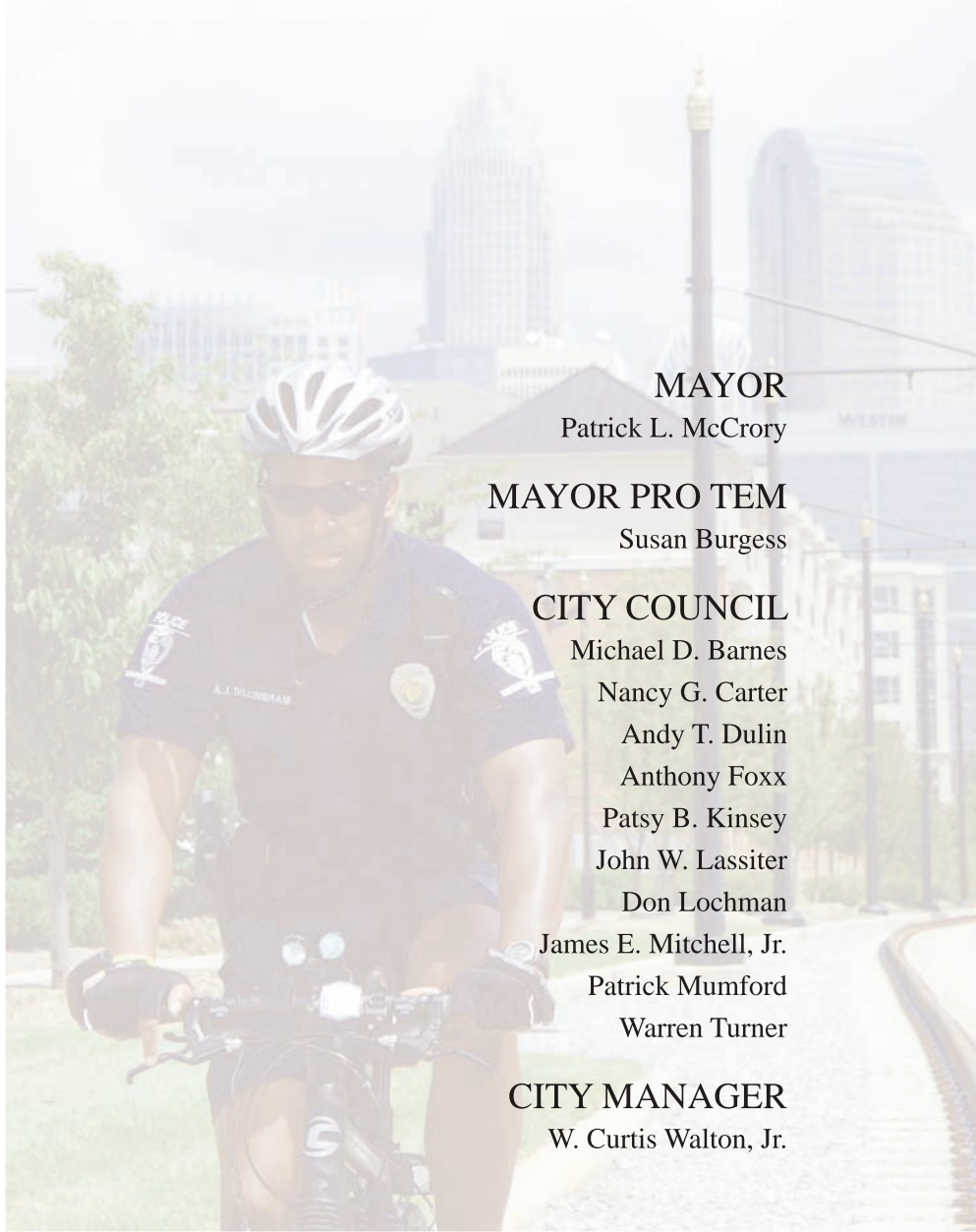
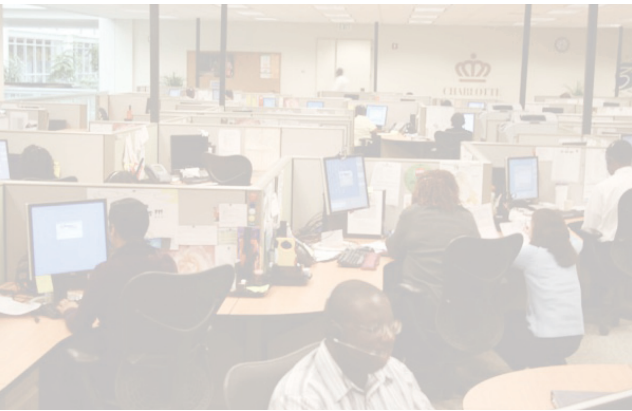




**City of CHARLOTTE**
Corporate Performance Report
FY2007 Year End

CHARLOTTESM



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Introduction

Purpose of Year End Corporate Performance Report

The Year End Corporate Performance Report provides the Mayor, City Council, and staff with comprehensive executive level information to evaluate the progress of City programs and activities. Unless otherwise specified, all information is from the FY07 budget year (July 2006 - June 2007).

