

CHARLOTTE.

**FY2006 & FY2007
Strategic Operating Plan
Summary**



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MAYOR PRO TEM
PATRICK DE'ANGELO CANNON

CITY COUNCIL
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CITY MANAGER
PAMELA A. SYFERT



CHARLOTTE.

**FY2006 & FY2007
Strategic Operating Plan
Summary**

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Reader's Guide

This reader's guide describes the structure of two plans contained in this document: the **FY06 and FY07 Strategic Operating Plan (SOP)** and the **FY06-10 Capital Investment Plan**. It is designed to help citizens, media, and City officials more easily understand and participate in budget deliberations. A listing of key terms is included in the glossary at the end of this document.

The City of Charlotte budgets on a biennial basis, therefore the **Strategic Operating Plan** contains recommended expenditures and projected revenues for fiscal years 2006 and 2007. In an effort to focus on what is achieved through spending, this plan also includes performance achievements for each of the City's operating units. These operating units are called **Key Business Units**, those which provide direct services to citizens, such as Police, Fire, and Airport; and **Support Business Units**, those which indirectly support those services such as Finance and Human Resources.

FY06 and FY07 Strategic Operating Plan

This document is a detailed record of the spending plan proposed by the City Manager to the Mayor and City Council for FY06 and FY07. It contains the following elements:

City Attorney			
Summary	FY05	FY06	FY07
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.	Budget \$1,425,746	\$1,471,495	\$1,503,435
	Positions 24.50	24.50	24.50
<p>Vital Statistics</p> <ul style="list-style-type: none"> Annually provides over 20,000 hours of legal service (excluding Aviation and Police staff) Staff of 15 attorneys and 10 support staff in City Attorney's Office Staff of 2 attorneys in Aviation Staff of 5 attorneys and 2 support staff in Police 			
<p>Accomplishments</p> <ul style="list-style-type: none"> Played a leading role in development of the Small Business Enterprise program and Disparity Study Develop a food and beverage proposal for the new Arena to substitute Compass Group as the provider Provided legal analysis on domestic partner benefits Rebid and negotiated a new agreement for Neighborhood Development outside legal services saving the City \$191,000 annually Worked with Aviation and outside counsel to protect the Airport's legal interest in the US Airways second bankruptcy 			
<p>SERVICE DELIVERY CHALLENGES</p> <p><u>Environmental Issues</u> Legal services related to Utilities and Storm Water environmental issues are currently handled by outside counsel. Services include permit issuance and compliance for wastewater collection and treatment plants, wastewater system protection enforcement efforts, and storm water environmental issues. The addition of in-house staff to perform this work, as a lower cost alternative, requires consideration.</p> <p><u>Space Needs and Staff Management</u> Space needs are becoming critical. The office has staff located in five separate areas: CATS, Police, Real Estate (Cameron Brown Building), Risk Management, and Aviation. Staff members located in other buildings spend considerable time commuting back and forth to meetings. This also hinders the attorneys because the face-to-face discussion they find extremely helpful when reviewing changes in the law, current litigation and other legal problems is limited. Although some attorneys will always be outposted (Police and Aviation) others would benefit from a location with the rest of the office. Additionally, the lack of conference room space for mediations is increasingly noticeable because of increased condemnation actions that result in increased frequency of mediations requiring meeting space.</p>			

City Attorney																				
Performance Measures	Performance Achievement																			
	FY04 Actual	FY05 Target	FY06 Target	FY07 Target																
<p>Legal Advice and Representation Provides legal advice, research, and information to the Mayor, City Council, City Manager, and City staff</p> <ul style="list-style-type: none"> Conduct annual interviews with each client department to develop a service plan 100% 100% 100% 100% Conduct informal surveys of Mayor and Council members to determine topics of interest 3 topics identified Conduct 1 session each year Conduct 1 session each year Conduct 1 session each year Coordinate Lunch and Learn seminars on legal topics of interest to City employees 4 seminars held 2 seminars each fiscal year 2 seminars each fiscal year 2 seminars each fiscal year 																				
<p>Litigation Provides litigation services including defense and enforcement of ordinances and policies</p> <ul style="list-style-type: none"> Provide legal services in a cost effective manner and at a lower cost than services provided by outside counsel \$91.58/hr. \$92.25/hr. \$95.70/hr. \$98.61/hr. 																				
<p>Property Transactions Provides negotiation and services for the purchase and sale of the City's real estate assets</p> <ul style="list-style-type: none"> Active condemnation cases 122 114 TBD TBD 																				
<p>Budget Summary</p> <table border="1"> <thead> <tr> <th></th> <th>FY05</th> <th>FY06</th> <th>FY07</th> </tr> </thead> <tbody> <tr> <td>City Attorney Services</td> <td>Budget \$ 1,425,746</td> <td>\$ 1,471,495</td> <td>\$ 1,503,435</td> </tr> <tr> <td></td> <td>Positions 24.50</td> <td>24.50</td> <td>24.50</td> </tr> <tr> <td>Total</td> <td>\$ 1,425,746</td> <td>\$ 1,471,495</td> <td>\$ 1,503,435</td> </tr> </tbody> </table>						FY05	FY06	FY07	City Attorney Services	Budget \$ 1,425,746	\$ 1,471,495	\$ 1,503,435		Positions 24.50	24.50	24.50	Total	\$ 1,425,746	\$ 1,471,495	\$ 1,503,435
	FY05	FY06	FY07																	
City Attorney Services	Budget \$ 1,425,746	\$ 1,471,495	\$ 1,503,435																	
	Positions 24.50	24.50	24.50																	
Total	\$ 1,425,746	\$ 1,471,495	\$ 1,503,435																	
<p>Decreases None</p> <p>Increases None</p> <p>Unfunded Unfunded requests totaling \$214,019 in FY06 were requested by the City Attorney's Office. Please see the appendix on page 120 for details of these requests.</p>																				

Budget Process

PHASE I—BUDGET POLICY DEVELOPMENT

November 2004

Council Budget Committee

- Budget Prioritization Options
- Budget Development Process

December 2004

Mayor and Council Policy Retreat

- Preliminary Financial Projection
- Update 2004 Council Priorities
- Services Assessment Proposal

January 2005

Mayor and Council Services Assessment

- Ranking of 39 General Fund Services by Level of Importance
- 741 Question Survey

February 2005

Mayor and Council Annual Retreat

- 3-Year Operating Expense and Revenue Projection
- General Debt Capacity for Capital
- Mid-year Budget Report
- Service Delivery Options
 - Multi-family garbage collection
 - Bulky item pickup
 - Street cleaning on State streets
 - Solid waste collection fee
 - Business privilege license
 - User fees
- 2005 Council Priorities

Council Budget Committee Meeting

- Employee Compensation and Benefits
- CATS Budget

March 2005

Mayor and Council Budget Retreat

- Cost Containment and City's Competition Program
- Employee Compensation and Benefits
- CATS Operating and Capital Budget Review
- Financial Partners and Outside Agency Capital Requests
- Revenue Update

Council Budget Committee Meeting

- Revenue Update
- Storm Water Public Hearing Process

April 2005

Council Budget Committee Meeting

- 911 Surcharge Fee
- Public Art Update

Mayor and Council Budget Retreat

- Cost Containment
- Request for Additional Police Officers
- Revenue Update
- Request for Additional Resources in Street Maintenance and Code Enforcement

Mayor and Council Budget Retreat

- Draft Capital Investment Plan
- Charlotte-Mecklenburg Utilities Budget
- General Fund Operating Budget Issues
- 911 Surcharge Fee

PHASE II—BUDGET DELIBERATIONS AND ADOPTION

May 2005

Budget Presentation by City Manager

Public Hearing on Budget

Budget Adjustment Meeting

June 2005

Budget Straw Votes Meeting

Budget Adoption

Manager's Transmittal

July 1, 2005

To the honorable Mayor Patrick McCrory and Charlotte City Council:

This document reflects the detailed information included in the 2006 and 2007 Appropriations and Tax Levy Ordinance and 2006 and 2007 Budget Plan, each approved by City Council on June 20, 2005.

The total budget for FY06 is \$1,416,780,908 of which \$873,983,795 is appropriated for operating expenses and \$542,797,113 is appropriated for capital improvement projects. The total budget for FY07 is \$1,349,511,290 of which \$912,015,517 is appropriated for operating expenses and \$437,459,773 is appropriated for capital improvement projects.

The final five-year Capital Investment Plan is presented as a companion document. A summary of the Capital Investment Plan is included in this document.

Respectfully,

A handwritten signature in black ink, appearing to read "Pamela A. Syfert". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Pamela A. Syfert
City Manager

Capital Investment Plan Resolution

June 20, 2005
Resolution Book 39, Page 730

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHARLOTTE
ADOPTING THE FIVE-YEAR CAPITAL INVESTMENT PLAN FOR FISCAL YEARS
2006 to 2010.**

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 FY2006-2010 Capital Investment Plan that balances the potential physical development planning with long-range financial capacity; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Charlotte, in its regular session duly assembled, that it does hereby adopt the Capital Investment Plan for fiscal years 2006 to 2010.

This 20th day of June 2005

CERTIFICATION

I, Stephanie C. Kelly, Deputy 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 20th day of June, 2005, the reference having been made in Minute Book 122, and recorded in full in Resolution Book 39, Page 730.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this the 23rd day of June, 2005.


Stephanie C. Kelly, CMC, Deputy City Clerk

Introduction

Charlotte's City Manager presented her recommended FY06 & FY07 Operating Budget and the FY06-FY10 Capital Investment Plan to the City Council and public on May 2, 2005. The budget review process included several workshops and a public hearing on May 9, 2005 for input from Charlotte's citizens. Charlotte's City Council adopted the budget on June 20, 2005.

The City of Charlotte budgets on a biennial basis, therefore the **Strategic Operating Plan** contains recommended expenditures and projected revenues for fiscal years 2006 and 2007. In an effort to focus on what is achieved through spending, this plan also includes performance achievements for each of the City's operating units. These operating units are called **Key Business Units**, those which provide direct services to citizens, such as Police, Fire, and Airport; and **Support Business Units**, those which indirectly support those services such as Finance and Human Resources.

FY06 and FY07 Strategic Operating Plan

This document is a detailed record of the spending plan proposed by the City Manager to the Mayor and City Council for FY06 and FY07. It contains the following elements:

Executive Summary: An overview of the Strategic Operating Plan which highlights the priorities reflected in the budget, itemized budget decreases and increases, and fund summaries.

Corporate Strategy: The City's corporate strategy, City Council priorities (Community Safety, Economic Development, and Transportation) and strategic focus areas: Community Safety, Economic Development, Transportation, Housing and Neighborhood Development and Restructuring Government.

General Fund Operations Budgets: The budgets and performance achievements of Key Business Units that are funded by the City's property and sales taxes. These are Police, Fire, Solid Waste, Transportation, Neighborhood Development, Engineering and Property Management, and Planning.

Enterprise Operations Budgets: The budgets and performance achievements of Key Business Units which are enterprise operations with a dedicated funding source. These are Aviation, Charlotte Area Transit System, and Charlotte-Mecklenburg Utilities.

Support Businesses Budgets: The budgets and performance achievements of Support Business Units which are funded by the City's property and sales taxes. These are Mayor and City Council, City Attorney, City Clerk, City Manager, Budget and Evaluation, Business Support Services, Finance, and Human Resources.

Capital Investment Plan: 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. The Final Capital Investment Plan, a companion document to this book, is now available and provides detailed descriptions of each capital project as approved by City Council.

Introduction

Changes from the Manager's Recommended Budget: The Council approved several amendments to the Manager's Recommended Budget.

Revenues-related Changes:

1. Eliminated the proposed service expansion budget funded by a property tax increase in both fiscal years, keeping the tax rate at 42.0 cents per \$100 valuation.
2. Increased the User Fee Policy Recovery Rate from 60% to 100% for FY06, providing \$1.5 million. The Manager's recommendation was an increase to 80% in FY06 and to 100% in FY07.
3. Increased the one-time transfer from the Risk Fund's reserves to the General Fund by \$1.0 million, for a total of \$1.5 million.
4. Funded the remaining portion the new Assistant Debt Manager position in Finance from Municipal Debt Service Fund reserves (\$12,911 in FY06; \$13,143 in FY07).
5. Balanced FY07 with a one- time appropriation from General Fund reserves for \$1.4 million.

Expenditure-related Changes:

1. Decreased the number of new Police Officers from the recommended 62 to 48 for FY06, with no new positions for FY07. The funding for the new positions totals \$3.2 million. Additionally, 14 Police positions were transferred from the DARE program to community policing.
2. Deleted funding for street resurfacing (\$2.0 million in FY06; \$3.3 million in FY07).
3. Reduced the funding for land acquisition for a proposed fire station at the Arboretum to \$0.8 million (down from \$1.0 million).
4. Deleted staffing for proposed fire station at the Arboretum scheduled for FY07 (\$1.6 million).
5. Deleted positions in Economic Development (business corridor related) and Neighborhood Development (annexation related).
6. Deleted funding for Recruiting and Retention Pool (\$0.4 million in both years).
7. Reduced employee training (\$0.3 million) and corporate communications including the TV Studio (\$0.3 million) in both years.
8. Reduced contracts with economic development-related financial partners (Advantage Carolina- reduced to \$75,000 for FY06; Charlotte Regional Partnership- reduced to \$75,000 for FY06). These contractual changes were funded from eliminating the FY06 allocation of \$150,000 designated for the National League of Cities' 2005 conference support.
9. Provided \$975,000 for planning and design for future road capital investment projects in FY06 from Municipal Debt Service Fund reserves.
10. Restored full funding for After- School programs in the Community Development Block Grant. No net change in funding was necessary; the change reallocates the Grant's annual fixed amount.
11. Reduced Council's Discretionary account by \$65,663 in FY06, to \$34,337. In FY07 \$100,000 is provided.

Introduction

Position-related Changes:

FY2006 Position Changes (reductions)

Filled Positions eliminated	21
-----------------------------	----

Street Sweeping and Litter Pickup on State Streets	13
Laborer	4
Equipment Operator II	5
Equipment Operator III	4
I-277 Loop Landscaping and Grounds Maintenance	3
Labor Crew Chief II	1
Equipment Operator I	1
Equipment Operator II	1
Landscape Maintenance on City Rights of Way	1
Equipment Operator I	1
Neighborhood Services	2
Neighborhood Services Specialists	2
Training and Employee Development	2
Human Resource Temporary Employees	2

Vacant Positions eliminated	14
-----------------------------	----

Street Maintenance	12
Labor Crew Chief	2
Equipment Operator III	1
Equipment Operator II	2
Mason	1
Street Maintenance Crew Member	6
Neighborhood Services	2
Neighborhood Services Specialist	1
Code Enforcement Inspector	1

Frozen Positions	3
------------------	---

Budget Analyst	1
Economic Development -Business Services position	1
Human Resources Analyst	1

Reorganizations/Other Position Transfers

94 positions were transferred from multiple Key Business Units (Transportation, Solid Waste, Utilities, Police, Customer Service) and Mecklenburg County for implementation of 311.

18 positions were transferred from Mecklenburg County to the City due to the transfer of the zoning function.

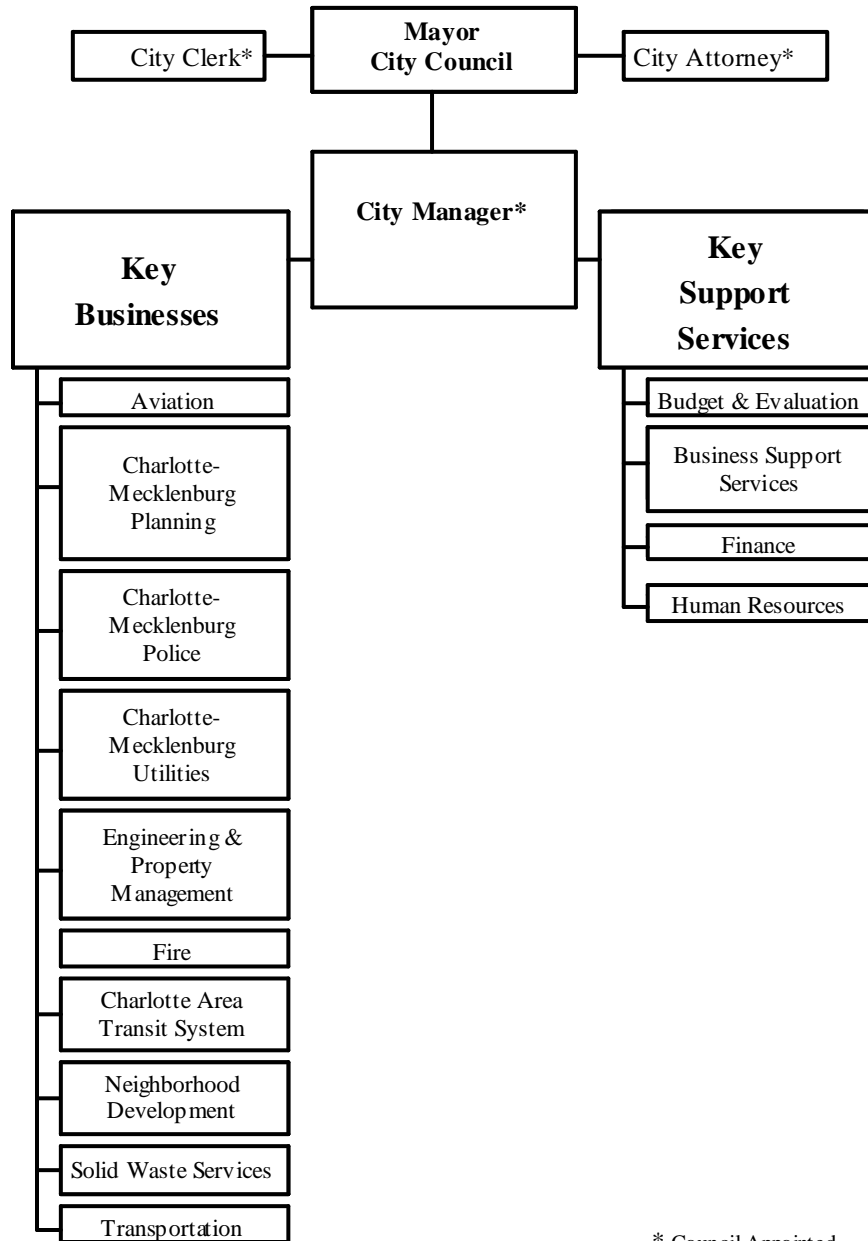
3 positions were transferred from Solid Waste Service to CATS for maintenance activities.

2 positions were transferred from Neighborhood Development to Economic Development related to the Workforce Development Board.

Please see individual Key Business pages listed above for additional detail.

Organizational Chart

City of Charlotte



* Council Appointed

Executive Summary

INTRODUCTION

The City's budget for FY06 totals \$1.42 billion, a decrease of 10.6% from FY05's revised budget of \$1.58 billion. The City's budget for FY07 totals \$1.35 billion. The net decrease represents a reduction in the Capital Investment Plan (CIP) and an increase in the combined operating funds. The City's combined operating funds total \$874.0 million in FY06, an increase of \$70.1 million, or 8.7% over FY05's total of \$803.9 million. The City's combined operating funds total \$912.1 million in FY07. The CIP decreases 30.5%, from \$780.9 million in FY05 to \$542.8 million in FY06. A review of the CIP follows the operating budget sections of this document.

The FY06 and FY07 budget was prepared in a manner that preserves the Council's priorities to the maximum extent possible. To this end, the budget development process relied on a combination of strategies to address the FY06 \$12 million budget gap projected at the City Council's annual planning retreat in February 2005. These strategies allowed for the General Fund gap to be closed without requiring numerous major cuts in direct services to the public. The FY06 and FY07 budget is a balanced program developed in the context of the Council's priorities and the City's core values; however, substantial budget reductions were necessary to achieve this balance. Though constrained by numerous factors, the budget represents an on-going commitment to cost containment and a concern for maintaining service delivery standards.

Council Priority Areas

Council's Priorities guided the budget development process. Each year, the Mayor and City Council identifies focus areas to serve as the framework for allocating funds and resources. The Focus Areas include Housing and Neighborhood Development, Community Safety, Economic Development, Restructuring Government, and Transportation. The Mayor and Council also designate priority areas. The priorities chosen at the annual Council Retreat in February 2005 were: Transportation, Community Safety, and Economic Development. The FY06 Budget reflects a continued commitment to these priorities.

Providing affordable and valuable transportation choices within the communities in and around the Charlotte area

Transportation

Priority Actions:

1. Comprehensive Transportation Plan
 - Completion of the Plan
 - Policy and project direction
2. State Roads and City Funding
 - Clarification of Transportation Planning Structure
 - Work with North Carolina Department of Transportation and Legislative Delegation
 - Definition: City's Policy Toward State Roads
3. Air Quality
 - Overall Strategy
 - Action Plan
4. Transit Oriented Development Policy and Decisions
 - Definition: Wedges, Center, Corridors
 - Hubs on the Ground
5. City Streets: Improving Conditions
 - Street Resurfacing Evaluation Report
 - Minimum Street Standards Evaluation
 - Urban Street Design Guidelines Review

Executive Summary

*Ensuring Charlotte is a safe and livable community
by providing the necessary safeguards and proper law-enforcing resources*

Community Safety

Priority Actions:

1. Strategic Plan for Community Policing
 - Assessment of Impact
 - Recommitment
 - Actions for Enhancements
2. Property Crime Reduction Strategy and Actions
 - Initiatives to Reduce Burglary and Vehicle Theft
 - Targeting High-Crime Neighborhoods
3. Crime Watch—Link to Homeowners Association and Others
 - Encourage Crime Watch Participation for Homeowner Associations
 - Support “Night Out” Program
 - Incorporate Crime Watch into Neighborhood Symposium

*Attracting, developing, and retaining businesses
to expand employment opportunities*

Economic Development

Priority Actions:

1. City's Economic Development Policy Framework and Strategy
 - Address Business Attraction, including Incentives and the Need for Cash
 - Definition of Roles and Responsibilities for Economic Development: City, Chamber, Partnership
 - Overall Economic Development Vision and Goals
 - Strategy
 - Annual Work Program
 - Performance Measure of Success
2. Hotel/Motel Tax Sunset and Future Direction
 - Review
 - Decision: Direction
3. Tax Increment Financing (TIF) Policy, Use and Action
 - TIF: Policy Review and Evaluation
 - Process of Developing Criteria for New TIF Legislation
 - Criteria Identifying Potential TIF Areas
4. Policy on Incentives for Tourism
 - Review Draft Policy
 - Decision Policy
5. NASCAR Museum Proposal
 - Monitor Proposal
 - Definition of City's Role/Participation
 - Determine Actions

Executive Summary

General Fund Operating Budget Development

Services Assessment Ranking

In January 2005, the Mayor and City Council undertook a services assessment process which resulted in a ranking of General Fund services. In January 2005, the Mayor and Council ranked 39 General Fund services according to priority. Services are defined from the perspective of a citizen, rather than by Business Unit responsibility. Descriptions of 39 direct services were developed and the service names were included in a web-based survey. Budget reductions were evaluated within the context of this ranking provided by the Mayor and City Council. Results of the ranking exercise are provided below and illustrate the level of importance given to each service, as compared to all other services listed.

Service Ranking

Rank	Service	Total
1	Community Policing	422
2	911 Communications	402
3	Police and Fire Investigations	363
4	Planning	350
5	Fire Control and Suppression	342
6	Garbage Collection	342
7	Street Repair	337
8	Street Resurfacing	333
9	Police and Fire Special Operations	331
10	Traffic Control	320
11	Code and Special Ordinance Enforcement	301
12	Land Development Regulation	300
13	Capital Project Planning and Construction	288
14	Housing Services	267
15	Targeted Economic Development	265
16	Business Development Retention and Growth	261
17	Police and Fire - School Support	249
18	Response to Natural Disasters	243
19	Police - Judicial System Support	218
20	Hospitality - Tourism Development and Support	212
21	Homeland Security Preparation	211
22	Animal Control and Shelter	201
23	Street Lighting	179
24	Cultural Programs Support	178
25	After-School Enrichment	172
26	Recycling Collection	169
27	Bulky Item Collection	163
28	Customer Service and Information	161
29	Yard Waste Collection	159
30	Uptown Services	153
31	Employment Programs	149
32	Street Cleaning	142
33	Street Right-of-Way Cleaning	133
34	Neighborhood Centers	119
35	Community Education and Relations	105
36	Community Cleanups	104
37	Government Communication and Information	104
38	Landscape Maintenance	97
39	Cemeteries Operation and Maintenance	47
	Grand Total	8892

Executive Summary

Closing the Gap-Operating Budget Reductions

For a fourth year in a row as the nation and state are recovering from an economic downturn, the City of Charlotte has made significant cuts in the General Fund budget. The City's Key Business Executives (KBEs) were asked to submit a ranked list of budget reductions totaling 4% of their respective operating budgets for consideration during the development of the FY06 and FY07 budgets. These reductions were considered in addition to the continuing budget reductions of \$12.3 million in FY03, FY04, and FY05. City employees have worked hard to prevent these reductions from negatively impacting the level of service provided to the community. However, the cumulative impact of these reductions and the on-going structural budget deficit make it difficult to continue cutting the budget while maintaining service levels and quality standards. Although the exercise of identifying specific reductions was limited to the business units that rely on property tax revenues, all of the City's enterprise related business units are experiencing limited revenue growth due to factors associated with economic conditions.

For example, prior year reductions include:

FY03

- Delayed Police and Fire recruit classes
- Frozen positions in Street Maintenance
- Reduced funding for landscape maintenance and trash collection along right-of-way
- Eliminated recycling education programs
- Reduced inventory of Fire supplies
- Reduced printing, publishing, travel and training, and miscellaneous supplies and services

FY04

- Frozen civilian positions in Police
- Frozen positions in Fire recruit classes
- Reduced Traffic Operations inventory
- Eliminated mailing of City's annual report
- Frozen positions in Planning supporting rezoning

FY05

- Eliminated positions and materials related to utility cut repairs
- Reduced I-277 landscape maintenance
- Delayed technology projects
- Reduced travel, training, printing, advertising, and small contracts

(Note: Police and Fire recruit classes were restored in FY05).

A complete listing of FY06 and FY07 reductions is provided on page 23 of this executive summary.

Closing the Gap-Service Level Cuts

During the FY05 budget deliberations, Council requested several studies be conducted related to expenditure adjustments including multi-family garbage collection, street sweeping and litter pick up on North Carolina state streets, and bulky item garbage. Approved recommendations follow.

Street Sweeping and Litter Pick Up on State Streets-Eliminate service.

Council asked staff to evaluate the financial savings and impacts of eliminating solid waste services on State streets. Staff reviewed the current level of service to NCDOT streets, State reimbursement and City funding, a comparison with other State and national municipalities, and impacts of service elimination. The elimination of street sweeping and litter pick-up on State streets beginning September 1, 2005 generates FY06 savings of \$444,551 and an additional \$88,910 in FY07.

Executive Summary

General Fund Operating Budget Development

Closing the Gap-Fee Increases

During the FY05 budget deliberations City Council directed staff to review revenue enhancement options for three specific resources: business privilege licenses, solid waste collection fees, and user fees. Based on these reviews, changes to the business privilege license maximum fee and the user fee cost recovery rate were recommended and approved.

Business Privilege License-Increase maximum fee from \$2,000 to \$10,000.

The last time the Business Privilege License fee was reviewed for potential change was in 1995. Charlotte's current rate structure is similar to other cities in North Carolina as well as in other Southeastern states. This structure is based on a business's gross receipts (GR), scaled upon increasing tiers of GR, up to a maximum amount. Increasing the maximum fee from \$2,000 to \$10,000 effective July 1, 2006 will produce approximately \$2.4 million in new revenue for FY06 and \$4.8 million for FY07. Of the 36,000 licensed businesses in Charlotte, approximately 1,376 will be affected by this change (less than 4%).

User Fees-Increase recovery rate from 60% to 100% in FY06.

During the FY05 budget deliberations, Council also considered increasing the regulatory user fee recovery rate to an amount greater than the current Council policy of 60%. Council directed the City Manager to appoint a User Fee Stakeholder Committee to review user fees. The Committee made valuable recommendations to improve the regulatory user fee methodology and process. The City Manager recommended increasing the regulatory user fee cost recovery policy from 60% of fully allocated costs to 80% of fully allocated costs in FY06. Council approved increasing the cost recovery rate to 100% in FY06, generating \$3 million in revenues.

Service Expansion

Service demands resulting from our growing community have outpaced revenue growth. As a result, significant needs in the City's infrastructure and core service areas require attention. The additional resources necessary to ensure Charlotte's long-term sustainability are recommended as follows.

Public Safety is one of Charlotte's residents and elected officials highest priorities. The City added 144 sworn positions in FY2000. Since that time, the City has not added sworn police positions to address service demand and public safety needs. The FY06 budget provides for 48 new police officers in the community. An additional 14 officers are being transferred from DARE to community policing.

The addition of an infill fire station in the Arboretum community will improve response times and increase coverage in a growing section of the City. The land will be purchased in FY06. Constructing the station and providing the necessary staffing will be addressed in future budgets.

The FY06 budget provides \$508,343 for six additional **code enforcement** positions to address growing workload demands. The additional code enforcement positions will result in an additional 344 housing code and 3,892 nuisance compliances annually.

Executive Summary

Operating Budget Development - All Funds

Budget Highlights

The City's total operating budget for FY06 is \$874.0 million, an increase of \$70.1 million, or 8.7% over the FY05 budget. This includes all General and Enterprise Funds.

The City's debt service expenses represent a major driver in the operating budget totals above. For FY06, these expenses are \$183.9 million, an increase of \$5.5 million, or 3.1% above the FY05 total of \$178.4 million. FY07 debt service expenses are \$189.6 million.

Exclusive of debt service, which supports the City's capital investment programs, the total operating budget growth from FY05 to FY06 is \$64.6 million, or 10.3%.

The total assessed property value for FY06 is estimated at \$65,219,209,806, an increase of approximately \$2.5 billion, or 4.0% over FY05's budget estimate. Approximately \$1.3 billion of the increase is from the areas annexed by the City during FY05.

Revenues-General Fund

The property tax rate is 42.0¢ for FY06 and FY07 per \$100 of property valuation.

Property Tax

Property tax revenues including current and prior year collections, interest, and other penalties and rebates are projected to total \$232.8 million (4.4% over FY05) in FY06 and 2.5% in FY07. This increase includes a \$1.5 million transfer from Pay-As-You-Go to the General Fund.

<u>Fund</u>	<u>FY05</u>	<u>FY06</u>	<u>FY07</u>
General Operations	35.5¢	35.7¢	35.7¢
Debt Payments	4.7¢	4.7¢	4.7¢
Pay As You Go Capital	1.8¢	1.6¢	1.6¢
Total	42.0¢	42.0¢	42.0¢

Sales tax revenues are comprised of the proceeds from two rates: the long-standing 1% County rate and the additional ½ % rate made effective January 1, 2003.

County 1%

For FY06 the estimated revenue is \$35.5 million, an increase of \$3.1 million, or 9.6%, over FY05. For FY07, the estimated revenue is \$36.6 million, an increase of \$1.1 million, or 3.1%, over FY06.

County ½ %

Revenues are projected to total \$12.9 million for FY06 and FY07, representing an increase of 12.6% over FY05.

Utilities franchise tax revenues are projected to increase 3.1% to \$29.8 million for FY06. FY07 projected revenues are \$30.7 million, or 3.0%, over FY06.

Intragovernmental revenues, including reimbursements from the City's four enterprise operations for overhead expenses incurred on their behalf in the General Fund, increase to \$16.9 million in FY06, an increase of 1.0% over FY05. For FY07, overhead expenses increase to \$17.4 million, a 2.9% increase over FY06.

Police Services

School Resource Officers-Mecklenburg County also reimburses the City for 19 of the 42 school resource officers (SRO). The additional officers provide an enhanced level of security services to the schools than those allocated by CMPD for the standard SRO program. Revenues totaling approximately \$1.7 million for FY06 and FY07 are projected. This is an increase of 0.6% from FY05.

Executive Summary

Mecklenburg County-All of the recommendations of the Future of Policing Committee were adopted by Council including the recommendation to cap the County's payments to the City for police services in the unincorporated areas at the current level until FY08. This action amended the cost sharing portion of the Police Consolidation Interlocal Agreement and caps Mecklenburg County's payments at the FY04 level of \$12,548,543. The population ratio method will continue to be used to calculate the County's contribution. This may result in the contribution being lowered if there are annexations during the life of the agreement.

Solid waste disposal fee revenue is projected to increase to \$9.7 million in FY06, an increase of 1.6% from FY05. For FY07, an increase of \$194,000 or 2.0%.

Business privilege license revenue is projected to increase to \$11.2 million in FY06, an increase of 29.9% from FY05. For FY07, an increase of \$2.6 million, an increase of 17.3% from FY06, to a total projection of \$13.7 million. This estimate includes the increased business license cap effective July 1, 2006.

911 Surcharge Fee revenues are scheduled to increase in FY07 as a result of increasing the fee from 0.73¢ per month, per customer to 0.95¢ per month, per customer. Revenues generated from the 911 surcharge partially supports 911-related expenses for Police, Fire, and Mecklenburg EMS. Eligible expenses are specifically defined by statute and are limited to lease, purchase, and maintenance of emergency telephone equipment.

The City's other General Fund revenues, including user fees, licenses, permits, grants, parking, and animal control charges total \$51.4 million, or 12.4% of the total General Fund revenues in FY06. Other General Fund revenues total \$51.8 million for FY07 and are 12.2% of the total General Fund revenues for FY07.

Expenditures - General Fund

Three significant service modifications are included in the FY06 and FY07 Budget. These are the 311 Call Center, Zoning Services, and Economic Development reorganization which took effect in July 2005.

311 Call Center

The 311 Call Center (Center) was launched in July 2005. The Center enables citizens to contact a customer service representative 24 hours per day, 7 days per week by dialing 311. 311 representatives will provide general information and address non-emergency requests and complaints such as noise and potholes. Mecklenburg County funds 26% of the cost in FY06 as the Center assumed responsibility for general Tax Office and Parks and Recreation calls. City Key Business Units (KBUs) served by the new Center will contribute the balance of the operating cost. Call volumes and nature will be monitored during the first year of operation and will allow for a more accurate cost share calculation in FY07.

The creation of the Center will have no net impact on the General Fund budget. The Center has a total FY06 budget of \$2,304,343 (after departmental charges) and a total FY07 budget of \$2,382,155 (after departmental charges). These budgets are fully funded by a contribution from Mecklenburg County and a reallocation of existing City resources from the KBUs served by the center. Mecklenburg County will contribute \$1,242,508 in FY06 and \$1,279,172 in FY07. The remaining costs, \$1,061,835 in FY06 and \$1,102,983 in FY07, will be re-allocated from existing City resources within the served KBUs.

Initially, the Center, located in the University Area, will be staffed by existing staff through a reallocation of 72 existing City positions and the transfer of 22 County positions for Tax and Park and Recreation calls. Positions reallocations are as follows:

Number of Positions	City/County Department
5	Charlotte Department of Transportation
13	Solid Waste Services
14	Charlotte-Mecklenburg Utilities
12	Charlotte-Mecklenburg Police
28	Existing Customer Service division (City Manager's Office)
72	Total-City positions transferred
22	Total-County positions transferred
94	Total Positions dedicated to 311

Executive Summary

311 will allow citizens to obtain information about many services by dialing one number and should decrease the volume of non-emergency calls received by 911 operators, allowing them to concentrate on true emergencies.

Zoning Services

The responsibility for the administration and enforcement of the land use zoning regulations was transferred to the City from Mecklenburg County on July 1, 2005. These functions will be administered by three Key Businesses. The transfer includes the following responsibilities:

1. Neighborhood Development will be accountable for Limited Zoning Permitting and Zoning Enforcement in the City of Charlotte and Extra-Territorial Jurisdiction. The Limited Zoning Permitting will involve the zoning validation associated with issuances of ABC related permits, Business Licenses, Change of Use Permits, Customary Home Occupations, Signs and other miscellaneous zoning approvals. The Enforcement responsibility will involve comprehensive enforcement of the Zoning and Sign Ordinances following issuance of a Certificate of Occupancy or after a designated construction period.
2. Engineering will be responsible for zoning functions associated with commercial projects in the City of Charlotte and Extra-Territorial Jurisdiction. Commercial zoning will involve plan review and approval for commercial land development projects and subsequent field inspections to ensure compliance with the Zoning Ordinance.
3. Planning will be in charge of all administrative zoning functions involving the processing and granting of variance requests, the processing and hearing of appeals to the Zoning Administrator and staffing for the Zoning Board of Adjustment.

This transfer is funded by a transfer of two Neighborhood Centers to the County: Amay James Neighborhood Center and Greenville Neighborhood Center; as well as eliminating a County charge to the City for assessing vehicles. Eighteen positions will be transferred to the City from the County. FY06 will be a transition year with the City providing the current County level of services. During FY06 zoning services will be analyzed to determine appropriate service level for FY07.

Count of Position			
KBU	Position	Total	Amount
EPM-Zoning Administration	Code Enforcement Inspector	4	\$566,219
	Plans Reviewer	3	
ND-Neighborhood Zoning Enforcement	Code Enforcement Inspector	7	\$618,683
	Code Enforcement Supervisor	1	
Planning-Zoning Plans Review	Office Assistant V	1	\$244,731
	Planning Coordinator	1	
	Planning Program Manager	1	
Grand Total			\$1,429,633

Economic Development

The Economic Development office has been reorganized and several related changes are reflected in the FY06 budget. Monitoring of the Charlotte-Mecklenburg Workforce Development Board and the operation of the Mayor's Youth Employment Program were transferred from Neighborhood Development to Economic Development. The associated employment and training staff responsible for these functions were also transferred. The total amount of the transfer is \$378,249 for FY06 and \$382,702 for FY07 and includes personal and operating expenses for two staff members and the annual contribution to the Workforce Development Board. The Workforce Development Board oversees and controls the distribution of Workforce Investment Act funds.

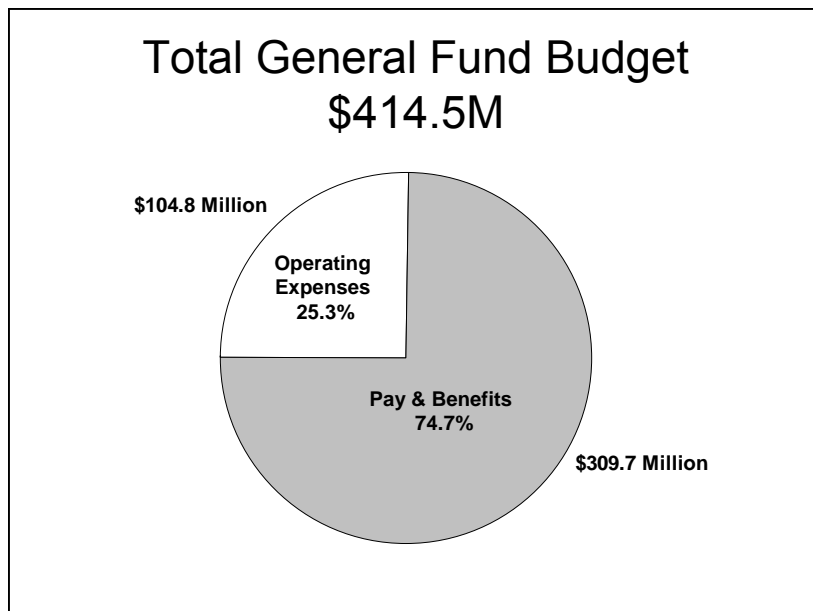
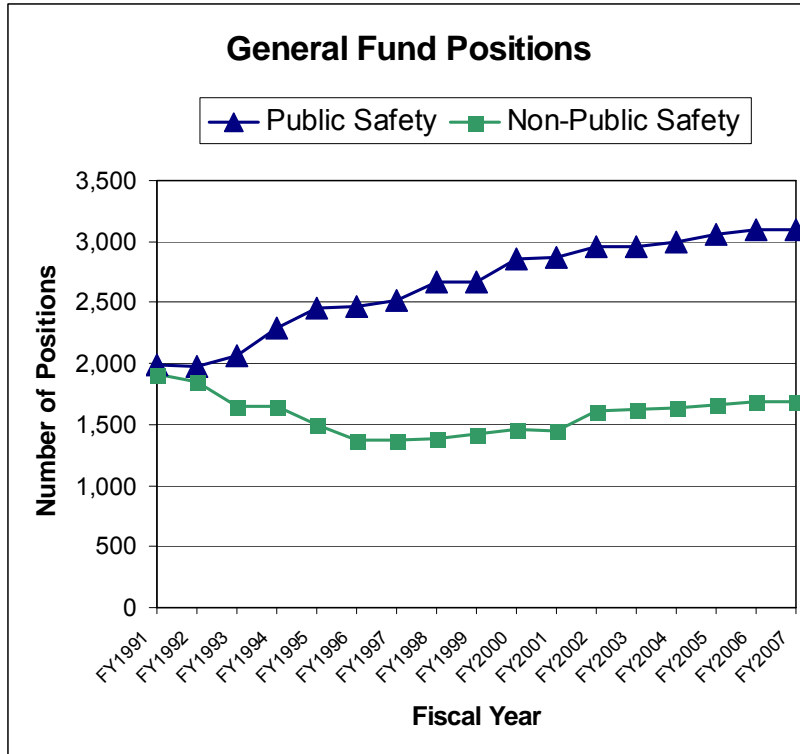
Pay Plan

Based on the annual review of market competitiveness as determined through a survey of the pay and benefits practices of other public and private sector employers, market survey data indicates a 3.5% merit increase in the Broadbanding Pay Plan and a 2.5% market increase for the Public Safety Pay Plan. However, expenditure growth in the General Fund is limited by current revenues. Employee pay is a majority of the funding for the General Fund. Therefore, the FY06 budget contains the pay plan details provided below.

