

NON-REGULATORY USER FEES

Aviation

Non-Regulatory Fees	FY2013	FY2014	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	7.00	Daily maximum
Long Term Lot	4.00	5.00	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	
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	\$0.67	\$0.67	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	\$17.42	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	\$13.00	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 FY2014 User Fees

City Clerk

Non-Regulatory Fees	FY2013	FY2014
Voluntary Annexation Petition	\$ 400	\$ 400

Engineering & Property Management

Non-Regulatory Fees: Oaklawn, North Pinewood, West Pinewood, 9th St., and Pinewood	FY2013	FY2014
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 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 FY2014 User Fees

Engineering & Property Management Fees continued

Non-Regulatory Fees: Elmwood and Evergreen Cemeteries	FY2013	FY2014
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 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 FY2014 User Fees

Engineering & Property Management Parking Fees

Non-Regulatory Fees	FY2013	FY2014
Employee Parking	\$25/Month	\$25/Month
Public Parking:		
First 1/2 hour	\$1.00	\$1.00
Additional time (1/2 hours increments)	\$1.00	\$1.00
Maximum per day	\$12.00	\$12.00
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 Telecommunication Tower Lease Non-Regulatory Fee*

Non-Regulatory Fees	FY2013	FY2014
New lease:		
Application Fee	n/a	\$500
Installation/Inspection	n/a	\$5,000
Closeout Documentation	n/a	\$2,500
Lease Extension:		
Application Fee	n/a	\$500
Lease Extension	n/a	\$5,000
Lease Amendment/Modification:		
Application Fee	n/a	\$500
Amendment/Modification	n/a	\$5,000
Installation/Inspection	n/a	\$5,000
Closeout Documentation	n/a	\$2,500
Lease Termination:		
Lease Termination	n/a	\$5,000
*A new non-regulatory fee for telecommunication tower leases including new leases, extensions, modifications and terminations. The fees are based on industry practice. This new category of non-regulatory fees recovers the cost associated with ensuring security and operability of city towers for continued reliable public safety communications.		

Engineering & Property Management Land Development Fees

Non-Regulatory Fees	FY2013	FY2014
Bond Administration Service	\$430/per surety posted, extension, reduction, renewal, replacement, or release	\$440/per surety posted, extension, reduction, renewal, replacement, or release
Tree Ordinance Payment in Lieu Fee	\$80,100 per acre	\$80,100 per acre

Adopted FY2014 User Fees

Charlotte-Mecklenburg Police Department Animal Care & Control Fees

Non-Regulatory Fees	FY2013	FY2014
Animal Control Adoption Fees:		
Adult Dog/Cat	\$ 30	\$ 30
Adult Dog/Cat Senior Citizen 62 older	no charge	no charge
Puppy/Kitten	30	30
Puppy/Kitten Senior Citizen 62 older	no charge	no charge
Rescue Group Dog/Cat Approved Adoption	no charge	no charge
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 FY2014 User Fees

Solid Waste Services

Non-Regulatory Fees	FY2013	FY2014
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.)	\$ 47.00	\$ 47.00
Mobile Homes (Ind.)	47.00	47.00
Residential	47.00	47.00
Manufactured	47.00	47.00
Mobile Home	47.00	47.00
M/F Business Residential	24.00	24.00
M/F Individual Residential	24.00	24.00
M/F Others	24.00	24.00

Charlotte Department of Transportation

Non-Regulatory Fees	FY2013	FY2014
Parking Permits:		
Parking Permits (4 th Ward, 3 rd Ward, etc)	\$ 30	\$ 30
Replacement Permits	5	5
Parade Permit*	10	see regulatory fees
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

*Parade fees are regulatory in nature and included on the regulatory fee schedule.

Adopted FY2014 User Fees

Engineering & Property Management

Storm Water Rates	FY2013	FY2014
Single Family:		
Tier I - <2,000 sq ft of impervious area	\$ 5.08/mo	\$ 5.36/mo
Tier II - ≥2,000 sq ft of impervious area	7.48/mo	7.89/mo
Commercial:		
Per acre of impervious area	124.74/mo	131.56/mo

Charlotte Mecklenburg Utilities

Water & Sewer Fees	FY2013	FY2014
Water Rates:		
Fixed:		
Administrative Charge	\$ 2.46	\$ 2.46
Availability Fee	2.41	2.47
Volume Rate:		
Tier I - (0-4 ccf)	1.09	1.20
Tier II - (5-8 ccf)	2.18	2.40
Tier III - (9-16 ccf)	3.81	4.30
Tier IV - (16+ ccf)	5.96	6.76
Non Residential (ccf)	2.33	2.46
Sewer Rates:		
Fixed:		
Administrative Charge	2.46	2.46
Availability Fee	4.56	4.56
Volumetric - residential, commercial, others (ccf)*:	4.32	4.46
Industrial Waste	0.24	0.24
Capacity/Connection:		
Common residential water	2,230	2,230
Common residential sewer	4,018	4,018

* up to 16 ccf for residential customers

Adopted FY2014 User Fees

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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 Workshop(s): This series of half-day workshops, 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.

Key Terms

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.

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.

Key Terms

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.

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 in the Charlotte Observer, 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.

Key Terms

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.

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.