Each year, the City Council identifies community priorities. During the Council's annual retreat in February 2006, Council agreed on the goals and objectives for the strategic focus areas. The resulting **Focus Area Plans** established Council's official strategy for the 2007 fiscal year. Resources were assigned in the budget process to address the Focus Area priorities.

The Balanced Scorecard is the City's performance management system that:

- Translates strategy into tangible objectives and measures
- Communicates desired strategy to employees
- Ensures alignment of resources throughout the organization

Organization of Report

This report is organized by the City's four Balanced Scorecard perspectives: *Serve the Customer – Run the Business – Manage Resources – Develop Employees*. The perspectives provide a framework for evaluating performance that is focused on outcomes and results for the City's most important indicators. In addition, the report also provides checkpoints for planning, forecasting, and budgeting.

Perspectives

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

The City of Charlotte is committed to using performance information to manage and address community needs, and this performance report denotes whether key objectives have been achieved or not. The following symbols indicate an objective target's status:

✓ = Target Achieved

✘ = Target Not Achieved

This report also communicates **accomplishments** (✓) and **challenges** (✘) related to organizational objectives. A copy of the report can be downloaded electronically at <http://citybudget.charmeck.org>.

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City Strategy

Vision

The City of Charlotte will be a model of excellence that puts citizens first. Skilled, motivated, and diverse 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 and to promote the safety, health, and quality of life of its citizens. We will identify and respond to community needs and focus on the customer through:

- Using strategic business planning
- Creating and maintaining effective partnerships

Overview of Charlotte's Focus Areas

Community Safety: *“Charlotte will be the safest large city in America through citizen and local government partnerships.”*

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 vitality of a neighborhood—not just the lack or presence of criminal activity.

Housing and Neighborhood Development: *“Creating great neighborhoods in which to live, work, and play.”*

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

Environment: *“Charlotte will safeguard the environment, balancing health, sound fiscal policy, and growth.”*

This initiative addresses safeguarding the environment, including protection of air and water quality, land preservation, and energy and resource conservation. As one of the fastest growing communities in the nation,

protection of our environment is a priority that includes adopting best practices and leading by example by delivering public services in a manner based on sound environmental practices.

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

On going growth of the City creates infrastructure challenges, but the integration of transportation and land use policies will give citizens choices on where to live, to work, to shop, and how to travel from one activity to another. This initiative addresses the need for adequate infrastructure—streets, sidewalks, transit, public spaces, and bike facilities provide the foundation for private sector land development, a robust local economy, and a higher quality of life for citizens.

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

This initiative aims to improve the quality of life for citizens through increased economic opportunity and choice for all citizens—that is, more choices for jobs, housing, shopping, and leisure activities. More choices result from sustainable growth of the economy, which must be supported by infrastructure, reliable public services, support of new and existing businesses, a skilled and competitive workforce, and destination venues for entertainment and leisure.



CITY STRATEGY

VISION

COMMUNITY OF CHOICE FOR LIVING, WORKING AND LEISURE



CITY COUNCIL FOCUS AREAS

Community Safety • Housing and Neighborhood Development
Environment • 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 problem-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 vision?

Maintain AAA Rating	Pursue fiscal policy that will maintain the City’s AAA credit rating.
Deliver Competitive Services	Ensure value and quality of services by being productive and efficient in service delivery. Maximize public resources through 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 create a workforce that achieves 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 a 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.

Executive Summary

Key highlights from the report include the recognition of **accomplishments** (✓) as well as the significant **challenges** (✗) faced by the City by the Balanced Scorecard's four perspectives. Highlights include:

SERVE THE CUSTOMER

- ✓ **Crime Statistics** - The crime rate per 100,000 population increased by 1.3% (target: 6% reduction).
- ✗ The number of larcenies influenced much of this increase. Homicide was the only other category with an increase. Crime categories experiencing decreases include rape, robbery, aggravated assault, burglary, vehicle theft, and arson.

- ✓ **Street Crimes** - Police established a Street Crimes Task Force to target areas where there were concentrations of robberies and vehicle thefts. Deployment of the task force is driven by extensive analysis of crime data and partnerships among patrol divisions. The rate of robberies per 100,000 population decreased 12.9% and vehicle thefts decreased 12.4%.

- ✓ **Police Services** - Citizen survey results from November 2006 revealed that 70% of respondents rated the Charlotte-Mecklenburg Police Department (CMPD) 7 or higher on overall impression (target: 7 or higher on 10 point scale); 76% rated CMPD at 7 or higher on courtesy and 79% on professionalism; and 74% reported feeling safe in their own neighborhoods.

- ✓ **Fire Response Time** - An effective firefighting force was on scene 84.66% of the time within seven minutes of being en route (target: 80%). Response time is defined by the arrival of three fire companies, or 12 firefighters, at an incident. Twelve firefighters is the minimum required to conduct an effective fire suppression operation.

- ✓ **Neighborhoods** - Two area plans were developed (Bryant Park and University City) in partnership with community residents and stakeholders.

- ✓ **Bikeways** - More than 10 miles of new bikeways were completed during FY07 (target: 10 miles), including 9 miles of striped bike lanes and over 1 mile of lanes along the South Corridor Light Rail.