- In the Broadbanding Pay Plan, City Council approved funding for a 3% merit increase budget for all business units.
- In the Public Safety Pay Plan, City Council approved funding for a 2.5% market increase budget for all business units. It is also recommended that the 5.0% movement through steps be funded.

Executive Summary

The illustrations provided below highlight the public safety portion of the FY06 and FY06 General Fund operating budget and related positions. Public Safety comprises a significant portion of General Fund resources.



Executive Summary

City of Charlotte

All Funds

Summary of Expenditures

(Net of Transfers¹)

FY 2006

<u>FUND / ACTIVITY</u>	<u>OPERATING</u>	<u>CAPITAL</u>	<u>TOTAL</u>
General	\$ 373,191,950	\$ -	\$ 373,191,950
Water and Sewer	86,726,013	168,963,500	255,689,513
Charlotte Area Transit (CATS)	81,713,970	117,947,182	199,661,152
Aviation	72,323,852	101,736,577	174,060,429
Storm Water Utility	16,081,724	40,840,000	56,921,724
Debt Service	183,877,935		183,877,935
Powell Bill	17,821,092		17,821,092
Convention Center	11,134,130		11,134,130
Neighborhood Development Grants	8,613,948		8,613,948
Public Safety Grants	12,763,742		12,763,742
Public Safety 911 Services	4,063,267		4,063,267
SafeLight	1,500,000		1,500,000
SafeSpeed	1,312,718		1,312,718
Municipal Service Districts	1,916,767		1,916,767
Risk Management	917,687		917,687
Tourism Operating	25,000		25,000
General CIP		113,309,854	113,309,854
TOTAL BUDGET	\$ 873,983,795	\$ 542,797,113	\$ 1,416,780,908

FY 2007

<u>FUND / ACTIVITY</u>	<u>OPERATING</u>	<u>CAPITAL</u>	<u>TOTAL</u>
General	\$ 387,395,036	\$ -	\$ 387,395,036
Water and Sewer	91,344,510	79,640,000	170,984,510
Charlotte Area Transit (CATS)	90,682,869	129,321,513	220,004,382
Aviation	74,285,015	163,610,552	237,895,567
Storm Water Utility	16,097,533	24,080,000	40,177,533
Debt Service	189,566,902		189,566,902
Powell Bill	18,182,397		18,182,397
Convention Center	10,797,192		10,797,192
Neighborhood Development Grants	8,613,948		8,613,948
Public Safety Grants	12,763,742		12,763,742
Public Safety 911 Services	6,456,048		6,456,048
SafeLight	1,500,000		1,500,000
SafeSpeed	1,417,718		1,417,718
Municipal Service Districts	1,974,269		1,974,269
Risk Management	949,338		949,338
Tourism Operating	25,000		25,000
General CIP		40,807,708	40,807,708
TOTAL BUDGET	\$ 912,051,517	\$ 437,459,773	\$ 1,349,511,290

¹ 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 FY06 by the General Fund's Fire Department, which totals \$2,470,134, 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.

Executive Summary

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

<u>FUNDS</u>	<u>Revised FY2004</u>	<u>Revised FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>Percent Change (FY05 to FY06)</u>
General	\$ 337.6	\$ 351.0	\$ 373.2	\$ 387.4	6.3%
Enterprise					
Water and Sewer	\$ 68.2	\$ 81.9	\$ 86.7	\$ 91.3	5.9%
Charlotte Area Transit (CATS)	64.1	68.1	81.7	90.7	20.0%
Aviation	52.5	50.5	72.3	74.3	43.2%
Storm Water Utility	15.1	16.9	16.1	16.1	-4.8%
Total Enterprise	\$ 199.8	\$ 217.3	\$ 256.8	\$ 272.4	18.2%
Debt Service					
Water and Sewer	52.5	55.8	63.1	67.4	13.0%
Municipal	40.7	52.7	42.0	42.0	-20.5%
Aviation	25.6	32.6	35.7	34.6	9.6%
Convention Center	6.3	12.0	11.4	11.5	-4.7%
Storm Water	3.6	4.8	5.1	7.0	6.2%
CATS	2.9	12.1	15.1	15.6	25.1%
Tourism	8.7	8.3	11.4	11.4	37.9%
Total Debt Service	\$ 140.2	\$ 178.4	\$ 183.9	\$ 189.6	3.1%
Other Operating					
Powell Bill	18.9	20.8	17.8	18.2	-14.5%
Neighborhood Development Grants	5.6	14.1	8.6	8.6	-39.1%
Convention Center	8.5	10.3	11.1	10.8	8.6%
Public Safety Grants	4.9	2.5	12.8	12.8	414.2%
Public Safety 911 Services	4.6	3.7	4.1	6.5	9.6%
Safe Light	2.1	2.1	1.5	1.5	-28.4%
Safe Speed	-	0.8	1.3	1.4	61.2%
Municipal Service Districts	1.9	1.9	1.9	2.0	0.1%
Risk Management	0.9	0.9	0.9	0.9	0.9%
Tourism Operating	-	-	0.0	0.0	
Total Other Operating	\$ 47.2	\$ 57.2	\$ 60.1	\$ 62.7	5.1%
TOTAL OPERATING BUDGETS	\$ 724.8	\$ 803.9	\$ 874.0	\$ 912.1	8.7%

*Rounded, in millions

Executive Summary
City of Charlotte
Summary of Position Allocations
By Fund

<u>Key or Support Business</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>Percent</u>
	<u>Actual</u>	<u>Revised</u>	<u>Budget</u>	<u>Budget</u>	<u>Change</u>
		<u>Budget</u>			<u>(FY05 to</u>
					<u>FY06)</u>
Police	1,987.50	1,976.50	2,012.50	2,012.50	1.8%
Fire	1,015.00	1,082.00	1,082.00	1,082.00	0.0%
Solid Waste	255.00	247.00	239.00	239.00	-3.2%
Transportation	456.25	447.25	437.25	437.25	-2.2%
Engineering and Property Management	298.00	299.00	301.00	301.00	0.7%
Planning	58.00	58.00	61.00	61.00	5.2%
Neighborhood Development	119.00	121.00	129.00	129.00	6.6%
Mayor/Council	7.00	7.00	7.00	7.00	0.0%
City Attorney	19.50	24.50	24.50	24.50	0.0%
City Clerk	6.00	6.00	6.00	6.00	0.0%
City Manager	12.00	12.00	12.00	12.00	0.0%
Community Relations	10.00	10.00	10.00	10.00	0.0%
Corporate Communications	19.00	19.00	19.00	19.00	0.0%
Customer Service - 311 Call Center	28.00	72.00	94.00	94.00	30.6%
Economic Development	23.00	23.00	26.00	26.00	13.0%
Internal Audit	8.00	9.00	9.50	9.50	5.6%
Human Resources	32.50	32.50	32.50	32.50	0.0%
Finance	100.00	77.00	78.00	78.00	1.3%
Business Support Services	183.50	186.50	186.50	186.50	0.0%
Budget and Evaluation	13.00	13.00	13.00	13.00	0.0%
Total General Fund	4,650.25	4,722.25	4,779.75	4,779.75	1.2%
Charlotte-Mecklenburg Utilities	784.50	802.50	802.50	819.50	0.0%
Aviation	248.00	268.00	268.00	268.00	0.0%
Storm Water	77.00	84.00	92.00	92.00	9.5%
Charlotte Area Transit System	225.25	242.25	289.75	389.75	19.6%
Risk Management	23.00	25.00	25.00	25.00	0.0%
Total All Funds	6,008.00	6,144.00	6,257.00	6,374.00	1.8%

Executive Summary

General Fund Decreases by Council Priority Area

Community Safety

\$21,600 is reduced in FY06 from Corporate Communications by eliminating the production of Police Beat, the monthly televised program on Community Safety.

2.0 positions were reduced in Animal Control as a result of contracting out revenue collections. The resulting salary savings were used to fund the contract.

Economic Development

\$143,423 is reduced in FY06 by eliminating all landscape and grounds maintenance of I-277. This includes a reduction of 3 filled employee positions.

\$37,750 is reduced in FY06 by decreasing the landscape maintenance on State right-of-ways within the City from 8 times to 5 times per year.

\$40,418 is reduced in FY06 by decreasing the landscape maintenance on City right-of-ways from 8 times to 5 times per year. This includes a reduction of 1 filled employee position.

\$444,551 in FY06 and an additional \$88,910 in FY07 is reduced by eliminating street sweeping and litter pick-up from all State streets beginning September 1, 2005. This includes a reduction of 13 filled employee positions and 11 pieces of equipment.

\$62,343 is reduced from the Small Business Opportunity Program in FY06 by freezing 1 vacant Small Business Management Analyst position for one year.

\$62,360 is reduced in FY06 and an additional \$325 in FY07 by freezing a vacant Business Services position.

\$25,000 is reduced in FY06 for Workforce Development Board expenses.

\$15,400 is reduced in FY06 in the Office of City Clerk by recovering the cost of rezoning advertisement from rezoning applicants.

\$8,106 is reduced in FY06 in Planning's printing and publishing expenses.

Transportation

\$456,733 in FY06 eliminates 12 street maintenance positions resulting from productivity improvements identified through optimization as part of the City's managed competition program.

\$57,000 is reduced in FY06 in Transportation by increasing administrative charges to CATS for services.

\$142,453 is reduced in FY06 in maintenance and construction materials used for marking street traffic lines.

General Government

\$592,217 in FY06 and an additional \$203,647 in FY07 is reduced by decreasing multi-family garbage collection from twice-a-week to once-a-week beginning September 1, 2005.

\$400,000 is reduced from recruitment and retention.

\$300,000 is reduced from training and employee development.

\$300,000 is reduced from communications.

\$300,000 is reduced in FY06 and FY07 from Corporate Communications by reducing the Television Studio budget.

Executive Summary

\$130,471 is reduced for Neighborhood Development annexation positions.

\$69,674 in FY06 is reduced by freezing 1 vacant Budget and Evaluation Analyst position.

\$6,000 is reduced in FY06 by eliminating the Neighborhood Center Bus Pass program.

\$65,663 is reduced from Council's discretionary fund.

\$61,680 in FY06 and an additional \$60,988 in FY07 is reduced by eliminating 2 filled Neighborhood Services Specialist positions involved in neighborhood problem solving and capacity building. This 5% reduction to Community Education reflects Council's Services Assessment priority ranking.

\$61,165 in FY06 is reduced by freezing 1 vacant Neighborhood Services Specialist position.

\$38,628 is reduced in FY06 from Corporate Communications by eliminating the City Notes insert in utility bills.

\$11,750 is reduced in FY06 from Corporate Communications by eliminating contracting of training videos and special projects.

\$29,531 is reduced in FY06 for funding of cultural facilities utility costs.

\$47,500 is reduced in FY06 by decreasing janitorial service and floor maintenance at the Charlotte-Mecklenburg Government Center.

\$7,900 is reduced in FY06 for reduced window washing and maintenance parts for Old City Hall.

\$60,000 is reduced in FY06 by decreasing technology Help Desk support services.

\$50,000 is reduced in FY06 by decreasing costs for data circuits in Information Technology.

\$5,000 is reduced in FY06 by eliminating repair costs for surplus equipment in Business Support Services.

\$10,835 is reduced in FY06 by a renegotiated lease for the Real Estate Division.

\$18,000 is reduced in FY06 for technology funding in Engineering and Property Management.

\$47,040 is reduced in FY06 for printing, training, and miscellaneous contractual expenses for the Community Relations Committee.

\$33,159 is reduced in FY06 for technology, travel, and miscellaneous contractual expenses in Finance.

\$14,184 is reduced in FY06 in the Solid Waste Services' Public Service Division for Community Education.

\$9,000 is reduced in FY06 for technology maintenance and repair in Human Resources.

\$12,911 is reduced from Finance related to the Assistant Debt Manager position (funding from Municipal Debt Service Fund).

\$125,000 is reduced from the Advantage Carolina financial partner.

\$35,539 is reduced from the Charlotte Regional Partnership financial partner.

\$94,162 is reduced from Human Resources for training programs.

Executive Summary

General Fund Increases by Council Priority Area

Community Safety

\$3,243,409 in FY06 is added for 48 Law Enforcement Officers - 31 on July 1st and 17 on January 1st. 14 officers are being redirected to patrol from the elimination of DARE program.

\$1,017,735 in FY06 and an additional \$168,590 in FY07 is added for overtime for uptown traffic control.

\$800,000 for purchase of Arboretum Fire Station land.

\$300,000 is added in FY07 for increased fuel cost in Police.

\$4,459,376 in FY06 and an additional \$13,746 in FY07 is added to provide 68 Fire positions (added in FY05 for training and startup) and fire protection and prevention services to seven newly-annexed areas. Funding in FY06 includes start-up costs for 1 engine fire truck and on-going costs of 1 engine and 1 ladder company. FY07 funding provides on-going cost for 2 engine and 1 ladder companies.

\$60,817 is added in FY06 for increased building rent costs for the Fire Administration building.

\$40,853 is added in FY06 to cover increased fuel costs for fire response vehicles.

Economic Development

\$1,169,410 is added in FY06 to provide 5 Solid Waste Services positions (added in FY05 for training and start-up) and collection and landfill services to the newly-annexed areas.

\$508,343 for additional Code Enforcement staff.

\$75,580 is added in FY06 to provide 1 new position and contract monitoring of landscape maintenance services to the newly-annexed areas.

\$64,652 is added in FY07 to fund a previously frozen Principal Planner position to support the rezoning process. The Zoning Ordinance has been revised and includes more conditional districts requiring site plan review.

\$76,791 in FY06 and an additional \$2,490 in FY07 is added to fund a Senior Economic Development Specialist. This position is partially funded (50%) by CATS and will focus on promoting the creation of private sector oriented development within ¼ and ½ mile radius of transit stations, initially along the South Corridor.

Funding is added for the costs associated with transferring the Zoning Administration program from Mecklenburg County. This net increase will be 100% funded by increased user fees and covers 18 new positions.

- \$618,683 is added in Neighborhood Development and includes 7 positions
- \$566,219 is added in Engineering & Property Management and includes 8 positions
- \$244,731 is added in Planning and includes 3 positions

Transportation

\$1,665,229 is added in FY06 to provide pavement marking and signage materials, funding for 12 positions in street maintenance, and extension of arterial signal systems to the newly-annexed areas.

\$1,017,000 in FY06 and an additional \$2,421,998 in FY07 is added in the Powell Bill Fund to bring annexation area roads up to City standards.

\$975,000 for planning and design of roads.

Executive Summary

\$500,000 is added in FY06 to contract for uptown event traffic control and 1 position.

\$267,264 is added in FY06 for materials to maintain traffic signals according to state standards. This is 100% offset through state municipal agreements.

\$76,196 is added in FY06 to fund 1 position for signal timing support. This is 100% offset through state municipal agreements.

\$130,472 in FY06 and an additional \$2,440 in FY07 funds 2 new positions to provide neighborhood services to newly annexed areas.

General Government

\$1,242,508 in FY06 and an additional \$36,664 in FY07 is added to fund the 311 Call Center. This net increase represents the County's portion of the program for 22 positions for the Mecklenburg County Tax office and the Park and Recreation Department, and will be 100% funded by Mecklenburg County.

\$683,636 is added to restore 50% funding for FY06 for After-School programs.

\$100,000 is added in FY07 associated with increased cost of code enforcement abatement.

\$22,565 is added in FY06 to fund the net costs of 2 positions to provide vehicle maintenance, computer system support, and radio maintenance services for additional personnel and vehicles being added to City departments to provide services to 7 newly-annexed areas.

\$84,372 in FY06 and an additional \$17,908 in FY07 is added to fund increases to Business Support Services Communications Division's scheduled debt service costs for radio system infrastructure upgrades. This is 100% distributed to other City departments and non-City radio system users.

\$59,700 is added in FY06 for consulting and legal fees associated with the renegotiation of the Time-Warner cable franchise contract.

\$43,272 in FY06 and an additional \$1,483 in FY07 is added to provide funding for an Accountant III position in Internal Audit. This position will provide an additional level of auditing support to CATS and is 100% funded by CATS.

\$75,944 in FY06 and an additional \$1,364 in FY07 is added for an Assistant Debt Manager position. This position will assist the Treasurer with all aspects of the City's debt program and is primarily funded by Enterprise Funds and the Capital Program.

\$301,216 in FY06 and an additional \$10,801 in FY07 is added for 4 Equipment Operators and 4 Laborer positions in accordance with the East Quadrant solid waste collection contract.

\$80,278 in FY06 and an additional \$2,810 in FY07 is added along with trading off a vacant position to create a Deputy Director position in Solid Waste Services.

\$5,000 is added in FY06 to provide funding for a facilitator to assist with the annual performance evaluations for the City Manager and the City Attorney.

\$10,000 is added in FY06 to provide funding for Council's off-site annual retreat. An off-site annual retreat will enable the newly elected Council the ability to fully engage in strategic planning and capacity building exercises without outside distractions.

Executive Summary-Non-General Fund

Non-General Fund Operating Expenditures Summary

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 FY06 non-general fund operating budgets total \$500.8 million, an increase of 10.6% from FY05. The FY07 non-general fund operating budgets total \$524.7 million.

Charlotte- Mecklenburg

Utilities (CMU)

FY06 \$86.7 million FY07 \$91.3 million

As a cost savings and productivity improvement measure, Utilities has consolidated Water Distribution and Wastewater Collection divisions into a single Field Operations Division. The new division is geographically divided into four sections or zones where cross trained work groups service both water and sewer portions of the system.

Charlotte Area Transit

System (CATS)

FY06 \$81.7 million FY07 \$90.7 million

The FY06 and FY07 Transit Program builds on the programs of past years and makes progress on achieving the Metropolitan Transit Commission's mandate for implementation of an integrated regional rapid transit system and advancement of the 2025 Long Range Transportation Plan. Operation of South Corridor Light Rail Transit service is projected to commence in the spring of FY07. CATS revenue service hours are projected to increase by 3.7% over FY05 and by 5.0% from FY06 to FY07.

Aviation

FY06 \$72.3 million FY07 \$74.3 million

The industry continues to be in flux as the legacy carriers struggle with cost controls. Significant unanticipated costs include escalating fuels expenses, unfunded federal mandates, and airline bankruptcy legal fees. Despite these challenges, the Airport completed the FY05 fiscal year with revenues exceeding expenses and its basic service delivery intact. Operating expenses grow by approximately 43% in FY06 and 3% in FY07. This increase is primarily due to the new fixed base operator agreement with Wilson Air Center, which is offset with an increase in revenues.

Storm Water Utility

FY06 \$16.1 million FY07 \$16.1 million

Charlotte property owners will see an increase of 7.5% in FY06 rates to support growth in the City's aggressive storm water management programs. The monthly storm water fee will increase by 34¢ from \$4.47 to \$4.81 in FY06. The operating budget for FY06 is reduced by 0.7% from FY05 and only slightly increases in FY07.

Municipal Service Districts (MSDs)

FY06 \$1.9 million FY07 \$2.0 million

MSDs 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.

Other Non-General Fund Operating Funds

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

(Net of Transfers)	FY06	FY07
Debt Service (all programs)	\$183,877,935	\$189,566,902
Powell Bill (State street maint. Aid)	\$17,821,092	\$18,182,397
Public Safety 911 Services & Grants	\$16,827,009	\$19,219,790
Convention Center and Tourism	\$11,159,130	\$10,822,192
Neighborhood Development Grants	\$8,613,948	\$8,613,948
SafeLight	\$1,500,000	\$1,500,000
SafeSpeed	\$1,312,718	\$1,417,718
Risk Management	\$917,687	\$949,338
Total	\$242,029,519	\$250,272,285

Executive Summary-Non-General Fund

Enterprise Funds

Water and Sewer Fund

Water and Sewer Rates

CMU's County-wide customers will receive an increase of 7.7% in FY06 and 6.5% in FY07 in residential rates. These increases will continue to fund system growth in response to increased customer demand and to continue funding capital investments in infrastructure.

The average monthly water/sewer bill for residential customers is approximately \$47.39 in FY06, up from \$44.00 in FY05. This average bill assumes 8,229 gallons used each month (11ccf). Users consuming more than the average are charged a higher "conservation" rate to encourage responsible use of this resource. The average bill projected for FY07 is \$50.47.

Expenditures

FY06 operating expenses (excluding debt service and capital program contributions) will increase by 5.9% over the FY05 budget level. The \$4.9 million increase in FY06 includes increased funding for chemicals, health insurance, sludge disposal, utilities and power for pumping, and the pay plan recommendation. In FY07 operating expenses will increase by 5.3% over FY06. The \$4.6 million increase includes funding for additional resources for sewer inspection and increased off and on street cleaning to prevent overflows, additional technology support staff, and support for the Fats Oil and Grease program.

For FY06, contributions to Debt Service and the Capital Investment Plan (CIP) will increase 12.4% to \$111.6 million. In FY07 an increase of 6.1% to \$118.4 million is anticipated.

Charlotte Area Transit Fund (CATS)

The FY06 and FY07 Transit Operating Programs and the FY06-FY10 Transit Capital Program were approved by the Metropolitan Transit Commission in March 2005. In FY06 a total of \$81.7 million is allocated for operating programs and \$26.0 million in support of capital programs through pay-as-you-go and debt service. In FY07, \$90.7 million is allocated for operating programs and \$22.9 million in support of capital programs.

Revenues

Operating revenues are projected to increase 5.2% to \$107.8 million in FY06 and by 5.4% to \$113.6 million in FY07.

The countywide one half-cent sales tax revenue dedicated to CATS is projected to be \$59.7 million for FY06, a 10.2% increase over the FY05 budget. This revenue represents over 55% of CATS total revenues. In FY07 a 5% increase is projected to \$62.7 million.

Revenues from passenger fares and service reimbursements are projected to increase by 22.2% to \$14.5 million in FY06. In FY07 a 7.9% increase to \$15.7 million is projected. A fare increase is scheduled for October 2005.

The annual fixed Maintenance-Of-Effort (MOE) contribution from the City of Charlotte, Mecklenburg County, and the Town of Huntersville totals \$18.6 million and comprises 17.3% of CATS total operating revenue.

N.C. State Maintenance of \$13.5 million in FY06 continues as a regular source of operating income and is based on the performance of CATS services. For FY07 that revenue is projected to increase by 11.8% to \$15.1 million.

Expenditures

Expenditures for the operating program are projected to increase a net of \$13.6 million to \$81.7 million in FY06. A portion of the increase results from a reduction in transfer of eligible expenses to the capital program of approximately \$4.5 million. The remainder of the change adds a total of 47.50 additional positions and resources to begin staffing of light rail operations, enhance safety and security, bus service expansion, operations and asset maintenance, and enhance customer service and marketing. From FY06 to FY07 the operating program increases by \$8.9 million. A total of 100 positions are added. Of the additions, 82 are to complete staffing for light rail operations and maintenance. The remaining 18 positions support enhanced maintenance and safety. Further bus service expansion is also planned.

Executive Summary-Non-General Fund

Aviation Fund

Revenues

The Airport's revenues are starting to rebound following the impacts of the terrorist attacks on September 11, 2001, the economic slow-down, and the rapid growth of low fare carriers. In FY03 US Airways, United Airlines, and Air Canada filed for bankruptcy. That same year, three of the nine rental car companies operating at the Airport filed for bankruptcy. All companies have since emerged from bankruptcy, except for Air Canada. Local passenger boardings continued to grow again in FY05. Additionally, concession and other terminal revenues continue to rebound from post-September 11th levels.

Overall, operating revenue projections for FY06 and FY07 show an increase over FY05 projections, with an estimated increase of \$20,900,981, or 25%, and \$21,491,189, or 26%, respectively. This increase in operating revenues is primarily due to growth in parking revenues and the Airport's new fixed base operator, Wilson Air Center. Total revenues grow by an additional \$12,104,688 due to the recently implemented passenger facility charge. Changes in specific operating revenue sources vary, as detailed below:

Concession revenues increase \$88,000, or 0.4%, above the FY05 projections in FY06 and FY07.

Parking revenues increase \$5,050,000, or 33% above the FY05 projections in FY06 and FY07.

Cargo Area and Ground Rent revenues increase \$17,235,160, or 263% in FY06. In FY07, the revenues increase \$17,306,161, or 264%, above FY05 revenues.

Terminal revenues increase \$525,298, or 2.4%, in FY06. In FY07, the revenues increase \$768,381, or 3.5%, above FY05 revenues.

Airfield usage revenues decrease by \$225,000 below the FY05 level in FY06 and FY07.

Storm Water Fund

Revenues

Revenues are projected to increase by \$3.1 million, or 10.5%, from FY05 to FY06 and \$3.0 million from FY06 to FY07.

The budget includes a 7.5% impervious surface fee rate increase in FY06 and a 7.0% increase in FY07. After FY07, the impervious surface fee increases are projected to drop by 0.5% annually until 2013 when the rate increase is projected at 3.5%. Fee revenues from residential and commercial properties are estimated to increase 11.2% in FY06 and 10.0% from FY06 to FY07. The growth in revenues above the 7.5% fee increase is due to annexation and in-fill development, which creates additional impervious areas.

For the average residential storm water customer, the monthly variable rate fee will increase 34¢ from \$4.47 to \$4.81 in FY06 and 33¢ in FY07 to \$5.14.

An appropriation from fund balance of \$2,868,317 is recommended in FY06 and \$352,369 in FY07, leaving \$7.8 million in reserve.

Expenditures

Fund expenditures increase \$4.7 million, or 15.4%, in FY06. This is primarily due to a \$3.8 million increase, or 22.5%, in the FY06 Storm Water Capital Investment Plan Pay-As-You-Go contribution. Debt Service contributions also increase by \$1.0 million, or 16.2%. The capital program reflects greater reliance on revenue bonds versus Pay-As-You-Go in later years of the 5-year capital program.

Operating budget expenditures decrease \$113,083, or -0.07%, from FY05 to FY06. The FY07 operating budget is projected to increase by \$42,309 over FY06, less than 1%. Major changes in the budget are as follows:

\$1,311,105 in FY06 and an additional \$123,296 in FY07 are increases in staff charges to the storm water capital program, which is the primary reason the operating budget is decreasing.

\$346,000 in FY06 and \$359,000 in FY07 to add 6 positions to address the backlog in service requests which exceeds 4,000. The storm water division is reorganizing to assign teams to specific drainage basins.

Executive Summary-Non-General Fund

\$94,000 in FY06 and \$97,300 in FY07 to add 1 position to increase the number of major CIP projects undertaken each year.

\$79,000 in FY06 and \$82,000 in FY07 to add 1 position to inspect storm water construction projects to insure best management practices are implemented.

\$363,000 in FY06 and \$85,000 in FY07 to purchase additional technology for geodatabase development, environmental data management, and watershed modeling.

Other Operating Funds

Powell Bill Fund

Revenues

The per-gallon tax on gas in North Carolina is 43.8¢, which is comprised of 18.4¢ in federal tax and 25.4¢ in state tax, the state gas tax increased 2¢ in January 2005. The State distributes 2.55¢ of the gas tax to municipalities for road maintenance. This funding source was named the "Powell Bill" after the State Senator who introduced the bill.

The FY06 Powell Bill budget totals \$19.6 million (a \$2.3 million decrease from FY2005, or -10.7%). The FY07 budget is projected at \$20.3 million, an increase of 3.7% over FY06.

The FY06 Powell Bill (state shared gas tax) revenue is projected at \$19,062,000, a 7.1% increase over FY05 actual disbursements. The FY07 Powell Bill revenue is projected at \$19.8 million. These revenue estimates include 2005 annexation revenues of \$562,000 in FY06 and \$579,000 in FY07.

Interest on investments is projected to decrease from \$600,000 to \$500,000 in both FY06 and FY07 due to the Powell Bill Fund balance position.

The primary reason for the 10.7% decrease in Powell Bill Fund revenues is the availability of funding from the fund balance. In FY05 the fund balance contributed \$3.5 million to program activities, but this funding is no longer available and is not included in either FY06 or FY07.

Expenditures

Major expenditures in FY06 and FY07 are detailed below:

- \$6.6 million in FY06 and \$5.8 million in FY07 for road resurfacing
- \$7.7 million in FY06 and FY07 for Street Maintenance salaries and construction materials
- \$1.4 million in FY06 and \$2.4 million in FY07 for the 2005 annexation
- \$1.1 million in FY06 and \$1.2 million in FY07 for storm water fees

FY06 expenditures are recommended to decrease by 10.7%, corresponding with the decrease in revenues. Any change in revenues will impact the street resurfacing schedule.

The FY06 funding level for resurfacing is supplemented with \$2.0 million in FY06 and \$1.3 million in FY07 from the General Fund non-departmental provided by the recommended tax increase. Therefore, total street resurfacing funds (including Powell Bill) are \$8.6 million in FY06 and \$9.1 million in FY07.

SafeLight Fund

Revenues

SafeLight is a photographic monitoring system for red light violations. The FY06 budget for SafeLight is \$1.5 million, a 27.3% decrease from FY05. The FY07 budget is projected to remain unchanged at \$1.5 million.

- Revenues from fines and penalties are projected to hold steady. Peek Traffic, Inc. began administration of the program in July 2003. The program continues to function with good results: 37% reduction in accidents at original SafeLight intersections and 15% reduction in the severity of accidents at original SafeLight intersections.
- Interest on investments is projected to remain flat for FY06. The objective is to accumulate funds in the fund balance for possible future use for transportation and public safety projects such as Pedestrian Safety.

Executive Summary-Non-General Fund

SafeLight is equipped with an all-digital photo system that ensures both the security and accuracy of the images. These digital cameras are currently installed at the following 19 intersections. The intersection of Little Rock Road and Wilkinson Boulevard is scheduled for installation as the 20th location.

Current SafeLight Intersections

- | | |
|----------------------------|-------------------------------------|
| WB 12th & Caldwell | WB Harris & Tryon |
| EB 11th & Brevard | NB South Boulevard & East Boulevard |
| EB Tyvola & Wedgewood | SB Eastway & Kilborne |
| WB Independence & Harris | WB Morehead & McDowell |
| SB Brookshire & Hovis | NB Sugar Creek & The Plaza |
| SB Beatties Ford & Hoskins | NB Eastway Boulevard & Shamrock |
| EB Independence & Idlewild | NB Tryon & Eastway |
| EB Fairview & Sharon | WB Idlewild & Independence |
| WB Fairview & Park | EB Plaza & Shannonhouse |
| WB East & Scott | |

(Key: travel directions: WB-west bound, EB-east bound, NB-north bound, SB-south bound).

The program utilizes various tools to educate motorists about the dangers of running red-lights, including billboards in English and Spanish and advertisement on various radio stations.

Expenditures

Expenditures are balanced to projected revenues.

- City administrative expenses are decreasing \$4,680, or -1.8%, in FY06 and remain unchanged in FY07. This decrease is due to transfer of audit expenses to contractual service expenses.
- Contractual service expenses to administer the program are projected to decrease by \$589,107, or -32.2%. The contract continues to include 20 intersections with updated digital cameras. The 5-year contract will expire in 2008.

Municipal Service Districts Fund

The FY06 and FY07 budgets include funding for five Municipal Service Districts (MSDs). MSDs 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 life in the districts.

Municipal Service Districts-Property Tax Revenue		
District	Recommended FY06 Tax Rate	FY06 Revenues
District 1-Center City	1.74¢	\$704,904
District 2-Center City	1.24¢	\$188,286
District 3-Center City	2.71¢	\$539,922
District 4-South End	6.68¢	\$319,965
District-5-University City	3.00¢	\$178,384

Executive Summary-Non-General Fund

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 1.74¢, which will generate an estimated \$704,904 in revenue.

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 rates for Center City districts 2 and 3 are 1.24¢ and 2.71¢, respectively, which will generate an estimated \$188,286 and \$539,922 in revenues, respectively. All services for the three Center City MSDs are provided through contracts with Charlotte Center City Partners, Inc.

District 4 (South End MSD) was created by City Council in 2000 to help continue the urban revitalization occurring in the historic South End area. The tax rate for District 4 is 6.68¢, which will generate an estimated \$319,965 in revenue. Services for District 4 are provided through a contract with Charlotte Center City Partners, Inc.

District 5 (University City MSD) was created by City Council in May 2003 and became effective on July 1, 2003. This newest MSD supports economic development efforts in the rapidly-growing University City area. The tax rate for District 5 is 3.00¢, which will generate an estimated \$178,384 in revenue. Services for District 5 are provided through a contract with University City Partners, Inc.

Executive Summary-Capital Investment Plan

Revenues

The FY06-10 Capital Investment Plan (CIP) totals \$2,506,249,762 a 11.8% increase over the current capital program. This increase is primarily due to a \$276.2 million increase in the Charlotte Area Transit System (CATS) capital program, reflecting inclusion of all transit corridors in the CIP.

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

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

- General Government totals \$254.4 million (a decrease of 21.6%) and is funded by \$129.8 million in authorized general obligation bonds and certificates of participation, \$70.9 million in Pay-As-You-Go funding (cash), \$40.7 million in housing grants, and \$12.9 million in other funding.
- Storm Water totals \$198.1 million (a 6.7% increase) and is funded by \$58.2 million in cash and \$139.9 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 Service totals \$954.0 million (a 40.9% increase) and is funded by federal and state grants and the one half-cent sales tax for transit. The program is self-funded.
- Water and Sewer totals \$580.5 million (a 6.8% increase) and is funded by \$39.2 million in cash and \$541.3 million in revenue bonds. The program is self-funded.
- Aviation totals \$519.3 million (a 1.8% increase) and is funded by \$192.7 million in Federal Aviation Administration grants, \$45.2 million in cash, and \$281.4 million from revenue bonds issued through the City and debt serviced through long-term leases with the airlines. The program is self-funded.

The property tax rate dedicated to the Pay-As-You-Go Fund is 1.6¢, a reduction of 0.2¢ which is being transferred to the General Fund.

The property tax rate dedicated to general government debt retirement remains at 4.7¢.

Expenditures

Municipal Debt-Funded

The FY06-10 general government Capital Investment Plan includes \$129.8 million in prior approved debt financing and is summarized as follows:

- \$82.5 million in Street Improvement Bonds
- \$15.0 million in Affordable Housing Bonds
- \$8.8 million in Neighborhood Improvement Bonds
- \$23.5 million in Certificates of Participation for municipal facilities

Pay-As-You-Go-Funded

The five-year FY06-10 CIP includes \$70.9 million in Pay-As-You-Go and Current Revenues, a \$4.0 million decrease, or 5.3%, over the current FY05-09 CIP. This decrease is due to the transfer of .2¢ to the General Fund

Major Pay-As-You-Go projects include:

- \$92.0 million for the City's Maintenance of Effort (MOE) contribution to Transit
- \$23.7 million for Innovative Housing
- \$20.5 million for building and roof maintenance
- \$3.4 million for the City's HOME grant match
- \$3.0 million in the later years of the program for Fire Station Renovations

Executive Summary-Capital Investment Plan

Enterprise-Funded

Storm Water totals \$198.1 million and includes the following major projects:

- \$104.6 million for flood control projects in neighborhood water basins
- \$18.2 million for neighborhood improvements
- \$16.2 million for transit storm water
- \$15.4 million for storm water channel restoration

Charlotte Area Transit System (CATS) totals \$954.0 million and includes the following major projects:

- \$408.0 million for North, Northeast, and US74 Corridors rapid transit development
- \$207.0 million for a Multimodal Station
- \$162.0 million for Streetcar and Center City Transitway System
- \$51.8 million for the remaining appropriation for the South Corridor

Water and Sewer totals \$580.5 million and includes the following major projects:

- \$111.0 million for the 2007 and 2009 annexations
- \$75.0 million for the Briar Creek Relief Sewer
- \$65.0 million for water and sewer line rehabilitation
- \$50.0 million for street and minor line extensions

Aviation totals \$519.3 million and includes the following major projects:

- \$82.5 million for continued expansion of air cargo facilities
- \$78.0 million for a new Third Parallel Runway
- \$66.3 million for concourse expansions and jetbridges
- \$32.7 million for new parking facilities

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 two fold: 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, Council Priorities (see page 7), 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 the 16 critical 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 KBU 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.

Restructuring Government. This initiative started in the early 1990s as an effort to flatten and redesign the city organization and how services are delivered. This effort continues with emphasis on initiatives focusing specifically on service delivery and meeting growing customer needs through innovation. This includes competition and privatization efforts, as well as assessing performance, identifying gaps in service delivery, and recommending process improvements.

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 the prosperity and assuring the 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.



CITY STRATEGY

VISION

COMMUNITY OF CHOICE FOR LIVING, WORKING AND LEISURE



CITY COUNCIL FOCUS AREAS

Community Safety • Housing and Neighborhood Development
Restructuring Government • Transportation • Economic Development

SMART GROWTH

CORPORATE OBJECTIVES

SERVE THE CUSTOMER

Reduce Crime

Increase Perception of Safety

Strengthen Neighborhoods

Provide Transportation Choices

Safeguard the Environment

Promote Economic Opportunity

RUN THE BUSINESS

Develop Collaborative Solutions

Enhance Customer Service

Improve Technology Efficiencies

MANAGE RESOURCES

Maintain AAA Rating

Deliver Competitive Services

Expand Tax Base & Revenues

Invest in Infrastructure

DEVELOP EMPLOYEES

Achieve Positive Employee Climate

Recruit & Retain Skilled, Diverse Workforce

Promote Learning & Growth

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	Establish internal and external partnerships to solve problems.
Enhance Customer Service	Improve service delivery to internal and external customers. Provide services that are courteous, accessible, responsive, and seamless.
Improve Technology Efficiencies	Integrate technology into business processes to increase operational efficiencies, improve service delivery, and control costs.

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

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 competition, privatization, optimization, and process improvement.
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 City priorities by optimizing existing infrastructure and creating new infrastructure. Ensure capital and land use investments are consistent with Smart Growth principles.

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 in technology, supervision, and management. Create a learning environment where employees are encouraged to test ideas and explore new methods.



“Charlotte will be the safest large city in America.”

The City of Charlotte takes a proactive approach to building a safe community where residents and visitors feel safe in the areas where they live, work, shop, and play. Police actively engage all segments of the community in problem solving partnerships to address crime and quality of life concerns that impact the safety and stability of the city’s neighborhoods.

While crime trends are extremely volatile, police identify areas of the city where crime patterns have existed over an extended period. Concentrating on these areas, known as chronic crime hotspots, allows police to work with those communities to build sustainable solutions while positively impacting the city’s overall crime rate.

Police work with a host of public and private service providers to develop integrated solutions to complex crime and disorder problems. The goal of these problem solving partnerships is to educate and empower citizens to help police prevent the next crime and make Charlotte the safest large city in America.

Future Direction

City Council identified Community Safety, specifically the future direction of community problem oriented policing, as one of their 2004 priorities. The Charlotte-Mecklenburg Police Department involved its personnel and members of the community in a two-day discussion of community policing in November 2004. The discussion resulted in a number of action steps to strengthen community policing and its accompanying problem solving efforts. These actions will enable the department to more effectively meet its goals. The action steps include:

- Restructure the response area teams to enhance the quality and effectiveness of their problem solving efforts
- Define the roles of captains and sergeants in problem solving activities and develop the appropriate performance accountabilities
- Develop new strategies to engage the community, including businesses, in problem solving partnerships
- Develop both external and internal communication plans that promote understanding of community problem oriented policing

Community Safety

Reduce Crime

CS.1 Focus Area Initiative: Decrease crime throughout the city with community problem oriented policing and other strategies that target specific categories or offenders

 ▶ Measure: Crime rate per 100,000 population for Part I offense categories (homicide, rape, robbery, aggravated assault, burglary, larceny, auto theft, and arson)

 Target: 5% reduction in crime rates per 100,000 population for Part I offenses

 Prior Year: FY2004-Crime rates fell in three of eight offense categories. Overall, total Part I offenses were up 4.2%, driven by a 6% increase in property crime. However, violent crime rates per 100,000 population fell 5.9% from FY2003 levels.

Offense Category	% Increase/Decrease
Arson	-18.2%
Robbery	-14.6%
Aggravated Assault	-0.9%
Homicide	-1.6%
Larceny	+7.2%
Burglary	+5.4%
Rape	+4.8%
Auto Theft	+3.2

CS.2 Focus Area Initiative: Reduce crime by targeting chronic crime hotspots

 ▶ Measure: Number of chronic crime hotspots where crime is reduced

 Target: Reduction in 9 of 12 crime hot spots

 Prior Year: In FY2004, 9 of 12 patrol divisions met or exceeded the crime reduction goals in their chronic hot spots. Two divisions with multiple goals met one of their two objectives; only one division met none its goals. In most districts, the hotspots change from one fiscal year to another.