- ✓ **City Cleanliness** - The City's overall cleanliness rating by "Keep America Beautiful" improved due to increased vigilance by Solid Waste employees and renewed NC Department of Transportation clean-up efforts along major highways, including I-277 and I-77.

- ✓ **Water Conservation** - Charlotte-Mecklenburg Utilities (CMU) reduced annual water consumption per residential account by 3.5% (target: 2% reduction). The reduction in consumption is a result of an integrated approach of education, incentives, awareness, outreach to neighborhoods, and community programs to encourage water conservation. Since 2003, CMU has committed to reduce the five-year average account usage in the residential account category by 2% a year, which it has reached or exceeded each year.

- ✓ **Small Business Development** - 13.73% of informal contracts were awarded to small business enterprises (target: 10%).

- ✓ **Economic Development** - The Business Corridor Strategic Plan, a comprehensive strategy coordinating resources to address distressed business corridors, was approved by Council. This reflects the City's commitment to eliminating blight, creating strong local economies, aligning City policies and programs to support corridor revitalization, and promoting environmentally sustainable development within the City's business corridors.

Executive Summary

RUN THE BUSINESS

- ✓ **Vehicle Miles Traveled** - Vehicle miles traveled (VMT) per capita decreased by 2.57% (target: reduce VMT). The rise of gasoline costs to near \$3/gallon is a leading factor reducing VMT. Other factors influencing VMT include the availability of transportation options (public transit, pedestrian walkways, bicycle lanes and trails, high-occupancy vehicle lanes, and ridesharing) and continued, enhanced integration of transportation and land use design.
- ✓ **e-Business** - The percentage of all Utility (water/wastewater and storm water) customers using e-Business as a means of making payments increased from 28.4% in FY06 to 30.5% in FY07 (target: 25%). Electronic payments provide cost avoidance of 50 cents per transaction for processing and provide customers an additional payment option.
- ✗ **Solid Waste Collection** - Solid Waste Services averaged 30.4 missed collection calls per day in the three zones collected by City crews (target: 23.3). Factors affecting service included service day changes during the start of FY07 as well as the early leaf drop during the middle of FY07 that strained all yard waste resources.

MANAGE RESOURCES

- ✓ **AAA Rating** - The City maintained its AAA bond rating for the 34th consecutive year. Within the City's enterprise funds, Aviation and Storm Water received bond rating upgrades while Utilities and CATS maintained their bond ratings.
- ✗ **Benchmarking Performance** - The City of Charlotte compared favorably in the Institute of Government's (IOG) Performance Measurement Project, which benchmarks City services against other North Carolina cities. Although the City did not reach its target of 75%, the 2006 IOG report shows that the City performed as well or better than the state-wide average in 31 of 40 (73.2%) effectiveness and efficiency categories for the following services: refuse collection, household recycling, yard waste collection, fire services, emergency communications, asphalt maintenance, fleet maintenance, and human resources.
- ✓ **CharMeck 311 Call Center** - 64% of those surveyed in the 2007 Community Survey were aware of CharMeck 311 (target: 45%). For the first time since operations began, calls to CharMeck 311 were higher than direct dials to existing 10-digit numbers that route to 311.

DEVELOP EMPLOYEES

- ✓ **Public Safety Recruitment and Retention** - The recruitment of minority police officers and firefighters continues to be a challenge, but both functions have experienced some encouraging improvement. Minority firefighter turnover decreased from 2.0% in FY06 to 1.29% in FY07 (target: <1%). Police experienced an increase in the number of applicants from Latino males, Latino females, and Asian males (target: increase in three of seven applicant categories).
- ✗ **Employee Training** - City employees earned 1,242 new certifications and 61 new degrees in FY07 compared with 2,352 new certifications and 55 new educational degrees earned in FY06 (target: increase number of specialized certifications received and the number of educational degrees received).

The City continues to strive to meet growing demands with limited resources. Maintaining service delivery standards and responding to the Council's focus areas and strategic priorities is the key focus of the performance management process.

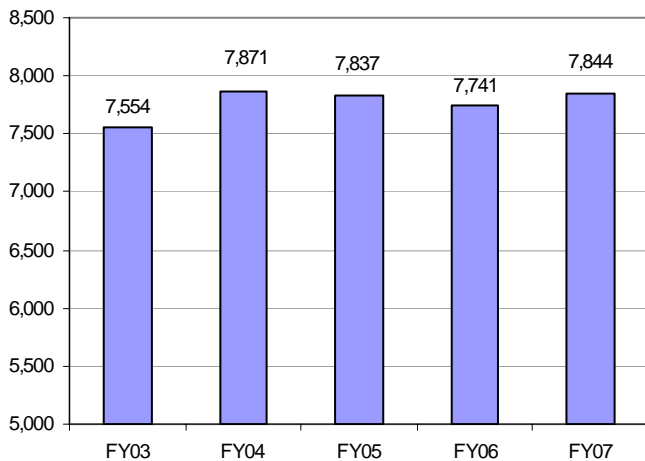
Serve the Customer

- * Reduce Crime
- * Increase Perception of Safety
- * Strengthen Neighborhoods
- * Provide Transportation Choices
- * Safeguard the Environment
- * Promote Economic Opportunity