CS.3 Focus Area Initiative: Reduce the incidence of property crime

 ▶ Measure: Reduction in burglaries and vehicle thefts

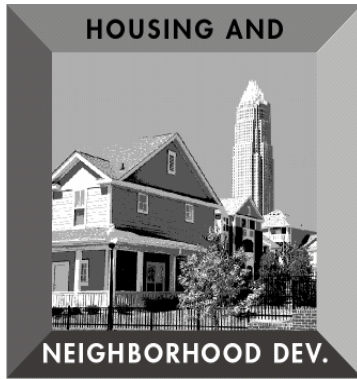
 Target: 5% reduction in burglaries; 5% reduction in vehicle thefts

 Prior Year: In FY2004, the number of burglaries increased by 5.6% and vehicle thefts increased by 3.5%.

Community Safety

Increase Perception of Safety

CS.4	Focus Area Initiative:	Build problem solving partnerships in the community that result in a positive perception of police services and citizen perception of safety in their neighborhoods
	▶ Measure:	Rating on citizen satisfaction survey in November 2006
	Target:	Ratings of 7 or above on a 10 point scale
	Prior Year:	In 2004, 71% of respondents rated their overall impression of CMPD at 7 or higher on a 10-point scale. 75% of respondents said they feel safe in the neighborhoods where they live.
CS.5	Focus Area Initiative:	Partner with surrounding counties in the development of an interoperable radio system that will meet identified homeland security needs
	▶ Measure:	Formalization of Piedmont Regional Interoperability Consortium and development and successful testing of interoperable communication system by target date
	Target:	Target date of October 31, 2005
CS.6	Focus Area Initiative:	Through enforcement, including the use of speed cameras, education, and engineering, reduce crashes on high accident corridors
	▶ Measure:	Reduction in vehicle crashes in the 14 designated high accident corridors
	Target:	Reduction in 10 of 14 corridors



“Creating great neighborhoods in which to live, work, and play.”

The City of Charlotte’s long-term health, vitality, and distinction as a leading city is predicated upon its ability to develop and sustain its neighborhoods. Social changes, crime and disorder, physical deterioration, and economic divestments create challenges for the City’s residential, commercial and industrial neighborhoods. The City’s housing and neighborhood strategy focuses on quality of life measures, expanding affordable housing, effective code enforcement, infrastructure investments, and successful neighborhood revitalization initiatives. The City will be responsive to addressing the needs of all neighborhoods, but will develop unique approaches and solutions to address each of the City’s fragile, threatened, and stable neighborhoods. *(Also see Community Safety, Economic Development and Transportation Focus Area Plans for more housing and neighborhood development strategies.)*

Housing and Neighborhood Development

Strengthen Neighborhoods

H&ND.1	<p>Focus Area Initiative: Reduce the number of fragile neighborhoods</p> <p>▶ Measure: Number of fragile neighborhood statistical area (NSAs)</p> <p>Target: FY2006—25 FY2007—n/a</p> <p>Prior Year: FY2004—27</p>
H&ND.2	<p>Focus Area Initiative: Expand the supply of affordable housing</p> <p>▶ Measure: Number of completed housing units and the number of completion relative to Council's 4,500 five year unit goal</p> <p>Target: FY2006—1,000/110% FY2007—1,000/132%</p> <p>Prior Year: FY2004—1,023/65% FY2003—1,005/42%</p>
H&ND.3	<p>Focus Area Initiative: Eliminate sub-standard housing and neighborhood nuisances</p> <p>▶ Measure: Number of housing units brought into compliance compared to the percentage of standard housing units citywide. Number of corrected neighborhood nuisances compared to the percentage of parcels that had nuisance violations.</p> <p>Target: FY2006—Housing—2,300/99.0%, Nuisance—28,000/12.0% FY2007—Housing—2,400/99.0%, Nuisance—25,000/11.0%</p> <p>Prior Year: FY2004—Housing—2,284/98.8%, Nuisance—32,213/15.0% FY2003—Housing—1,722/98.6%, Nuisance—25,000/12.0%</p>
H&ND.4	<p>Focus Area Initiative: Provide comprehensive neighborhood infrastructure</p> <p>▶ Measure: City neighborhood infrastructure investments vs. infrastructure needs</p> <p>Target: FY2006—\$7.8 million/\$548 million FY2007—\$35.0 million/\$597 million</p> <p>Prior Year: FY2004—\$18.7 million/\$487 million FY2003—\$18.0 million/\$455 million</p>

Invest in Infrastructure

H&ND.5	<p>Focus Area Initiative: Neighborhoods that have graduated from the revitalization plan process</p> <p>▶ Measure: Number of revitalization neighborhoods completed (9 neighborhoods have revitalization plans)</p> <p>Target: FY2006—2 FY2007—2</p> <p>Prior Year: FY2004—None</p>
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“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. To that end, City Council identified Transportation as a priority for 2004. The City of Charlotte takes a proactive approach to transportation planning and management. Success is measured through five key strategic initiatives intended to capture the context of the transportation priority and focus area and the action steps necessary to achieve the City’s overall goal of becoming the premier city in the country for providing land use and transportation choices.

Preparation of a succinct description of the City’s transportation strategies and programs is critical and will be accomplished in the **Transportation Action Plan (TAP)**. The TAP will be a comprehensive document that includes and addresses the elements listed below.

- Charlotte’s Transportation mission statement and vision
- Existing and future conditions impacting transportation
- Transportation goals, objectives, and policies
- Financial resources and constraints

Upon adoption of the Transportation Action Plan, the City will move forward on additional key strategic initiatives, such as:

- implementation and refinement of the Centers and Corridors strategy
- development and dissemination of public educational materials describing the Centers and Corridors strategy
- enhanced communication with the public regarding the City’s overall comprehensive transportation strategy
- ensuring land use and transportation decisions are moving toward the overall goal of maintaining the City’s livability and long-term growth

Charlotte and the surrounding region will continue to grow rapidly, making the implementation of new transportation strategies even more imperative. The City is committed to:

- seeking ways to secure adequate funding to implement the Transportation Action Plan
- taking steps to improve the equitable share formula used for state funding for planning, constructing, and maintaining multi-modal transportation facilities
- identifying and prioritizing transportation strategies that ensure the City’s long-term viability

Transportation

Develop Collaborative Solutions

TRAN.1	Focus Area Initiative:	Continue implementation of Centers and Corridors strategy
▶	Measure:	% of high density residential units (>15 dwelling units per acre) within ½ mile of South Corridor transit stations
	Target:	Increase % over previous year
▶	Measure:	Use the South Corridor Light Rail Project (SCLRP) and the South Corridor Infrastructure Project (SCIP) as the City’s investment to leverage private development of the south corridor
	Target:	Implementation of the light rail and infrastructure projects within approved schedules
▶	Measure	Refine geographic locations of Centers, Corridors, and Wedges
	Target:	January 2006
TRAN.2	Focus Area Initiative:	Collaborate with local and regional partners on land use, transportation, and air quality to enhance environmental quality and promote long-term regional sustainability
▶	Measure:	Reduce vehicle miles traveled (VMT) per capita in Charlotte and Mecklenburg County
	Target:	Per capita VMT below previous year
	Prior Year:	33.6 miles per capita
▶	Measure:	Prepare for 2008 Air Quality Plan process and maintain existing relationships with partners
	Target:	Maintain schedule for the development of the eight hour ozone process
▶	Measure:	Increase the % of City population within ¼ mile of parks, schools, shopping, and transit
	Target:	Increase the % of population within ¼ mile of parks above 16.9%
	Target:	Increase the % of population within ¼ mile of schools above 13%
	Target:	Increase the % of population within ¼ mile of shopping above 45.6%
	Target:	Increase the % of population within ¼ mile of transit above 63.5%

Provide Transportation Choices

TRAN.3	Focus Area Initiative:	Prioritize, design, construct, and maintain convenient and efficient transportation facilities to improve safety, neighborhood livability, promote transportation choices, and meet land use objectives
▶	Measure:	Maintain an average pavement condition survey rating of 90 out of 100
	Target:	Survey rating-90
	Prior Year:	Survey rating-88
▶	Measure:	Achieve 5 of 6 KBU(s) targets supporting this initiative
	Target:	1. 4% increase in transit ridership
	Prior Year:	5.3% increase

Transportation

TRAN.3 (cont.)

Target:	2. Complete a minimum of 10 miles each of new sidewalk and new bikeways annually
Prior Year:	5.3 miles of sidewalk and 10.4 miles of bikeways completed
Target:	3. 90% of transportation bond projects completed or forecast to be completed on schedule
Prior Year:	92% completed on schedule
Target:	4. 5% decrease in vehicular accidents per mile traveled
Prior Year:	8.5% decrease
Target:	5. Decrease in pedestrian and bicycle accidents per capita
Prior Year:	8.5% increase-pedestrian accidents and 31.5% decrease-bicycle accidents (per vehicle miles traveled)
Target:	6. Increase in bus bike rack usage
Prior year:	50,438 recorded usages

Enhance Customer Service

TRAN.4	Focus Area Initiative:	Communicate land use and transportation objectives as outlined in the Transportation Action Plan
	▶ Measure:	Prepare draft Transportation Action Plan for public review
	Target:	Plan prepared by January 2006
	▶ Measure:	Develop communication strategy (for Transportation Action Plan)
	Target:	January 2006

Expand Tax Base & Revenues

TRAN.5	Focus Area Initiative:	Seek financial resources, external grants, and funding partnerships necessary to implement transportation programs and services
	▶ Measure:	Pursue a legislative agenda to promote/ensure that Charlotte receives an increasing share of state funding for planning, constructing, operating, and maintaining multi-modal transportation facilities and services
	Target:	July 2006
	▶ Measure:	Develop and implement a regional maintenance agreement for the regional travel demand model and other transportation planning activities
	Target:	January 2006



“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. The Economic Development Focus Area seeks to maintain, increase and enhance the quality and number of jobs available within Charlotte. This requires investment in public services, facilities and infrastructure, along with a commitment to existing businesses, small business enterprise and entrepreneurship. Public and private commitment and cooperation are necessary for effective economic development.

There are opportunities for significant economic growth by redeveloping areas along the transit corridors and in targeted business districts. Charlotte’s job growth continues to remain strong due to targeted business retention and expansion measures, a renewed effort with small business enterprises and entrepreneurship, as well as increased emphasis on partnerships with the hospitality and tourism industry. Increasingly, Charlotte’s prosperity is tied to the economic health of the region, and regional solutions will be required to address employment, education, and environmental issues that affect Charlotte’s long term economic sustainability. Ultimately through these initiatives, Charlotte will be recognized as one of the most prosperous and livable cities in America.

Economic Development

Promote Economic Opportunity

- ED.1 Focus Area Initiative: Promote a healthy business climate by implementing a strong business expansion and retention effort
- ▶ Measure: Percentage of targeted businesses retained or expanded
 - Target: 100%
 - ▶ Measure: Percentage of job growth at targeted businesses
 - Target: 5%
- ED.2 Focus Area Initiative: Ensure that small businesses have the opportunity to participate in informal City procurement and contracts
- ▶ Measure: Percentage of informal contracting dollars awarded to SBE's
 - Target: 7%
 - ▶ Measure: Percentage of City contracting dollars awarded to Minority Women Business Enterprise (MWBES)
 - Target: See table

Work Category	% Achieved 2004 (Trend Data)	% Goal 2006/2007 (80% MGT)
Construction less than \$30,000	17.24%	15.13%
Construction greater than \$30,000	12.79%	15.41%
Architecture & Engineering	8.28%	12.82%
Goods & Supplies	0.94%	6.70%
Professional Services	7.96%	17.67%
Other Services	14.06%	9.14%

- ED.3 Focus Area Initiative: Economic Development Strategic Plan
- ▶ Measure: Develop Economic Development Strategic Plan
 - Target: Adopt strategy by May 2005
 - Target: Implement 50% of strategic actions contained in the Economic Development Strategic Plan by July 2006



“The City of Charlotte will provide the best services at the lowest cost.”

Charlotte City government is committed to providing the community with the best services at the lowest cost. The City organization has restructured and streamlined its service delivery method in order to deliver services in the most effective and efficient manner possible.

- Public Safety employees make up 65% of authorized positions in the General Fund budget (FY2005) compared to 51% in FY1991
- The cumulative savings from the City’s Privatization, Competition, Optimization Program since inception of the Program is over \$10 million.
- There have been 7 transfers of property tax from the operating budget to the capital budget as operating costs have decreased

The City continues to build on these efforts with a focus on the following goals:

- Meeting customer expectations for an increasingly diverse population
- Making sound investments in technology to facilitate improvements in service delivery and employee productivity
- Managing the City’s financial resources effectively
- Delivering services that provide value and are competitive in cost and quality
- Recruiting and retaining a skilled and diverse workforce

Restructuring Government

Enhance Customer Service

RG.1	Focus Area Initiative:	Improve citizen access to major city services
	▶ Measure:	Implement Phase 1 of the 311 Customer Service Center
	Target :	FY2006—Center open by July 1, 2005
	Target :	FY2007—Gather baseline data through FY2006 to develop performance standards for FY2007
	▶ Measure:	Increase citizen satisfaction with city services
	Target:	Rating of extremely good or good in overall service delivery by at least 70% of citizens in biennial survey
	Prior Year:	FY2003—70%

Improve Technology Efficiencies

RG.2	Focus Area Initiative:	Develop technology solutions that result in operational efficiencies, improved service delivery, and/or cost control
	▶ Measure:	Identify options for community-wide wireless access to the Internet
	Target:	Deliver options by 2nd quarter FY2006
	▶ Measure:	Identify areas for expanding information and information sharing regionally
	Target:	Completed by 2nd quarter FY2006
	▶ Measure:	Identify online services and information that can provide the greatest positive citizen impact
	Target:	Identify services by December 31, 2005

Maintain AAA Rating

RG.3	Focus Area Initiative:	Pursue fiscal policies that maintain the City's AAA credit rating
	▶ Measure:	AAA Rating
	Target:	Report annually
	Prior Year:	AAA Rating maintained
	▶ Measure:	Ratio of General Obligation net bonded debt to assessed value
	Target:	4% or less
	Prior Year:	FY2004-0.66%

Deliver Competitive Services

RG.4	Focus Area Initiative:	Deliver services that provide value and are competitive in cost and quality
	▶ Measure:	Total dollars subjected annually to competition, privatization, or optimization
	Target:	80% of competition plan achieved
	Prior Year:	FY2004-\$45,310,577 subjected; 86% of plan achieved

Restructuring Government

RG.4 (cont.)

- ▶ Measure: Benchmark data from annual Institute of Government Performance Report
- Target: Perform as well as or better than statewide average in 75% of service categories
- Prior Year: 2003—City performed as well as or better than the state-wide average in 44 of 60 service categories (73%) in refuse collection, household recycling, yard waste collection, fire and police services, emergency communications, asphalt maintenance, and fleet maintenance

Recruit and Retain a Skilled, Diverse Workforce

- RG.5
- Focus Area Initiative: Develop strategies to recruit and retain a skilled and diverse workforce to maintain effective service delivery
 - ▶ Measure: Assess workforce for ability to provide effective services to a diverse citizenry
 - Target: Increase the number of specialized certifications received and the number of educational degrees received
 - ▶ Measure: Monitor citywide turnover rate annually (turnover rate will be measured by calendar year)
 - Target: Maintain a voluntary turnover rate of 3% or less for public safety pay plan employees and 8% or less for all other employees
 - Prior Year: 2003: public safety-2.0%; all others-5.3% (voluntary terminations)
2002: public safety-2.1%; all others-6.7% (voluntary terminations)

General Fund Departmental Charges

Departmental Charges are used to reflect the value of expenses that will be incurred by a department and subsequently charged to another department or to another fund for performance of agreed upon work, or to recover expenses incurred on behalf of another department or fund. These charges are reflected as a negative expense in the department incurring the actual expense and a corresponding positive expense in the appropriate account in the department(s) being charged.

Example of Departmental Charge - Radio Communications

An example of the use of departmental charges can be seen in Business Support Services' (BSS) Communications division. The Communications division incurs direct expenses in its operating budget to provide maintenance and support of radio equipment used in various City departments, particularly by public safety personnel and field crews in Utilities, Street Maintenance, Charlotte Area Transit System (CATS), Engineering, and Solid Waste.

The following budgets in expense account 155, Maintenance and Repair of Communications Equipment, show amounts to be paid by these Key Business Units (KBUs) to BSS' Communications division for radio maintenance and radio infrastructure support. The total of these KBU's 155 budgets reflects the departmental charge amount shown for BSS' Communications division in the departmental charges listed on the next page.

	FY06
Key Business Unit (KBU)	Account 155 Budget
Aviation	\$ 58,370
Business Support Services	11,435
Charlotte Area Transit System	405,150
Transportation	128,435
Charlotte-Mecklenburg Utilities	196,300
Engineering	12,296
Fire	181,077
Police	1,714,141
Solid Waste Services	86,060
Total 155 Charges	\$ 2,793,264

Note: Actual account 155 budgets in some of these KBUs may be higher than shown here if a KBU has budgeted for radio-related expenses paid to sources other than BSS' Communications division, such as private sector vendors.

The following list identifies all of the General Fund departmental charges by KBU division and describes each charge. The list shows the amount of each division's total operating budget that is charged to other KBUs or funds and the resulting net operating budgets for each. The net operating budgets shown on the following page correspond to each division's final operating budgets, as reflected in the various KBU pages in this book.

General Fund Departmental Charges

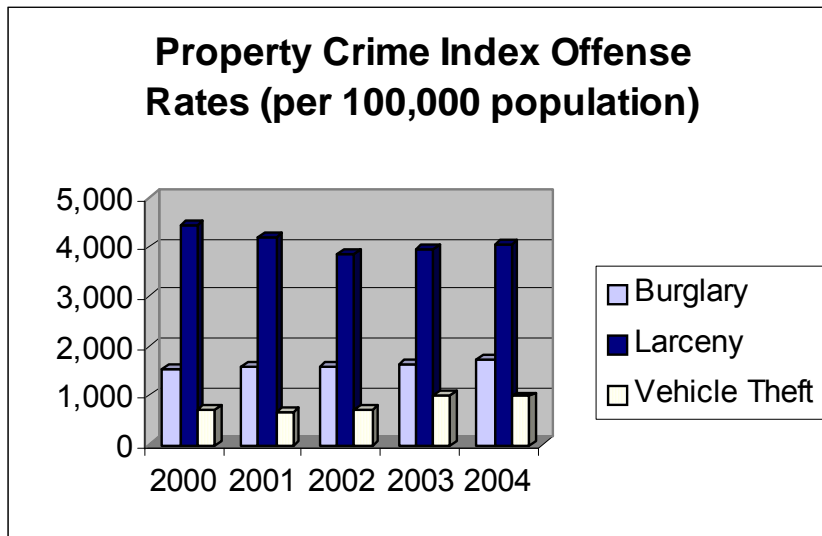
Departmental Charges				
Key Business Unit/Division	Total Operating Budget	Departmental Charges	Net Operating Budget	Description of Departmental Charge
City Attorney	\$ 2,470,726	\$ (999,231)	\$ 1,471,495	Charges to CATS and Engineering for the provision of legal services
Budget and Evaluation	1,267,401	(46,526)	1,220,875	Charges to CIP for 50% of costs of CIP Budget Analyst
Business Support Services				
Equipment Management	7,943,928	(7,930,060)	13,868	Charges to KBUs for vehicle maintenance costs
Information Technology	9,265,331	(75,061)	9,190,270	Charges to 911 Fund for IT support of Fire's 911 system
Telecommunications	1,396,094	(708,449)	687,645	Charges to KBUs for telephone Centrex costs
Communications	3,886,405	(2,793,264)	1,093,141	Charges to KBUs for radio maintenance and infrastructure cost
Transportation				
Street Maintenance	15,149,495	(8,692,380)	6,457,115	Charges to Powell Bill and Storm Water
Planning and Design	2,418,202	(1,241,999)	1,176,203	Charges to CIP, CATS, and state planning grants
Engineering and Operations	4,095,737	(1,139,169)	2,956,568	Charges to CIP, state municipal agreements, CATS, Powell Bill, and SafeLight
Customer Service	934,075	(76,852)	857,223	Charges to the SafeLight
Administration	2,869,767	(144,171)	2,725,596	Charges to Powell Bill and CATS
Traffic Control	4,483,277	(509,600)	3,973,677	Charges to state municipal agreements, Powell Bill, and CIP
Engineering and Property Management				
Landscape Management	5,490,280	(406,105)	5,084,175	Charges to KBUs for landscape maintenance services at City facilities
Building Maintenance	2,715,890	(2,279,416)	436,474	Charges to KBUs for building maintenance services at City facilities
CMGC Property Management	2,972,868	(2,512,770)	460,098	Charges to KBUs for building rent at Char-Meck Government Center
City Hall Property Management	312,805	(312,805)	0	Charges to KBUs for building rent at Old City Hall
CMGC Mail Services	548,363	(548,363)	0	Charges to KBUs for postage
Capital Projects Management	10,168,258	(6,105,927)	4,062,331	Charges to CIP and CATS
Real Estate	1,749,313	(725,129)	1,024,184	Charges to CIP, CATS, Storm Water, and Utilities
Public Service and Land Development	3,454,194	(50,000)	3,404,194	Charges to Storm Water
Finance				
Accounting	2,437,697	(158,662)	2,279,035	Charges to Procurement Services and CATS for financial system support
Revenue	3,601,630	(83,047)	3,518,583	Charges to KBUs for revenue collections for animal licenses, transit fares, surplus auctions, and community development loans.
Fire				
Administration	3,628,004	(200,238)	3,427,766	Charges to 911 Fund for 3 positions supporting Fire's 911 system
Training	1,361,941	(57,669)	1,304,272	Charges to Police Department for Training Academy costs
Human Resources				
Personnel Administration	1,846,601	(52,031)	1,794,570	Charges to Non-Department accounts to support Health Insurance fund
Training	823,949	(75,000)	748,949	Charges to KBUs for cost of training classes
City Manager				
Corporate Communications	1,881,132	(60,997)	1,820,135	Charges to CIP for 1 employee
Customer Service	4,778,878	(2,474,535)	2,304,343	Charges to Utilities for cost of 7 employees
Internal Audit	902,172	(74,984)	827,188	Charges to CATS for 1.5 employees
Planning				
General Planning Service	4,692,071	(338,617)	4,353,454	Charges to CATS for five employees
MUMPO Support Services	250,197	(100,000)	150,197	Charges to CDOT for MUMPO support
Police				
Police Attorney	686,963	(92,846)	594,117	Charges to Asset Forfeiture fund for Asst DA salary & benefits
Training	1,886,586	(139,133)	1,747,453	Charges to Fire Department for Training Academy costs
Property and Evidence Management	2,655,194	(93,213)	2,561,981	Charges to Engineering Building Services for CMGC Officer
Intelligence	2,038,982	(120,500)	1,918,482	Charges to federal government for reimbursement of costs
Transit Authority Liaison	385,539	(385,539)	0	Charges to CATS for Liaison Sergeant and 1 Police Officer
Airport Law Enforcement	94,480	(94,480)	0	Charges to Aviation for Police Captain leading the Airport Police
Neighborhood Development				
Mayor's Summer Youth	30,000	(30,000)	0	Charges to CATS for transportation to Carowinds
Administration	1,245,565	(421,058)	824,507	Charges to federal grants for support costs
Financial Services	494,687	(153,548)	341,139	Charges to federal grants for Financial Services support
Housing Services/Code Enforcement	3,716,914	(60,000)	3,656,914	Charges to In Rem Repair for Code Enforcement costs
Neighborhood Services	1,517,068	(38,571)	1,478,497	Charges to CMPD, Solid Waste and Planning for cost of Quality of Life Study
Housing Services	1,954,784	(1,953,884)	900	Charges to the CDBG grant for Housing Services support costs
	\$ 126,503,443	\$ (44,555,829)	\$ 81,947,614	

Police

<p>Summary</p> <p>Delivering services under the community problem oriented policing philosophy, Charlotte-Mecklenburg Police Department (CMPD) emphasizes prevention of crime as a critical part of its mission. Employing a diverse and highly motivated workforce coupled with accurate crime information, CMPD seeks to make Charlotte the safest large city in America.</p> <p>Vital Statistics</p> <ul style="list-style-type: none"> • 4.8% increase in reported Part One offenses • 378,695 total citizen-initiated calls for service • Traffic collisions declined by 5.3% 	FY05	FY06	FY07	
	Budget	\$146,477,171	\$155,657,818	\$161,927,923
	Positions	1,976.50	2,012.50	2,012.50
Accomplishments				
<ul style="list-style-type: none"> • Continued decline in overall crime rate excluding property crime • Accreditation by Commission on Accreditation of Law Enforcement Agencies • Citizen approval rating over 70% in last two surveys • Initiated a Gang Intelligence Unit and a Cold Case Squad 				

SERVICE DELIVERY CHALLENGES

The Charlotte community continues to grow at an impressive rate. Commercial growth such as two new Super Wal-Marts and the opening of Northlake Mall will contribute to the challenge of providing policing services. While the construction of the uptown arena, the opening the Johnson and Wales campus, and a number of prominent high rise residential complexes indicate a healthy growing community, this growth includes greater opportunity for crime. The emergence of gang related crime and activity, the increase in property crime, and the added demands of providing homeland security requires CMPD to focus more on responding to crime rather than crime prevention. The department's goal is to have 40% of patrol officers' time devoted to problem solving. Such a goal is not attainable while the number officers per 100,000 population continues to decline. The number of officers per 100,000 population has declined from 244 in FY00 to 219 in FY04. Additional police officers are required to meet the growing challenges of this community. New officers have not been added in five years.



Police

Performance Measures	Performance Achievement			
	FY04 Actual	FY05 Target	FY06 Target	FY07 Target
Community Policing/Crime Prevention				
Provides the following services:				
◆ Reduction in Uniform Crime Report Part One crime compared to previous fiscal year	+4.4%	n/a	-5%	-5%
◆ Reduction in targeted offenses in crime hot spots	9 of 12	9 of 12	9 of 12	9 of 12
Patrol Support Services				
Provides the following services: International Relations Unit Charlotte Area Transit Liaison School Resource Officers Burglary				
◆ Reduction in burglaries at targeted hot spots	n/a	6 of 8	6 of 8	6 of 8
Special Investigation				
Provides the following services: Vice and Narcotics Intelligence				
◆ Reduction in drug activity in crime hot spots	9 of 12	9 of 12	9 of 12	9 of 12
Criminal Investigations				
Provides the following services: Homicide/Missing Persons Robbery/Sexual Assault Court/District Attorney Liaison Units Family Services Property Crimes				
◆ Reduction in stolen vehicles (not to exceed 992 out of 100,000 registered vehicles)	n/a	<6,437	<6,498	To be identified
Special Operations				
Provides the following services: Crime Scene Search Canine Unit Aviation and Civil Emergency Unit SWAT Team and Alert Team Coordinator Passenger Vehicle for Hire Highway Interdiction/Traffic Safety				
◆ Collision rate increase not to exceed 2.5% (annual increase in vehicle miles traveled)	6.1% decrease	<2.5%	<2.5%	<2.5%

Police

Performance Measures

Performance Achievement

	FY04 Actual	FY05 Target	FY06 Target	FY07 Target
Communications				
Provides the following services:				
911 Communications				
Non-Emergency Policing Services				
◆ 911 calls answered within 30 seconds or less	97.4% in 6 seconds	85%	85%	85%
◆ Calls abandoned	7.1%	<10%	<10%	<10%
Community Services				
Provides the following services:				
Special Events				
Records				
School Crossing Guards				
Alarm Ordinance Enforcement				
Police Athletic League				
DARE				
Cadet/Explorers/Right Moves for Youth				
Police Reserves				
Volunteers				
◆ Expand number of volunteers				
⇒ Citizens on Patrol	n/a	36	45	To be identified
⇒ Volunteer Lake Enforcement	n/a	24	25	
Crime Lab				
Provides crime laboratory services.				
◆ Lab analysis of evidence in 90% of all cases will be conducted within 45 business days from the receipt of evidence in the lab	n/a	n/a	90% in 45 days	90% in 45 days
Police Officer Training				
Provides the following services:				
Firing Range				
Recruit Training				
In-Service Training				
◆ Reduction in preventable on-duty accidents (number of preventable accidents per million miles driven)	7.8	<9.9	<9.9	To be identified
Animal Control				
Provides the following services:				
Ordinance Enforcement				
Shelter Operations				
◆ Reduction in incoming adoptable animals that are euthanized compared to FY05	n/a	2%	3%	To be identified

A number of FY07 targets will not be set until closer to the start of the fiscal year. Crime trends are extremely volatile so the department will need to see what its experience is closer to July 1, 2006. The same principle applies to objectives such as on duty accidents and animal euthanasia rates as the targets need to be based upon the previous year's experience.

Police

Budget Summary		FY05	FY06	FY07
Community Policing/Crime Prevention	Budget	\$ 85,955,279	\$ 90,673,526	\$ 94,854,263
	Positions	1,194.00	1,232.00	1,232.00
Patrol Support Service	Budget	\$ 6,781,734	\$ 7,282,065	\$ 7,661,065
	Positions	90.00	90.00	90.00
Special Investigation	Budget	\$ 6,449,424	\$ 6,995,939	\$ 7,209,132
	Positions	81.75	81.75	81.75
Criminal Investigations	Budget	\$ 12,516,666	\$ 12,912,575	\$ 13,277,819
	Positions	158.25	158.25	158.25
Special Operations	Budget	\$ 7,083,573	\$ 7,533,170	\$ 7,741,907
	Positions	90.50	90.50	90.50
Communications	Budget	\$ 11,219,474	\$ 11,763,702	\$ 12,113,028
	Positions	164.75	164.75	164.75
Community Services	Budget	\$ 5,896,811	\$ 5,982,130	\$ 6,117,442
	Positions	71.50	71.50	71.50
Crime Lab	Budget	\$ 1,800,109	\$ 1,839,176	\$ 1,897,281
	Positions	19.25	19.25	19.25
Police Officer Training	Budget	\$ 3,890,304	\$ 5,447,008	\$ 5,692,234
	Positions	21.00	21.00	21.00
Animal Control	Budget	\$ 4,883,797	\$ 5,228,527	\$ 5,363,751
	Positions	85.50	83.50	83.50
Total		\$ 146,477,171	\$ 155,657,818	\$ 161,927,923
Total Positions		1,976.50	2,012.50	2,012.50

Police

Decreases

2.0 positions were reduced in Animal Control as a result of contracting out revenue collection. The resulting salary savings were used to fund the contract.

Increases

\$3,243,409 in FY06 is added for 48 additional Law Enforcement Officers in FY06, 10 of which are currently frozen positions.

\$1,017,735 in FY06 and an additional **\$168,590** in FY07 funds overtime for uptown traffic control.

\$300,000 in FY07 is added for increased fuel cost.

Unfunded

Unfunded requests totaling \$4,028,831 in FY06 and \$3,702,784 in FY07 were requested by Police. Please see the appendix on page 121 for details on these requests.

Fire

Summary		FY05	FY06	FY07
Charlotte Fire Department provides response to and mitigation of fires, medical emergencies, hazardous materials incidents, aircraft emergencies, high angle and confined space rescues, and other emergencies as they arise. The Fire Department has 1,082 employees and an annual budget of approximately \$77 million.		\$72,031,831	\$77,196,770	\$80,097,568
<p>Vital Statistics</p> <ul style="list-style-type: none"> Provides primary fire services to a population of more than 600,000 Maintains 36 fire stations covering 280.5 square miles Operates 37 engine companies, 13 ladder companies and two heavy rescue companies Responds to over 70,000 incidents each year 		1,082.00	1,082.00	1,082.00
<p>Accomplishments</p> <ul style="list-style-type: none"> Awarded Homeland Security grants for Regional Response and Urban Search and Rescue Teams Reduced average response time to medical emergencies by one minute with new Computer Aided Dispatch system Named one of the best terrorism-prepared cities by Federal General Accounting Office 				

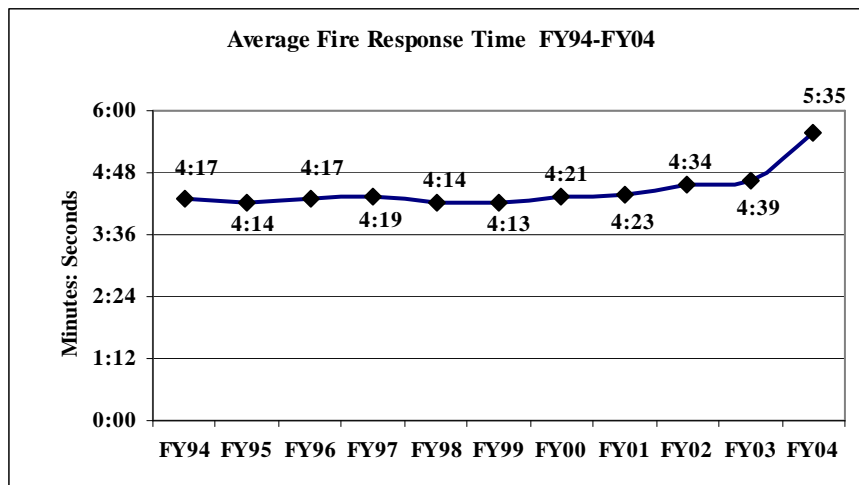
SERVICE DELIVERY CHALLENGES

Infill Fire Station at Providence Road and Pineville-Matthews Road (Arboretum Community)

Continued growth in southeast Charlotte exacerbates fire response time issues in this area. The Fire Department is one fire station short of meeting the current emergency workload within acceptable response parameters. Fire companies from existing stations cannot meet response standards to the Arboretum and the surrounding area. An infill fire station is needed to provide services commensurate with other comparable areas in the city.

Fire Response Times

Fire continues to struggle with timely response to emergencies, primarily due to the current location of Fire stations and traffic issues. Meeting acceptable response time goals will continue to be a challenge until additional infill stations can be constructed.



Note: The increase in average response time in FY04 is due in part to improved response time tracking capabilities with the new Fire CAD

Fire

Performance Measures	Performance Achievement			
	FY04 Actual	FY05 Target	FY06 Target	FY07 Target
Fire Emergency Response				
Provides fire suppression, first responder medical service, hazardous materials mitigation, technical rescue, and aircraft crash rescue				
◆ Percent of alarms to which fire companies will be en route within 60 seconds of dispatch	43.2%	80%	80%	80%
◆ Percent of alarms to which first-due fire companies will be on scene within 4 minutes	70.1%	80%	80%	80%
Fire Investigations				
Provides for investigation into origin and cause of fires under special conditions including large loss, injury or death, and arson				
◆ Percent of arson cases investigators will clear	30%	34%	34%	34%
Fire Code Enforcement				
Provides enforcement of the fire code for buildings under construction and for existing commercial and business buildings				
◆ Percent of fire code inspections conducted within state-mandated frequencies	99.8%	85%	85%	85%
Fire Communications				
Provides services to citizens calling 911 for the Fire Department's emergency services				
◆ Percent of telecommunicators answering phone within 3 rings or 12 seconds	99.9%	90%	90%	90%
◆ Percent of alarms dispatched within 60 seconds of answering phone	77.3%	80%	80%	80%

Fire

<p>Decreases None</p> <p>Increases The City's June 30, 2005 annexation requires 68 positions (added in FY05 for training and startup) and \$4,459,376 in FY06 and an additional \$13,746 in FY07 to provide fire protection and prevention services to seven newly-annexed areas. Funding in FY06 includes start-up cost for 1 engine truck and on-going costs of 1 engine and 1 ladder company. FY07 funding provides on-going cost for 2 engine and 1 ladder companies.</p> <p>\$60,817 in FY06 is added for increased building rent costs for the Fire Administration building. \$40,853 is added in FY06 to cover increased fuel costs for Fire response vehicles.</p>	<p>Unfunded Unfunded requests totaling \$4,561,171 in FY06 were requested by Fire. Please see the appendix on page 121 for details on these requests.</p>
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Budget Summary		FY05	FY06	FY07
Fire Emergency Response	Budget	\$ 65,170,014	\$ 69,702,591	\$ 72,451,799
	Positions	979.00	979.00	979.00
Emergency Preparedness/Homeland Security	Budget	\$ 569,511	\$ 591,282	\$ 604,908
	Positions	5.00	5.00	5.00
Fire Communications	Budget	\$ 2,126,940	\$ 2,284,655	\$ 2,326,114
	Positions	38.00	38.00	38.00
Fire Investigations	Budget	\$ 590,240	\$ 721,685	\$ 731,957
	Positions	9.50	9.50	9.50
Fire Code Enforcement	Budget	\$ 1,969,143	\$ 2,114,271	\$ 2,181,213
	Positions	33.00	33.00	33.00
Fire Community Education/Involvement	Budget	\$ 315,192	\$ 382,041	\$ 387,718
	Positions	5.00	5.00	5.00
Firefighter Training	Budget	\$ 1,290,791	\$ 1,400,244	\$ 1,413,858
	Positions	12.75	12.75	12.75
Total		\$ 72,031,831	\$ 77,196,770	\$ 80,097,568
Total Positions		\$ 1,082	\$ 1,082	\$ 1,082

Solid Waste

<p style="text-align: center;">Summary</p> <p>The City of Charlotte Solid Waste Services Key Business (SWS) strives to excel in quality solid waste management. The City is currently divided into four collection zones, East, West, North, and South. In FY06 and FY07, SWS crews will continue to provide weekly collection of garbage, recyclables, yard waste, and bulky items in the East, North, and South zones under the City's managed competition guidelines. In all collection zones, SWS provides the collection of dead animals and tires; and sweeps and picks up litter from streets and right-of-way areas. SWS also participates in neighborhood cleanups and other specialized cleaning programs including continual maintenance of the Central Business District.</p> <p style="text-align: center;">Vital Statistics</p> <ul style="list-style-type: none"> • Residential collection services to over 185,000 single-family and 90,000 multi-family households, 2,700 businesses, and 700 public trash receptacles • Street sweeping and litter pick-up on 2,400 miles of City and State streets • Clean up of 1,400 tons of garbage and 68 tons of recyclables 	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #cccccc;"> <th style="width: 10%;"></th> <th style="width: 20%;">FY05</th> <th style="width: 20%;">FY06</th> <th style="width: 20%;">FY07</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td style="text-align: right;">\$35,977,190</td> <td style="text-align: right;">\$39,395,062</td> <td style="text-align: right;">\$40,868,124</td> </tr> <tr> <td>Positions</td> <td style="text-align: right;">247.00</td> <td style="text-align: right;">239.00</td> <td style="text-align: right;">239.00</td> </tr> </tbody> </table> <p style="text-align: center;">Accomplishments</p> <ul style="list-style-type: none"> • Attained citywide litter index rating of 1.4 by Keep America Beautiful, Inc.; the highest rating that can be obtained is 1.0 on a scale of 1.0 to 4.0 • Provided residential refuse at a cost per ton collected of \$45; statewide average is \$86 • Provided recyclables collection at cost per ton of \$143; statewide average is \$191 • Collected 2,915 tons of refuse per FTE, compared with 1,437 tons per FTE statewide • Complaints per every 1,000-collection points were 34.3, compared to the statewide average of 58.2 • Accidents were reduced to 56, which was less than the target ceiling of 69. • Customer service survey yielded a satisfaction rating of 92%; goal was 85% • Achieved 4.9 out of a high score of 5.0 on the annual Center City Performance Survey 		FY05	FY06	FY07	Budget	\$35,977,190	\$39,395,062	\$40,868,124	Positions	247.00	239.00	239.00
	FY05	FY06	FY07										
Budget	\$35,977,190	\$39,395,062	\$40,868,124										
Positions	247.00	239.00	239.00										

SERVICE DELIVERY CHALLENGES

Annexation

The 2005 Annexation will add over 6,000 residential service locations throughout the City, mostly in the West Collection Zone. Annexation presents a number of challenges related to route and day changes, public education of new customers, increased customer service inquiries, and the establishment of new City boundaries. SWS is applying lessons learned from previous annexations to prepare for potential problems.

West Collection Zone Privatization

Inland Services was awarded the West Collection Zone with a 5-year collection service contract. Staff will work closely with Inland in preparation for the 2005 Annexation since the largest percentage of the new residents will be in the West Zone.

Rapid Growth

Infilling and the number of voluntary annexations have increased. Historical trends are proving to be somewhat unreliable when used to predict service requirements. The growth rate is outpacing the projections and this factor has an adverse effect on the ability to service the growth areas with existing resources and perform within the parameters of the competition contracts.

Vehicle Expenses

SWS continues to be challenged by the growing cost of maintaining its fleet and a lack of funding for reserve fleet vehicles available to support service delivery. An aging fleet coupled with inadequate reserve equipment for backup can adversely affect SWS's competitive position and its ability to keep collection routes current. Off-schedule collection routes also contribute to higher labor expenses.

Solid Waste

Performance Measures

Performance Achievement

	FY04 Actual	FY05 Target	FY06 Target	FY07 Target
Solid Waste Collections				
Provides the following services:				
Single Family (weekly collection of garbage, recycling, yard waste and bulky items)				
Multi-Family (weekly collection of garbage and recycling to multi-family complexes of more than 30 units)				
Special (weekly collection of public receptacle and small business garbage)				
◆ Reduce annual accident rate 5% below benchmark of 56	56	53	53	53
◆ Increase the number of route address verifications by 5% over previous year	40	48	50	53
◆ Reduce average missed collection service calls by 10% less than previous year	27.3	24.6	22.1	19.9
◆ Achieve overall customer satisfaction survey results of at least 85%	92%	85%	85%	85%
◆ Provide customer service training to at least 95% of all SWS employees annually	100%	95%	95%	95%
◆ Reduce total overtime hours in City-served zones by 5% less than benchmark of 61,459 hours	n/a	59,615	58,532	58,532
Special Maintenance Services				
Provides cleaning and maintenance services in the Tryon Street Mall and Vintage Trolley line. Provides street sweeping, right-of-way clean-up, and traffic hazard removal on City and select State streets. Provides support for special events in the Central Business District.				
◆ Achieve Keep America Beautiful litter index rating of 2.0 or less (scale: 1.0-4.0; 1.0 is highest)	1.4	2.0	2.0	2.0
Neighborhood Services				
Provides cleaning services and unscheduled bulky item pick-up in fragile and threatened neighborhoods				
◆ Develop neighborhood partnerships in 25% of targeted neighborhoods to increase bulky item scheduling	4	4	4	4
Community Education				
Communicates information and provides educational materials to the public on solid waste services				
◆ Increase the number of community awareness and media outreach activities by 15% more than previous year	38	44	51	59

Solid Waste

Decreases

Multi-family garbage collection frequency is reduced from twice-a-week to once-a-week beginning September 1, 2005 for a savings of **\$592,217** in FY06 and an additional **\$203,647** in FY07.

Street sweeping and litter pick-up is eliminated from all State streets beginning September 1, 2005 for a savings of **\$444,551** in FY06 and an additional **\$88,910** in FY07. This includes a reduction of 13 employees and 11 pieces of equipment.

The Public Service Division's budget is reduced by 5%, or **\$14,184**, per Council's Services Assessment Priority ranking on Community Education.

Three Equipment Operators are transferred from Solid Waste Services to Charlotte Area Transit for bus shelter maintenance services. This is a net zero effect on the budget, as SWS had been reimbursed by CATS for these services.

Increases

The City's June 30, 2005 Annexation requires 5 new positions (added in FY05 for training and startup) and **\$1,169,410** in FY06 to provide collection and landfill services to the newly-annexed areas.

Per the East Quadrant collection contract, 4 new equipment operators and 4 new laborers are added for a cost of **\$301,216** in FY06 and an additional **\$10,801** in FY07.

A vacant position is traded off for a Deputy Director position; the additional funding required is **\$80,278** in FY06 and an additional **\$2,810** in FY07.

Unfunded

Unfunded requests totaling \$303,587 in FY06 were requested by Solid Waste. Please see the appendix on page 122 for details on these requests.

Budget Summary		FY05	FY06	FY07
Solid Waste Collections	Budget	\$ 30,000,695	\$ 33,414,633	\$ 34,818,377
	Positions	160.50	159.50	159.50
Special Maintenance Services	Budget	\$ 5,027,552	\$ 4,952,837	\$ 4,995,504
	Positions	81.75	74.75	74.75
Neighborhood Services	Budget	\$ 806,969	\$ 876,238	\$ 899,678
	Positions	3.75	3.75	3.75
Community Education	Budget	\$ 141,974	\$ 151,355	\$ 154,565
	Positions	1.00	1.00	1.00
Total		\$ 35,977,190	\$ 39,395,062	\$ 40,868,124
Total Positions		247.00	239.00	239.00

Transportation

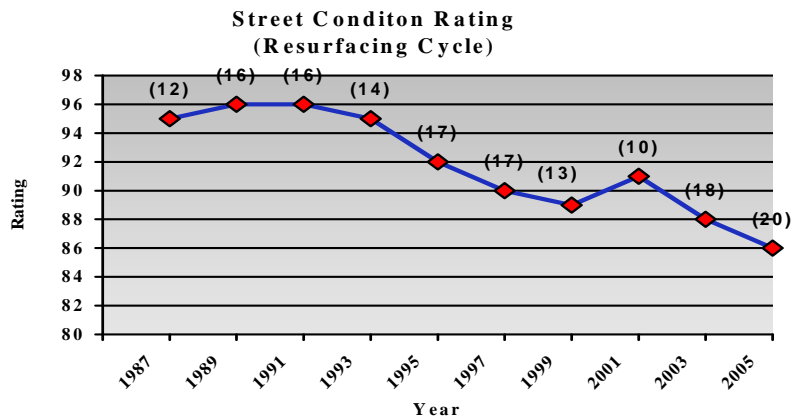
Summary	FY05	FY06	FY07	
<p>The Charlotte Department of Transportation (CDOT) provides for a safe and efficient multi-modal transportation system that supports economic vitality and sustains the community's quality of life. CDOT maintains streets, signalized intersections, road signs, pavement markings, curb and gutter, and sidewalk. CDOT works with neighborhoods, developers, special event organizers, and utility companies to coordinate the effective use of the public right-of-way. CDOT coordinates local and regional transportation planning efforts.</p> <p style="text-align: center;">Vital Statistics</p> <ul style="list-style-type: none"> • Maintains 2,300 centerline miles of roadway • Maintains 650 signalized intersections • Maintains 1,050 miles of sidewalk • Installs 2 million ft. of new pavement marks each year 	Budget	\$43,457,961	\$42,501,365	\$43,625,392
	Positions	447.25	437.25	437.25
Accomplishments				
<ul style="list-style-type: none"> • Awarded a \$185,000 Pedestrian Planning grant by NCDOT • Awarded two awards by the International Institution of Transportation Engineers for pedestrian improvements • Successfully decentralized the street utility cut section of the Street Maintenance Division resulting in more efficient operations • Initiated the Transportation Action Plan 				

SERVICE DELIVERY CHALLENGES

Road maintenance funding (ranked number 7 out of 39 services in Council's Services Assessment Survey) is decreasing and the City's road network and resurfacing costs are increasing. The 2003 street conditions survey resulted in a score of "88" out of 100 and the target is a score of "90".

The City's signal system is growing at a rate of approximately 25 signals per year. Retiming of signals and the replacement and repair of failed system components such as signal loop detectors are not receiving appropriate levels of response. Partial funding is available from the NCDOT. An additional signal timing engineer and maintenance crew has been requested to keep pace with current expectations and failure rates.

Capital funding is not keeping pace with Charlotte's continuous growth. As a result, street, bicycle, pedestrian and connectivity projects are being delayed. This adversely affects CDOT's ability to provide for a transportation system that promotes accessibility.



Transportation

Performance Measures

Performance Achievement

	FY04 Actual	FY05 Target	FY06 Target	FY07 Target
Street Maintenance				
Provides for road maintenance, including pothole and base failure repairs, patching utility cuts and drainage system maintenance				
◆ Respond to pothole complaints involving safety and property damage within 24 hours 97% of the time	n/a	97%	97%	97%
◆ Achieve a rating of 90 or more on the pavement conditions survey	88	90	90	90
Traffic Control				
Provides for new and replacement pavement markings and signs. Also includes traffic signal installation and maintenance				
◆ Perform preventative maintenance on 100% of traffic signals every two years	50%	100%	50%	100%
◆ Respond to all sign and signal emergencies within 2 hours 100% of the time	100%	100%	100%	100%
Transportation Safety and Neighborhood Services				
Provides for three initiatives: <i>SafeLight</i> (cameras at intersections), <i>ParkIt!</i> (parking meters), and Pedestrian and Traffic Safety (includes capital improvements for safe movement of pedestrians-signals, marked pavement, and other improvements) and traffic calming measures				
◆ Achieve a 5% reduction in accidents at targeted intersections	8.5%	5%	5%	5%
◆ Decrease annually pedestrian and bicycle accidents per capita	Met	Decrease	Decrease	Decrease
Land Development Regulations				
Reviews development plans for conformance with City ordinances				
◆ 100% conformance of development plans to General Development policy	100%	100%	100%	100%
Capital Program Planning and Management				
Provides planning and management for the capital programs, including air quality conformity, regional planning, rapid transit, neighborhoods and thoroughfares				
◆ Complete Transportation Action Plan by January 2006	n/a	n/a	100%	n/a
◆ Reduce vehicle miles traveled (VMT) per capita in Charlotte and the region	33.6	Less than FY04	Less than FY05	Less than FY06

Transportation

<p>Decreases \$456,733 in FY06 eliminates 12 street maintenance positions resulting from productivity improvements identified through optimization as part of the City's managed competition program.</p> <p>\$57,000 in FY06 to increase administrative charges to CATS for services.</p> <p>\$142,453 in FY06 in maintenance and construction materials used for marking street traffic lines resulting in the purchase of inferior products.</p> <p>Increases The City's June 30, 2005 annexation requires \$1,665,229 in FY06 to provide pavement marking and signage materials, salary and benefit funding for 12 positions in street maintenance, and extension of arterial signal systems to the newly-annexed areas.</p> <p>The annexation budget also includes \$1,017,000 in FY06 and an additional \$2,421,998 in FY07 in the Powell Bill Fund to bring annexation area roads up to city standards.</p> <p>\$500,000 in FY06 to add 1 position and contract for uptown event traffic control.</p> <p>\$267,264 in FY06 (100% offset through state municipal agreements) for materials to maintain traffic signals according to state standards.</p>	<p>\$76,196 in FY06 (100% offset through state municipal agreements) to add 1 position for signal timing support.</p> <p>Recommended increases in street resurfacing are included in the general fund non-departmental section of this document.</p> <p>Unfunded Unfunded requests totaling \$9,780,834 in FY06 and \$8,820,109 in FY07 were requested by Transportation. Please see the appendix on page 122 for details on these requests.</p>
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Budget Summary		FY05	FY06	FY07
Street Maintenance	Budget	\$ 27,969,409	\$ 26,243,781	\$ 27,489,232
	Positions	277.00	265.00	265.00
Traffic Control	Budget	\$ 9,542,687	\$ 10,206,474	\$ 9,889,140
	Positions	103.00	104.00	104.00
Transportation Safety and Neighborhood Svcs	Budget	\$ 1,248,716	\$ 1,375,086	\$ 1,420,486
	Positions	16.00	17.00	17.00
Land Development Regulations	Budget	\$ 1,607,604	\$ 1,750,470	\$ 1,801,535
	Positions	19.00	19.00	19.00
Capital Program Planning and Management	Budget	\$ 3,089,544	\$ 2,925,554	\$ 3,024,999
	Positions	32.25	32.25	32.25
Total		\$ 43,457,961	\$ 42,501,365	\$ 43,625,392
Total Positions		447.25	437.25	437.25

Neighborhood Development

<p style="text-align: center;">Summary</p> <p>Neighborhood Development provides a number of public services to help 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, implementing neighborhood revitalization plans, helping solve complex neighborhood problems, building the capacity of neighborhood organizations, and funding local workforce development initiatives.</p> <p style="text-align: center;">Vital Statistics</p> <ul style="list-style-type: none"> • Performed over 30,000 code inspections • Completed 1,023 new or renovated housing units • Assisted 358 citizens become new home owners • Received 88% on customer satisfaction survey 	<table border="1" style="width: 100%; border-collapse: collapse; margin-bottom: 10px;"> <thead> <tr style="background-color: #cccccc;"> <th style="width: 15%;"></th> <th style="width: 15%;">FY05</th> <th style="width: 15%;">FY06</th> <th style="width: 15%;">FY07</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td style="text-align: right;">\$6,184,307</td> <td style="text-align: right;">\$7,051,997</td> <td style="text-align: right;">\$7,346,790</td> </tr> <tr> <td>Positions</td> <td style="text-align: right;">121.00</td> <td style="text-align: right;">129.00</td> <td style="text-align: right;">129.00</td> </tr> </tbody> </table> <p style="text-align: center;">Accomplishments</p> <ul style="list-style-type: none"> • International and national recognitions for the City's Quality of Life Study and Neighborhood Revitalization Strategy • Successful consolidation of housing code and community improvement enforcement functions • Achieved first voter approved housing bond referendum • Set records for affordable housing production 		FY05	FY06	FY07	Budget	\$6,184,307	\$7,051,997	\$7,346,790	Positions	121.00	129.00	129.00
	FY05	FY06	FY07										
Budget	\$6,184,307	\$7,051,997	\$7,346,790										
Positions	121.00	129.00	129.00										

SERVICE DELIVERY CHALLENGES

Shrinking Federal Revenue

The U. S. Department of Housing and Urban Development's budget is included in the "Omnibus Appropriations Act for FY05" which dictates an across-the board reduction of 0.80%. As a result, the City has been informed that it will receive cuts in some of its federal programs in FY06. The major cuts are \$298,740 in CDBG and \$383,896 in HOME. These cuts potentially will impact the City's neighborhood revitalization program, affordable housing production, public service programs such as After-School Enrichment and federally funded staff positions.

Neighborhood Expectations

Expectations continue to grow for the delivery of code enforcement, housing, and neighborhood services in the City. Neighborhoods demanded more pro-active code enforcement in forums sponsored by the City Manager this past summer and fall.

Neighborhood Revitalization Areas

Neighborhood Revitalizations Plans, the Quality of Life Study, and Model Neighborhood Standards generate extreme pressure for the City organization to achieve the neighborhood success indicators. Achieving these indicators require a combination of strategic investments, resource allocation, and capacity building initiatives. This requires the City organization to continue to focus on neighborhoods and make resource and investment decisions to support neighborhood development.

Zoning Enforcement

The transfer of zoning enforcement and some permitting activity to Neighborhood Development presents both opportunities and challenges. The opportunities are for better integration of zoning with the City's other enforcement activities and improved service delivery to the citizens. The challenge is the current resource allocation does not allow for substantive service delivery improvements over the County's current service levels.

Neighborhood Development

Performance Measures	Performance Achievement			
	FY04 Actual	FY05 Target	FY06 Target	FY07 Target
Neighborhood Services				
Provides the following services:				
Neighborhood Problem Solving				
Capacity Building				
Community Youth Initiatives				
Neighborhood Centers Management & Special Projects				
◆ Percent of capacity building successes	187%	80%	80%	80%
◆ Number of citizens trained	921	900	1,000	1,000
Housing Services				
Provides the following services:				
Relocation				
Housing Financing				
Housing Rehabilitation/Lead Paint Abatement				
Housing Development				
Housing Support Services				
◆ New & renovated housing units completed with City funds	1,023	1,000	1,000	1,000
◆ Homeowners created with City funds	358	300	300	300
Neighborhood Code Enforcement				
Provides Housing Code and Nuisance Abatement Graffiti Program				
◆ Housing Code Compliances	2,284	2,200	2,300	2,400
◆ Nuisance Code Compliances	32,213	32,000	33,000	34,000
Workforce Development				
Provides the following services:				
Mayor's Summer Youth Programs				
Training Programs				
◆ Percent of Workforce Development targets achieved	92%	90%	90%	90%

Budget Summary		FY05	FY06	FY07
Neighborhood Services	Budget	\$ 2,170,433	\$ 1,814,951	\$ 1,848,189
	Positions	28.00	26.00	26.00
Housing Services	Budget	\$ 213,551	\$ 302,148	\$ 392,053
	Positions	32.00	32.00	32.00
Neighborhood Code Enforcement	Budget	\$ 3,418,261	\$ 4,756,675	\$ 4,922,098
	Positions	54.00	66.00	66.00
Workforce Development	Budget	\$ 382,062	\$ 178,223	\$ 184,449
	Positions	7.00	5.00	5.00
Total		\$ 6,184,307	\$ 7,051,997	\$ 7,346,790
Total Positions		121.00	129.00	129.00

Neighborhood Development

Decreases

\$6,000 is reduced in FY06 by eliminating the Neighborhood Center Bus Pass program.

\$61,680 in FY06 and an additional **\$60,988** in FY07 is reduced by eliminating 2 filled Neighborhood Services Specialist positions involved in neighborhood problem solving and capacity building. This 5% reduction to Community Education reflects Council's Services Assessment priority ranking.

\$121,670 is reduced in FY06 and an additional \$4,445 in FY07 by transferring two workforce development positions to Economic Development.

\$130,471 is reduced in FY06 and an additional \$2,440 in FY07 by eliminating two annexation positions.

\$61,165 in FY06 and **\$61,330** in FY07 freezes one Neighborhood Services Specialist position.

Increases

\$508,343 in FY06 funds 6 Code Enforcement positions to meet increased community demand for code enforcement services.

\$100,000 is added in FY07 associated with increased cost of code enforcement abatement.

\$618,883 is added in FY06 associated with transfer from Mecklenburg County of Zoning Enforcement. This transfer includes 7 positions and is funded by user fees.

Unfunded

Unfunded requests totaling \$547,674 in FY06 and \$1,097,626 in FY07 were requested by Neighborhood Development. Please see the appendix on page 123 for details on these requests.

Engineering & Property Management

<p style="text-align: center;">Summary</p> <p>Engineering and Property Management provides an array of services to sustain a vibrant, high quality, and balanced urban environment. Services provided include: design, construction and maintenance of public facilities and grounds, capital project management, private land development regulation, storm water infrastructure design and improvement, and real estate acquisition and management.</p> <p style="text-align: center;">Vital Statistics</p> <ul style="list-style-type: none"> • Maintain over 110 municipal facilities • Maintain over 500 miles of road right-of-way • Manage over 250 active capital projects • Review over 2,100 development plans and conduct over 5,000 inspections annually 	<table border="1" style="width: 100%; border-collapse: collapse; margin-bottom: 10px;"> <thead> <tr style="background-color: #e0e0e0;"> <th style="width: 15%;"></th> <th style="width: 20%;">FY05</th> <th style="width: 20%;">FY06</th> <th style="width: 20%;">FY07</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td style="text-align: right;">\$32,877,469</td> <td style="text-align: right;">\$33,906,056</td> <td style="text-align: right;">\$34,852,076</td> </tr> <tr> <td>Positions</td> <td style="text-align: right;">383.00</td> <td style="text-align: right;">393.00</td> <td style="text-align: right;">393.00</td> </tr> </tbody> </table> <p style="text-align: center;">Accomplishments</p> <ul style="list-style-type: none"> • Meeting an aggressive construction schedule for the new Arena • Realizing over \$350,000 in annual energy savings at City-owned facilities • Maintaining a AA+ rating for Storm Water revenue bonds • Implementing digital submittals of development plans for staff review • Maintaining an excellent safety record 		FY05	FY06	FY07	Budget	\$32,877,469	\$33,906,056	\$34,852,076	Positions	383.00	393.00	393.00
	FY05	FY06	FY07										
Budget	\$32,877,469	\$33,906,056	\$34,852,076										
Positions	383.00	393.00	393.00										

SERVICE DELIVERY CHALLENGES

Staffing

Staffing, recruitment and retention of employees is a high priority in an environment of increased workload and competition for quality personnel.

Collaboration

Collaboration with Key Business Units, contractors, and other government entities will allow E&PM to leverage its work to produce the best results for citizens.

Project Management Skills

Project management knowledge and skills is another priority in terms of maintaining a state-of-the-art process where projects are implemented on time and within budget.

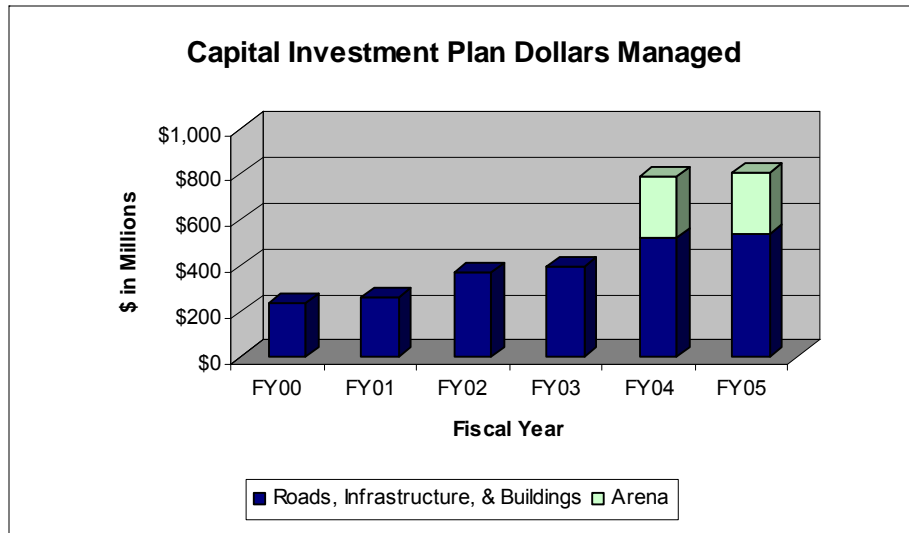
Zoning Enforcement

The transfer of zoning enforcement and permitting activity to Engineering and Property Management presents both opportunities and challenges. The opportunities lie in integrating existing land development regulation activities with zoning enforcement activities such that the services provided enhance customer service. The challenge is to assimilate the new service and 8 additional positions into the organization such that the activities are seamless.

Engineering & Property Management

Performance Measures	Performance Achievement			
	FY04 Actual	FY05 Target	FY06 Target	FY07 Target
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, environmental protection, transportation, sidewalk, streetscape, economic development programs, and project management services for CATS				
◆ Complete small transportation projects within 1.5 years of land acquisition	1.3 years	1.5 years	1.5 years	1.5 years
◆ Complete large transportation projects within 3 years of land acquisition	n/a	3 years	3 years	3 years
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 rezoning, subdivision plans, tree ordinance and landscaping permits, and uptown mixed use development/mixed use development district				
◆ Complete plan reviews on schedule	n/a	n/a	95%	95%
Storm Water Services				
Provides Water Quality/Clean Water Act enforcement, and capital project planning, design and construction				
◆ Inspect sites approved for fee credits annually	n/a	n/a	95%	95%
Municipal Facilities Maintenance				
Provides maintenance for Charlotte-Mecklenburg Government Center, Old City Hall, and all other facilities				
◆ Maintain CMGC operation cost below Building Owners and Managers Association past three year average	100%	<100%	<100%	<100%
Landscape Maintenance				
Provides public right-of-way maintenance, beautification, and tree management, the Tryon Street mall, and the Trolley corridor				
◆ Grounds maintenance inspections will meet an acceptable quality rating	n/a	n/a	95%	95%

Engineering & Property Management



Budget Summary		FY05	FY06	FY07
Municipal Capital Project Planning, Design & Construction	Budget	\$ 4,660,470	\$ 5,086,515	\$ 5,618,839
	Positions	151.00	151.00	151.00
Land Development Regulation, Plan Review and Inspection	Budget	\$ 3,197,723	\$ 3,957,686	\$ 4,077,183
	Positions	47.00	54.00	54.00
Storm Water Services	Budget	\$ 16,168,307	\$ 16,055,224	\$ 16,097,439
	Positions	84.00	92.00	92.00
Municipal Facilities Maintenance	Budget	\$ 2,982,662	\$ 3,015,193	\$ 3,083,283
	Positions	46.00	45.00	45.00
Landscape Maintenance	Budget	\$ 5,868,307	\$ 5,791,438	\$ 5,975,332
	Positions	55.00	51.00	51.00
Total		\$ 32,877,469	\$ 33,906,056	\$ 34,852,076
Total Positions		383.00	393.00	393.00

Engineering & Property Management

<p>Decreases \$10,835 in FY06 from renegotiated lease savings for the Real Estate Division</p> <p>\$18,000 in FY06 in reduced funding for technology</p> <p>\$29,531 in FY06 in reduced funding for cultural facilities utility costs</p> <p>\$40,000 in FY06 for reduced Charlotte-Mecklenburg Government Center janitorial service</p> <p>\$7,500 in FY06 for reduced Charlotte-Mecklenburg Government Center floor maintenance</p> <p>\$4,500 in FY06 for reduced Old City Hall window washing from twice per year to once per year</p> <p>\$3,400 in FY06 for reduced Old City Hall maintenance parts</p> <p>\$143,423 in FY06 to eliminate 3 filled positions and City maintenance of I-277</p> <p>\$37,750 in FY06 to reduce the landscape maintenance on state right-of-way within the city from 8 times to 5 times per year</p> <p>\$40,418 in FY06 to eliminate 1 filled position and reduce the landscape maintenance on City right-of-way from 8 times to 5 times per year</p> <p>One position was deleted as a result of trading two positions for one higher lever position in building maintenance.</p> <p>Increases The City's June 30, 2005 annexation requires 1 new position (added in FY05 for training and startup) and \$75,580 in FY06 to provide landscape maintenance contract monitoring to the newly-annexed areas.</p> <p>\$566,219 is added in FY06 to transfer 7 positions for zoning administration.</p> <p>The increases below are all in the Storm Water Enterprise Fund:</p> <p>\$346,000 in FY06 and an additional \$13,000 in FY07 to add 6 positions to address the backlog in service requests which exceeds 4,000. The storm water division is reorganizing to assign teams to specific drainage basins</p> <p>\$94,000 in FY06 and an additional \$3,300 in FY07 to add 1 position to increase the number of major CIP projects undertaken each year</p>	<p>\$79,000 in FY06 and an additional \$3,000 in FY07 to add 1 position to inspect storm water construction projects to insure best management practices are implemented</p> <p>\$363,000 in FY06 to purchase additional storm water technology for geodatabase development, environmental data management, and watershed modeling</p> <p>Unfunded Unfunded requests totaling \$1,895,784 in FY06 and \$878,931 in FY07 were requested by Engineering & Property Management. Please see the appendix on page 123 for details on these requests.</p>
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Charlotte-Mecklenburg Planning

	FY05	FY06	FY07
Summary			
<p>The Charlotte-Mecklenburg Planning Commission is a joint City-County agency providing services for the City of Charlotte and the unincorporated areas of Mecklenburg County. This Key Business Unit reports to a 14-member appointed Planning Commission and serves as a departmental resource for City and County government. An Inter-local Cooperative Agreement between the City and County details the conditions and procedures under which the Commission operates.</p>	Budget	\$4,490,517	\$4,858,183
	Positions	58.00	61.00
<p style="text-align: center;">Vital Statistics</p> <ul style="list-style-type: none"> • Manage growth and design of the City, County and region • Revitalize and preserve neighborhoods, business areas and corridors • Focus on planning and development of the Center City 	<p style="text-align: center;">Accomplishments</p> <ul style="list-style-type: none"> • Ninety-six percent (96%) of all zoning decisions made in FY05 were consistent with staff recommendations • Approximately 15% of the trees on all single family subdivision plans approved in FY05 were saved, exceeding the percentage required by the Subdivision Ordinance • One-hundred percent (100%) of all infrastructure improvements for the South Transit Corridor have been completed or are in the design phase 		

SERVICE DELIVERY CHALLENGES

Absorption of Zoning Administration

The City of Charlotte and Mecklenburg County agreed to transfer zoning services to the City. Over the next year Planning staff will work diligently to assimilate this functional service into the organization. We are challenged to find office space, assimilate new staff into the organization and culture, and maintain a high level of customer service during the transition. This comes at a time when staff is already stretched to provide current planning services due to the inability to compete with larger municipalities and private firms to recruit qualified and experienced planners.

Community Engagement and Education

Effectively engaging and educating an increasingly larger and diverse population on the planning process and the choices and challenges facing the community will be critical to the Planning Commission's success in getting buy-in through the area plan process. However, such outreach and engagement is time consuming and requires multiple approaches for different groups and populations. With limited staff resources the Planning Commission must identify new, better, and more efficient ways to effectively communicate and work with the growing public, and with elected officials.

Charlotte-Mecklenburg Planning

Performance Measures

Performance Achievement

	FY04 Actual	FY05 Target	FY06 Target	FY07 Target
Planning Regulatory Functions				
Provides administration of land development regulations, administration and designation of local Historic Districts, and review and approval of sub-division and multi-family plans. This program area also provides coordination of the City annexation process, which is based on North Carolina statutes.				
◆ Rezoning cases	117	100	125	135
◆ Single family lot approvals	5,227	3,559	5,500	5,500
◆ Multi-family unit approvals	3,145	691	2,000	2,000
Planning Research, Information and Mapping				
Provides the information, research, and mapping needed to support many functions for both the public and private sectors				
◆ Number of presentations made to various community and business organizations	75	75	75	75
Long Range Planning				
Provides comprehensive, long-range transportation planning for all modes of transportation to accomplish land use planning goals and also provides support to the Mecklenburg Union Metropolitan Planning Organization (MUMPO). Also provides economic development assistance in the development of plans, policies and programs in targeted areas and provide support to the City and County budget offices in the development of long-range capital needs in terms of adopted plans and policies.				
◆ Percent of rezoning decisions consistent with adopted plan recommendations		95%	95%	95%

Budget Summary		FY05	FY06	FY07
Planning Regulatory Functions	Budget	\$ 1,480,357	\$ 1,791,601	\$ 1,862,691
	Positions	19.00	22.00	22.00
Planning, Research, Information, and Mapping	Budget	\$ 799,162	\$ 814,872	\$ 850,588
	Positions	10.50	10.50	10.50
Long Range Planning	Budget	\$ 2,210,998	\$ 2,251,710	\$ 2,344,391
	Positions	28.50	28.50	28.50
Total		\$ 4,490,517	\$ 4,858,183	\$ 5,057,670
Total Positions		58.00	61.00	61.00

Charlotte-Mecklenburg Planning

Decreases

\$8,106 is reduced in FY06 by reducing printing and publishing expenses. This action will result in a significant reduction in the number of hard copies of plans and reports made available to citizens, elected officials, and other department. Staff will encourage and promote the use of website and other electronic means of accessing information.

Increases

\$64,652 is added in FY07 to fund a previously frozen Principal Planner position. This position will support the rezoning process. The Zoning Ordinance has been revised and includes more conditional districts requiring site plan review. This position will help relieve the workload of current staff, reduce staff errors, and ultimately result in a higher level of customer service.

\$244,731 is added in FY06 to fund 3 Plans Reviewer positions as a result of the transfer of Zoning from the County to the City.

Unfunded

Unfunded requests totaling \$22,000 in FY06 were requested by Planning. Please see the appendix on page 124 for details on these requests.

Aviation

		FY05	FY06	FY07												
<p style="text-align: center;">Summary</p> <p>Charlotte Douglas International Airport is the largest airport between Philadelphia and Atlanta. It is served by all six major airlines, two foreign flag carriers, 14 regional carriers, and a low fare airline. The airport is also home to 20 all-cargo airlines and approximately 50 corporate aircraft. Many of the corporate aircraft are stored and maintained at one of the 15 corporate aviation facilities.</p> <p>The Airport serves as the largest passenger hub for US Airways. Passenger traffic at the Airport grew from 2.9 million enplanements in 1982 when the current passenger terminal opened, to over 11.5 million domestic and 670,000 international enplanements in 2003. 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 anywhere in the United States.</p> <p>Aviation Department staff are dedicated to continue operations on a financially self-sustaining basis in a manner that makes it the best aviation facility possible for its users and the people of this region, and to remain one of the vital cogs in region's economic engine.</p> <p style="text-align: center;">Vital Statistics</p> <ul style="list-style-type: none"> • Enterprise fund; uses no local tax dollars • Employs 268 employees in varying positions • Passenger airlines operate over 500 flights per day to 116 non-stop destinations • One of the nation's busiest airfields with an average of 440,000 operations annually 	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%; background-color: #cccccc;">FY05</td> <td style="width: 12.5%; background-color: #cccccc;">FY06</td> <td style="width: 12.5%; background-color: #cccccc;">FY07</td> </tr> <tr> <td>Budget</td> <td></td> <td style="text-align: right;">\$84,083,055</td> <td style="text-align: right;">\$117,088,702</td> <td style="text-align: right;">\$117,678,911</td> </tr> <tr> <td>Positions</td> <td></td> <td style="text-align: right;">268.00</td> <td style="text-align: right;">268.00</td> <td style="text-align: right;">268.00</td> </tr> </table> <p style="text-align: center;">Accomplishments</p> <ul style="list-style-type: none"> • Maintenance and expansion of the hub operation through two airline bankruptcy proceedings • Construction of corporate hangars for Fortune 500 companies • Construction of Concourse E and expansion of Concourses A and D • Expansion of public parking facilities • Continue to maintain an industry leading, low operating cost (per passenger) to airlines • Selling of \$165 million in airport revenue bonds • Implementation of Passenger Facility Charge 			FY05	FY06	FY07	Budget		\$84,083,055	\$117,088,702	\$117,678,911	Positions		268.00	268.00	268.00
		FY05	FY06	FY07												
Budget		\$84,083,055	\$117,088,702	\$117,678,911												
Positions		268.00	268.00	268.00												

SERVICE DELIVERY CHALLENGES

The Airport continues to operate in an industry that is struggling financially. Despite the environment, our organization has focused intently on maintaining the hub operation and all that it affords our community. We are successfully managing the needs of the hub, while US Airways continues to restructure their business. This past year, US Airways further developed CLT as the Caribbean Gateway of the South by adding destinations, which now total 20.

The dynamics of the aviation industry have forced our organization to rethink our standard operating procedures. We are trying to create an operating environment that reduces our dependence on airline revenues through the creation of new revenue streams and revised financial methods. Although the challenges are many, we are moving forward to implement development plans that will secure our position as an industry leader and is reflective of the airport's three goals for the upcoming fiscal years:

Enhance the customer experience

Maintain the hub

Ensure financial self-sufficiency

Aviation

Performance Measures

Performance Achievement

	FY04 Actual	FY05 Target	FY06 Target	FY07 Target
Airport Operations				
Provides Law Enforcement, Parking & Ground Transportation, Facilities Operations, Valet Parking Operation				
◆ Remain in the top 15% of U.S. airports in customer satisfaction	Yes	Yes	Yes	Yes
◆ No General Fund revenues appropriated to Airport	\$0	\$0	\$0	\$0
Airport Capital Project Planning, Design, and Construction				
Provides Planning, Engineering and Construction, Community Programs, and Environmental Compliance				
◆ Provide parking capacity to accommodate all parking customers during peak demand (add'l spaces)	1,140	3,000	3,000	TBD
◆ Sufficient capacity to accommodate all air cargo tenants	Yes	Yes	Yes	Yes
◆ Maintain or increase bond ratings (of three agencies)	3/3	3/3	3/3	3/3
Airport Maintenance				
Provides Building Maintenance, Field Maintenance, Vehicle Maintenance, and Janitorial Maintenance				
◆ Maintain Part 139 Certification annually with zero defects	1	0	0	0
◆ OSHA injuries less than 5% of workforce	<5%	<5%	<5%	<5%

Budget Summary		FY05	FY06	FY07
Airport Operations	Budget	\$ 15,455,413	\$ 16,991,379	\$ 17,905,816
	Positions	130.00	130.00	130.00
Airport Capital Project Planning, Design and Construction	Budget	\$ 11,134,293	\$ 28,400,694	\$ 28,532,303
	Positions	19.00	19.00	19.00
Airport Maintenance	Budget	\$ 23,920,552	\$ 26,931,779	\$ 27,846,896
	Positions	119.00	119.00	119.00
Sub-Total Aviation Services		\$ 50,510,259	\$ 72,323,852	\$ 74,285,015
Discretionary and Debt Support		\$ 33,572,796	\$ 44,764,850	\$ 43,393,896
Total Aviation		\$ 84,083,055	\$ 117,088,702	\$ 117,678,911
Total Positions		268.00	268.00	268.00

Aviation

Decreases

None

Increases

FY07 utility costs are projected to increase approximately **\$500,000**, due to the anticipated expansion of Concourse E (regional jet concourse).

FY07 parking operating expenses are projected to grow by **\$900,000**, due to increased capital equipment and personal demands associated with expanded infrastructure and continued growth in local boardings.

The total FY06 and FY07 budgets are increased by \$12.1 million in each year due to implementation of the Passenger Facility Charge.

The new fixed base operator agreement with Wilson Air Center increases the FY06 and FY07 operating budgets by \$8.2 million in each year.

Unfunded

None

Charlotte Area Transit System

Summary		FY05	FY06	FY07
<p>Charlotte Area Transit System (CATS) provides public transit services to the Charlotte Mecklenburg community. CATS is the largest transit system in the Carolinas. Service is provided via local, express, neighborhood, activity center and regional bus services, vanpool, ADA paratransit, and human services transportation.</p> <p style="text-align: center;">Vital Statistics</p> <ul style="list-style-type: none"> • 16.4 million riders annually • 55,000 passengers daily • CATS bus fleet now totals 322 buses with an additional fleet of 164 paratransit and vanpool vans for a total vehicle fleet of 486 vehicles 	<p>Budget</p> <p>Positions</p>	<p>\$102,420,331</p> <p>242.25</p>	<p>\$107,768,435</p> <p>289.75</p>	<p>\$113,594,976</p> <p>389.75</p>
<p>Accomplishments</p> <ul style="list-style-type: none"> • Six consecutive years of ridership increases with a 38.4% increase since 1998 • Fleet is 100% wheelchair and bicycle accessible • Accident rate reduced by 27.4% since 2000 • Federal earmarks totaling \$91.4 million (New Starts: \$70 million), Borders/Corridors: \$5.4 million), and Bus Discretionary earmarks totaling \$16 million. 				

SERVICE DELIVERY CHALLENGES

2025 Plan Implementation

The most significant challenge of this period will be to complete the South Corridor Light Rail Project within the new budget and schedule. Preliminary engineering work on the other corridor projects will proceed and Draft Environmental Impact Statements will be prepared and made available for public review and FTA approval. CATS will also continue to build the basic infrastructure of the transit system by completing the addition of 2-3 community transit centers, up to 4 additional park-n-ride lots, and making investments in operating facilities including the North Davidson Street bus garage and a new facility for STS service.

Sustaining Growth in Transit Ridership

CATS will seek to sustain its average 5-6% per year growth in ridership (since 1999) with the introduction of light rail and new bus services and improvements in basic customer services. A modest fare increase scheduled for implementation in early FY06 will increase revenue but may negatively impact ridership levels initially. Light rail service will start operating in late FY07 and is estimated to transport 9,000 weekday riders in its first year of operation. Paratransit services will be extended to all of Mecklenburg County.

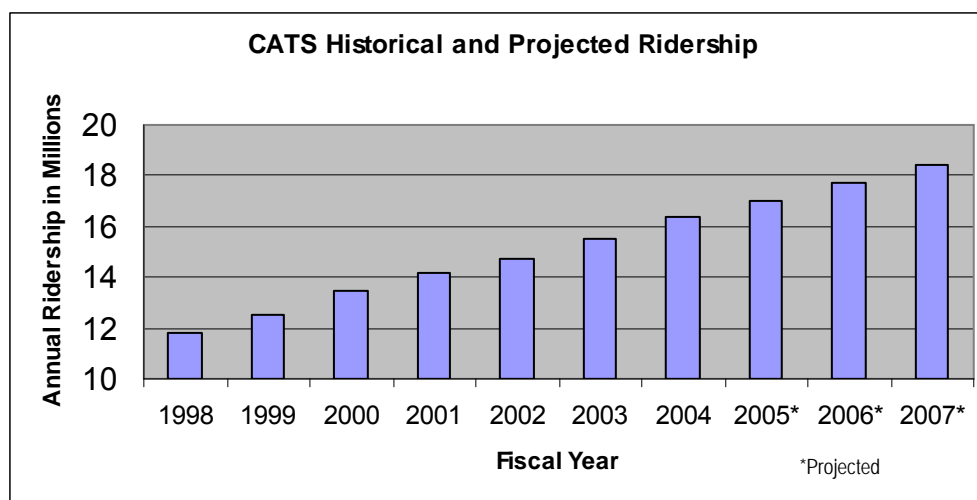
Organization Development

A new Operations organizational structure will be implemented to address the growth of the transit system to include new services and facilities. Light rail service will be in operation in late FY07 supported by safety, security, and maintenance programs. Additionally, the Metropolitan Transit Commission (MTC) Managers will complete their review of the 2004 Transit Governance recommendations provided by the Citizens Transit Advisory Group and make recommendations to the MTC on possible amendments to the Transit Governance Interlocal Agreement that may have implications for CATS over the next two years.