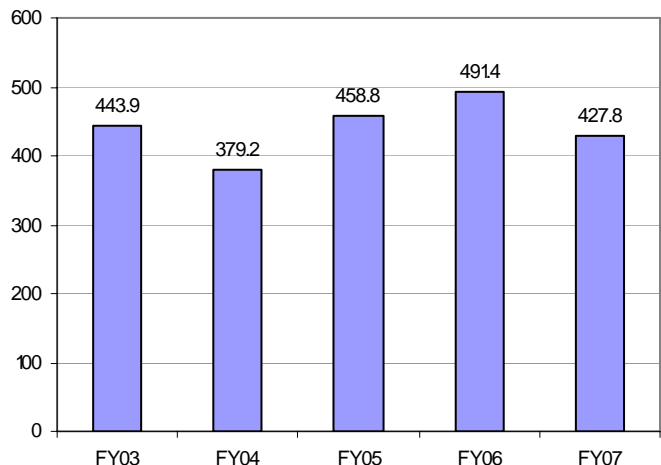
Performance Highlights

- ✓ The Uniform Crime Reporting (UCR) crime rate per 100,000 population increased by 1.3% (target: 6% reduction). In more specific categories, the violent crime rate dropped by 9.9% and property crime increased 3.2% - driven primarily by a 10% increase in the larceny rate.
- ✓ In an effort to gather more information about gangs and gang related crime, CMPD increased the number of names in the GangNet database 27.2% from 1,466 total names in FY06 to 1,865 in FY07. The database includes information on where individuals were encountered, why they are considered a gang member, criminal activity, and known associates.
- ✓ The rate of robberies/100,000 population decreased 12.9% (target: 5% reduction). The decrease is a result of the Street Crimes Task Force and their partnership with the patrol divisions in targeting both robbery hot spots and specific offenders. The Dusk to Dawn Curfew program also contributed to the lower robbery rates by monitoring 91 robbery offenders on pre-trial release, thus reducing offenders' opportunities to continue criminal activity while awaiting trial.

Total Crime Index per 100,000 Population



Robberies per 100,000 Population



Serve the Customer

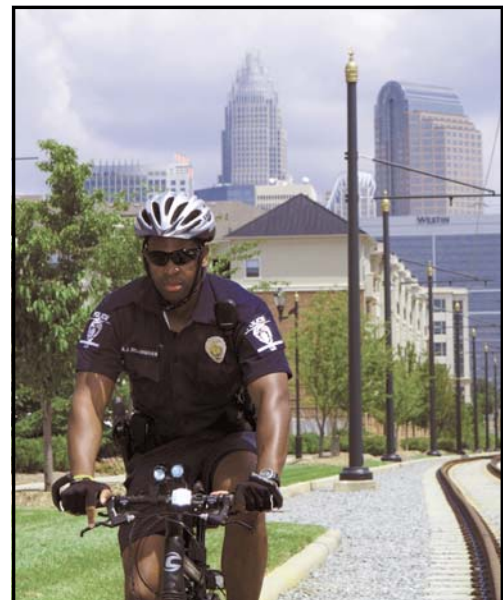
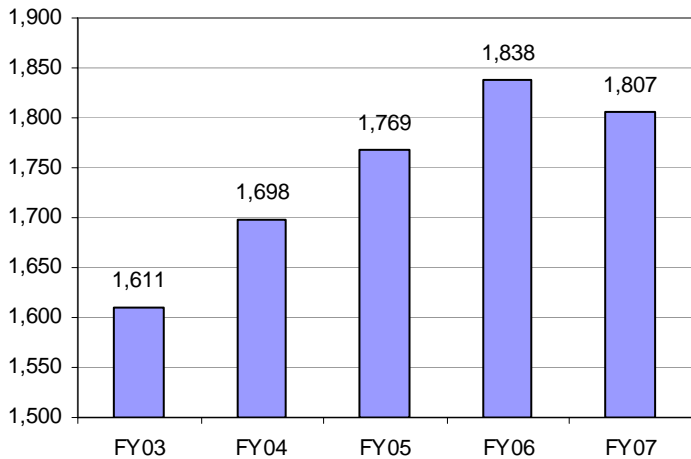
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Performance Highlights

- ✓ Although the burglary rate did not meet its target reduction of 5%, burglaries did decrease 1.7% - the first decrease in five years.
- ✓ The vehicle theft rate/100,000 population decreased 12.4%. (target: 5% reduction).

Crime Rates Per 100,000 Population			
Offense	FY06 Rate	FY07 Rate	% Change from FY06
Homicide	11.5	11.9	+4.0
Rape	47.8	42	-12.1
Robbery	491.4	427.8	-12.9
Aggravated Assault	554.6	514.6	-7.2
Burglary	1,837.8	1,806.9	-1.7
Larceny	3,735.1	4,108.3	+10.0
Vehicle Theft	1,010.9	885.4	-12.4
Arson	52.0	47.4	-8.9

Burglaries per 100,000 Population



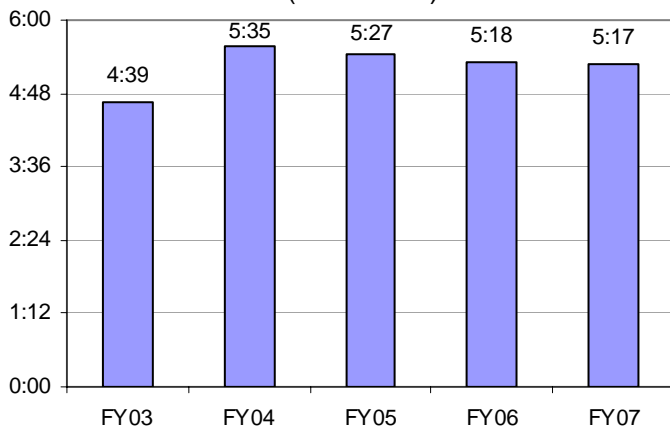
Serve the Customer

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Performance Highlights

- ✘ The number of bicycle accidents per capita increased 17.7% during FY07 (target: annual decrease). This increase in accidents can be partially attributed to the increasing number of automobiles and bicycles sharing the roadways.
- ✘ The number of vehicle accidents per mile traveled in Charlotte decreased 4.82% in FY07. Although FY07's reduction in vehicle accidents comes very close to meeting the target of a 5% annual decrease, it is below the 14% decrease achieved in FY06.
- ✔ The number of pedestrian accidents per capita decreased 2.78% in FY07 (target: annual decrease). This is a marked improvement from the 5% increase in pedestrian accidents that occurred in FY06.
- ✔ Citizen ratings on key questions from a police citizen survey (conducted in November 2006) revealed that 70% of respondents rated CMPD at 7 or higher on a 10-point scale on their overall impression of CMPD; 74% reported feeling safe in their neighborhoods; and 76% rated CMPD at 7 or higher on courtesy and 79% on professionalism.
- ✔ An effective firefighting force was on scene 84.66% of the time within seven minutes of being en route (target: 80%). Response time is defined by the arrival of three fire companies, or 12 firefighters, at an incident. Twelve firefighters is the minimum required to conduct an effective fire suppression operation.
- ✔ The Fire Department's average response time improved from 5.18 minutes to 5.17 minutes. While the Fire Department has seen a reduction in average response time over the past three years, continued reduction remains a challenge due to growth, increased density, and traffic congestion.

Fire Average Response Time
(in minutes)



Serve the Customer

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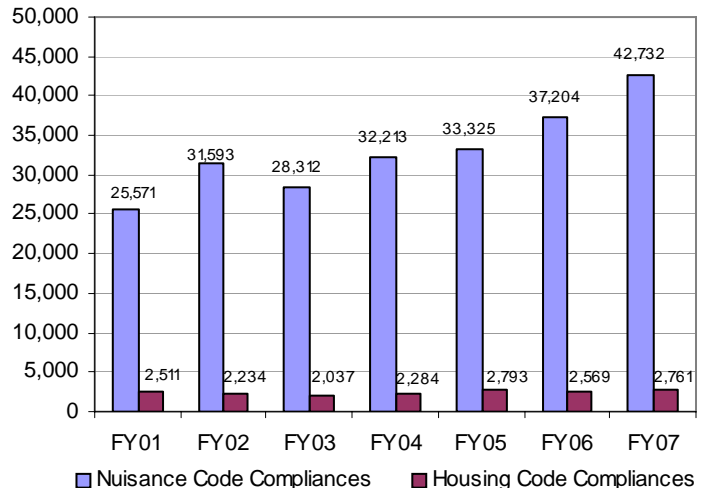
Performance Highlights

- ✗ Traffic collisions on the 14 corridors where photo radar enforcement was previously used increased 2.2% (target: 5% reduction). Only four corridors experienced reductions, the largest of which was 7.4% on Tryon Street between Mallard Creek Road and University Boulevard. The photo radar enforcement program was suspended in June, 2006 due to a ruling by the North Carolina Court of Appeals.
- ✓ CDOT and CMPD worked with the Traffic Safety Council to implement a public safety campaign to create public awareness of pedestrian safety (target: one campaign per year). The campaign is in final stages of development and is planned to be released in the Fall of 2007.
- ✓ During the year, 10,082 zoning inspections were conducted and 7,385 properties were brought into compliance (target: 5,250 compliances).
- ✓ 42,561 nuisance compliance inspections were conducted which brought 42,732 properties into code compliance (target: 35,600 compliances).
- ✓ Neighborhood Development conducted 3,689 housing inspections and brought 2,761 homes (75%) into code compliance (target: 2,500 compliances).



Neighborhood Development Code Enforcement Inspector issuing a nuisance citation.

Housing Code and Nuisance Code Compliance



Serve the Customer

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- * **Strengthen Neighborhoods**
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Performance Highlights

- ✓ 456 families and/or individuals received down payment assistance through the HouseCharlotte program (target: 300 families and/or individuals).
- ✓ A total of 1,640 housing units were constructed or rehabilitated by the City and its financial partners (target: 1,000).
- ✗ The number of Revitalization Neighborhoods graduated did not meet its target of one per year. Once major infrastructure projects are completed in the Belmont Community and its neighborhood organization completes its transition, Neighborhood Development anticipates graduation in FY08.
- ✓ Two area plans were developed (Bryant Park and University City) by staff in partnership with community residents and stakeholders (target: two plans).
- ✓ 92% (140 of 152) of rezoning decisions were consistent with Council-adopted community plans (target: 90%).