Charlotte Area Transit System

Performance Measures	Performance Achievement			
	FY04 Actual	FY05 Target	FY06 Target	FY07 Target
Transportation Services				
Provides day-to-day public transportation services across the Charlotte region. Conducts operations planning, vehicle maintenance, route scheduling, facilities security and management.				
◆ Increase transit ridership	5.7%	4%	4%	10%
◆ Number of bus shelters installed	87	Resolve with NCDOT	40	40
◆ Number of bus benches installed	44	clear zone req. on state roads	25	25
◆ Increase passengers per service hour	21.8	22.0	22.4	22.7
Transit Development				
Provides for planning and development long-range rapid transit systems outline in the 2025 integrated Transit/Land-Use Plan.				
◆ Complete the South Corridor Light Rail Transit project and start revenue service	n/a	11-1-04	n/a	4-1-07
Marketing and Communications				
Provides customer service, public relations, communications, and service marketing. Develops market research and develops sales and promotional activities.				
◆ Increase number of pass sales outlets	+20%	+10%	+5%	+5%
◆ % of customer complaint responses within 5 days	96%	95%	95%	95%
Executive and Administration				
Provides leadership and management of the public transit program and support for the Metropolitan Transit Commission. Manages financial planning, federal and state grants administration, budget, finance, procurement, technology and human resources.				
◆ Secure funding needed to carry out 2025 Plan improvements				
⇒ State capital funding	6-5-03	3-31-05	TBD	TBD
⇒ Federal capital funding	n/a	1-31-05	TBD	TBD
◆ Targeted cost per service hour	\$69.14	\$71.03	\$82.56	\$87.44

Charlotte Area Transit System



Budget Summary		FY05	FY06	FY07
Transportation Service	Budget	\$60,089,944	\$72,292,891	\$80,231,399
	Positions	125.25	164.75	256.75
Transit Development	Budget	\$86,482	\$489,204	\$532,160
	Positions	56.00	54.00	54.00
Marketing and Communications	Budget	\$3,571,869	\$3,835,413	\$4,487,043
	Positions	30.00	32.00	38.00
Executive and Administration	Budget	\$4,332,597	\$5,096,462	\$5,432,267
	Positions	31.00	39.00	41.00
Sub Total CATS		\$ 68,080,892	\$ 81,713,970	\$ 90,682,869
Contributions to Capital and Debt Service		\$34,339,439	\$26,054,456	\$22,912,107
Total CATS		\$ 102,420,331	\$ 107,768,426	\$ 113,594,976
Total Positions		242.25	289.75	389.75

Charlotte Area Transit System

<p>Decreases None</p> <p>Increases \$2,133,889 in FY06 adds 8 positions and contractual services for operations support maintaining transit facilities and infrastructure. Facilities include light rail transit stations and the transit corridors, bus facilities including the second bus garage, community transit centers, and park and ride lots. The position additions include the transfer of 3 positions formerly assigned to Solid Waste Services. In FY07 an additional position and \$447,179 in costs are added.</p> <p>\$1,485,813 in FY06 adds a net 9 positions and resources to begin start up and testing and promotion of light rail transit. In FY07 an additional 82 positions and \$5,826,271 in resources implements operation of the South Corridor light rail transit service.</p> <p>\$1,053,031 in FY06 adds 8 positions and resources for enhancements to transit safety and security. Six of the eight positions added were formerly a part of the Bus Operations Division and were associated with safety training. Security efforts are further increased in FY07 with the addition of 7 positions and \$998,595 in additional resources in support of light rail fare inspection and security.</p> <p>\$1,054,660 in FY06 adds resources and personnel to the Bus Operations Division for technology, dispatch, and maintenance. In FY07 an additional \$214,971 in resources is added.</p> <p>\$972,331 in FY06 and an additional \$989,091 in FY07 support bus route service expansions. Feeder service will be provided to various light rail transit station locations in FY07.</p> <p>\$809,631 in FY06 adds 9 positions in support of planning and special operations. Eight of the positions were previously assigned to the Bus Operation Division performing route scheduling activities. In FY07 two additional positions are added at a cost of \$186,845. Resources will support expanded Transit Demand Modeling activities both locally and in the context of regional initiatives.</p> <p>\$610,145 in FY06 adds 8 positions for support of information technology, finance, civil rights, and procurement functions. Two additional support positions are added in FY07 at a cost of \$185,109.</p> <p>\$245,430 in FY06 adds 2 positions and resources for enhanced customer service and marketing efforts. In FY07 6 additional positions and resources of \$397,568 are added.</p>	<p>\$183,144 in FY06 adds 3 positions to Special Transportation Services for increased service and in support of administrative management. Resources are also included to increase the hours of two part time positions to full time.</p> <p>Unfunded None</p>
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Charlotte-Mecklenburg Utilities

<p style="text-align: center;">Summary</p> <p>Charlotte-Mecklenburg Utilities is the largest public utility providing water and sewer services in the state of North Carolina. Utilities is committed to providing a safe sufficient drinking water supply while conserving natural resources and protecting the environment.</p> <p style="text-align: center;">Vital Statistics</p> <ul style="list-style-type: none"> • Provide service to a population of more than 700,000 • Pump an average of 105 million gallons of water daily • Treat an average of 81 million gallons of wastewater daily • Maintain over 6,500 miles of pipeline • Manage over 160 active capital investment projects valued at \$1.4 billion 	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #cccccc;"> <th style="width: 10%;"></th> <th style="width: 20%;">FY05</th> <th style="width: 20%;">FY06</th> <th style="width: 20%;">FY07</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td style="text-align: right;">\$181,081,052</td> <td style="text-align: right;">\$198,310,014</td> <td style="text-align: right;">\$209,774,511</td> </tr> <tr> <td>Positions</td> <td style="text-align: right;">802.50</td> <td style="text-align: right;">802.50</td> <td style="text-align: right;">819.50</td> </tr> </tbody> </table> <p style="text-align: center;">Accomplishments</p> <ul style="list-style-type: none"> • Created new Customer Service division, consolidated the Mecklenburg County lab with Utilities, and began implementation of the Field Operations division • Recovered approximately \$1.6 million through the revenue recovery program • Received Gold Award from the Association of Metropolitan Sewerage Agencies for McAlpine Creek wastewater treatment plant • Reduced sanitary sewer overflows from past two years 		FY05	FY06	FY07	Budget	\$181,081,052	\$198,310,014	\$209,774,511	Positions	802.50	802.50	819.50
	FY05	FY06	FY07										
Budget	\$181,081,052	\$198,310,014	\$209,774,511										
Positions	802.50	802.50	819.50										

SERVICE DELIVERY CHALLENGES

Field Operations

As a cost savings and productivity improvement measure, Utilities consolidated Water Distribution and Wastewater Collection divisions into a single Field Operations Division. The new division is geographically divided into four zones where cross trained work groups service both water and sewer portions of the system. Utilities will be challenged with the continued implementation of the Field Operations Division in the coming fiscal year as they strive to ensure appropriate training, technology, and equipment availability. The Field Operations Division is also now under a new North Carolina State permit for maintaining the sewer system. As a result, cleaning, maintenance and inspection efforts will need to be increased.

Customer Service

At the beginning of the current fiscal year a new Customer Service Division was created within Utilities which brought together Finance and Utilities staff. During the coming fiscal year the division will be challenged with continuing to reduce abandoned calls and customer wait time, implementing process improvements, and collaboratively pursuing the City's implementation of a 311 Call Center.

Capital Investment Plan Implementation

The State of North Carolina is placing an increasing emphasis, in the form of additional regulatory requirements, on secondary and cumulative impacts of large capital investment projects. As a result, large scale projects take longer and are more expensive to complete. Utilities will continue to be challenged to maintain the balance of capital funding and staffing to manage the projects necessary to meet growth and escalating regulatory demand.

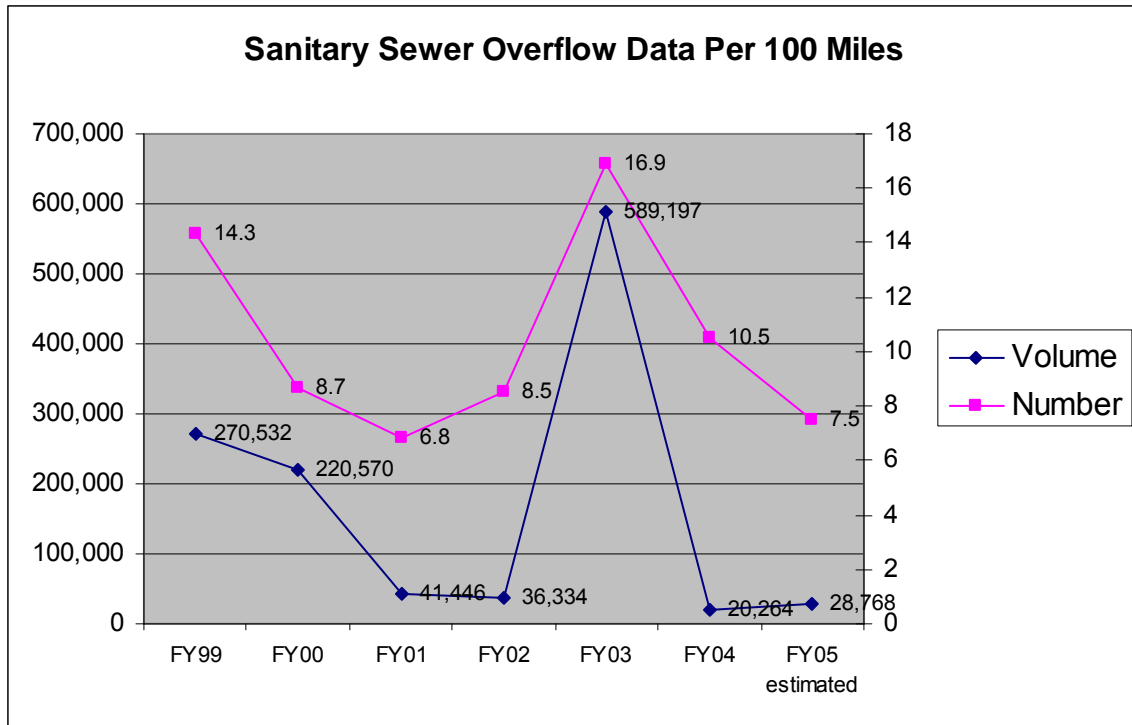
Charlotte-Mecklenburg Utilities

Performance Measures

Performance Achievement

	FY04 Actual	FY05 Target	FY06 Target	FY07 Target
Environmental Management				
Provides treatment of over 105 million gallons of water for drinking and treatment of over 81 million gallons of wastewater each day				
◆ Meet or exceed NPDES (National Pollutant Discharge Elimination System) permit requirements	96.3%	100%	100%	100%
◆ Meet or exceed Safe Drinking Water Act requirements 100% of the time	100%	100%	100%	100%
Field Operations				
Provides maintenance of facilities to deliver treated water and collect wastewater through over 6,500 miles of water and sewer mains				
◆ Achieve a 10% reduction of the five-year mean of sanitary sewer overflows per 100 miles of pipe	10.52 per 100	9.30 per 100	TBD by FY05 actual	TBD by FY05 actual
◆ Repair 100% of water leaks within 4 weeks	96.7%	100%	100%	100%
Utility System Planning and Engineering				
Provides design and contract administration and support for construction of capital facilities to ensure system infrastructure stability and capacity				
◆ Construct the Southwest Water Main	Design completed	50% of construction completed	80% off construction completed	Complete construction
◆ Complete McAlpine Phosphorous Reduction construction by February 28, 2006 permit compliance deadline	n/a	75% complete	100% complete	n/a
Customer Service, Meter Reading and Billing				
Responds to all customer requests related to billing and services, provides meter reading and maintenance and addresses all service connection related requests				
◆ Complete implementation of the Automated Meter Reading project	73,525	Approx. 56,000	TBD by FY05 actual	TBD by FY05 actual
◆ Complete 80% of all commercial taps within 8 weeks of application	67%	80%	80%	80%

Charlotte-Mecklenburg Utilities



Budget Summary		FY05	FY06	FY07
Environmental Management	Budget	\$ 37,491,637	\$ 41,329,522	\$ 43,213,257
	Positions	229.25	229.25	236.00
Field Operations	Budget	\$ 29,199,871	\$ 30,252,397	\$ 32,236,641
	Positions	326.50	326.50	336.00
Utility System Planning and Engineering	Budget	\$ 2,050,152	\$ 1,979,713	\$ 2,126,509
	Positions	120.50	120.50	121.00
Customer Service, Meter Reading and Billing	Budget	\$ 13,080,993	\$ 13,164,381	\$ 13,768,102
	Positions	126.25	126.25	126.50
Sub Total		\$ 81,822,652	\$ 86,726,014	\$ 91,344,511
Contribution to Capital and Debt Service		\$ 99,258,400	\$ 111,584,000	\$ 118,430,000
Total Charlotte-Mecklenburg Utilities		\$ 181,081,052	\$ 198,310,014	\$ 209,774,511
Total Positions		802.50	802.50	819.50

Charlotte-Mecklenburg Utilities

<p>Decreases \$474,761 is reduced in FY06 from the non-departmental account which has been supporting Utility Billing System technology. System related expenses are now part of the Capital Investment Plan.</p> <p>\$127,300 is reduced in FY06 for payments associated with water and sewer reimbursable account since older agreements have been satisfied.</p> <p>Increases \$2,046,057 is added in FY06 for increased chemicals costs and increased chemicals use. This is primarily associated with the nutrient reduction project at McAlpine Wastewater Treatment Plant.</p> <p>\$349,975 is added in FY06 for increased health insurance premium cost. An additional increase of \$633,265 is anticipated in FY07.</p> <p>\$349,177 is added in FY06 to power for pumping for increased water and wastewater processing.</p> <p>\$350,000 is added in FY06 for increased payments to WASACC as a result of the Rocky River basin now accepted for flow.</p> <p>\$275,987 is added in FY06 for increased costs associated with Customer Service and Billing cost allocation primarily associated with technology costs.</p> <p>A one-time increase of \$200,000 in FY06 is included in the non-departmental account for contribution to the capital investment plan. This amount is reduced for going forward in FY07.</p> <p>As a result of field work optimization, in FY06 resources have been redirected to perform more sewer inspections and off and on street cleaning to reduce potentials for overflows. These resources are supplemented in FY07 with the additions of 8 positions at a cost of \$401,030.</p> <p>\$113,958 is added in FY07 for 3 operators for McDowell and Mallard expanded wastewater treatment plants.</p> <p>\$134,760 adds 3 positions in FY07 for maintenance of increased mechanical and electrical components at wastewater treatment plants.</p> <p>An office assistant is added in FY07 at a cost of \$35,788 to assist with record keeping, tracking, correspondence, and scheduling associated with the Fats Oil and Grease program in System Protection.</p>	<p>\$181,346 in FY07 funds two positions related to technology. A Senior Business Systems Analyst is added for the Consolidated Work Management Project. A Business Systems Analyst is added to support the Water Treatment and Wastewater Laboratory Information Management System applications.</p> <p>Unfunded None</p>
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Mayor and City Council

<p style="text-align: center;">Summary</p> <p>The Office of the Mayor and Council provides leadership and strategic vision for the City. The Mayor and Council approves 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, creates a desirable city, embraces quality economic development, and integrates land use and transportation policies.</p> <p style="text-align: center;">Vital Statistics</p> <ul style="list-style-type: none"> • Provides leadership to the community through involvement with community organizations and responding to community needs • Enacts local legislation • Adopts budgets • Determines the policies by which the City is governed and administered 	<table style="width: 100%; border-collapse: collapse;"> <tr style="background-color: #cccccc;"> <th style="width: 10%;"></th> <th style="width: 20%;">FY05</th> <th style="width: 20%;">FY06</th> <th style="width: 20%;">FY07</th> </tr> <tr> <td>Budget</td> <td style="text-align: right;">\$1,016,948</td> <td style="text-align: right;">\$1,052,140</td> <td style="text-align: right;">\$1,067,995</td> </tr> <tr> <td>Positions</td> <td style="text-align: right;">7.00</td> <td style="text-align: right;">7.00</td> <td style="text-align: right;">7.00</td> </tr> </table> <p style="text-align: center;">Accomplishments</p> <ul style="list-style-type: none"> • Adopted 52 policy items • Engaged in 36 Council meetings • Engaged in 11 district meetings 		FY05	FY06	FY07	Budget	\$1,016,948	\$1,052,140	\$1,067,995	Positions	7.00	7.00	7.00
	FY05	FY06	FY07										
Budget	\$1,016,948	\$1,052,140	\$1,067,995										
Positions	7.00	7.00	7.00										

Budget Summary		FY05	FY06	FY07
Mayor and Council	Budget	\$ 528,813	\$ 547,113	\$ 555,358
	Positions	0.00	0.00	0.00
Administrative Support	Budget	\$ 386,440	\$ 399,813	\$ 405,838
	Positions	7.00	7.00	7.00
Memberships	Budget	\$ 101,695	\$ 105,214	\$ 106,800
	Positions	0.00	0.00	0.00
Total		\$ 1,016,948	\$ 1,052,140	\$ 1,067,995
Total Positions		7.00	7.00	7.00

<p>Decreases</p> <p>None</p> <p>Increases</p> <p>\$5,000 is added in FY06 and FY07 to provide funding for a facilitator to assist with the annual performance evaluations for the City Manager and the City Attorney.</p>	<p>\$10,000 is added in FY06 to provide funding for Council's off-site annual retreat. An off-site annual retreat will enable the newly elected Council the ability to fully engage in strategic planning and capacity building exercises without outside distractions.</p> <p>Unfunded</p> <p>None</p>
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City Attorney

<p style="text-align: center;">Summary</p> <p>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.</p> <p style="text-align: center;">Vital Statistics</p> <ul style="list-style-type: none"> • Annually provides over 20,000 hours of legal service (excluding Aviation and Police staff) • Staff of 15 attorneys and 10 support staff in City Attorney's Office • Staff of 2 attorneys in Aviation • Staff of 5 attorneys and 2 support staff in Police 	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #cccccc;"> <th style="width: 10%;"></th> <th style="width: 20%;">FY05</th> <th style="width: 20%;">FY06</th> <th style="width: 20%;">FY07</th> </tr> </thead> <tbody> <tr> <td>Budget</td> <td style="text-align: right;">\$1,425,746</td> <td style="text-align: right;">\$1,471,495</td> <td style="text-align: right;">\$1,503,435</td> </tr> <tr> <td>Positions</td> <td style="text-align: right;">24.50</td> <td style="text-align: right;">24.50</td> <td style="text-align: right;">24.50</td> </tr> </tbody> </table> <p style="text-align: center;">Accomplishments</p> <ul style="list-style-type: none"> • Played a leading role in development of the Small Business Enterprise program and Disparity Study • Develop a food and beverage proposal for the new Arena to substitute Compass Group as the provider • Provided legal analysis on domestic partner benefits • Rebid and negotiated a new agreement for Neighborhood Development outside legal services saving the City \$191,000 annually • Worked with Aviation and outside counsel to protect the Airport's legal interest in the US Airways second bankruptcy 		FY05	FY06	FY07	Budget	\$1,425,746	\$1,471,495	\$1,503,435	Positions	24.50	24.50	24.50
	FY05	FY06	FY07										
Budget	\$1,425,746	\$1,471,495	\$1,503,435										
Positions	24.50	24.50	24.50										

SERVICE DELIVERY CHALLENGES

Environmental Issues

Legal services related to Utilities and Storm Water environmental issues are currently handled by outside counsel. Services include permit issuance and compliance for wastewater collection and treatment plants, wastewater system protection enforcement efforts, and storm water environmental issues. The addition of in-house staff to perform this work, as a lower cost alternative, requires consideration.

Space Needs and Staff Management

Space needs are becoming critical. The office has staff located in five separate areas: CATS, Police, Real Estate (Cameron Brown Building), Risk Management, and Aviation. Staff members located in other buildings spend considerable time commuting back and forth to meetings. This also hinders the attorneys because the face-to-face discussion they find extremely helpful when reviewing changes in the law, current litigation, and other legal problems is limited. Although some attorneys will always be out posted (Police and Aviation) others would benefit from a location with the rest of the office. Additionally, the lack of conference room space for mediations is increasingly noticeable because of increased condemnation actions that result in growing frequency of mediations requiring meeting space.

City Attorney

Performance Measures

Performance Achievement

	FY04 Actual	FY05 Target	FY06 Target	FY07 Target
Legal Advice and Representation				
Provides legal advice, research, and information to the Mayor, City Council, City Manager, and City staff				
◆ Conduct annual interviews with each client department to develop a service plan	100%	100%	100%	100%
◆ Conduct informal surveys of Mayor and Council members to determine topics of interest	3 topics identified	Conduct 1 session each year	Conduct 1 session each year	Conduct 1 session each year
◆ Coordinate Lunch and Learn seminars on legal topics of interest to City employees	4 seminars held	2 seminars each fiscal year	2 seminars each fiscal year	2 seminars each fiscal year
Litigation				
Provides litigation services including defense and enforcement of ordinances and policies				
◆ Provide legal services in a cost effective manner and at a lower cost than services provided by outside counsel	\$91.58/hr.	\$92.25/hr.	\$95.70/hr.	\$98.61/hr.
Property Transactions				
Provides negotiation and services for the purchase and sale of the City's real estate assets				
◆ Active condemnation cases	122	114	TBD	TBD

Budget Summary		FY05	FY06	FY07
City Attorney Services	Budget	\$ 1,425,746	\$ 1,471,495	\$ 1,503,435
	Positions	24.50	24.50	24.50
Total		\$ 1,425,746	\$ 1,471,495	\$ 1,503,435

Decreases

None

Increases

None

Unfunded

Unfunded requests totaling \$214,019 in FY06 were requested by the City Attorney's Office. Please see the appendix on page 124 for details of these requests.

City Clerk

Summary		FY05	FY06	FY07
<p>The City Clerk records, transcribes, and distributes City Council Meeting minutes for 10 workshops, 20 business meetings, 11 zoning meetings, all Council budget workshops and special meetings; coordinates citizen speakers lists; assembles Council Business Agendas; and receives zoning protest petitions. The City Clerk maintains City Council minutes from 1993 to the present on the City's website, as well as all Council meeting agendas since 1998.</p> <p>The City Clerk also maintains the City Charter, City Code, and all other city 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; administers appointment processes and attendance records for 35 volunteer boards and commissions.</p> <p style="text-align: center;">Vital Statistics</p> <ul style="list-style-type: none"> • 47 total City Council meeting minutes were completed in FY03-04 • 45 of the 47 total meeting minutes were completed in less than 20 business days • More than 2,000 requests for research were completed • 12 Civil Service Board meetings were held 	<p>Budget</p> <p>Positions</p>	<p>\$500,422</p> <p>6.00</p>	<p>\$503,323</p> <p>6.00</p>	<p>\$512,664</p> <p>6.00</p>
Accomplishments				
<ul style="list-style-type: none"> • Recognized by the <i>Philadelphia Weekly</i> for outstanding work on the process used for appointments to Boards/Commissions • Implemented Image Silo application allowing users to access and search all City Council minutes, agendas, contracts, Civil Service Board minutes, and minutes from other Boards and Commissions • Provided web access to Council business agendas and attachments • Provided web access to applications for Boards/Commissions 				

SERVICE DELIVERY CHALLENGES

Teambuilding and community tours will be emphasized to strengthen working relationships with the recent hiring of the Deputy City Clerk.

Promote the Image Silo application by encouraging Key Businesses to file all pertinent documents with the City Clerk making them available for viewing and searching not only for City Staff, but also citizens.

Budget Summary		FY05	FY06	FY07
City Clerk Services	Budget	\$ 500,422	\$ 503,323	\$ 512,664
	Positions	6.00	6.00	6.00
Total		\$ 500,422	\$ 503,323	\$ 512,664

City Clerk

Performance Measures

Performance Achievement

	FY04 Actual	FY05 Target	FY06 Target	FY07 Target
<p>City Clerk Services Attends and records proceedings of all City Council meetings, administers Council process for 35 boards, commissions and committees; responds to requests from City Council, citizens, and staff; prepares and submits requests for legal advertising for the City. Also organizes, attends, and records Civil Service and Citizen Review Board meetings.</p>				
<p>◆ Complete Council business meeting minutes within 28 business days 98% of the time</p>	98%	98%	98%	98%

<p>Decreases \$15,400 in FY06 by recovering the cost of rezoning advertisements from rezoning applicants.</p> <p>Increases None</p>	<p>Unfunded Unfunded requests totaling \$11,344 in FY06 were requested by the City Clerk's Office. Please see the appendix on page 125 for details on these requests.</p>
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City Manager

Summary	FY05	FY06	FY07	
<p>The Charlotte City Manager's Office is responsible for carrying out the City Council's policy decisions, for providing vision and leadership to the organization, and for overseeing the daily operations of City government.</p> <p>The City Manager's Office is composed of six divisions: City Administration, Community Relations Committee, Corporate Communications, 311, Economic Development Division, and Internal Audit.</p> <p style="text-align: center;">Vital Statistics</p> <ul style="list-style-type: none"> • Provides vision and leadership to the organization • Promotes equitable opportunity, understanding, respect, and goodwill among citizens in Charlotte-Mecklenburg area • Provides communication services for the organization • Provides general information and problem solves for internal and external customers • Provides overall economic leadership and structure to the City's overall economic development objectives 	Budget	\$9,078,165	\$9,678,908	\$10,041,879
	Positions	145.00	170.50	170.50
Accomplishments				
<ul style="list-style-type: none"> • Participated in over 237 community projects to facilitate general dialogue and community action around issues community harmony, diversity, conflict resolution, discrimination, and community reconciliation • Received numerous local, regional, and national awards for publications and campaigns • Facilitated development agreements on the Elizabeth Avenue Project, Mid-Town Square and the Old Convention Center. Combined, these projects will leverage \$360 million of private investment and revitalize important inner city areas. 				

SERVICE DELIVERY CHALLENGES

Diminished Funding

Loss of State grant funding will impact service delivery in the Dispute Settlement Program and the Dependency Mediation Program operated by the Community Relations Committee.

311

The 311 Call Center will allow seven departments to combine their customer service units. These include non-emergency police calls, the tax office, the parks department, utility billing, garbage collection, animal control, and the current customer service center. Implementing the call center will be a challenge. Due to budget constraints, temporary help will not be hired during the training phase for implementing the center. As a result half of the staff will stop work in May to train for the new call center while the other half will stop work in June, leaving the fewer staff to answer calls. During this time, customers will experience significant delays.

Small Business Development

Entrepreneurs and small business owners are vital to our economy, and we must create an environment in which they are supported. We continue to work to communicate the value of the City's Small Business Opportunities Program to area businesses to create the buy-in necessary for its success. We are changing the corporate culture through education and advocacy, and we hope to inspire confidence from small businesses by increasing their participation in City contracts. We will also work with our partners to identify capacity building needs and solutions for small business owners so they can continue to compete in today's market.

Targeted Redevelopment in Business and Transit Corridors

With construction along the South Corridor expected to begin in FY06, we must coordinate resources to promote redevelopment along South Boulevard and the urban core. We will need to enlarge our "tool box" with resources to fill the gaps and leverage proposed development, and we must effectively market the tools we now possess. We must determine when it is appropriate for the City to be a financial partner in a development project. We will collaborate with our internal partners to create appropriate land use and zoning regulations that encourage smart growth along transit corridors.

City Manager

Performance Measures

Performance Achievement

	FY04 Actual	FY05 Target	FY06 Target	FY07 Target
Mediation/Conciliation Services				
The CRC Dispute Settlement Program seeks to resolve and prevent personal and community disputes through mediation and conciliation services and conflict resolution training.				
◆ Number of cases mediated or conciliated, excluding worthless checks and percent successfully resolved	1,203 95%	506 95%	600 90%	800 90%
City Government Communications and Information				
Provides internal and external corporate communications services and partners with Key Businesses to develop and implement strategies/tactics in support of specific projects, issues and services.				
◆ Client satisfaction survey rating on 7.0 scale on year-end survey	6.1	6.2	6.2	6.2
311				
Responds to approximately 40,000 calls or contacts per month regarding City and County services				
◆ Maintain less than 10% call abandonment rate	9%	<10%	<10%	<10%
Small Business Development				
Provides registration and certification services to small businesses and minority-and women-owned businesses. Also, provides support to City Key Businesses in establishing yearly goals for Small Business Enterprise utilization and provides monitoring and reporting services to ensure compliance with the program.				
◆ Percentage of informal contracting dollars awarded to SBE's	n/a	5%	7%	7%

City Manager

Budget Summary		FY05	FY06	FY07
Mediation/Conciliation Services	Budget	\$ 1,437,755	\$ 1,027,996	\$ 1,053,751
	Positions	10.00	10.00	10.00
City Government Communications and Information	Budget	\$ 2,036,811	\$ 1,520,135	\$ 1,564,280
	Positions	19.00	19.00	19.00
Customer Service and Information	Budget	\$ 1,010,581	\$ 2,304,343	\$ 2,382,155
	Positions	72.00	94.00	94.00
Small Business Development	Budget	\$ 766,444	\$ 617,667	\$ 720,000
	Positions	11	11	11
Economic Development	Budget	\$ 1,214,553	\$ 1,537,952	\$ 1,573,115
	Positions	12	15	15
Internal Audit	Budget	\$ 859,012	\$ 827,188	\$ 853,760
	Positions	9.00	9.50	9.50
Support for Mayor & Council and Policy Development and Organizational Leadership	Budget	\$ 1,753,009	\$ 1,843,629	\$ 1,894,817
	Positions	12.00	12.00	12.00
Total		\$ 9,078,165	\$ 9,678,908	\$ 10,041,879
Total Positions		145.00	170.50	170.50

City Manager

Decreases

Corporate Communications

\$38,628 is reduced from Corporate Communications in FY06 by eliminating the City Notes services bill insert. This action results in the loss of a significant and cost effective communication vehicle. In the 2002 Citizen's survey, 69% of the respondents rated City Notes as extremely or somewhat helpful.

\$21,600 is reduced from Corporate Communications in FY06 by eliminating the production of Police Beat. This action results in the loss of the only communication tool with primary emphasis on Community Safety.

\$11,750 is reduced from Corporate Communications in FY06 by eliminating contracting of training videos and special projects.

Community Relations Committee

\$12,000 is reduced from Community Relations Committee in FY06 by reducing telecommunications, postage, printing, and publishing expenses.

\$3,500 is reduced from Community Relations Committee in FY06 by reducing auto expenses, training, conference, dues and subscription expenses.

\$14,119 is reduced from Community Relations Committee in FY06 by reducing miscellaneous contractual expenses.

\$17,421 is reduced from Community Relations Committee in FY06 by reducing Mediation/Conciliation Services. This action will result in a 5% reduction to the total cases processed.

Economic Development

\$25,000 is reduced from Economic Development in FY06 by reducing Workforce Development Board expenses.

\$62,343 is reduced from the Small Business Opportunity Program in FY06 by freezing one vacant Small Business Management Analyst position for one year.

Increases

Economic Development

\$76,791 is added in FY06 and an additional **\$2,490** is added in FY07 to provide funding for a Sr. Economic Development Specialist. This position is partially funded (50%) by CATS and will focus on promoting the creation of private sector oriented development within ¼ and ½ mile radius of transit stations, initially along the South Corridor.

\$121,670 is added in FY06 and an additional **\$4,453** in FY07 by transferring two workforce development positions.

Customer Service and Information

\$1,242,508 is added in FY06 and an additional **\$36,664** is added in FY07 to provide funding for twenty-two positions in support of the 311 Call Center for the Mecklenburg County Tax Office and Park and Recreation Department. Revenues are increased to support this expense.

Internal Audit

\$43,272 is added FY06 and an additional **\$1,483** is added in FY07 to provide funding for one permanent part-time position in Internal Audit. This position will provide an additional level of auditing support to CATS and is 100% funded by CATS.

Unfunded

Unfunded requests totaling \$74,000 in FY06 and \$17,000 in FY07 were requested by the City Manager's Office. Please see the appendix on page 125 for details of these requests.

Budget and Evaluation

Summary		FY05	FY06	FY07	
<p>Budget and Evaluation is responsible for the development and oversight of the City's strategic operating plan and five-year capital investment plan. In addition, B&E also provides coordination of the Balanced Scorecard for performance management, policy and management analysis, coordination of City Council's business agenda, and the implementation of the organization's performance management process.</p>		Budget	\$1,020,699	\$1,220,875	\$1,254,406
<p>Vital Statistics</p> <ul style="list-style-type: none"> • Annual operating budget of \$386.3 million • Five-year Capital Investment plan of \$2,241,361,429 • Property tax revenue contributes only 16.9% to total revenue 		Positions	13.00	13.00	13.00
<p>Accomplishments</p> <ul style="list-style-type: none"> • Ability to present operating and capital investment plan recommendations that maintain a competitive tax rate and align with Council goals and priorities. • Second lowest tax rate of the seven largest North Carolina cities • Developed Services Assessment process • Completed an evaluation of City's fleet maintenance services resulting in improvements in process and customer service. • Continued sharing of the City's Balanced Scorecard experience by participating with other public agencies and publications including <i>The Greater Louisville Project: Lessons from the Best Run Cities in America</i> and <i>Government Finance Review</i>. 					
Performance Measures		Performance Achievement			
		FY04 Actual	FY05 Target	FY06 Target	FY07 Target
<p>Strategic Planning and Monitoring Recommends strategy and resource allocation for achievement of the City's vision and mission</p>					
◆	1 of 3 lowest tax rates of the top NC cities	2nd lowest	1 of 3 lowest	1 of 3 lowest	1 of 3 lowest
◆	20% or less of revenues comprised of property tax	16.9%	20%	20%	20%
◆	Approved funding of requested capital needs	39%	60%	60%	60%
<p>Program Evaluation and Policy Analysis Conducts or coordinates special studies and projects for the organization.</p>					
◆	Conduct survey to measure effectiveness in facilitation, problem solving and process/project management	n/a	n/a	7.0	7.0
<p>Council Business Agenda Coordination Coordinates the process for City Council's 20 annual business meeting agendas to ensure accurate information is presented to Council for decision-making. An average of 1,000 agenda items are addressed annually.</p>					
◆	Survey of Mayor and Council	8.25	7.5	7.5	7.5

Budget and Evaluation

Budget Summary		FY05	FY06	FY07
Budget and Evaluation Services	Budget	\$ 1,216,432	\$ 1,220,875	\$ 1,254,406
	Positions	13.00	13.00	13.00
Total		\$ 1,216,432	\$ 1,220,875	\$ 1,254,406

<p>Decreases \$69,674 is reduced in FY06 by holding one Budget and Evaluation Analyst position vacant.</p> <p>Increases None</p>	<p>Unfunded None</p>
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Business Support Services

Summary	FY05	FY06	FY07	
<p>With emphasis on mobility, technology, and procurement, Business Support Services (BSS) provides services including information technology infrastructure planning and management, fleet management and vehicle maintenance, radio communications, procurement of goods, disposition of surplus property, cable franchise, and competition expertise. BSS has 187 employees and an annual budget of approximately \$15 million.</p> <p style="text-align: center;">Vital Statistics</p> <ul style="list-style-type: none"> • Conducts over 13,000 service calls for information technology support each year • Completes 40,000 work orders each year for maintenance and repair of 2,800 vehicles • Processes 2,460 purchase orders each year • Installs and maintains over 6,000 radios and another 6,000 additional pieces of communication equipment for City and County operations 	Budget	\$14,439,862	\$14,691,092	\$14,972,774
	Positions	186.50	186.50	186.50
	Accomplishments			
	<ul style="list-style-type: none"> • Awarded the "Sustained Professional Purchasing Award" from the Carolinas Association of Government Purchasing for the third consecutive year • Consistently maintained a 99.98% availability of the 800 MHz radio system for all city, county, and external public safety and service operations customers • Established off-site technology Data Center equipped with redundancies for disaster recovery • Collaborated with City Solid Waste Services (SWS) to redesign vehicle maintenance costing methods, contributing significantly to SWS winning the East 			

SERVICE DELIVERY CHALLENGES

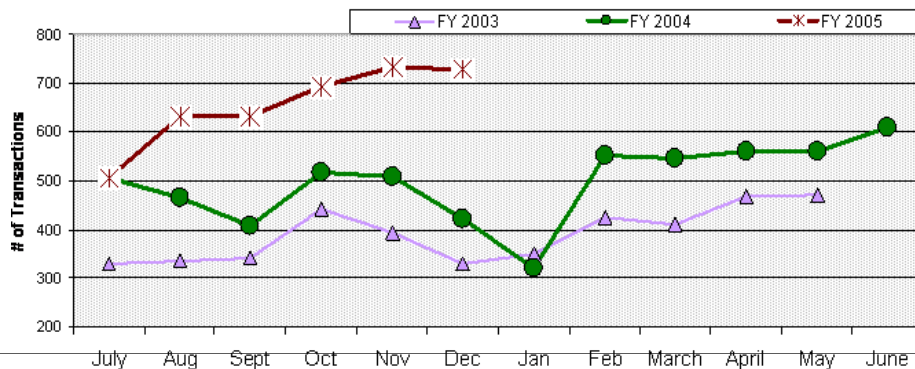
Equipment Management Division (EMD) Vehicle Maintenance Services

As Charlotte continues to grow to the edges of the County, City departments are expanding service facilities into these outer areas. Since EMD's fleet maintenance services are most cost effective when centralized, it is becoming difficult to maintain cost-effective services to an increasingly dispersed customer base. EMD's challenge is to decentralize its vehicle maintenance services to respond to changing customer needs while continuing to deliver cost-effective services.

Procurement Services – Decentralized purchasing practices

One of the greatest challenges for Procurement Services is the ability to access relevant purchasing data from the current financial and purchasing systems, and to analyze trends and forecast the widely-varying purchasing needs of City departments. A new procurement system with greater data tracking capabilities and a more centralized purchasing process would strengthen Procurement Services' ability to take advantage of economies of scale through the pooling of resources and purchasing power, greatly improving the cost effectiveness of all City department purchases.

**Procurement Card Usage
(Number of Transactions by Month)**



Business Support Services

Performance Measures

Performance Achievement

	FY04 Actual	FY05 Target	FY06 Target	FY07 Target
Information Systems				
Provides support for computer applications, hardware, software, servers, data storage, and networking services				
◆ Percent of IT Help Desk calls inside CMGC serviced within 2 business hours	93%	85%	85%	85%
◆ Percent of IT Help Desk calls outside CMGC serviced within 4 business hours	90%	90%	90%	90%
Fleet Management				
Provides maintenance and repair of vehicles and performs fleet analysis and costing				
◆ Percent of rolling stock available per day	95%	92%	92%	92%
Procurement and Contracting				
Provides for acquisition of goods and services for the City and County through competitive bid				
◆ Percent of surveyed customers ranking services as "satisfactory" or better	100%	90%	90%	90%
◆ Percent of contract award recommendations accepted by elected boards as recommended.	100%	95%	95%	95%
Radio Services				
Provides management and maintenance support for the 800 MHz radio communication system				
◆ Percent of time radio system is available	99.98%	99.9%	99.9%	99.98%

Budget Summary		FY05	FY06	FY07
Information Systems	Budget	\$ 10,111,770	\$ 9,341,179	\$ 9,506,548
	Positions	51.50	51.50	51.50
Strategic Technology Planning	Budget	\$ 447,681	\$ 485,063	\$ 500,444
	Positions	5.00	5.00	5.00
Communications	Budget	\$ 1,867,132	\$ 2,809,019	\$ 2,855,746
	Positions	23.25	23.25	23.25
Fleet Management	Budget	\$ 582,142	\$ 598,737	\$ 609,584
	Positions	89.00	89.00	89.00
Procurement and Contracting	Budget	\$ 1,431,137	\$ 1,457,095	\$ 1,500,452
	Positions	17.75	17.75	17.75
Total Budget		\$ 14,439,862	\$ 14,691,092	\$ 14,972,774
Total Positions		186.50	186.50	186.50

Business Support Services

Decreases

\$60,000 is reduced in FY06 from BSS' Information Technology Division by reducing technology Help Desk support services.

\$50,000 is reduced in FY06 from BSS' Communications Division by reducing costs for data circuits.

\$5,000 is reduced in FY06 from BSS' Equipment Management Division by eliminating repair costs for surplus equipment.

Increases

The City's June 30, 2005 annexation requires 2 positions and **\$22,565** in FY06 to provide vehicle maintenance, computer system support, and radio maintenance services for additional personnel and vehicles being added to City departments to provide services to seven newly-annexed areas.

\$84,372 in FY06 and an additional **\$17,908** in FY07 is added to BSS' Communications division to fund increases in scheduled debt service costs for radio system infrastructure upgrades. (100% of this additional cost will be distributed to other City departments and to non-City radio system users.)

\$59,700 is added in FY06 to BSS' Cable TV Division for consulting and legal fees associated with the renegotiation of the Time-Warner cable franchise contract.

Unfunded

Unfunded requests totaling \$8,994,859 in FY06 were requested by Business Support Services. Please see the appendix on page 125 for details of these requests.