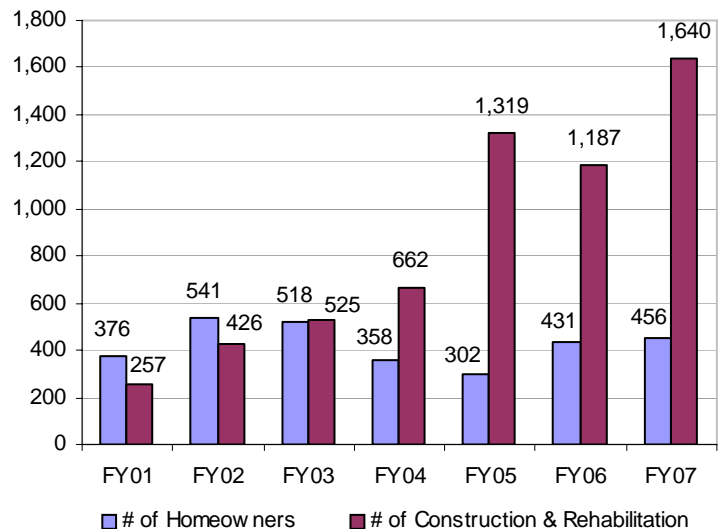


Before rehabilitation



After rehabilitation

Affordable Housing Production and New Homeowners



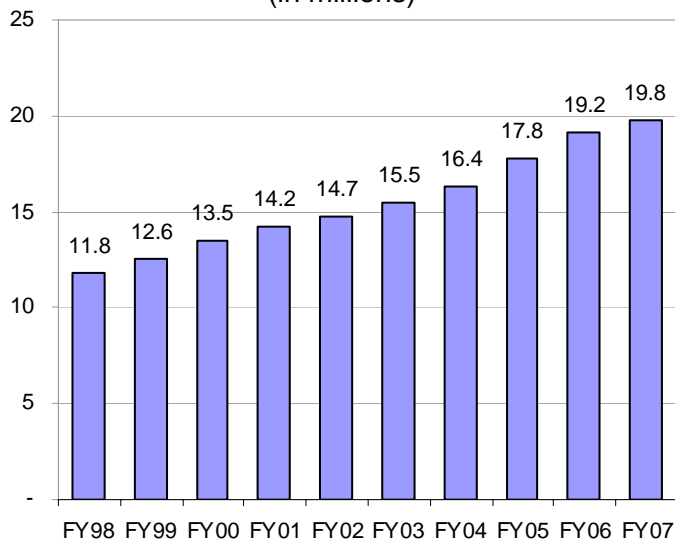
Serve the Customer

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Performance Highlights

- ✓ Charlotte Area Transit System (CATS) achieved a 3.1% increase (target: 5%) in system-wide usage to 19.8 million passengers while maintaining high customer satisfaction ratings overall. Although the annual ridership target was not met, this was the ninth consecutive year that transit ridership has increased. It is significant that the ridership gain included solid increases on services that are targeted at people who have a choice in their mode of transportation. Mecklenburg express routes increased ridership by 18.6% and regional express routes increased by 6.4%.
- ✗ CATS achieved an 81.7% on-time performance average (target: 80%).
- ✓ More than 10 miles of new bikeways were completed during FY07, including 9 miles of striped bike lanes and over 1 mile of bike lanes along the South Corridor Light Rail (target: 10 miles).

CATS Ridership
(in millions)



Serve the Customer

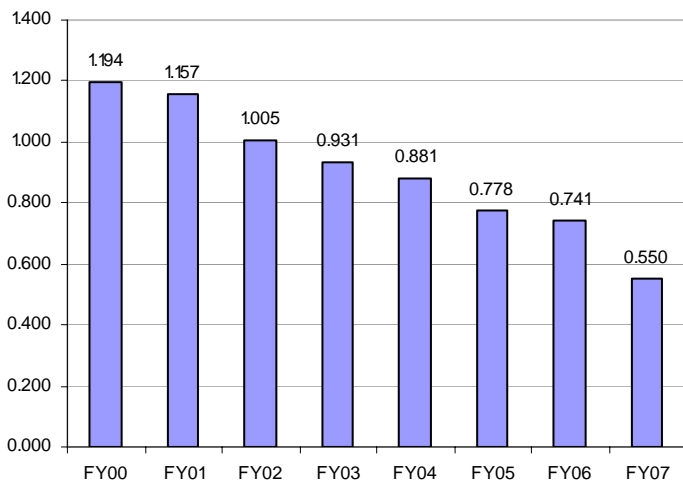
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Performance Highlights

✓ The preventable vehicular accident rate/100,000 miles for all CATS transportation modes was 0.55 (target: 0.62). The reduced rate is a result of increased safety training and awareness.

✗ CATS carried 24.0 passengers per service hour (target: 24.2). Despite coming in just short of the target, this represents a 3.9% increase over the FY06 result of 23.1 passengers per service hour.

CATS Preventable Accidents Per 100,000 Miles



✓ Charlotte Douglas International Airport completed Phase I design for the third parallel runway project (target: by June 2007). Phase I construction is underway.



Testing of new light rail vehicle



Serve the Customer

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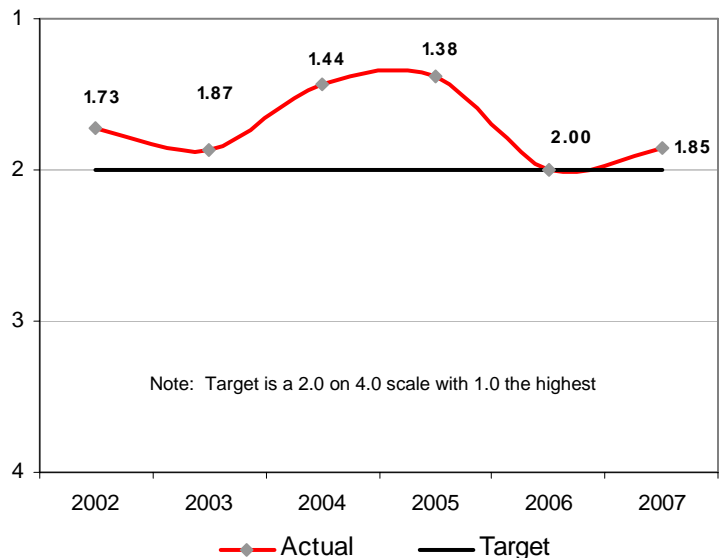
Performance Highlights

- ✓ CATS reduced the emission of air pollutants from buses by installing diesel particulate filters in 22% (target: 20%) of its bus fleet. Seventy-three buses now employ use of emission filters that help reduce air pollution.
- ✓ The City’s first green roof was installed on Discovery Place’s education center in November 2006.
- ✗ 43% of City households recycle, as reported by the Institute of Government Performance Measurement Project. Reporting runs on a one-year delay. In FY06, the average recycling set-out rate for all cities in the Performance Measurement Project was 47%.
- ✓ The “Keep America Beautiful” litter assessment rating was 1.85, exceeding Solid Waste Services’ target of 2.0 (1.0 is highest rating, 4.0 is lowest). All collection districts experienced better ratings due to increased vigilance by Solid Waste employees. Additionally, NCDOT undertook a renewed effort in the spring to clean major highways, including I-277 and I-77. The rating also represents a continued challenge to Charlotte’s clean city reputation after FY06 budget reductions for state right-of-way litter removal and street cleaning - particularly I-277 - along with a reduction in multi-family garbage collection.



Green roof at Discovery Place

Citywide Litter Index Rating



Serve the Customer

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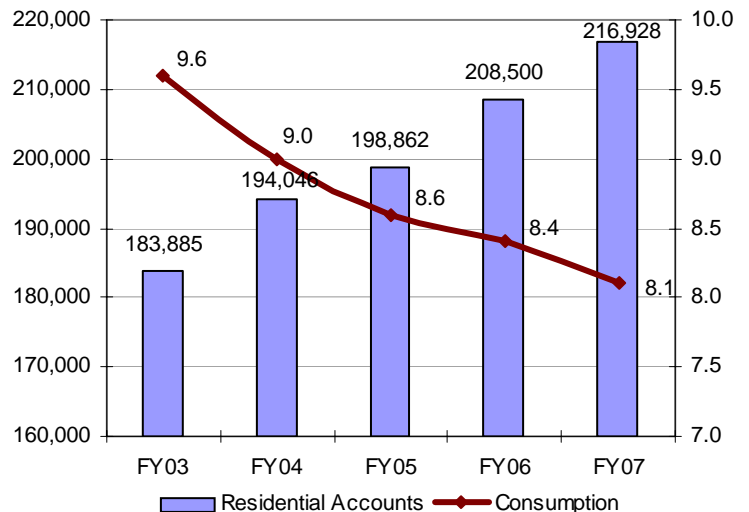
Performance Highlights

- ✘ Charlotte Mecklenburg Utilities (CMU) experienced sanitary overflows at a rate of 10.92 per 100 miles of pipe (target: 9.90). The number of overflows increased slightly as well as the volume of overflows increased by 79% per 100 miles of pipe from FY 2006. Grease and vegetation root systems are the primary causes of overflows. Utilities successfully negotiated an Environmental Protection Agency Administrative Order, which will result in reduced sanctions due to the City’s commitment to proactively communicating with the EPA, acting in good faith by performing a self-audit, and working harder to prevent spills.
- ✓ CMU reduced the annual water consumption per residential account by 3.5% (target: 2% reduction). On an average monthly basis, residential water consumption decreased from 8.4 ccf (1 ccf = 748 gallons) in FY06 to 8.1 ccf in FY07. The reduction in consumption is a result of an integrated approach of education, incentives, awareness, outreach to neighborhoods, and community programs to encourage water conservation. Since 2003, CMU has committed to reduce the five-year average account usage in the residential account category by 2% a year, which it has reached or exceeded each year.
- ✓ The City of Charlotte is working with the State of NC on a plan to reduce eight-hour average ozone air quality to safe levels by 2009. The plan will include a cap on the total Nitrogen Oxide (NOx) emissions due to cars, trucks, busses, and motorcycles.