Finance

Summary		FY05	FY06	FY07
<p>Finance provides a wide range of financial services supporting city-wide operations. These services include maintaining the City's official accounting records; preparing all official accounting reports; preparing and distributing vendor payments; providing debt management services for over \$2.2 billion in outstanding debt; managing a portfolio of approximately \$1.4 billion; servicing 240,000 accounts for the Charlotte-Mecklenburg Utility Department and the City/County Storm Water Services; coordinating the policies and insurance and risk financing for the City of Charlotte, Mecklenburg County, and the Charlotte-Mecklenburg Board of Education.</p> <p style="text-align: center;">Vital Statistics</p> <ul style="list-style-type: none"> • Manage over \$2,621 million in outstanding debt • Made 70,000 vendor payments • Manage over \$1,547 million cash and investments portfolio 	<p>Budget</p> <p>Positions</p>	<p>\$9,907,598</p> <p>102.00</p>	<p>\$10,249,510</p> <p>103.00</p>	<p>\$10,652,124</p> <p>103.00</p>
Accomplishments				
<ul style="list-style-type: none"> • "Speed Pay" was implemented in November 2004. Speed pay enables citizens to pay their City-County services bills electronically using credit or debit cards. • Finance sold \$167 million of airport revenue bonds, sold \$54 million of storm water revenue bonds, refunded \$10.8 million of variable rate certificates of the City's first issue of special obligation bonds, coordinated the November 2004 general obligation bond referendum for \$131 million and refunded \$47 million of general obligation refunding bonds yielding net present value savings of \$3.5 million. • Initiated a \$400 million first ever variable rate construction period financing program that will ultimately save the City at least \$10 million in interest savings. Charlotte was the first municipality in the State to make use of this creative financial mechanism. 				

SERVICE DELIVERY CHALLENGES

Completion of Major Financings

The ongoing process of pursuing and successfully accomplishing major financings in support of the City's capital program will continue to be an important priority. Optimum use of the "commercial paper" construction period financing program will be an important component of this ongoing work.

Mainframe End-of-Life

Mecklenburg County's mainframe hosts the City's financial systems. Mecklenburg County has indicated that it plans to move its systems off the mainframe by July 2006. In response, discovery work is underway to outline options for the remote hosting of the GEAC financial system. Finance has also submitted a funding request through the Technology Management Team (TMT) for the replacement of the Receivables and Assessment Management System (RAMS) that is no longer vendor supported.

Finance

Performance Measures

Performance Achievement

	FY04 Actual	FY05 Target	FY06 Target	FY07 Target
Financial Management				
Provides strategic financial planning, debt and cash management, and revenue and economic forecasting to City Council, the City Manager, and the City's Key Business Units. This program area also provides coordination to the City annexation process which is based on North Carolina statutes.				
◆ Cost savings over conventional financing approach	n/a	n/a	\$ 2 million	TBD
General Accounting				
Provides general accounting services, such as preparing cost analysis and federal and state mandated reports and 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, and preparing related reports.				
◆ Capture and analyze baseline information to determine the proper target for the percentage of invoices to be paid by the due date	n/a	n/a	6/30/06	TBD
Revenue Management				
Provide for the collection and deposit of all City monies for citywide services including billing and collection of animal licenses, transit passes, Neighborhood Development loans, parking violations, water/sewer and Storm Water billing and collection services.				
◆ Increase the number of customers utilizing e-business service for utility payments	16.8%	18%	20%	20%
Risk Management				
Provide general risk management services to the City, County and Board of Education.				
◆ Manage total cost of risk	1.4%	1.4%	1.4%	1.4%

Budget Summary		FY05	FY06	FY07
Financial Management	Budget	\$ 1,152,344	\$ 1,181,101	\$ 1,217,065
	Positions	10.00	11.00	11.00
General Accounting	Budget	\$ 2,661,725	\$ 2,689,578	\$ 2,770,077
	Positions	37.00	38.50	38.50
Revenue Management	Budget	\$ 3,926,665	\$ 4,188,416	\$ 4,404,230
	Positions	30.00	28.50	28.50
Risk Management	Budget	\$ 2,166,864	\$ 2,190,416	\$ 2,260,752
	Positions	25.00	25.00	25.00
Total		\$ 9,907,598	\$ 10,249,510	\$ 10,652,124
Total Positions		102.00	103.00	103.00

Finance

Decreases

\$14,812 is reduced from Finance in FY06 and an additional \$4,862 in FY07 by eliminating the purchase of ImageNow licenses for electronic workflow. An insufficient number of licenses will reduce efficiency and increase the time required for Accounts Payable to receive and process invoices for payment.

\$5,905 is reduced from Finance in FY06 by reducing travel and meeting and printing and publishing expenses.

\$12,442 is reduced from Finance in FY06 by reducing telecommunications, special departmental supplies, miscellaneous contractual services, dues, subscriptions, and professional licenses expenses.

\$12,911 is reduced from Finance related to the debt manager position (funding from Municipal Debt Service Fund).

Increases

\$75,944 is added in FY06 and an additional \$1,364 in FY07 for an Assistant Debt Manager position. This position will assist the Treasurer with all aspects of the City's debt program and is entirely funded by Enterprise Funds and the Capital Program.

Unfunded

Unfunded requests totaling \$575,000 in FY06 and \$15,000 in FY07 were requested by Finance. Please see the appendix on page 126 for details on these requests.

Human Resources

Summary		FY05	FY06	FY07
<p>Human Resources (HR) partners with other key businesses to provide human capital strategies and core human resources services. Key human capital strategies include positioning the City to compete for and retain quality employees now and in the future. Human Resources core services include: recruitment, compensation, employee relations, benefits enrollment and management, consulting services, human resources management system, and payroll services.</p> <p style="text-align: center;">Vital Statistics</p> <ul style="list-style-type: none"> • Supports over 6,000 employees and 1,700 retirees annually • Comprised of 32.5 FTE and three divisions: HR Administration, HR Management Systems, and Organizational Learning and Development. • Conducts over 320 training classes annually • Processes an average of 30,000 employee applications annually 	<p>Budget</p> <p>Positions</p>	<p>\$3,516,200</p> <p>32.50</p>	<p>\$3,089,803</p> <p>32.50</p>	<p>\$3,201,253</p> <p>32.50</p>
Accomplishments				
<ul style="list-style-type: none"> • Participation in the Health Solutions Program increased by 78 participants from July through October 2004. • Enhanced wellness program kicked off in November with over 300 participants, providing employees with specific lifestyle risks to help them improve their health. The health risk appraisal process gives the City a benchmark to measure its return on investment and further contain health care costs increases. • The City's diversity philosophy and definition was incorporated into the vision and guiding principles and formally communicated to employees. • A workforce profile was created and analyzed to assist in workforce planning and development. 				

SERVICE DELIVERY CHALLENGES

Health Care Cost Containment

By all indicators, escalating health care costs will continue to be a struggle. Human Resources is constantly looking for ways to control these costs. Human Resources latest efforts in cost avoidance focus on enhanced wellness programs in an attempt to prevent health problems that need costly treatment.

Attracting and Retaining a Multi-faceted Workforce

One of the biggest challenges facing HR is successful implementation of the Strategic Workforce Planning Report recommendations without additional resources. HR has been working with each KBU to design and develop programs to attract and retain a skilled and diverse workforce. Having this ability is important and difficult due to the many facets of today's and tomorrow's workforce, including: aging workforce, skills gap, more multi-generational employees, increase of women in key positions, and greater diversity.

Lack of Technology

Previous service level changes focused on technology, forgoing requests for additional staff. HR staff and many employees in the organization spend much of their time manually completing transactional tasks. HR met with KBUs, and the majority want self-service time entry to allow employees to enter time worked using a computer rather than completing paperwork. KBUs also want e-pay/e-profile to allow employees to print pay advices, check leave balances, etc. These technology enhancements would free HR staff to focus on strategic objectives and permit faster operations in the KBUs.

Maintaining Competitive Pay Systems with Limited Resources

Merit increases of previous budget years have resulted in a drop in the citywide average market index for the Broadbanding pay plan. If the City is not able to offer job candidates and current employees competitive pay, key personnel will be lost to other employers. Maintaining competitive pay systems with limited resources will be a tremendous challenge in FY06 and FY07.

Human Resources

Performance Measures	Performance Achievement			
	FY04 Actual	FY05 Target	FY06 Target	FY07 Target
Compliance, Recruitment and Retention				
Ensures compliance and cost avoidance with Federal and State laws. Provides essential recruiting and retention efforts.				
◆ Turnover rate: ≤ 3% for public safety; ≤ 8% for all other employees	7.6%	<12%	≤3% ≤8%	≤3% ≤8%
Employee Compensation Services				
Administers compensation programs in accordance with Council philosophy that pay will be based on performance while considering market conditions				
◆ Citywide average market index between 95-105% of market	96%	95-105%	95-105%	95-105%
Employee Benefits Services				
Administers programs in accordance with Council philosophy of providing employees moderate levels of income protection against unexpected health, life, and disability risk.				
◆ Control costs through health screening program's return on investment (ROI)	n/a	n/a	n/a	1.5:1 ROI
◆ Control costs through disease management program's return on investment	n/a	n/a	1.4:1 ROI	1.4:1 ROI
Employee Training and Organizational Development				
Provides ongoing training and development programs for employees and management to create a skilled workforce.				
◆ Assess workforce for ability to provide effective services to a diverse citizenry	n/a	100% KBU training plans	>certification & degrees	>certification & degrees
Human Resources Management Services				
Manages the integrated Human Resources and Payroll System of employees and retirees. Maintains employment-related records.				
◆ Successful implementation of PeopleSoft 8.8	n/a	Begin by 11/30/04	Complete 11/30/05	n/a

Human Resources

<p>Decreases Technology maintenance and repair is reduced in the Human Resources Management System division by \$9,000 in FY06 and FY07.</p> <p>Training programs are reduced in Human Resources by \$94,162 in FY06 and FY07.</p> <p>Increases None</p> <p>Unfunded Unfunded requests totaling \$27,720 in FY06 and \$28,552 in FY07 were requested by Human Resources. Please see the appendix on page 126 for details on these requests.</p>	
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Budget Summary		FY05	FY06	FY07
Compliance, Recruitment and Retention	Budget	\$ 988,227	\$ 951,937	\$ 981,433
	Positions	9.75	9.75	9.75
Employee Compensation Services	Budget	\$ 251,549	\$ 242,311	\$ 249,819
	Positions	2.50	2.50	2.50
Employee Benefits Services	Budget	\$ 557,001	\$ 536,546	\$ 553,171
	Positions	5.50	5.50	5.50
Employee Training and Organizational Development	Budget	\$ 747,844	\$ 576,771	\$ 600,252
	Positions	9.50	9.50	9.50
Human Resources Management Services	Budget	\$ 971,579	\$ 782,237	\$ 816,578
	Positions	5.25	5.25	5.25
Total		\$ 3,516,200	\$ 3,089,803	\$ 3,201,253
Total Positions		32.50	32.50	32.50

Non-Departmental Accounts

The City of Charlotte uses these "Non-Departmental" accounts to reflect those services or functions that are not specifically associated with a particular key business unit. These functions are grouped into five categories: Employee Related, Contributions to Other Funds, Cultural and Community Agencies, County-Administered, and Other.

<u>Services Provided</u>	<u>FY2006 Budget</u>	<u>FY2007 Budget</u>
EMPLOYEE RELATED		
Retiree Insurance Provides the City's share for retired General Fund employees in the health insurance program. Of the 1,458 current retirees, 883, or 61%, are Police and Fire retirees.	\$7,059,105	\$7,876,480
Other Administration Funds the annual billing from the Employment Security Commission for unemployment insurance and the amortized cost of the FY03 pay-week change. This cost will end after FY09.	\$406,370	\$407,546
Wellness Program Provides funding for the work-life diversity program, City Employees Day and other employee recognition activities.**	\$178,585	\$180,585
Employee Training Program Provides funding for Citywide training for programs common to all Key Business Units.**	\$165,413	\$165,413
Firefighter's Retirement Represents the appropriation for the cost of the actuarial study required by law.	\$18,000	\$18,000
Recruit and Retain-Workforce Development Provides funding to address workforce development initiatives. Human Resources has developed criteria for use of the funds and administers the program.*	\$0	\$0
Total Employee Related Expenses	\$7,827,473	\$8,648,024

*Funding for non-departmental accounts including Recruit and Retain-Workforce Development (\$400,000) and PCAC support (\$70,000) is eliminated for FY06 and FY07.

**Funding for the City's Wellness and Employee Training Programs was reduced (\$16,750-Wellness, \$80,047-Training, and \$40,000-Employee Opinion Survey) in FY06 and FY07.

Non-Departmental Accounts

<u>Services Provided</u>	<u>FY2006 Budget</u>	<u>FY2007 Budget</u>
CONTRIBUTIONS TO OTHER FUNDS		
Municipal Debt-CMGC and Lease Purchase Provides a contribution to support the Charlotte-Mecklenburg Government Center debt service (from rent savings); and capital outlay lease/purchase agreements for capital outlay items such as police cars, fire trucks, and garbage trucks.	\$14,595,404	\$10,921,653
Municipal Debt-Interest on Investments Transfers the interest earned on invested areas of the General Fund, supporting the City's financial policy of transferring all interest earnings to support the Capital Program.	\$2,875,000	\$3,105,000
Arboretum Fire Station Transfers funds to the Capital Budget to purchase land for infill fire station in the Arboretum area (Providence Road and Highway 51). The Fire Department has prioritized an infill fire station in this location in order to improve coverage and response time.	\$800,000	\$0
Total Contribution to Other Funds	\$18,270,404	\$14,026,653
CULTURAL AND COMMUNITY AGENCIES		
Arts & Science Council Administered by the Arts and Science Council. Supports cultural and arts agencies in the City.	\$2,942,000	\$2,942,000
United Family Services-Victim Assistance Provides funding for Victim Assistance, a United Family Services program that provides counseling and guidance for crime victims and their families.	\$320,561	\$321,950
ImaginOn Provides funding for maintenance of Children's Theatre space in ImaginOn. Children's Theatre is moving from a City-owned facility to ImaginOn in the fall of FY06. The City's contribution covers building maintenance cost at the same square foot rate as the current facility. The contribution increases at a growth rate set by Engineering and Property Management.	\$225,000	\$278,100
Mayor's International Cabinet Promotes the development of Charlotte as an international city by emphasizing the global community and its relationship to citizenry, civic leadership, and regional industry.	\$75,553	\$77,280
Advantage Carolina Provides the City's contribution towards a public/private partnership with the Charlotte Chamber of Commerce designed to improve the economic vitality and quality of life in the region through regional planning, corporate headquarters recruitment, and other initiatives. The City committed to contributing five annual installments, for a total pledge of \$1 million, beginning in FY03. However, the FY06 budget adopted by Council reduced the annual payment to \$75,000 for FY06 and \$0 for FY07.	\$75,000	\$0
Sister Cities Supports an international cultural exchange program.	\$58,909	\$60,264
Library Provides funding for maintenance for the Charlotte-Mecklenburg Library, contributed according to legal requirements.	\$2,500	\$2,500
Total Cultural and Community Agencies	\$3,699,523	\$3,682,094

Non-Departmental Accounts

<u>Services Provided</u>	<u>FY2006 Budget</u>	<u>FY2007 Budget</u>
COUNTY ADMINISTERED		
County Storm Water Provides for the City's payment of its County storm water fees.	\$1,441,401	\$1,441,401
Elections Office Provides the City's share of the normal operating expenses of the County Elections Office with an additional amount during Mayor and City Council election years.	\$1,400,000	\$1,200,000
County Tax Office Provides funding for reimbursement of expenses associated with collecting the City's auto license and business privilege license fees.	\$552,000	\$552,000
Total County-Administered	\$3,393,401	\$3,193,401
OTHER ACCOUNTS		
Street Lighting Represents the operating costs for the City's street lighting program.	\$7,159,891	\$7,169,636
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.	\$4,539,290	\$4,879,736
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. 8% of the projected tax collections is retained in a reserve account.	\$2,526,181	\$2,624,829
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.	\$1,433,000	\$1,947,000
Reimbursable Accident Repairs Provides funding for the repair of accident-damaged vehicles by third parties.	\$315,000	\$315,000
Charlotte-Mecklenburg Government Center Parking Provides funding for operation, utilities, and maintenance of the CMGC parking deck.	\$302,593	\$311,379
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.	\$300,819	\$328,885
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 Council approval.	\$300,000	\$300,000

Non-Departmental Accounts

<u>Services Provided</u>	<u>FY2006 Budget</u>	<u>FY2007 Budget</u>
OTHER ACCOUNTS-CONT.		
<p>Road Use Tax Funds the State tax for all title transfers and new purchases on City vehicles. Requires 3% of purchase price.</p>	\$200,000	\$200,000
<p>CIAA Men's Basketball Tournament The City successfully won the rights to host the CIAA Men's Basketball Tournament for three years beginning in FY06. The City committed \$200,000 per year over the three year period as a component of the bid package. The basketball tournament anticipates over 100,000 visitors with an estimated economic impact of over \$11 million each year.</p>	\$200,000	\$200,000
<p>City Memberships and Subscriptions Funds the City's participation in several local and State organizations, including the Centralina Council of Government (COG) and the Institute of Government.</p>	\$197,924	\$203,862
<p>Charlotte-Mecklenburg Government Center Rent Funds building rent for areas occupied by non-City departments (restaurant and print shop), and unoccupied areas. Partially offset by rent paid by the restaurant and print shop tenants.</p>	\$174,644	\$178,862
<p>Federal Program Representative Provides the contract for local government liaison with the Federal government.</p>	\$98,000	\$98,000
<p>Maintenance of Public Spaces Provides funding for facility maintenance expenses for overstreet walkways and other facilities not assigned to specific departments.</p>	\$88,858	\$92,412
<p>Charlotte Regional Partnership Provides the City's contribution for developing an economic strategy for the Charlotte region. Prior years' annual support totaled \$110,539 and included \$25,000 for the Partnership's Film Division. However, the FY06 budget adopted by Council reduced the annual payment to \$75,000 in FY06 and \$0 in FY07.</p>	\$75,000	\$0
<p>Annual Audit Represents the pro rata amount chargeable to the General Fund for the annual audit.</p>	\$41,186	\$43,245
<p>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 consider funding.</p>	\$34,337	\$100,000
<p>Independence Plaza Parking Funds the ground lease agreement.</p>	\$25,000	\$25,000
<p>Protocol Services Provides assistance to City officials with regards to visiting dignitaries and international protocol.</p>	\$17,800	\$17,800
<p>Citizens Review Board Funds operating expenses for the volunteer citizens committee which reviews Police related incident complaints.</p>	\$11,000	\$11,000

Non-Departmental Accounts

<u>Services Provided</u>	<u>FY2006 Budget</u>	<u>FY2007 Budget</u>
OTHER ACCOUNTS-CONT.		
Reserve for Annexation Start-up Provides funding for the initial costs of the City's biennial annexation process. Includes the cost of hiring firefighters and solid waste collection employees for training purposes prior to the annexation effective date; economic loss payments to qualified private solid waste collection firms and volunteer fire departments operating within areas to be annexed by the City; and equipment such as fire and solid waste trucks.	\$5,541	\$112,552
City Burials Funds burials in City-owned cemeteries for indigent citizens.	\$3,000	\$3,000
National League of Cities Originally designated as a total contribution of \$450,000 via three annual payments of \$150,000 ending in FY06 to the National League of Cities' Congress of Cities 2005 to be held in Charlotte in December 2005. This funding was to partially offset the cost of hosting the event. Funding ends in FY06. However, the FY06 budget adopted by Council ended the contribution as of FY05. Successful fund raising efforts enabled the end of City support.	\$0	\$0
Privatization Competition Advisory Committee Funds operating expenses for the volunteer citizens committee which works with staff on competitive bids and asset management.*	\$0	\$0
Total Other Accounts	\$18,049,064	\$19,162,198
Total Non-Departmental Accounts	\$51,239,865	\$48,712,370

Non-Departmental Accounts	FY2006 Budget	FY2007 Budget
Employee Related Expenses	\$7,827,473	\$8,648,024
Contributions to Other Funds	18,270,404	14,026,653
Cultural and Community Agencies	3,699,523	3,682,094
County-Administered	3,393,401	3,193,401
Other Accounts	18,049,064	19,162,198
Total Non-Departmental Services	\$51,239,865	\$48,712,370

General Fund Financial Partners

	FY05 Funding	FY06 Request	FY06 Budget
Advantage Carolina	\$200,000	\$200,000	\$75,000
Arts & Science Council	3,017,000	2,942,000	2,942,000
Charlotte Regional Partnership	110,539	137,533	75,000
Center City Partners	1,756,676	1,786,033	1,753,077
Mayor's International Cabinet	74,845	99,660	75,553
Sister Cities	58,560	92,748	58,909
University City Partners	163,690	163,690	163,690
United Family Services-Victim Assistance	319,213	332,000	320,561
New Requests for Funding:			
Christian Women of Elegance	0	122,720	0
Total General Fund Partners	\$5,700,523	\$5,876,384	\$5,463,790

Neighborhood Development Financial Partners

	FY05 Budget	FY06 Request	FY06 Budget
Bethlehem Center of Charlotte	\$199,207	\$217,776	\$199,207
Charlotte Housing Authority Relocation Services	\$2,000,000	\$1,900,000	\$1,900,000
Charlotte-Mecklenburg Schools After School Enrichment Program	185,576	193,488	185,576
Charlotte-Mecklenburg Schools Northwest After School Coalition	60,000	60,000	60,000
Charlotte-Mecklenburg Housing Partnership, Inc.	2,000,000	2,000,000	2,000,000
Consumer Credit Counseling & Housing Services	170,000	227,500	170,000
Crisis Assistance Ministries	380,000	440,000	380,000
Greater Enrichment Program	605,854	620,339	605,854
St. Paul Baptist Church-Belmont Site After School Enrichment	57,735	57,735	57,735
UJAMMA, Inc.	210,000	262,800	210,000
YMCA Community Development	48,699	50,160	48,699
YWCA Central Carolinas After School Enrichment	114,546	117,982	114,546
Foundation for the Carolinas-Regional HIV/AIDS Consortium (HOPWA)	571,000	565,000	565,000
New Requests for Funding:			
Charlotte Enterprise Communities, Inc. ¹	0	0	0
Total General Fund Partners	\$6,602,617	\$6,712,780	\$6,496,617

¹ Charlotte Enterprise Communities, Inc. requested funding in FY07 only in the amount of \$49,600.

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 FY06 is \$4,155,050,149. Recommended budget continues the current MSD tax rate of 1.74 cents per \$100 valuation.

<u>Budget Summary</u>	<u>FY06 Budget</u>	<u>FY07 Budget</u>
Revenues		
Property Taxes	\$704,904	\$726,051
Total Municipal Service District 1 Revenues	\$704,904	\$726,051
Expenditures		
Contractual Services	\$695,655	\$716,479
City Services	9,249	9,572
Total Municipal Service District 1 Expenditures	\$704,904	\$726,051

District 2 (Center City): Assessed value for FY06 is \$1,557,369,723. Recommended budget continues the current MSD tax rate of 1.24 cents per \$100 valuation.

<u>Budget Summary</u>	<u>FY06 Budget</u>	<u>FY07 Budget</u>
Revenues		
Property Taxes	\$188,286	\$193,935
Total Municipal Service District 2 Revenues	\$188,286	\$193,935
Expenditures		
Contractual Services	\$185,816	\$191,378
City Services	2,470	2,557
Total Municipal Service District 2 Expenditures	\$188,286	\$193,935

Municipal Service Districts

District 3 (Center City): Assessed value for FY06 is \$2,043,417,829. Recommended budget continues the current MSD tax rate of 2.71 cents per \$100 valuation.

<u>Budget Summary</u>	<u>FY06 Budget</u>	<u>FY07 Budget</u>
Revenues		
Property Taxes	\$539,922	\$556,120
Total Municipal Service District 3 Revenues	\$539,922	\$556,120
Expenditures		
Contractual Services	\$512,238	\$527,570
City Services	27,684	\$28,550
Total Municipal Service District 3 Expenditures	\$539,922	\$556,120

District 4 (South End): Assessed value for FY06 is \$491,270,580. Recommended budget continues the current MSD tax rate of 6.68 cents per \$100 valuation.

<u>Budget Summary</u>	<u>FY06 Budget</u>	<u>FY07 Budget</u>
Revenues		
Property Taxes	\$319,965	\$329,563
Total Municipal Service District 4 Revenues	\$319,965	\$329,563
Expenditures		
Contractual Services	\$315,767	\$325,218
City Services	4,198	\$4,345
Total Municipal Service District 4 Expenditures	\$319,965	\$329,563

District 5 (University City): Assessed value for FY06 is \$609,860,577. Recommended budget continues the current rate of 3.00 cents per \$100 valuation.

<u>Budget Summary</u>	<u>FY06 Budget</u>	<u>FY07 Budget</u>
Revenues		
Property Taxes	\$178,384	\$183,736
Total Municipal Service District 5 Revenues	\$178,384	\$183,736
Expenditures		
Contractual Services	\$159,721	\$164,492
City Services	3,969	\$4,108
Total Municipal Service District 5 Expenditures	\$163,690	\$168,600
Reserved for Future Years	\$14,694	\$15,136

Unfunded Requests

Charlotte-Mecklenburg Police

\$1,068,740 in FY06 and FY07 to provide funding to maintain current service level. Requested increases primarily for motor fuels, technology contract increases, and increases for uniforms and protective clothing.

\$1.2 million in FY06 to fund the addition of 14.5 non-sworn positions.

\$894,591 in FY06 and \$1,784,069 in FY07 to fund additions of patrol officers. CMPD requested 62 in FY06 and 30 in FY07. 58 were approved in FY06 and none approved in FY07.

\$318,000 in FY06 and FY07 requested for increased operating expenses and supplies at the Animal Control Bureau. 40 new kennels were added in FY05 and require additional expenses to keep up with the increase demand. \$15,525 for CAD interface with Chameleon will not carry forward into FY07. Included in the non-sworn position request is one volunteer coordinator for Animal Control (\$32,034).

\$186,000 in FY06 and FY07 to expand Citizens on Patrol program. Request includes 2 vehicles, supplies, and a volunteer coordinator.

\$32,000 in FY06 and FY07 for Senior Management Institute for Police (SMIP).

\$25,000 in FY06 and FY07 to have a private company validate recruit test questions.

\$304,500 in FY06 and FY07 to change overtime calculation from a 28 day cycle to a 14 day cycle.

Fire

\$1,848,432 in FY06 for one new Ladder Company (18 Firefighter positions) to serve the Arboretum and South Charlotte areas.

\$1,567,746 in FY06 to develop a dedicated, fully functional back-up Emergency Operations Center (EOC).

\$743,790 in FY06 for additional Fire Apparatus funds to ensure a dependable reserve fleet. This amount represents 10% of the replacement value of 8 Engines, 4 Ladders, and 2 Rescue trucks, plus a 3.5% adjustment for price increases.

\$448,670 in FY06 for new and replacement equipment including Self Contained Breathing Apparatus (SCBA), rescue ventilation saws and fans, hydraulic ladders, Plymovent exhaust removers, physical training equipment, digital cameras, air compressors, and cellular telephones for Fire Operations vehicles.

\$389,955 in FY06 to acquire 35 new portable radios and replace 88 existing outmoded 800Mhz radios that have either reached the end of life cycles, are no longer manufactured, cannot be upgraded to digital, or are unrepairable.

\$355,000 in current level increases to cover rising costs for fuel, telephone communications, information technology support, and educational reimbursements.

\$250,000 in FY06 for medical and physical examinations for Firefighters

\$173,447 in FY06 for expanded recruitment and training efforts

Unfunded Requests

\$116,567 in FY06 for 2 new positions to provide budgetary and administrative support

\$97,564 in FY06 for 1 new Fire Plans Examiner position in the Fire Prevention Division to assist with the growing demand for fire plans reviews.

Solid Waste Services

\$105,840 for a Business Systems Specialist in FY06.

\$76,262 in FY06 for a Labor Crew Chief I to assist the Safety and Training Coordinator in all safety functions within the department

\$61,785 in FY06 for a Administrative Officer II to serve as Public Information Specialist to assist with public education activities

\$59,700 for on-site security for the collection vehicle parking lots in FY06.

Transportation

\$642,026 in FY06 and \$784,639 in FY07 in current level line items increases.

\$6,361,740 in FY06 and \$6,618,070 in FY07 to implement a 12-year resurfacing schedule.

\$1,030,000 in FY06 and FY07 for snow removal, wheel chair ramps, and sidewalk repairs.

\$325,399 (partially offset by \$25,000 in state reimbursements) in FY06 to add 4 positions for one signalized intersection loop replacement crew.

\$435,000 in FY06 and \$335,000 in FY07 to implement an automated inventory control system in the Traffic Control Division.

\$150,000 in FY06 for consultant services to assist in the implementation of the Transportation Action Plan.

\$30,900 in FY06 for traffic congestion traffic count technology.

\$61,000 in FY06 to purchase two additional field vehicles.

\$90,505 in FY06 (partially recovered through user fees) to add 1 position to review development plans associated with transit corridors.

\$61,500 in FY06 for traffic modeling and economic forecasting software.

\$186,047 in FY06 to add 3 positions for implementation of a right-of-way management program.

\$79,317 in FY06 to add 1 position for transportation planning to respond to growth.

\$327,400 in FY06 and \$52,400 in FY07 for technology.

Unfunded Requests

Neighborhood Development

\$175,428 in FY06 and FY07 in current operating increases related to increased services provided in the Code Enforcement division.

\$125,000 in FY06 for software system to support Housing Development.

\$67,246 in FY06 to add a graffiti inspector.

\$30,000 in FY06 to add Zoning module to CityView system.

\$150,000 in FY06 and FY07 to upgrade code enforcement fleet of vehicles.

\$317,984 in FY07 to add 4 Neighborhood Services Specialists.

\$80,562 in FY07 to add a Housing Finance supervisor.

\$51,699 in FY07 to add a Housing Services paralegal position.

\$65,404 in FY07 to add a Housing Services Environmental Compliance Specialist.

\$56,549 in FY07 to add a Housing Services Administrative Officer.

\$200,000 in FY07 to provide wireless communication for Neighborhood Services and Code Enforcement.

Engineering & Property Management

\$306,963 in FY06 and \$221,866 in FY07 in current level line item increases.

\$124,236 in FY06 and \$327,219 in FY07 to add 3 positions and contracted services (FY07 at \$200,000) for tree management services.

\$435,000 in FY06 and \$145,000 in FY07 to implement work management systems in the Landscape Management and Building Maintenance Divisions.

\$81,000 in FY06 to add 1 position to monitor contracts in the Landscape Management Division.

\$60,800 (partially reimbursed through user fees) in FY06 to add 1 position for urban forestry plan reviews in the Land Development Division.

\$138,192 (partially reimbursed through the capital program) in FY06 to add 2 positions for contracts administration.

\$30,000 (partially reimbursed through the capital program) in FY06 to increase operating expenses in the Building Maintenance Division.

\$81,972 (100% reimbursed through the capital program) in FY06 to add 1 position for capital project management.

\$25,000 in FY06 to purchase an additional vehicle for the Landscape Management Division.

Unfunded Requests

\$65,000 (partially reimbursed through the capital program) in FY06 to add 1 position to administer the departmental SBO Program.

\$31,000 (partially reimbursed through user fees) in FY06 to add 1 position to the Land Development Division for customer service.

\$141,125 in FY06 to add 2 positions to monitor contractor performance in the Landscape Management Division.

\$70,896 (100% reimbursed through the capital program) in FY06 to add 2 positions to increase in-house capital project design capabilities, particularly in landscape design.

\$67,246 (100% reimbursed through the capital program) in FY07 to add 1 position to increase in-house capital project design capabilities.

\$97,000 (100% reimbursed through the capital program) in FY06 to add 1 position to facilitate enhancements and on-going support for the Project Management Information System.

\$207,600 in FY06 and \$117,600 in FY07 (partially reimbursed through the capital program) to purchase technology enhancements and upgrades.

Charlotte-Mecklenburg Planning

\$22,000 to bring 22 staff positions to 90% of market in FY06.

Aviation

None

Charlotte Area Transit System

None

Charlotte-Mecklenburg Utilities

None

Mayor and City Council

None

City Attorney

\$5,842 in FY06 for additional attorney dues and subscriptions for participation in professional organizations.

\$174,477 in FY06 for an environmental attorney and support staff to handle issues such as permit issuance and compliance and represent the city in environmental litigations.

\$24,000 in FY06 for laptop computers for attorneys to increase productivity and support outside office activities.

Unfunded Requests

\$9,700 in FY06 for voice and data devices for attorneys to support work outside of the office.

City Clerk

\$11,344 in FY06 in current level increases including telephone, training, and fees.

City Manager

Corporate Communications

\$47,400 in FY06 and \$7,400 in FY07 for streaming video on Charneck.org. This service would provide Council and Commission meetings and other video based services via Charneck.org.

\$26,600 in FY06 and \$9,600 in FY07 for automated subscription service on Charneck.org. This service would enable citizens to sign up to receive notices of changes to Web pages of interest and other information via the Charneck.org.

Budget and Evaluation

None

Business Support Services

\$4,587,028 in FY06 for 43 technology-related projects, including Geographic Information Systems (GIS) infrastructure, applications, and related address data coordination, enhanced internet/intranet and Web-based applications and infrastructure, electronic document management, and updated city-wide computer network infrastructure, storage, applications, and software.

\$1,930,000 in FY06 for deployment of WiMAX, a wide area, high speed, wireless network covering the entire Charlotte-Mecklenburg metropolitan area. Currently multiple City departments are considering developing wide area wireless networks for their individual needs and use. Creating one enterprise wide area wireless network eliminates duplication of effort, cost, and resources.

\$843,699 in current level increases to cover rising costs for IT Help Desk services, computer software licenses, telephone charges, utilities, off-site building rent, and radio and CATV contract monitoring.

\$600,000 in FY06 to acquire a new automated procurement system.

\$489,099 in current level increases in Equipment Management Division to cover rising costs for vehicle mechanic overtime and outside vendor contracts for vehicle maintenance.

\$248,089 in FY06 in Equipment Management Division for 3 new vehicle maintenance Service Writer positions, 1 Surplus Property Storekeeper, and 1 Surplus Property Administrative Assistant.

\$171,944 in FY06 for 3 positions to support procurement services and contract administration.

\$125,000 in FY06 for consulting and application software to develop a City-wide Strategic Technology Planning infrastructure that will provide a complete and accurate inventory and future-needs plan for all City computer hardware, software, connectivity, and standards for technology use.

Unfunded Requests

Finance

\$410,000 for replacement of the Receivables and Assessment Management System in FY06.

\$75,000 in FY06 and \$15,000 in FY07 for financial system licenses.

\$90,000 in FY06 for loan origination and servicing.

Human Resources

\$27,720 in FY06 and \$28,552 in FY07 for temporary salaries for front desk reception, applicant assistance, telephone coverage, and application processing.

Summary Schedules

City of Charlotte Summary of Tax Levies City-wide

	FY2004 Budget	FY2005 Budget	FY2006 Budget	FY2007 Budget
City-wide Assessed Valuation (in Dollars)				
Assessed Property Value	\$60,887,248,478	\$62,692,000,842	\$65,219,209,806	\$66,849,690,051

City-wide Tax Rate Per \$100 Valuation				
Fund				
General	0.3480	0.3550	0.3570	0.3570
Municipal Debt Service	0.0540	0.0470	0.0470	0.0470
Pay-As-You-Go	0.0180	0.0180	0.0160	0.0160
Storm Water				
Total City-wide Tax Levy	0.4200	0.4200	0.4200	0.4200

City-wide Tax Levy				
Fund				
General	\$206,020,037	\$215,792,387	\$225,011,765	\$230,687,058
Municipal Debt Service	31,983,955	27,817,745	27,713,124	27,713,124
Pay-As-You-Go	10,656,708	10,974,930	10,074,197	10,328,551
Storm Water				
Total City-wide Tax Levy	\$248,660,700	\$254,585,062	\$262,799,086	\$268,728,733

Summary Schedules

City of Charlotte Summary of Tax Levies Municipal Service District 1

	<u>FY2004 Actual</u>	<u>FY2005 Revised Budget</u>	<u>FY2006 Budget</u>	<u>FY2007 Budget</u>	<u>Percent Change (FY05 to FY06)</u>
Property					
Real	3,347,188,440	3,147,662,492	3,157,100,610	3,251,813,628	0.30%
Personal	854,999,826	881,479,266	866,083,872	892,066,388	-1.75%
State Certified	150,839,082	138,805,965	131,865,667	135,821,637	-5.00%
Total MSD 1 Assessed Valuation	\$4,353,027,348	\$4,167,947,723	\$4,155,050,149	\$4,279,701,653	-0.31%

Municipal Service District 1 Tax Rate Per \$100 Valuation

Municipal Service District 1	0.0174	0.0174	0.0174	0.0174	0.00%
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Municipal Service District 1 Tax Levy Summary

Total Municipal Service District 1 Tax Levy	\$755,762	\$706,440	\$704,904	\$726,051	-0.22%
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Summary Schedules

City of Charlotte Summary of Tax Levies Municipal Service District 2

	<u>FY2004 Actual</u>	<u>FY2005 Revised Budget</u>	<u>FY2006 Budget</u>	<u>FY2007 Budget</u>	<u>Percent Change (FY05 to FY06)</u>
Property					
Real	1,287,604,169	1,085,403,950	1,093,036,208	1,125,827,294	0.70%
Personal	354,281,551	385,896,286	378,469,484	389,823,569	-1.92%
State Certified	98,371,175	90,383,190	85,864,031	88,439,952	-5.00%
Total MSD 2 Assessed Valuation	\$1,740,256,895	\$1,561,683,426	\$1,557,369,723	\$1,604,090,815	-0.28%

Municipal Service District 2 Tax Rate Per \$100 Valuation

Municipal Service District 2	0.0124	0.0124	0.0124	0.0124	0.00%
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Municipal Service District 2 Tax Levy Summary

Total Municipal Service District 2 Tax Levy	\$212,503	\$188,633	\$188,286	\$193,935	-0.18%
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Summary Schedules

City of Charlotte Summary of Tax Levies Municipal Service District 3

	<u>FY2004 Actual</u>	<u>FY2005 Revised Budget</u>	<u>FY2006 Budget</u>	<u>FY2007 Budget</u>	<u>Percent Change (FY05 to FY06)</u>
Property					
Real	1,563,640,450	1,574,574,479	1,578,122,550	1,625,466,227	0.23%
Personal	443,372,483	450,270,401	441,977,815	455,237,149	-1.84%
State Certified	25,437,965	24,544,699	23,317,464	24,016,988	-5.00%
Total MSD 3 Assessed Valuation	\$2,032,450,898	\$2,049,389,579	\$2,043,417,829	\$2,104,720,364	-0.29%

Municipal Service District 3 Tax Rate Per \$100 Valuation

Municipal Service District 3	0.0271	0.0271	0.0271	0.0271	0.00%
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Municipal Service District 3 Tax Levy Summary

Total Municipal Service District 3 Tax Levy	\$554,821	\$541,000	\$539,922	\$556,120	-0.20%
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Summary Schedules

City of Charlotte Summary of Tax Levies Municipal Service District 4

	<u>FY2004 Actual</u>	<u>FY2005 Revised Budget</u>	<u>FY2006 Budget</u>	<u>FY2007 Budget</u>	<u>Percent Change (FY05 to FY06)</u>
Property					
Real	413,774,632	412,994,020	413,692,547	426,103,323	0.17%
Personal	78,047,782	77,846,572	76,809,340	79,113,620	-1.33%
State Certified	1,028,993	809,151	768,693	791,754	-5.00%
Total MSD 4 Assessed Valuation	\$492,851,407	\$491,649,743	\$491,270,580	\$506,008,697	-0.08%

Municipal Service District 4 Tax Rate Per \$100 Valuation

Municipal Service District 4	0.0668	0.0668	0.0668	0.0668	0.00%
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Municipal Service District 4 Tax Levy Summary

Total Municipal Service District 4 Tax Levy	\$315,998	\$319,916	\$319,965	\$329,563	0.02%
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Summary Schedules

City of Charlotte Summary of Tax Levies Municipal Service District 5

	<u>FY2004 Actual</u>	<u>FY2005 Revised Budget</u>	<u>FY2006 Budget</u>	<u>FY2007 Budget</u>	<u>Percent Change (FY05 to FY06)</u>
Property					
Real	557,569,306	525,842,539	529,584,254	545,471,782	0.71%
Personal	68,063,847	81,691,414	80,276,323	82,684,613	-1.73%
State Certified	-	-	-	-	-
Total MSD 5 Assessed Valuation	\$625,633,153	\$607,533,953	\$609,860,577	\$628,156,394	0.38%

Municipal Service District 5 Tax Rate Per \$100 Valuation

Municipal Service District 5	0.0300	0.0300	0.0300	0.0300	0.00%
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Municipal Service District 5 Tax Levy Summary

Total Municipal Service District 5 Tax Levy	\$183,977	\$177,540	\$178,384	\$183,736	0.48%
Total MSD Revenue	\$2,023,061	\$1,933,529	\$1,931,461	\$1,989,405	-0.11%

Summary Schedules

**City of Charlotte
All Funds
Summary of Expenditures
(Net of Transfers¹)
FY 2006**

<u>FUND / ACTIVITY</u>	<u>OPERATING</u>	<u>CAPITAL</u>	<u>TOTAL</u>
General	\$ 373,191,950	\$ -	\$ 373,191,950
Water and Sewer	86,726,013	168,963,500	255,689,513
Charlotte Area Transit (CATS)	81,713,970	117,947,182	199,661,152
Aviation	72,323,852	101,736,577	174,060,429
Storm Water Utility	16,081,724	40,840,000	56,921,724
Debt Service	183,877,935		183,877,935
Powell Bill	17,821,092		17,821,092
Convention Center	11,134,130		11,134,130
Neighborhood Development Grants	8,613,948		8,613,948
Public Safety Grants	12,763,742		12,763,742
Public Safety 911 Services	4,063,267		4,063,267
SafeLight	1,500,000		1,500,000
SafeSpeed	1,312,718		1,312,718
Municipal Service Districts	1,916,767		1,916,767
Risk Management	917,687		917,687
Tourism Operating	25,000		25,000
General CIP		113,309,854	113,309,854
TOTAL BUDGET	\$ 873,983,795	\$ 542,797,113	\$ 1,416,780,908

FY 2007

<u>FUND / ACTIVITY</u>	<u>OPERATING</u>	<u>CAPITAL</u>	<u>TOTAL</u>
General	\$ 387,395,036	\$ -	\$ 387,395,036
Water and Sewer	91,344,510	79,640,000	170,984,510
Charlotte Area Transit (CATS)	90,682,869	129,321,513	220,004,382
Aviation	74,285,015	163,610,552	237,895,567
Storm Water Utility	16,097,533	24,080,000	40,177,533
Debt Service	189,566,902		189,566,902
Powell Bill	18,182,397		18,182,397
Convention Center	10,797,192		10,797,192
Neighborhood Development Grants	8,613,948		8,613,948
Public Safety Grants	12,763,742		12,763,742
Public Safety 911 Services	6,456,048		6,456,048
SafeLight	1,500,000		1,500,000
SafeSpeed	1,417,718		1,417,718
Municipal Service Districts	1,974,269		1,974,269
Risk Management	949,338		949,338
Tourism Operating	25,000		25,000
General CIP		40,807,708	40,807,708
TOTAL BUDGET	\$ 912,051,517	\$ 437,459,773	\$ 1,349,511,290

¹ 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 FY06 by the General Fund's Fire Department, which totals \$2,470,134, 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.

Summary Schedules

City of Charlotte Summary of Position Allocations By Fund

<u>Key or Support Business</u>	<u>FY2004 Actual</u>	<u>FY2005 Revised Budget</u>	<u>FY2006 Budget</u>	<u>FY2007 Budget</u>	<u>Percent Change (FY05 to FY06)</u>
Police	1,987.50	1,976.50	2,012.50	2,012.50	1.8%
Fire	1,015.00	1,082.00	1,082.00	1,082.00	0.0%
Solid Waste	255.00	247.00	239.00	239.00	-3.2%
Transportation	456.25	447.25	437.25	437.25	-2.2%
Engineering and Property Management	298.00	299.00	301.00	301.00	0.7%
Planning	58.00	58.00	61.00	61.00	5.2%
Neighborhood Development	119.00	121.00	129.00	129.00	6.6%
Mayor/Council	7.00	7.00	7.00	7.00	0.0%
City Attorney	19.50	24.50	24.50	24.50	0.0%
City Clerk	6.00	6.00	6.00	6.00	0.0%
City Manager	12.00	12.00	12.00	12.00	0.0%
Community Relations	10.00	10.00	10.00	10.00	0.0%
Corporate Communications	19.00	19.00	19.00	19.00	0.0%
Customer Service - 311 Call Center	28.00	72.00	94.00	94.00	30.6%
Economic Development	23.00	23.00	26.00	26.00	13.0%
Internal Audit	8.00	9.00	9.50	9.50	5.6%
Human Resources	32.50	32.50	32.50	32.50	0.0%
Finance	100.00	77.00	78.00	78.00	1.3%
Business Support Services	183.50	186.50	186.50	186.50	0.0%
Budget and Evaluation	13.00	13.00	13.00	13.00	0.0%
Total General Fund	4,650.25	4,722.25	4,779.75	4,779.75	1.2%
Charlotte-Mecklenburg Utilities	784.50	802.50	802.50	819.50	0.0%
Aviation	248.00	268.00	268.00	268.00	0.0%
Storm Water	77.00	84.00	92.00	92.00	9.5%
Charlotte Area Transit System	225.25	242.25	289.75	389.75	19.6%
Risk Management	23.00	25.00	25.00	25.00	0.0%
Total All Funds	6,008.00	6,144.00	6,257.00	6,374.00	1.8%

Summary Schedules

City of Charlotte All Key and Support Businesses Summary of Position Allocations

<u>Key or Support Business</u>	<u>FY2004 Actual</u>	<u>FY2005 Revised Budget</u>	<u>FY2006 Budget</u>	<u>FY2007 Budget</u>	<u>Percent Change (FY05 to FY06)</u>
Police	1,987.50	1,976.50	2,012.50	2,012.50	1.8%
Fire	1,015.00	1,082.00	1,082.00	1,082.00	0.0%
Solid Waste	255.00	247.00	239.00	239.00	-3.2%
Transportation	456.25	447.25	437.25	437.25	-2.2%
Engineering and Property Management	375.00	383.00	393.00	393.00	2.6%
Planning	58.00	58.00	61.00	61.00	5.2%
Neighborhood Development	119.00	121.00	129.00	129.00	6.6%
Mayor/Council	7.00	7.00	7.00	7.00	0.0%
City Attorney	19.50	24.50	24.50	24.50	0.0%
City Clerk	6.00	6.00	6.00	6.00	0.0%
City Manager	12.00	12.00	12.00	12.00	0.0%
Community Relations	10.00	10.00	10.00	10.00	0.0%
Corporate Communications	19.00	19.00	19.00	19.00	0.0%
Customer Service - 311 Call Center	28.00	72.00	94.00	94.00	30.6%
Economic Development	23.00	23.00	26.00	26.00	13.0%
Internal Audit	8.00	9.00	9.50	9.50	5.6%
Human Resources	32.50	32.50	32.50	32.50	0.0%
Finance	123.00	102.00	103.00	103.00	1.0%
Business Support Services	183.50	186.50	186.50	186.50	0.0%
Budget and Evaluation	13.00	13.00	13.00	13.00	0.0%
Charlotte-Mecklenburg Utilities	784.50	802.50	802.50	819.50	0.0%
Aviation	248.00	268.00	268.00	268.00	0.0%
Charlotte Area Transit System	225.25	242.25	289.75	389.75	19.6%
Total All Funds	6,008.00	6,144.00	6,257.00	6,374.00	1.8%

Summary Schedules

City of Charlotte All Funds Summary of Positions Changes (Net)

	<u>FY2004 to FY2005 Budget</u>	<u>6/30/2005 Annexation</u>	<u>FY2005 to FY2006 Budget</u>	<u>FY2006 to FY2007 Budget</u>
<u>Key or Support Business</u>				
Police	(11.00)	0.00	36.00	0.00
Fire	67.00	68.00	0.00	0.00
Solid Waste	(8.00)	5.00	(8.00)	0.00
Transportation	(9.00)	0.00	(10.00)	0.00
Engineering and Property Management	1.00	1.00	2.00	0.00
Planning	0.00	0.00	3.00	0.00
Neighborhood Development	2.00	2.00	8.00	0.00
Mayor/Council	0.00	0.00	0.00	0.00
City Attorney	5.00	0.00	0.00	0.00
City Clerk	0.00	0.00	0.00	0.00
City Manager	0.00	0.00	0.00	0.00
Community Relations	0.00	0.00	0.00	0.00
Corporate Communications	0.00	0.00	0.00	0.00
Customer Service - 311 Call Center	44.00	0.00	22.00	0.00
Economic Development	0.00	0.00	3.00	0.00
Internal Audit	1.00	0.00	0.50	0.00
Training	0.00	0.00	0.00	0.00
Human Resources	0.00	0.00	0.00	0.00
Finance	(23.00)	0.00	1.00	0.00
Business Support Services	3.00	2.00	0.00	0.00
Budget and Evaluation	0.00	0.00	0.00	0.00
Total General Fund	72.00	78.00	57.50	0.00
Charlotte-Mecklenburg Utilities	18.00	0.00	0.00	17.00
Aviation	20.00	0.00	0.00	0.00
Storm Water	7.00	0.00	8.00	0.00
Charlotte Area Transit System	17.00	0.00	47.50	100.00
Risk Management	2.00	0.00	0.00	0.00
Total All Funds	136.00	78.00	113.00	117.00

Summary Schedules

City of Charlotte General Fund Summary of Revenues

		FY2004	FY2005	FY2006	FY2007	Percent
		Actual	Revised Budget	Budget	Budget	Change (FY05 to FY06)
PROPERTY TAX						
5101	Property Tax- Current Year	\$ 211,699,540	\$ 217,092,351	\$ 227,011,765	\$ 232,687,058	4.6%
5102	Prior Year	4,373,423	4,658,543	5,515,811	5,527,010	18.4%
5103	Rebates	(2,658,981)	(1,000,000)	(2,000,000)	(2,000,000)	100.0%
5111	Penalties	313,614	631,718	650,000	650,000	2.9%
5112	Interest	1,551,966	1,624,419	1,650,000	1,700,000	1.6%
5113	Rebates of Listing Penalties	(32,265)	-	-	-	
Total		\$ 215,247,296	\$ 223,007,031	\$ 232,827,576	\$ 238,564,068	4.4%
SALES TAX 1%						
5121	Sales- County 1%	45,073,295	32,394,340	35,498,416	36,035,937	9.6%
5121	Sales- County 1/2%		11,500,000	12,946,700	12,946,700	12.6%
5121	Sales- County 1/2% - hold harmless		1,400,000	-	-	-100.0%
Total		\$ 45,073,295	\$ 45,294,340	\$ 48,445,116	\$ 48,982,637	7.0%
UTILITIES FRANCHISE TAX						
5430	Utility Franchise	27,720,718	28,900,000	29,800,000	30,700,000	3.1%
Total		\$ 27,720,718	\$ 28,900,000	\$ 29,800,000	\$ 30,700,000	3.1%
POLICE SERVICES						
5451	Law Enforcement Services- County	12,548,543	12,548,543	12,548,543	12,548,543	0.0%
5451	Law Enforcement Services- County- Prior Year	88,345	-	-	-	
5477	Small Town Service Fees	30,094	30,000	30,600	31,212	2.0%
5999	School Resource Officers- School Board	1,555,766	1,640,504	1,650,000	1,650,000	0.6%
Total		\$ 14,222,748	\$ 14,219,047	\$ 14,229,143	\$ 14,229,755	0.1%
TAX REIMBURSEMENTS						
5431	Beer & Wine Tax	2,539,994	2,561,556	2,321,386	2,391,028	-9.4%
Total		\$ 2,539,994	\$ 2,561,556	\$ 2,321,386	\$ 2,391,028	-9.4%
SOLID WASTE FEE						
5560	Refuse Disposal Fees	9,685,023	9,550,000	9,700,000	9,894,000	1.6%
5561	Rebates- Refuse Disposal Fees	(15,419)	(30,000)	(30,000)	(30,000)	0.0%
Total		\$ 9,669,603	\$ 9,520,000	\$ 9,670,000	\$ 9,864,000	1.6%
BUSINESS PRIVILEGE LICENSES						
5202	Business Privilege Licenses	9,007,858	8,600,000	11,172,000	13,747,440	29.9%
Total		\$ 9,007,858	\$ 8,600,000	\$ 11,172,000	\$ 13,747,440	29.9%
OTHER REVENUES						
Licenses and Permits						
5201	Motor Vehicle Licenses	2,076,396	2,177,765	2,221,320	2,265,747	2.0%
5332	Motor Vehicle Licenses- Rebates	(59,190)	-	(51,000)	(52,020)	
5204	Animal Licenses- Fertile	180,624	156,000	201,669	211,752	29.3%
5206	Equine Licenses	-	535	-	-	-100.0%
5209	Animal Licenses- Spay/Neuter	366,675	281,000	369,043	387,495	31.3%
5208	Fire Express Plan Review Fees	44,701	-	-	-	
5210	Fire Plan Review Fees	605,161	700,000	1,149,400	1,172,388	64.2%
5211	Vehicle Licenses- City Billed	23,550	175,000	178,500	182,070	2.0%
5212	Fire Permits- New	219,445	125,000	419,014	423,120	235.2%
5213	Fire Permits- Renewal	547,520	375,000	830,028	859,062	121.3%
5214	Tryon Mall Vendor Fees	2,490	3,000	3,060	3,121	2.0%
5215	Security Dog Licenses	270	275	275	275	0.0%
5218	Vehicle for Hire Fees and Permits	147,623	148,000	258,875	264,053	74.9%
5219	Communication Carrier Franchise Fee	-	-	-	-	
5220	Cable TV Franchise Fee	5,586,544	6,000,000	6,222,000	6,346,440	3.7%
5240	Grading Permits	1,012,737	1,117,375	1,883,891	1,921,514	68.6%
5241	KIVA	52,923	105,000	430,718	439,332	310.2%
5246	Sexually Oriented Businesses Licenses	61,970	65,000	98,933	100,912	52.2%
5613	Parking and Parade Permits	12,013	24,400	24,400	24,888	0.0%
Total		\$ 10,881,452	\$ 11,453,350	\$ 14,240,126	\$ 14,550,150	24.3%

Summary Schedules

City of Charlotte General Fund Summary of Revenues

	FY2004 <u>Actual</u>	FY2005 Revised <u>Budget</u>	FY2006 <u>Budget</u>	FY2007 <u>Budget</u>	Percent Change (FY05 to FY06)
Fines, Forfeits, and Penalties					
5222 Vehicle for Hire Penalties	8,650	3,000	3,060	3,121	2.0%
5301 Traffic Fines and Penalties	-	100	-	-	-100.0%
5305 Housing Code Violations	36,941	25,000	65,000	66,300	160.0%
5309 Security Alarm Fines	719,034	650,000	650,000	650,000	0.0%
5310 Fire Citation Fines	21,300	12,500	20,000	20,400	60.0%
5331 Privilege License Penalties	456,942	520,000	460,000	469,200	-11.5%
5335 Animal License Penalties	88,958	60,000	98,906	98,906	64.8%
5336 Litter Citations	450	-	-	-	-
5337 Animal Citation Penalties	5,126	2,000	2,000	2,000	0.0%
5340 Grading Permit Penalties	364,083	300,000	306,000	312,120	2.0%
5502 Court Costs- Superior	262,335	285,000	285,000	285,000	0.0%
5661 Court Awards- Fair Housing Settlements	(220)	200	-	-	-100.0%
5664 Court Awards- Vice & Narcotics	23,587	15,000	15,000	15,000	0.0%
Total	\$ 1,987,186	\$ 1,872,800	\$ 1,904,966	\$ 1,922,047	1.7%
Interlocal Grants and Agreements					
5442 First Responder	496,068	475,000	475,000	475,000	0.0%
5445 Procurement Services	486,662	427,324	437,149	448,353	2.3%
5447 Customer Services - 311 Call Center	317,059	250,190	1,242,508	1,279,172	396.6%
5458 CMGC Occupancy	999,626	600,770	617,898	631,014	2.9%
5459 Recycling	8,992	50,500	9,000	9,000	-82.2%
5460 Corporate Communications Services	7,555	18,000	8,000	8,500	-55.6%
5461 CMGC Phone Costs- County	554,253	625,602	651,612	670,400	4.2%
Total	\$ 2,870,215	\$ 2,447,386	\$ 3,441,167	\$ 3,521,439	40.6%
Federal and State Shared Revenues					
5470 Federal Grants	407,406	278,534	167,961	167,861	-39.7%
5471 State Grants- DOT	243,692	1,100,000	1,100,000	1,100,000	-
5471 State Grants- CRC	64,262	179,649	74,540	75,821	-58.5%
5471 State Grants- Misc	1,012,553	-	-	-	-
5450 ABC Stores Revenue	1,430,641	1,932,537	2,307,530	2,376,755	19.4%
Total	\$ 3,158,553	\$ 3,490,719	\$ 3,650,031	\$ 3,720,437	4.6%
General Government					
5245 County Plan Review	-	-	1,084,841	1,118,134	-
5414 Wireless Communications	1,148,420	1,068,528	1,093,141	1,099,262	2.3%
5503 Zoning Petition Filing Fees	223,051	642,000	256,231	261,356	-60.1%
5503 Right of Way User Fees	-	60,330	-	-	-100.0%
5504 Annexation Fees	-	400	1,208	1,232	202.0%
5506 Subdivision Services - DOT	(1,315)	78,080	453,783	462,859	481.2%
5506 Subdivision Services - EPM	-	71,500	1,794,350	1,828,828	2409.6%
5506 Subdivision Services- PLAN	875,790	789,100	280,855	281,627	-64.4%
5508 Sale of Maps	46,478	40,000	40,800	41,616	2.0%
5550 Equipment Mgmt Svcs- Fleet	2,763	2,000	2,040	2,081	2.0%
5555 Procurement Professional Services	22,520	-	30,000	30,000	-
5576 Citylife Fees	19,679	-	-	-	-
5596 Tree Planting	17,568	25,000	25,500	26,010	2.0%
5599 Park It! Program Fees	1,794,336	1,819,908	1,887,906	1,923,664	3.7%
5603 Parking Garage Fees	970,602	939,061	1,001,112	1,021,134	6.6%
5688 Parking Fees- Independence Center	372,336	350,000	373,000	380,460	-
5604 Rent Revenue	725,485	600,000	733,214	733,450	22.2%
Total	\$ 6,217,713	\$ 6,485,907	\$ 9,057,981	\$ 9,211,714	39.7%

Summary Schedules

City of Charlotte General Fund Summary of Revenues

		FY2004	FY2005	FY2006	FY2007	Percent
		<u>Actual</u>	<u>Revised</u> <u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Change</u> <u>(FY05 to</u> <u>FY06)</u>
Public Safety						
5478	State Reimb for Services Provided- DOT	\$ 575,655	\$ 400,000	\$ 754,620	\$ 754,620	88.7%
5478	State Reimb for Services Provided- EPM	-	287,000	198,750	198,750	-30.7%
5478	State Reimb for Services Provided- Fire	88,893	125,912	125,912	125,912	0.0%
5513	CMPD- Fingerprint Reports	91,192	90,000	91,800	93,636	2.0%
5514	Underbrush and Debris Removal	93,951	50,000	105,000	105,000	110.0%
5515	Demolition- Clearing	79,231	40,000	40,800	41,616	2.0%
5516	Sale of Animals	78,216	65,429	85,700	87,414	31.0%
5518	Utility Street Cuts	1,828,313	1,700,000	1,900,000	1,995,000	11.8%
5529	Spay/Neuter Fees	89,033	90,000	96,783	96,783	7.5%
5542	Vehicle Towing and Storage	56,766	60,000	61,200	62,424	2.0%
5544	Animal Reclaim Fees	139,192	110,000	166,213	169,537	51.1%
5627	Dead Animal Collection	6,852	7,140	7,000	7,140	-2.0%
Total		\$ 3,127,293	\$ 3,025,481	\$ 3,633,778	\$ 3,737,832	20.1%
Cemeteries						
5530	Sale of Cemetery Lots	112,450	100,000	97,500	99,450	-2.5%
5531	Care of Lots	600	-	8,095	8,257	
5532	Grave Digging	251,586	260,000	260,791	266,007	0.3%
5533	Duplicate Deeds and Transfer Fees	350	350	350	357	0.0%
5534	Monument Foundation	50,228	40,000	34,540	35,231	-13.7%
5535	Perpetual Care	10,200	11,000	9,100	9,282	-17.3%
Total		\$ 425,414	\$ 411,350	\$ 410,376	\$ 418,584	-0.2%
Use of Money and Property						
5608	Interest on Liens	17,327	80,000	50,000	55,000	-37.5%
5609	Grounds Maintenance	14,572	11,000	11,220	11,444	2.0%
5614	CRC Events	40,838	45,000	45,000	45,000	0.0%
5624	Damage to City-Owned Equipment	414,653	260,000	300,000	300,000	15.4%
5625	Accident Reimbursement Program	43,055	40,000	44,000	44,500	10.0%
5648	Recovery of Losses	7,888	7,500	7,650	7,803	2.0%
5643	Telephone Commissions	49,705	80,000	55,000	56,100	-31.3%
Total		\$ 588,039	\$ 523,500	\$ 512,870	\$ 519,847	-2.0%
Sale of Salvage and Land						
5622	Sale of Land	8,300	10,000	10,000	10,000	0.0%
5660	Sale of Salvage	63,570	42,000	42,840	43,697	2.0%
5662	Sale of Used Autos	959,126	650,000	950,000	650,000	46.2%
Total		\$ 1,030,996	\$ 702,000	\$ 1,002,840	\$ 703,697	42.9%
Other						
5000	Miscellaneous Grants and Contributions	-	200,000	300,000	300,000	50.0%
5668	Contrib/Donations- CMPI	12,935	-	-	-	
5668	Contrib/Donations- CRC	228,521	195,307	69,450	-	-64.4%
5668	Contrib/Donations- MUMPO	80,065	81,200	78,485	80,609	-3.3%
5668	Contrib/Donations- SBD Self Help Loan Funds	362,500	62,500	-	-	-100.0%
5668	Contrib/Donations- Misc	48,507	-	-	-	
5646	Reimb City Svcs- Manager's Office	62,026	42,759	26,970	27,914	-36.9%
5646	Reimb City Svcs- EPM	20,000	20,000	30,600	31,218	53.0%
5646	Reimb City Svcs- Fire	7,500	36,000	-	-	-100.0%
5646	Reimb City Svcs- Training	-	14,000	5,000	5,000	-64.3%
5646	Reimb City Svcs- Misc	-	-	12,700	12,700	
5640	Refunds of State Gas Taxes	107	-	-	-	
5669	Other Revenue	886,698	719,465	799,869	816,000	11.2%
Total		\$ 1,708,858	\$ 1,371,231	\$ 1,323,074	\$ 1,273,441	-3.5%
Total Other Revenues		\$ 31,995,718	\$ 31,783,724	\$ 39,177,209	\$ 39,579,188	23.3%

Summary Schedules

City of Charlotte General Fund Summary of Revenues

	FY2004 <u>Actual</u>	FY2005 <u>Revised Budget</u>	FY2006 <u>Budget</u>	FY2007 <u>Budget</u>	Percent Change (FY05 to FY06)
TRANSFERS AND FUND BALANCE					
Transferred Revenues					
5123 Occupancy Taxes- CCVB	\$ 2,406,596	\$ 2,410,193	\$ 2,491,181	\$ 2,589,829	3.4%
5601 Interest on Investments- Debt Svc	762,561	2,640,000	2,875,000	3,105,000	8.9%
Total	\$ 3,169,157	\$ 5,050,193	\$ 5,366,181	\$ 5,694,829	6.3%
Intragovernmental Revenues					
5421 Cost Allocation- Storm Water	676,023	768,946	785,064	800,765	2.1%
5422 Cost Allocation- Water and Sewer	3,149,359	3,263,049	3,290,008	3,355,808	0.8%
5423 Cost Allocation- Aviation	1,374,176	1,432,510	1,451,357	1,480,384	1.3%
5424 Fire Control Services- Aviation	2,316,521	2,414,819	2,470,134	2,670,873	2.3%
5425 Account Services- Storm Water	-	389,564	395,606	403,518	1.6%
5425 Account Services- Storm Water	1,668,775	1,223,955	1,145,765	1,168,680	-6.4%
5426 Account Services- Utilities	1,203,351	1,440,901	1,414,469	1,442,758	-1.8%
5426 Account Services- Utilities	3,633,672	2,723,080	3,017,845	3,078,202	10.8%
5427 Cost Allocation- Radio	83,958	42,170	43,013	43,874	2.0%
5428 Cost Allocation- CATS	1,808,987	2,689,106	2,549,247	2,600,232	-5.2%
5429 Cost Allocation- Risk Management	293,921	317,919	312,514	318,765	-1.7%
Total	\$ 16,208,743	\$ 16,706,019	\$ 16,875,023	\$ 17,363,860	1.0%
Transfers from Other Funds					
5695 Cemetery Trust	61,952	120,000	120,000	120,000	0.0%
5695 CIP- Real Estate	499,040	-	-	-	-
5695 Municipal Debt Service- CRVA	35,000	35,000	35,000	35,000	0.0%
5695 Municipal Debt Service- Debt Mgr reimbursemt	-	-	12,911	13,143	-
5695 Neighborhood Development Grants	213,319	-	-	-	-
5695 Convention Center Tax- Towns' Tourism Subsidy	1,177,050	1,235,843	1,433,000	1,947,000	16.0%
5695 Public Safety Grants Fund	113,003	-	-	-	-
5695 Winter Storm 2002 Fund	1,035,804	-	-	-	-
5695 Self Insurance Risk Loss Fund	-	-	1,500,000	-	-
Total	\$ 3,135,168	\$ 1,390,843	\$ 3,100,911	\$ 2,115,143	123.0%
Appropriated Fund Balance					
4137 Fund Balance- Assets Forfeiture	-	470,042	-	-	-100.0%
4110 Fund Balance- Animal Control Kennels	-	39,000	-	-	-100.0%
4110 Fund Balance- Prior Year Correction	-	340,647	-	-	-100.0%
4110 Fund Balance- Annexation	-	1,947,930	1,472,077	616,033	-24.4%
4110 Fund Balance- FY07 revenue shortfall	-	-	-	1,397,183	-
Total	\$ -	\$ 2,797,619	\$ 1,472,077	\$ 2,013,216	-47.4%
Total (Transfers and Fund Balance)	\$ 22,513,069	\$ 25,944,674	\$ 26,814,192	\$ 27,187,048	3.4%
Total General Fund Revenues	\$ 377,990,301	\$ 389,830,372	\$ 414,456,622	\$ 425,245,163	6.3%

Summary Schedules

City of Charlotte General Fund

Summary of Expenditures

<u>Key or Support Business</u>	<u>FY2004 Actual</u>	<u>FY2005 Revised Budget</u>	<u>FY2006 Budget</u>	<u>FY2007 Budget</u>	<u>Percent Change (FY05 to FY06)</u>
Police	\$ 137,387,938	\$ 146,477,171	\$ 155,657,818	\$ 161,718,275	6.3%
Fire	67,019,548	72,031,831	77,196,770	80,097,568	7.2%
Solid Waste	34,066,947	35,977,190	39,395,062	40,868,124	9.5%
Transportation	18,701,338	19,464,174	21,439,365	21,846,392	10.1%
Engineering & Property Management	17,143,577	16,709,162	17,863,559	18,767,746	6.9%
Neighborhood Development	5,985,505	6,184,307	7,070,049	7,262,941	14.3%
Planning	3,861,878	4,490,517	4,827,405	5,025,968	7.5%
Mayor and Council	1,048,410	1,016,948	1,052,140	1,067,995	3.5%
City Attorney	1,292,398	1,425,746	1,471,495	1,503,435	3.2%
City Clerk	440,296	500,422	503,323	512,664	0.6%
City Manager	8,355,749	9,078,165	9,678,908	10,041,880	6.6%
Human Resources	3,311,869	3,516,200	3,089,803	3,201,253	-12.1%
Finance	7,939,468	7,791,345	8,059,095	8,391,372	3.4%
Business Support Services	14,432,156	14,439,851	14,691,090	14,972,774	1.7%
Budget and Evaluation	1,157,533	1,216,432	1,220,875	1,254,406	0.4%
Non-Departmentals	50,508,285	49,510,911	51,239,865	48,712,370	3.5%
Total					
General Fund Expenditures	\$ 372,652,895	\$ 389,830,372	\$ 414,456,622	\$ 425,245,163	6.3%

Summary of Positions

<u>Key or Support Business</u>	<u>FY2004 Actual</u>	<u>FY2005 Revised Budget</u>	<u>FY2006 Budget</u>	<u>FY2007 Budget</u>	<u>Percent Change FY04 to FY05</u>
Police	1987.50	1976.50	2012.50	2012.50	1.8%
Fire	1015.00	1082.00	1082.00	1082.00	0.0%
Solid Waste	255.00	247.00	239.00	239.00	-3.2%
Transportation	456.25	447.25	437.25	437.25	-2.2%
Engineering & Property Management	298.00	299.00	301.00	301.00	0.7%
Planning	58.00	58.00	61.00	61.00	5.2%
Neighborhood Development	119.00	121.00	129.00	129.00	6.6%
Mayor and Council	7.00	7.00	7.00	7.00	0.0%
City Attorney	19.50	24.50	24.50	24.50	0.0%
City Clerk	6.00	6.00	6.00	6.00	0.0%
City Manager	12.00	12.00	12.00	12.00	0.0%
Community Relations	10.00	10.00	10.00	10.00	0.0%
Corporate Communications	19.00	19.00	19.00	19.00	0.0%
Customer Service - 311 Call Center	28.00	72.00	94.00	94.00	30.6%
Economic Development	23.00	23.00	26.00	26.00	13.0%
Internal Audit	8.00	9.00	9.50	9.50	5.6%
Human Resources	32.50	32.50	32.50	32.50	0.0%
Finance	100.00	77.00	78.00	78.00	1.3%
Business Support Services	183.50	186.50	186.50	186.50	0.0%
Budget and Evaluation	13.00	13.00	13.00	13.00	0.0%
Total					
General Fund Positions	4,650.25	4,722.25	4,779.75	4,779.75	1.2%

Summary Schedules

City of Charlotte Water and Sewer Operating Fund Summary of Revenues and Expenditures

	<u>FY2004</u> <u>Actual</u>	<u>FY2005</u> <u>Revised</u> <u>Budget</u>	<u>FY2006</u> <u>Budget</u>	<u>FY2007</u> <u>Budget</u>	<u>Percent</u> <u>Change</u> <u>(FY04 to</u> <u>FY05</u>
<u>Operating Revenues</u>					
Variable Rate Revenues	\$ 132,912,949	\$ 150,059,581	\$ 166,399,291	\$ 182,154,361	10.9%
Fixed Rate Revenues	7,364,872	7,637,692	8,379,563	8,619,153	9.7%
Specific Service and Capacity Charges	21,218,043	20,012,120	20,402,710	20,528,100	2.0%
Industrial Waste Surcharge	2,822,887	3,394,880	3,488,373	3,603,452	2.8%
Other	1,220,028	871,670	621,594	621,594	-28.7%
Interest on Investments	(51,115)	1,674,604	1,875,000	2,025,000	12.0%
Total Revenues	\$ 165,487,664	\$ 183,650,547	\$ 201,166,531	\$ 217,551,660	9.5%
<u>Operating Expenditures</u>					
Personal Services	\$ 34,431,648	\$ 43,162,829	\$ 44,182,276	\$ 47,057,717	2.4%
Operating Expense	29,691,063	36,015,389	39,953,443	41,319,386	10.9%
Capital Outlay	72,604	59,000	165,707	87,293	180.9%
Non-Departmental	12,559,938	13,225,895	13,265,218	13,946,654	0.3%
Departmental Charges	(9,086,999)	(10,640,461)	(10,840,631)	(11,066,540)	1.9%
Total Operating Expenditures	\$ 67,668,254	\$ 81,822,652	\$ 86,726,013	\$ 91,344,510	6.0%
Debt Service Support	\$ 86,117,594	\$ 91,508,400	\$ 103,634,000	\$ 110,680,000	13.3%
Capital Investment Plan Support	\$ 6,250,000	\$ 7,750,000	\$ 7,950,000	\$ 7,750,000	2.6%
Total Expenditures	\$ 160,035,849	\$ 181,081,052	\$ 198,310,013	\$ 209,774,510	9.5%
Reserved for Future Years	\$ 5,451,815	\$ 2,569,495	\$ 2,856,518	\$ 7,777,150	11.2%

Summary Schedules

City of Charlotte Charlotte Area Transit Service (CATS) Summary of Operating Revenues and Expenditures

	FY2004	FY2005	FY2006	FY2007	Change
	<u>Actual</u>	<u>Revised Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>(FY05 to FY06)</u>
<u>Operating Revenues</u>					
Half-Percent Sales Tax	\$ 53,876,974	\$ 54,169,032	\$ 59,682,218	\$ 62,666,329	10.2%
Maintenance of Effort - Charlotte	18,400,000	18,400,000	18,400,000	18,400,000	0.0%
Maintenance of Effort - Mecklenburg	181,866	181,866	181,866	181,866	0.0%
Maintenance of Effort - Huntersville	17,500	17,500	17,500	17,500	0.0%
Operating Assistance	12,549,729	13,415,733	13,466,712	15,062,459	0.4%
Fares	9,952,655	10,881,475	13,638,793	14,765,784	25.3%
Service Reimbursements	1,115,705	1,004,725	881,346	901,038	-12.3%
Other Miscellaneous Income	446,349	350,000	350,000	450,000	0.0%
Interest on Investments	(473,039)	4,000,000	1,150,000	1,150,000	-71.3%
Total Operating Revenues	\$ 96,067,739	\$ 102,420,331	\$ 107,768,435	\$ 113,594,976	5.2%
<u>Operating Expenditures</u>					
Planning, Communication and Management	\$ 3,962,836	\$ 3,701,371	\$ 5,702,438	\$ 6,606,365	54.1%
City Staff Support	1,923,883	2,893,736	3,091,216	3,241,267	6.8%
Community and Town Circulators	1,167,941	1,067,962	1,201,145	1,252,162	12.5%
Special Transportation Service	4,625,159	5,373,007	6,041,623	6,316,575	12.4%
Bus Operations Division	43,737,544	45,368,065	53,287,369	53,255,774	17.5%
Light Rail Operations			1,503,303	7,194,600	-
Historic Trolley (Rail) Service	737,220	1,204,788	982,064	998,720	-18.5%
Customer Service Division	1,540,821	1,852,896	2,004,556	2,247,411	8.2%
Transit Center Operations	1,730,920	1,649,700	547,000	537,850	-66.8%
Operations Services Division	1,150,563	1,986,779	2,638,161	3,160,651	32.8%
Transit Security	125,654	190,547	2,110,051	3,174,123	1007.4%
Vanpool Division	486,831	696,041	549,164	579,815	-21.1%
County Human Resource Transportation	1,390,609	2,096,000	2,055,880	2,117,556	-1.9%
Sub-total Operating	\$ 62,579,981	\$ 68,080,892	\$ 81,713,970	\$ 90,682,869	20.0%
Debt Service Support	\$ 3,080,705	\$ 9,296,475	\$ 17,939,219	\$ 17,466,268	93.0%
Capital Investment Plan Support	\$ 30,407,053	\$ 25,042,964	\$ 8,115,246	\$ 5,445,839	-67.6%
Total Expenditures	\$ 96,067,739	\$ 102,420,331	\$ 107,768,435	\$ 113,594,976	5.2%

Summary Schedules

City of Charlotte Aviation Operating Funds Summary of Revenues and Expenditures

	FY2004 <u>Actual</u>	FY2005 Revised <u>Budget</u>	FY2006 <u>Budget</u>	FY2007 <u>Budget</u>	Percent Change (FY05 to <u>FY06</u>)
<u>Operating Revenues</u>					
Concessions	\$ 21,536,956	\$ 21,512,000	\$ 21,600,000	\$ 21,600,000	0.4%
Parking	18,210,328	15,150,000	20,200,000	20,400,000	33.3%
Terminal	23,579,251	21,824,080	22,349,378	22,592,461	2.4%
Airfield Usage	11,511,078	12,000,000	11,775,000	11,775,000	-1.9%
Cargo Area and Ground Rents	5,218,007	6,565,000	23,800,160	23,871,161	262.5%
Other	3,910,910	3,781,945	3,194,744	3,250,222	-15.5%
Interest on Investments	(230,227)	2,600,000	2,064,753	2,085,400	-20.6%
Contrib. from Reimbursement Agreement	-	650,030	-	-	-100.0%
Total Operating Revenues	\$ 83,736,303	\$ 84,083,055	\$ 104,984,035	\$ 105,574,244	24.9%
Passenger Facility Charge (PFC)	\$0	\$0	\$ 12,104,668	\$ 12,104,668	
Total Revenues	\$ 83,736,303	\$ 84,083,055	\$ 117,088,703	\$ 117,678,912	39.3%
<u>Operating Expenditures</u>					
Airport Operations	12,168,394	15,455,413	16,991,379	17,905,816	9.9%
Airport Capital Project Planning, Design and Construction	8,748,519	11,134,293	28,400,694	28,532,303	155.1%
Airport Maintenance	18,849,082	23,920,552	26,931,779	27,846,896	12.6%
Total Operating	\$ 39,765,995	\$ 50,510,258	\$ 72,323,852	\$ 74,285,015	43.2%
Discretionary and Debt Support	35,337,970	33,572,797	44,764,851	43,393,897	33.3%
Total Expenditures	\$ 75,103,965	\$ 84,083,055	\$ 117,088,703	\$ 117,678,912	39.3%
Reserved for Future Years	\$ 8,632,337	\$ -	\$ -	\$ -	

Summary Schedules

City of Charlotte Storm Water Fund Summary of Revenues and Expenses

	<u>FY2004</u> <u>Actual</u>	<u>FY2005</u> <u>Revised</u> <u>Budget</u>	<u>FY2006</u> <u>Budget</u>	<u>FY2007</u> <u>Budget</u>	<u>Percent</u> <u>Change</u> <u>(FY05 to</u> <u>FY06)</u>
<u>Revenues-Operating</u>					
Impervious Fee- City	\$ 4,911,819	\$ 5,280,524	\$ 5,676,563	\$ 6,073,923	7.5%
Impervious Fee- Other	22,728,617	23,452,893	26,070,199	28,680,803	11.2%
Interest on Investments	(24,241)	431,002	473,145	474,604	9.8%
Other- Miscellaneous	34,686				
Total Revenues	\$ 27,650,881	\$ 29,164,419	\$ 32,219,907	\$ 35,229,330	10.5%
Fund Balance		\$ 1,229,888	\$ 2,868,317	\$ 353,203	133.2%
Total Revenues and Fund Balance	\$ 27,650,881	\$ 30,394,307	\$ 35,088,224	\$ 35,582,533	15.4%
<u>Expenditures</u>					
Operating Budget	\$ 10,911,178	\$ 16,168,307	\$ 16,055,224	\$ 16,097,533	-0.7%
Transfer to Storm Water- Capital Project Fund	6,300,000	8,000,000	11,800,000	9,800,000	47.5%
Transfer to Storm Water- Debt Service Fund	4,708,249	6,226,000	7,233,000	9,685,000	16.2%
Total Expenditures	\$ 21,919,427	\$ 30,394,307	\$ 35,088,224	\$ 35,582,533	15.4%
Reserved for Future Years	\$ 5,731,454	\$ -	\$ -	\$ -	

Summary Schedules

City of Charlotte Municipal Debt Service Fund Summary of Revenues and Expenditures

	FY2004	FY2005	FY2006	FY2007	Percent
	Actual	Revised Budget	Budget	Budget	Change (FY05 to FY06)
Revenues					
Property Tax	\$ 33,174,566	\$ 29,128,211	\$ 30,362,514	\$ 31,118,179	4.2%
Sales Tax	9,023,174	9,141,856	9,377,824	9,377,824	2.6%
State Reimbursements	336,902	336,713	336,910	-	0.1%
Interest on Investments	971,730	2,805,000	2,749,000	3,083,000	-2.0%
Interest Transferred from Other Funds					
General	1,830,461	2,640,000	2,875,000	3,105,000	8.9%
Other	1,510,339	2,171,483	750,000	810,000	-65.5%
Contribution from Other Funds					
General- Equipment and CMGC	13,226,117	13,645,869	14,595,404	10,921,653	7.0%
General- Public Safety Communications	1,511,226	1,511,226	1,532,386	1,530,747	1.4%
Powell Bill		-	603,634	874,034	
Public Safety Grants- Helicopter			336,910		
County Share- CMGC and Park and Rec L/P	1,237,209	1,203,379	1,184,000	1,167,200	-1.6%
Contribution from Charlotte Regional Visitors Authority	323,798				
Proceeds from the Sale of Debt			117,000	366,000	
Proceeds from Refundings	21,007,471	10,800,000	-	115,500,000	-100.0%
Proceeds from Bonds	2,101,040				
Other	530,778	659,849	688,340	1,104,110	4.3%
Total Revenues	\$ 86,784,811	\$ 74,043,586	\$ 65,508,922	\$ 178,957,747	-11.5%
Fund Balance	\$ 3,957,460	\$ 3,928,914	\$ 1,351,989	\$ 2,759,396	-65.6%
Total Revenues and Fund Balance	\$ 90,742,271	\$ 77,972,500	\$ 66,860,911	\$ 181,717,143	-14.3%
Operating Expenditures					
Bond Retirement	\$ 28,087,348	\$ 25,189,900	\$ 23,885,000	\$ 139,658,000	-5.2%
Interest on Bonds	19,892,854	22,972,600	20,666,000	23,008,000	-10.0%
Bond Issue Expense	131,861	250,000	150,000	550,000	-40.0%
Payment to Bond Refunding Agent	22,992,568	10,800,000	-	-	-100.0%
Lease Purchase Agreements- Principal	14,080,647	14,875,000	15,992,000	13,314,000	7.5%
Lease Purchase Agreements- Interest	3,736,202	3,600,000	4,645,000	4,639,000	29.0%
Bank Charges and Other	260,290	250,000	500,000	500,000	100.0%
Contribution to General Fund- CRVA	35,000	35,000	35,000	35,000	0.0%
Contribution to General Fund- Asst Debt Mgr			12,911	13,143	
Contribution to General Capital Improvement Fund			975,000		
Contribution to CATS Debt Service Fund	254,781				
Loan to Charlotte Regional Visitors Authority	1,270,720				
Total Expenditures	\$ 90,742,271	\$ 77,972,500	\$ 66,860,911	\$ 181,717,143	-14.3%

Summary Schedules

City of Charlotte Consolidated Water and Sewer Debt Service Funds Summary of Revenues and Expenditures

	<u>FY2004</u> <u>Actual</u>	<u>FY2005</u> <u>Revised</u> <u>Budget</u>	<u>FY2006</u> <u>Budget</u>	<u>FY2007</u> <u>Budget</u>	<u>Percent</u> <u>Change</u> <u>(FY05 to</u> <u>FY06)</u>
<u>Operating Revenues</u>					
Contribution from Water and Sewer Operating Fund	\$ 86,117,594	\$ 89,308,400	\$ 101,759,000	\$ 108,655,000	13.9%
Interest on Investments	1,098,397	841,600	824,000	824,000	-2.1%
Proceeds from Sale of Bonds	3,666,145	-		400,000,000	
Proceeds from Refunding	37,070,000				
Interest Transferred from Other Funds					
Water and Sewer Operating		2,200,000	1,875,000	2,025,000	-14.8%
CIP and Other	1,390,379	1,196,000	425,000	450,000	-64.5%
Total Revenues	\$ 129,342,515	\$ 93,546,000	\$ 104,883,000	\$ 511,954,000	12.1%
<u>Operating Expenditures</u>					
Bond Retirement	\$ 37,000,689	\$ 37,700,000	\$ 41,797,000	\$ 444,582,000	10.9%
Interest on Bonds	47,096,298	48,336,000	52,515,000	54,333,000	8.6%
Bank Charges	605,595	825,000	525,000	525,000	-36.4%
Cost of Issuance	167,706			1,025,000	
Refunding Bond Escrow Agent	40,572,922				
Equipment Lease-Purchase	3,906,891	5,212,000	8,660,000	10,144,000	66.2%
Small Town Debt Service		1,473,000	1,386,000	1,345,000	-5.9%
Total Expenditures	\$ 129,350,101	\$ 93,546,000	\$ 104,883,000	\$ 511,954,000	12.1%

Summary Schedules

City of Charlotte Aviation Debt Service Funds - Consolidated Summary of Revenues and Expenditures

	FY2004 <u>Actual</u>	FY2005 Revised <u>Budget</u>	FY2006 <u>Budget</u>	FY2007 <u>Budget</u>	Percent Change (FY05 to FY06)
<u>Operating Revenues</u>					
Contribution from Aviation Operating & PFC Fund	\$ 27,992,162	\$ 27,171,318	\$ 37,828,053	\$ 38,408,086	39.2%
Contribution from Airlines	8,266,550	11,167,150	8,240,350	7,530,250	-26.2%
Proceeds from Sale of Debt	-	5,010,782			-100.0%
Interest on Investments	888,184	1,202,300	1,078,850	1,078,850	-10.3%
Transferred from Capital Project Fund	15,548	3,317,025			-100.0%
Total Revenues	\$ 37,162,444	\$ 47,868,575	\$ 47,147,253	\$ 47,017,186	-1.5%
Fund Balance	\$ 5,950,566	\$ 8,000,753	\$ -	\$ -	-100.0%
Total Revenues and Fund Balance	\$ 43,113,010	\$ 55,869,328	\$ 47,147,253	\$ 47,017,186	-15.6%
<u>Operating Expenditures</u>					
Bond Retirement	\$ 13,472,748	\$ 20,161,730	\$ 11,407,187	\$ 12,418,610	-43.4%
Interest on Bonds	26,463,389	25,295,120	33,906,216	32,719,726	34.0%
Fees	715,956	843,800	830,000	830,000	-1.6%
Transfers to Operating Fund	1,246,314	1,473,500	1,003,850	1,048,850	-31.9%
Cost of Bond Sale	-	5,000,000	-	-	-100.0%
Total Expenditures	\$ 41,898,407	\$ 52,774,150	\$ 47,147,253	\$ 47,017,186	-10.7%
Reserved for Future Years	\$ 1,214,603	\$ 3,095,178	\$ -	\$ -	-100.0%

Summary Schedules

City of Charlotte Convention Center Debt Service Fund Summary of Revenues and Expenditures

	<u>FY2004</u> <u>Actual</u>	<u>FY2005</u> <u>Revised</u> <u>Budget</u>	<u>FY2006</u> <u>Budget</u>	<u>FY2007</u> <u>Budget</u>	<u>Percent</u> <u>Change</u> <u>(FY05 to</u> <u>FY06)</u>
<u>Revenues</u>					
Contribution from Convention Center					
Tax Fund	\$ 14,821,341	\$ 16,019,200	\$ 16,110,000	\$ 16,111,000	0.6%
Interest on Investments	326,359	99,000			-100.0%
Premium on Sale of Debt	6,234,499	-			
Proceeds from Sale of COPS	126,580,000	-			
Total Revenues	\$ 147,962,199	\$ 16,118,200	\$ 16,110,000	\$ 16,111,000	-0.1%
Fund Balance	\$ 8,923,580	\$ -	\$ -	\$ -	
Total Revenues and Fund Balance	\$ 156,885,779	\$ 16,118,200	\$ 16,110,000	\$ 16,111,000	-0.1%
<u>Expenditures</u>					
Bond Retirement	\$ 6,295,000	\$ 4,126,000	\$ 4,682,000	\$ 4,616,000	13.5%
Interest on Bonds	4,849,536	11,957,200	11,393,000	11,460,000	-4.7%
Payment to Refunding Escrow Agent	145,347,137	-	-	-	
Cost of COPS Sale	394,106	-	-	-	
Other		35,000	35,000	35,000	0.0%
Total Expenditures	\$ 156,885,779	\$ 16,118,200	\$ 16,110,000	\$ 16,111,000	-0.1%
Reserved for Future Years	\$ -	\$ -	\$ -	\$ -	

Summary Schedules

City of Charlotte Storm Water Debt Service Fund Summary of Revenues and Expenditures

	FY04	FY05	FY06	FY07	Percent
	Actual	Revised	Budget	Budget	Change
		Budget			FY05 to FY06
Revenues					
Contribution from Storm Water Operating	\$ 4,708,249	\$ 6,226,000	\$ 7,233,000	\$ 9,685,000	16.2%
Proceeds from Sale of Bonds	642,529	600,000	-	600,000	-100.0%
Debt Sale Premium	60,716				
Interest on Investments	21,329	-	-	-	
Total Revenues	\$ 5,432,822	\$ 6,826,000	\$ 7,233,000	\$ 10,285,000	6.0%
Expenditures					
Bond Retirement	\$ 1,905,615	\$ 2,003,000	\$ 2,111,000	\$ 3,266,000	5.4%
Interest on Bonds	2,815,316	4,198,000	5,097,000	6,394,000	21.4%
Cost of Sale	-	600,000	-	600,000	
Payment to Refunding Escrow Agent	703,244	-	-	-	
Fees	8,448	25,000	25,000	25,000	0.0%
Total Expenditures	\$ 5,432,623	\$ 6,826,000	\$ 7,233,000	\$ 10,285,000	6.0%
Restricted for Future Years	\$ 199	\$ -	\$ -	\$ -	

Summary Schedules

City of Charlotte CATS Debt Service Fund Summary of Revenues and Expenditures

	<u>FY2004</u> <u>Actual</u>	<u>FY2005</u> <u>Revised</u> <u>Budget</u>	<u>FY2006</u> <u>Budget</u>	<u>FY2007</u> <u>Budget</u>	<u>Percent</u> <u>Change</u> <u>(FY05 to</u> <u>FY06)</u>
<u>Operating Revenues</u>					
Transfers from Other Funds	\$ 2,255,069	\$10,889,544	\$18,028,269	\$20,182,726	65.6%
Sale of Debt	2,787,217	3,360,000	1,700,000		-49.4%
Interest on Investments	1,469,692	24,000	-	-	-100.0%
Total Revenues	\$ 6,511,978	\$14,273,544	\$19,728,269	\$20,182,726	38.2%
Fund Balance		\$ 1,972,422			
Total Revenues and Fund Balance	\$ 6,511,978	\$16,245,966	\$19,728,269	\$20,182,726	21.4%
<u>Operating Expenditures</u>					
Bond Retirement	\$ 1,311,349	\$ 4,170,000	\$ 4,625,000	\$ 4,557,000	10.9%
Interest on Bonds	2,024,137	8,690,966	13,293,269	15,440,726	53.0%
Cost of Sale	875,750	3,360,000	1,700,000		-49.4%
Fees	17,627	25,000	110,000	185,000	340.0%
Total Expenditures	\$ 4,228,863	\$16,245,966	\$19,728,269	\$20,182,726	21.4%
Reserved for Future Years	\$ 2,283,115	\$ -	\$ -	\$ -	

Summary Schedules

City of Charlotte Tourism Debt Service Fund Summary of Revenues and Expenditures

	FY2004	FY2005	FY2006	FY2007	Percent
	<u>Actual</u>	<u>Revised</u>	<u>Budget</u>	<u>Budget</u>	<u>Change</u>
<u>Revenues</u>		<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>(FY05 to</u>
					<u>FY06)</u>
Contribution from Other Funds:					
Tourism Operating Fund	\$ 40,000	\$ 40,000	\$ 40,000	\$ 8,980,160	0.0%
Debt Proceeds	19,350,768		3,141,513	2,465,440	
Interest on Investments	239,611	250,000	180,000	-	-28.0%
Other	490,062				
Total Revenues	\$ 20,120,441	\$ 290,000	\$ 3,361,513	\$ 11,445,600	1059.1%
Fund Balance	\$ -	\$ 8,012,000	\$ 8,084,087	\$ -	0.9%
Total Revenues and Fund Balance	\$ 20,120,441	\$ 8,302,000	\$ 11,445,600	\$ 11,445,600	37.9%
<u>Expenditures</u>					
Debt Retirement	\$ -	\$ -	\$ -	\$ -	
Interest on Debt	5,651,900	8,152,000	11,295,600	11,295,600	38.6%
Cost of Sale	1,368,229	-			
Bank Charges and Other	82,226	150,000	150,000	150,000	0.0%
Total Expenditures	\$ 7,102,355	\$ 8,302,000	\$ 11,445,600	\$ 11,445,600	37.9%
Reserved for Future Years	\$ 13,018,086	\$ -	\$ -	\$ -	

Summary Schedules

City of Charlotte

Powell Bill Fund

Summary of Revenues and Expenditures

	<u>FY2004</u> <u>Actual</u>	<u>FY2005</u> <u>Revised</u> <u>Budget</u>	<u>FY2006</u> <u>Budget</u>	<u>FY2007</u> <u>Budget</u>	<u>Percent</u> <u>Change</u> <u>(FY05 to</u> <u>FY06)</u>
<u>Revenues - Operating</u>					
State Gas Tax Refund	\$ 15,767,330	\$ 17,800,000	\$ 19,062,000	\$ 19,779,000	7.1%
Interest on Investments	149,008	600,000	500,000	500,000	-16.7%
Other	118,363				
Total Revenues	\$ 16,034,701	\$ 18,400,000	\$ 19,562,000	\$ 20,279,000	6.3%
Fund Balance	\$ 3,220,153	\$ 3,500,000	\$ -	\$ -	-100.0%
Total Revenues and Fund Balance	\$ 19,254,854	\$ 21,900,000	\$ 19,562,000	\$ 20,279,000	-10.7%
<u>Expenditures - Operating</u>					
Contracted Resurfacing	\$ 6,677,144	\$ 7,511,423	\$ 6,638,260	\$ 5,811,930	-11.6%
Repairs by City Forces	7,236,377	7,111,365	7,663,262	7,663,262	7.8%
Equipment Rent/Purchase	1,390,045	2,129,395	1,088,957	1,088,957	-48.9%
Street Drainage Maintenance	25,523	160,860	160,860	160,860	0.0%
Traffic Control Improvements	523,786	523,786	523,786	523,786	0.0%
Snow Removal	729,985	100,000	100,000	100,000	0.0%
Physical Inventory of Streets	10,921	12,000	12,000	12,000	0.0%
Pavement Management System	0	0	0	200,000	
Non-System Residential Streets	0	50,000	50,000	50,000	0.0%
Wheel Chair Ramps	59,400	150,000	150,000	150,000	0.0%
Annexation	1,304,056	3,093,242	1,433,967	2,421,602	-53.6%
Storm Water Program Fees	984,120	1,057,929	1,137,274	1,222,569	7.5%
Contribution to Debt Service - Equipment Lease Purchase	0	0	603,634	874,034	
Total Operating	\$ 18,941,357	\$ 21,900,000	\$ 19,562,000	\$ 20,279,000	-10.7%
<u>Expenditures - Capital</u>					
Bridge Replacement and Repair	\$ 313,497	\$ -	\$ -	\$ -	
Total Capital	\$ 313,497	\$ -	\$ -	\$ -	
Total Expenditures	\$ 19,254,854	\$ 21,900,000	\$ 19,562,000	\$ 20,279,000	10.4%

Summary Schedules

City of Charlotte Convention Center Tax Fund Summary of Revenues and Expenditures

	<u>FY2004 Actual</u>	<u>FY2005 Revised Budget</u>	<u>FY2006 Budget</u>	<u>FY2007 Budget</u>	<u>Percent Change (FY05 to FY06)</u>
<u>Operating Revenues</u>					
Taxes					
Occupancy	\$ 8,480,810	\$ 8,578,073	\$ 9,172,632	\$ 9,493,674	6.9%
Prepared Food	14,476,409	14,735,820	15,933,235	16,570,564	8.1%
Total Taxes	\$ 22,957,219	\$ 23,313,893	\$ 25,105,867	\$ 26,064,238	7.7%
Participation Agreement	1,558,750	-	-	-	
Interest on Investments	287,392	725,000	1,125,000	1,215,000	55.2%
Other	12,122	-	-	-	
Total Revenues	\$ 24,815,483	\$ 24,038,893	\$ 26,230,867	\$ 27,279,238	9.1%
Fund Balance		\$ 3,472,058	\$ 2,446,263	\$ 1,575,954	-29.5%
Total Revenues and Fund Balance	\$ 24,815,483	\$ 27,510,951	\$ 28,677,130	\$ 28,855,192	4.2%
<u>Operating Expenditures</u>					
Promotion and Marketing	\$ 3,228,267	\$ 3,410,908	\$ 3,659,130	\$ 3,814,192	7.3%
Business Development			500,000		
Administration	75,000	75,000	75,000	75,000	0.0%
Hotel Parking Management Contract	2,610,000	2,610,000	2,610,000	2,610,000	0.0%
Contribution to Coliseum Authority					
Convention Center Operating Deficit	1,373,950	3,500,000	3,500,000	3,500,000	0.0%
Capital Projects	420,507	660,000	790,000	798,000	19.7%
Mecklenburg Towns' General Tourism Subsidy	1,177,050	1,235,843	1,433,000	1,947,000	16.0%
Transfers to Other Funds:					
Convention Center Debt Service	14,821,342	16,019,200	16,110,000	16,111,000	0.6%
General Capital Improvement		-			
Total Expenditures	\$ 23,706,116	\$ 27,510,951	\$ 28,677,130	\$ 28,855,192	4.2%
Reserved for Future Years	\$ 1,109,367	\$ -	\$ -	\$ -	

Summary Schedules

City of Charlotte Neighborhood Development- Consolidated Grant Funds Summary of Revenues and Expenditures

	<u>FY2004 Actual</u>	<u>FY2005 Revised Budget</u>	<u>FY2006 Budget</u>	<u>Percent Change (FY05 to FY06)</u>
<u>Operating Revenues</u>				
<u>Federal Grants:</u>				
WIA Adult	487,127	1,626,897	1,078,181	-33.7%
WIA Administration	383,984	532,741	372,311	-30.1%
WIA Youth	467,493	2,038,105	1,207,537	-40.8%
WIA Dislocated Worker	1,283,392	3,090,916	1,065,074	-65.5%
WIA Incentive	220,048	1,008,178	-	-100.0%
Housing Opportunities for People with Aids (HOPWA) Program	(747,400)	571,000	565,000	-1.1%
Emergency Shelter Program	166,587	207,291	204,783	-1.2%
Mecklenburg Mills	90,000	-	-	-
Villages of Hope Haven	297,764	429,729	116,930	-72.8%
Weed and Seed	73,785	7,811	-	-100.0%
Lead Based Paint Grant	1,091,627	3,281,348	2,500,000	-23.8%
Enterprise Community Grant	(155,216)	9,577	-	-100.0%
Brownfields Grant	11,487	26,762	-	-100.0%
Brownfields Revolving Loan Fund	-	500,000	-	-100.0%
Section 108 Loan- West Blvd Shopping Center	1,188,527	427,645	439,967	2.9%
Lead Based Paint Outreach	184,790	103,667	500,000	382.3%
Sisters of Mercy Grant	-	50,000	333,067	566.1%
Elite Academy Able Grant	-	81,098	81,098	0.0%
Total Federal Grants	\$ 5,043,995	\$ 13,992,765	\$ 8,463,948	-39.5%
<u>State Grants:</u>				
NC Employment & Training	2,218	0	0	
Urgent Repair Grant	0	147,899	150,000	1.4%
Total State Grants	\$ 2,218	\$ 147,899	\$ 150,000	1.4%
Total Revenues	\$ 5,046,213	\$ 14,140,664	\$ 8,613,948	-39.1%
<u>Operating Expenditures</u>				
Dislocated Worker Contract	1,283,392	3,090,916	1,065,074	-65.5%
Education & Training Courses	709,393	2,635,075	1,078,181	-59.1%
Summer & Year Round Youth Program	467,493	2,038,105	1,207,537	-40.8%
Contribution to Workforce Development Board & Subgrantee Administration	383,984	532,741	372,311	-30.1%
Housing Opportunities for People with Aids (HOPWA) Program	(747,400)	571,000	565,000	-1.1%
Emergency Shelter Program	166,587	207,291	204,783	-1.2%
Mecklenburg Mills	90,000	-	-	-
Villages of Hope Haven	297,764	429,729	116,930	-72.8%
Weed and Seed	73,785	7,811	-	-100.0%
Lead Based Paint Grant	1,091,627	3,281,348	2,500,000	-23.8%
Enterprise Community Grant	(155,216)	9,577	-	-100.0%
Brownfields Grant	11,487	26,762	-	-100.0%
Brownfields Revolving Loan Fund	-	500,000	-	-100.0%
Section 108 Loan- West Blvd Shopping Center	1,188,527	427,645	439,967	2.9%
Urgent Repair	-	147,899	150,000	1.4%
Lead Based Paint Outreach Grant	184,790	103,667	500,000	382.3%
Sisters of Mercy	-	50,000	333,067	566.1%
Elite Academy Able Grant	-	81,098	81,098	0.0%
Total Expenditures	\$ 5,046,213	\$ 14,140,664	\$ 8,613,948	-39.1%

Summary Schedules

City of Charlotte WorkForce Investment Fund (6346) Summary of Revenues and Expenditures

	<u>FY2004 Actual</u>	<u>FY2005 Revised Budget</u>	<u>FY2006 Budget</u>	<u>Percent Change (FY04 to FY05)</u>
<u>Operating Revenues</u>				
<u>Federal Grants:</u>				
WIA Adult	487,127	1,626,897	1,078,181	-33.7%
WIA Administration	383,984	532,741	372,311	-30.1%
WIA Youth	467,493	2,038,105	1,207,537	-40.8%
WIA Dislocated Worker	1,283,392	3,090,916	1,065,074	-65.5%
WIA Incentive	220,048	1,008,178	-	-100.0%
Total Federal Grants	\$ 2,842,044	\$ 8,296,837	\$ 3,723,103	-55.1%
<u>State Grants:</u>				
NC Employment & Training	2,218			
Total Revenues	\$ 2,844,262	\$ 8,296,837	\$ 3,723,103	-55.1%
<u>Operating Expenditures</u>				
Dislocated Worker Contract	1,283,392	3,090,916	1,065,074	-65.5%
Education & Training Courses	709,393	2,635,075	1,078,181	-59.1%
Summer & Year Round Youth Program	467,493	2,038,105	1,207,537	-40.8%
Contribution to Workforce Development Board & Subgrantee Administration	383,984	532,741	372,311	-30.1%
Total Expenditures	\$ 2,844,262	\$ 8,296,837	\$ 3,723,103	-55.1%

The Workforce Investment Act (WIA), which became effective January 1, 2000, requires that a local Workforce Development Board assume the role of planning and expending WIA grants and maintaining a staff to administer the programs. Fund 6346 was established to account for these job training programs.

Summary Schedules

City of Charlotte Neighborhood Development Grant Fund (6807) Summary of Revenues & Expenditures

	<u>FY2004 Actual</u>	<u>FY2005 Revised Budget</u>	<u>FY2006 Budget</u>	<u>Percent Change (FY05 to FY06)</u>
<u>Operating Revenues</u>				
<u>Federal Grants:</u>				
Housing Opportunities for People with Aids (HOPWA) Program	(747,400)	571,000	565,000	-1.1%
Emergency Shelter Program	166,587	207,291	204,783	-1.2%
Mecklenburg Mills	90,000			
Villages of Hope Haven	297,764	429,729	116,930	-72.8%
Weed and Seed	73,785	7,811		-100.0%
Economic Development Initiative				
Lead Based Paint Grant	1,091,627	3,281,348	2,500,000	-23.8%
Enterprise Community Grant	(155,216)	9,577		-100.0%
Brownfields Grant	11487	26,762		-100.0%
Brownfields Revolving Loan Fund		500,000		-100.0%
Section 108 Loan- West Blvd Shopping Center	1,188,527	427,645	439,967	2.9%
Lead Based Paint Outreach Grant	184,790	103,667	500,000	382.3%
Sisters of Mercy Grant		50,000	333,067	566.1%
Elite Academy Able Grant		81,098	81,098	0.0%
Total Federal Grants	2,201,951	5,695,928	4,740,845	-16.8%
<u>State Grants:</u>				
Urgent Repair Grant		147,899	150,000	1.4%
Total Revenues	\$ 2,201,951	\$ 5,843,827	\$ 4,890,845	-16.3%
<u>Operating Expenditures</u>				
Housing Opportunities for People with Aids (HOPWA) Program	(747,400)	571,000	565,000	-1.1%
Emergency Shelter Program	166,587	207,291	204,783	-1.2%
Mecklenburg Mills	90,000			
Villages of Hope Haven	297,764	429,729	116,930	-72.8%
Weed and Seed	73,785	7,811		-100.0%
Lead Based Paint Grant	1,091,627	3,281,348	2,500,000	-23.8%
Enterprise Community Grant	(155,216)	9,577		-100.0%
Brownfields Grant	11,487	26,762		-100.0%
Brownfields Revolving Loan Fund		500,000		-100.0%
Section 108 Loan- West Blvd Shopping Center	1,188,527	427,645	439,967	2.9%
Urgent Repair		147,899	150,000	1.4%
Lead Based Paint Outreach Grant	184,790	103,667	500,000	382.3%
Sisters of Mercy Grant		50,000	333,067	566.1%
Elite Academy Able Grant		81,098	81,098	0.0%
Total Expenditures	\$ 2,201,951	\$ 5,843,827	\$ 4,890,845	-16.3%

Summary Schedules

City of Charlotte Public Safety 911 Services Fund Summary of Revenues and Expenditures

	FY2004 Actual	FY2005 Revised Budget	FY2006 Budget	FY2007 Budget	Percent Change (FY05 to FY06)
<u>Operating Revenues</u>					
Wireless Fee (State Reimbursement)	\$ 691,791	\$ 640,000	\$ 800,000	\$ 800,000	25.0%
Wired Fee	4,010,495	4,100,000	4,000,000	5,289,600	-2.4%
Interest on Investments	(3,880)	70,000	10,000	10,000	-85.7%
Total Revenues	\$ 4,698,406	\$ 4,810,000	\$ 4,810,000	\$ 6,099,600	0.0%
Fund Balance	\$ -	\$ -	\$ -	\$ 356,448	
Total Revenues and Fund Balance	\$ 4,698,406	\$ 4,810,000	\$ 4,810,000	\$ 6,456,048	0.0%
<u>Operating Expenditures</u>					
Police 911 Services	\$ 2,245,373	\$ 2,275,401	\$ 2,793,029	\$ 3,181,736	22.7%
Fire 911 Services	876,927	1,043,195	1,115,534	2,450,087	6.9%
Payment to Mecklenburg County	1,464,452	387,893	154,704	824,225	-60.1%
Total Expenditures	\$ 4,586,752	\$ 3,706,489	\$ 4,063,267	\$ 6,456,048	9.6%
Reserved for Future Years	\$ 111,654	\$ 1,103,511	\$ 746,733	(0)	-32.3%

Note 1:

Payments to Mecklenburg County represent MEDIC's share of the total 911 Wired Fee revenue collected. MEDIC's share of this revenue is based on its relative percentage of the total expenditure budgets for the three 911 services agencies (Police, Fire and MEDIC). County MEDIC's percentage of total budget is:

FY02	3.1586%	FY05	9.4608%
FY03	8.9416%	FY06	3.8676%
FY04	39.9429%	FY07	15.5820%

Note 2:

Increased revenues and expenditures in FY2007 reflect a proposed 911 Surcharge fee increase from 73¢ per month to 95¢ per month.

Summary Schedules

City of Charlotte Public Safety Grants Fund Summary of Revenues and Expenditures

	Total	Prior Years - Cumulative		FY2006 Budget	
	Grant Award	Grants	City Match	Grants	City Match
REVENUES					
<u>Police Federal Grants</u>					
COPS '98	5,378,538	4,033,903	1,344,635		
Bulletproof Vest	34,678	34,678	-		
Arbitrary Profiling	151,193	146,376	4,817		
Community Gun Violence	600,000	463,613	115,903	16,387	4,097
Federal Reimbursables	199,622	79,122	-	120,500	
Internal Affairs Grant	125,000	120,765	-	4,235	
Volunteers in Police Services	49,382	49,382			
Automated Telephone Equipment	299,500	289,500		10,000	
2002 Local Law Enforcement Block Grant	1,558,811	1,402,930	155,881		
2003 local Law Enforcement Block Grant	1,169,391	1,052,452	116,939		
2004 Local Law Enforcement Block Grant	511,110	459,999	51,111		
Interoperability Communications Grant	7,988,240	2,283	761	5,988,897	1,996,299
DNA Equipment Grant	57,776	50,020	-	7,756	
Total Police Federal Grants	\$ 18,123,241	\$ 8,185,023	\$ 1,790,047	\$ 6,147,775	\$ 2,000,396
<u>Fire Federal Grant</u>					
FEMA - Portable Radios	329,000	329,000	141,000		
USDOJ - Terrorism Response	102,549	102,549	-		
USDOHS - Terrorism Preparedness	668,728	668,728	-		
FEMA - Terrorism Preparedness	95,737	95,737	-		
USDOHS - Homeland Security	4,539,158	3,485,158	-	1,054,000	
USDOHS - Urban Area Security	10,272,407	5,889,013	-	4,383,394	
Total Fire Federal Grants	\$ 16,007,579	\$ 10,570,185	\$ 141,000	\$ 5,437,394	\$ -
<u>Police State and Other Grants</u>					
ICHOPE Grant	45,234	40,711	4,523		
Forensic Science	11,025	11,025			
IRU Best Practices	5,950	5,950			
No Suspect DNA Casework	95,210	72,547		22,663	
Photo Radar Grant	81,451	40,726	40,725		
Project Safe Neighborhood	93,077	40,775		52,302	
Discretionary Grant/Crime Lab	8,611	8,611			
NFSIA Coverdell FY03 Grant	11,989	11,989			
NFSIA Coverdell FY04 Grant	22,971	-	-	22,971	
Triad Foundation	30,000			30,000	
NC Dept of Insurance	5,000			5,000	
Gang of One Grant	39,766	14,755	1,639	21,035	2,337
Total Police State and Other Grants	\$ 450,284	\$ 247,089	\$ 46,887	\$ 153,971	\$ 2,337
<u>Fire State Grants</u>					
NC Emer Mgmt - Program Grant	233,609	159,645	-	73,964	
NC Emer Mgmt - Nuclear Plant	191,161	143,661	-	47,500	
NC Emer Mgmt - USAR	150,000	150,000	-		
NC Emer Mgmt - RRT	231,000	174,000	-	57,000	
NC Emer Mgmt - HazMat Response	90,900	90,900	-		
NC Emer Mgmt - CERT	12,500	12,500	-		
NC Fire Investigations/Education	77,280	77,280	-		
Total Fire State Grants	\$ 986,451	\$ 807,987	\$ -	\$ 178,464	\$ -
<u>Contributions</u>					
Assets Forfeiture Funds	3,384,567	2,538,429		846,138	
Total Contributions	\$ 3,384,567	\$ 2,538,429	\$ -	\$ 846,138	\$ -
Total Revenues	\$ 38,952,122	\$ 22,348,712	\$ 1,977,934	\$ 12,763,742	\$ 2,002,733

Summary Schedules

City of Charlotte Public Safety Grants Fund Summary of Revenues and Expenditures

	Total	Prior Years - Cumulative		FY2006 Budget	
	Grant Award	Grants	City Match	Grants	City Match
EXPENDITURES					
<u>Police Federal Grants</u>					
COPS '98	5,378,538	4,033,903	1,344,635		
Bulletproof Vest	34,678	34,678			
Arbitrary Profiling	151,193	146,376	4,817		
Community Gun Violence	600,000	463,613	115,903	16,387	4,097
Federal Reimbursables	199,622	79,122		120,500	
Internal Affairs Grant	125,000	120,765		4,235	
Volunteers in Police Services	49,382	49,382			
Automated Telephone Equipment	299,500	289,500		10,000	
2002 Local Law Enforcement Block Grant	1,558,811	1,402,930	155,881		
2003 Local Law Enforcement Block Grant	1,169,391	1,052,452	116,939		
2004 Local Law Enforcement Block Grant	511,110	459,999	51,111		
Interoperability Communications Grant	7,988,240	2,283	761	5,988,897	1,996,299
DNA Equipment Grant	57,776	50,020	-	7,756	-
Total Police Federal Grants	\$ 18,123,241	\$ 8,185,023	\$ 1,790,047	\$ 6,147,775	\$ 2,000,396
<u>Fire Federal Grant</u>					
FEMA - Portable Radios	329,000	329,000	141,000	-	-
USDOJ - Terrorism Response	102,549	102,549	-	-	-
USDOHS - Terrorism Preparedness	668,728	668,728	-	-	-
FEMA - Terrorism Preparedness	95,737	95,737	-	-	-
USDOHS - Homeland Security	4,539,158	3,485,158	-	1,054,000	-
USDOHS - Urban Area Security	10,272,407	5,889,013	-	4,383,394	-
Total Fire Federal Grants	\$ 16,007,579	\$ 10,570,185	\$ 141,000	\$ 5,437,394	\$ -
<u>Police State Grants</u>					
ICHOPE Grant	45,234	40,711	4,523		-
Forensic Science	11,025	11,025			-
IRU Best Practices	5,950	5,950			-
No Suspect DNA Casework	95,210	72,547		22,663	-
Photo Radar Grant	81,451	40,726	40,725		-
Project Safe Neighborhood	93,077	40,775		52,302	-
Discretionary Grant/Crime Lab	8,611	8,611			-
NFSIA Coverdell FY03 Grant	11,989	11,989			-
NFSIA Coverdell FY04 Grant	22,971	-	-	22,971	-
Triad Foundation	30,000			30,000	
NC Dept of Insurance	5,000			5,000	
Gang of One Grant	39,766	14,755	1,639	21,035	2,337
Total Police State Grants	\$ 450,284	\$ 247,089	\$ 46,887	\$ 153,971	\$ 2,337
<u>Fire State Grants</u>					
NC Emer Mgmt - Program Grant	233,609	159,645	-	73,964	-
NC Emer Mgmt - Nuclear Plant	191,161	143,661	-	47,500	-
NC Emer Mgmt - USAR	150,000	150,000	-	-	-
NC Emer Mgmt - RRT	231,000	174,000	-	57,000	-
NC Emer Mgmt - HazMat Response	90,900	90,900	-	-	-
NC Emer Mgmt - CERT	12,500	12,500	-	-	-
NC Fire Investigations/Education	77,280	77,280	-	-	-
Total Fire State Grants	\$ 986,451	\$ 807,987	\$ -	\$ 178,464	\$ -
<u>Contributions</u>					
Assets Forfeiture Funds	3,384,567	\$ 2,538,429	\$ -	\$ 846,138	\$ -
Total Contributions	\$ 3,384,567	\$ 2,538,429	\$ -	\$ 846,138	\$ -
Total Expenditures	\$ 38,952,122	\$ 22,348,712	\$ 1,977,934	\$ 12,763,742	\$ 2,002,733

Summary Schedules

City of Charlotte SafeLight Fund

Summary of Revenues and Expenditures

	<u>FY2004</u> <u>Actual</u>	<u>FY2005</u> <u>Revised</u> <u>Budget</u>	<u>FY2006</u> <u>Budget</u>	<u>FY2007</u> <u>Budget</u>	<u>Percent</u> <u>Change</u> <u>(FY05 to</u> <u>FY06)</u>
<u>Revenues - Operating</u>					
Traffic Fines and Penalties	\$ 632,367	\$ 1,993,787	\$ 1,450,000	\$ 1,450,000	-27.3%
Interest on Investments	23,548	100,000	50,000	50,000	-50.0%
Total Revenues	\$ 655,915	\$ 2,093,787	\$ 1,500,000	\$ 1,500,000	-28.4%
<u>Expenditures - Operating</u>					
Administration (City)	\$ 154,433	\$ 266,787	\$ 262,107	\$ 262,107	-1.8%
Contract Services	400,347	1,827,000	1,237,893	1,237,893	-32.2%
Total Expenditures	\$ 554,780	\$ 2,093,787	\$ 1,500,000	\$ 1,500,000	-28.4%
Reserved for Future Years	\$ 101,135	\$ -	\$ -	\$ -	

Note: Revenues are dependent upon number of intersections operating with cameras and number of violations. As such, revenue projections may vary widely.

Summary Schedules

City of Charlotte SafeSpeed Fund

Summary of Revenues and Expenditures

	<u>FY2004 Actual</u>	<u>FY2005 Revised Budget</u>	<u>FY2006 Budget</u>	<u>FY2007 Budget</u>	<u>Percent Change (FY05 to FY06)</u>
<u>Revenues - Operating</u>					
Traffic Fines and Penalties		\$ 814,400	\$ 1,312,718	\$ 1,417,718	61.2%
Total Revenues	\$ -	\$ 814,400	\$ 1,312,718	\$ 1,417,718	61.2%
<u>Expenditures - Operating</u>					
Administration (City)			\$ 405,329	\$ 438,129	
Contract Services		814,400	907,389	979,589	11.4%
Total Expenditures	\$ -	\$ 814,400	\$ 1,312,718	\$ 1,417,718	61.2%

Note: Program started in October 2004. FY2006 and FY2007 reflect full year budgets.

Summary Schedules

City of Charlotte Consolidated Municipal Service Districts Summary of Revenues and Expenditures

	<u>FY2004 Actual</u>	<u>FY2005 Revised Budget</u>	<u>FY2006 Budget</u>	<u>FY2007 Budget</u>	<u>Percent Change (FY05 to FY06)</u>
<u>Operating Revenues</u>					
Property Taxes	\$ 2,023,061	\$ 1,933,529	\$ 1,931,461	\$ 1,989,405	-0.1%
State Reimbursement	-	-	-	-	0.0%
Fund Balance	403,584	-	-	-	0.0%
Total Revenues	\$ 2,426,645	\$ 1,933,529	\$ 1,931,461	\$ 1,989,405	-0.1%
<u>Operating Expenditures</u>					
Contractual Services	\$ 2,310,410	\$ 1,851,944	\$ 1,869,197	\$ 1,925,137	0.9%
City Services	82,258	62,759	47,570	49,132	-24.2%
Total Expenditures	\$ 2,392,668	\$ 1,914,703	\$ 1,916,767	\$ 1,974,269	0.1%
Reserved for Future Years	\$ 33,977	\$ 18,826	\$ 14,694	\$ 15,136	-21.9%

Summary Schedules

City of Charlotte Risk Management Fund Summary of Revenues and Expenditures

	FY2004 <u>Actual</u>	FY2005 <u>Revised Budget</u>	FY2006 <u>Budget</u>	FY2007 <u>Budget</u>	Percent Change (FY05 to FY06)
<u>Revenues</u>					
City of Charlotte - General Fund	\$ 630,096	\$ 751,645	\$ 746,001	\$ 769,957	-0.8%
City of Charlotte - Other Funds	420,514	505,380	526,728	541,457	4.2%
Mecklenburg County	477,550	480,466	487,604	505,188	1.5%
Board of Education	382,040	384,373	390,083	404,150	1.5%
Other Agencies	45,000	45,000	40,000	40,000	-11.1%
Interest on Investments	22,764				
Other	902				
Total Revenues	\$ 1,978,866	\$ 2,166,864	\$ 2,190,416	\$ 2,260,752	1.1%
<u>Expenditures</u>					
Operating Budget	\$ 1,978,866	\$ 2,166,864	\$ 2,190,416	\$ 2,260,752	1.1%
Total Expenditures	\$ 1,978,866	\$ 2,166,864	\$ 2,190,416	\$ 2,260,752	1.1%

Summary Schedules

City of Charlotte Tourism Operating Fund Summary of Revenues and Expenditures

	FY2004	FY2005	FY2006	FY2007	Percent Change (FY05 to FY06)
<u>Revenues</u>	<u>Actual</u>	<u>Revised Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>FY06)</u>
Occupancy Tax	\$ 3,610,927	\$ 3,501,000	\$ 3,801,400	\$ 3,956,285	8.6%
Rental Car Tax	1,630,178	1,665,000	1,714,950	1,766,399	3.0%
Parking Fees	154,478	198,000	198,000	198,000	0.0%
Retail Leases			75,000	150,000	
Interest on Investments	251,897	400,000	600,000	648,000	50.0%
Other	71,944				
Total Revenues	\$ 5,719,424	\$ 5,764,000	\$ 6,389,350	\$ 6,718,684	10.8%
Fund Balance				\$ 2,543,976	
Total Revenues and Fund Balance	\$ 5,719,424	\$ 5,764,000	\$ 6,389,350	\$ 9,262,660	10.8%
 <u>Operating Expenditures</u>					
Contractual Services	\$ 23,787	\$ 25,000	\$ 25,000	\$ 25,000	0.0%
Contribution to Tourism Debt Service Fund	40,000	40,000	40,000	8,980,160	0.0%
Contribution to Capital Fund- Reserve for Arena Improvements ¹			250,000	257,500	
Total Expenditures	\$ 63,787	\$ 65,000	\$ 315,000	\$ 9,262,660	384.6%
Reserved for Future Years	\$ 5,655,637	\$ 5,699,000	\$ 6,074,350	\$ -	6.6%

Note 1: Per the City's agreement with the Charlotte Bobcats, both the City and the Bobcats are to place \$250,000 in FY06 and annually thereafter increased by 3% into a reserve for future building improvements/ capital maintenance. The Bobcats' share of this agreement is reflected on the Capital Investment Fund project page under Facility Investments.

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 of themselves 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 to translate strategy into tangible objectives and measures. The Balanced Scorecard uses four perspectives to ensure a balanced approach to evaluating achievement of organizational strategy.

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-Local governments are required by North Carolina State law 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 the fine points of the budget and for Council to ask initial questions as the budget process moves into the review stage.

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

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

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

Community Development Block Grant (CDBG): A U.S. 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.

Council Priorities: Top three focus areas or initiatives chosen by City Council annually.

Corporate Objective: Organizational aims or purpose 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.

Key Terms

Enterprise Fund One of four City Key Businesses which are fully funded by operating revenues rather than taxes. These are Airport, CATS, Charlotte-Mecklenburg Utilities, and Storm Water.

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, Restructuring Government, 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: The difference between assets and liabilities of a particular fund. 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 Business Unit: City's major operating departments. (Police, Fire, Solid Waste, Transportation, Neighborhood Development, Engineering and Property Management, Planning).

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. The Budget and Evaluation Director presents information regarding the current financial states, five-year financial projections, and identified service delivery needs. This discussion also includes any other additional parameters for possible changes to the budget plan under development. City Council produces a strategic plan as a result of this discussion and the Business Units 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): 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 are not specifically associated with a particular key business unit.

Operating Budget: The portion of the budget that deals with recurring expenditures such as salaries, utilities, postage, office supplies and fuel.

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.

Key Terms

Position Number: A term that refers to the title and 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 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 as inserts in City mailings, 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-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.

Reorganization: Changes in the budget and reporting structure within departments.

Strategic Operating Plan (SOP): The Strategic Operating Plan includes organizational strategy and resources. It combines focus area plans, business plans and 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 be part of the budget adoption agenda item.

Support Business Unit: City's support departments

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.