Number of Ozone Action Days

Year	Orange	Red	Purple	Total
1999	29	5		34
2000	17	2	1	20
2001	12	1		13
2002	20	6		26
2003	3	1		4
2004	3	1		4
2005	13	1		14
2006	17			17

Number of Residential Water Accounts by Average Monthly Consumption per Account (in ccfs)



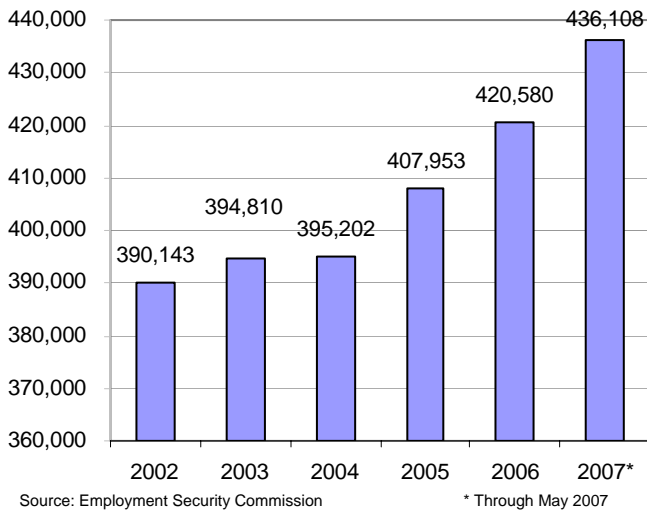
Serve the Customer

- * Reduce Crime
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Performance Highlights

- ✓ The Business Corridor Strategic Plan - a comprehensive strategy coordinating resources for distressed business corridors - was completed and approved by Council. This plan reflects the City's commitment to the four primary goals of eliminating blight, creating strong local economies, aligning City policies and programs to support corridor revitalization, and promoting environmentally sustainable development within the City's business corridors.
- ✗ Amount of private investment leveraged through Business Corridor Assistance Programs is estimated at \$1.9 million (target: \$10 million). The absence of marketing coupled with vacant and frozen positions diminished outreach efforts. Improvement is anticipated in FY08 due to the adoption of the Business Corridor Strategic Plan and the unfreezing of two positions in Economic Development's budget.
- ✓ Economic Development staff visited 158 local businesses as part of the Business Retention and Small Business Outreach Program (target: 150). The effort helps connect businesses to City services and establish baseline business climate data.
- ✓ The Small Business Development Program achieved 13.73% of City informal contracts awarded to SBE's (target: 10%).
- ✓ The largest trend in commercial real estate development continues to be along the South Corridor Light Rail line. Redevelopment of Charlotte's Westside including Wilkinson Boulevard, Freedom Drive, and West Boulevard has also seen dramatic improvements as a result of City/County Economic Development initiatives. Suburban retail and residential development continues to grow at a record pace.

Total Employment in Meck. Co.



Run the Business

* **Develop Collaborative Solutions**

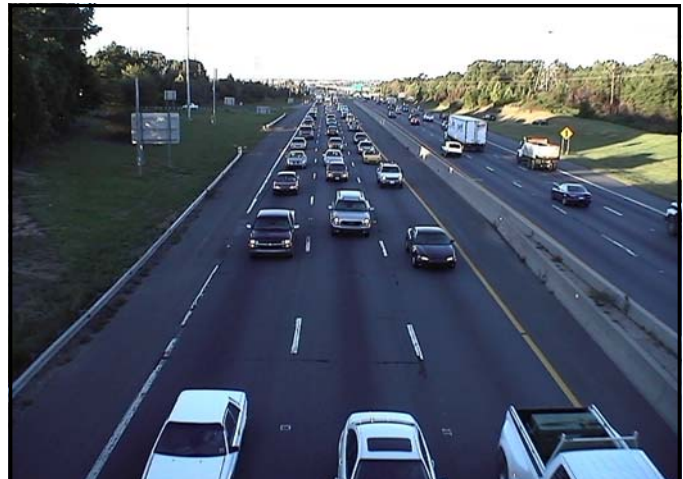
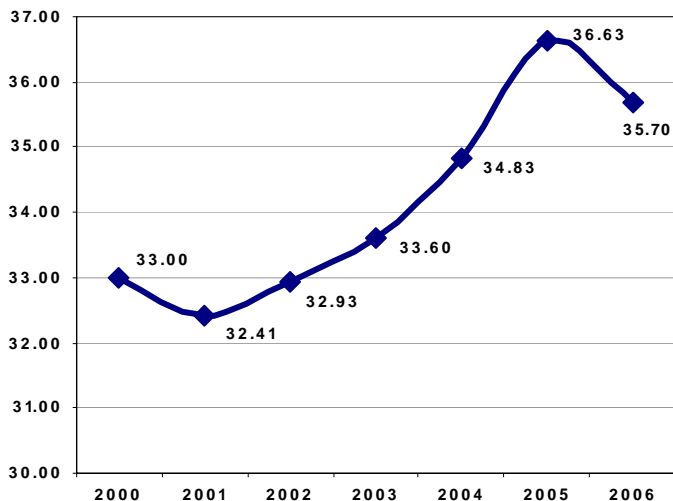
* **Improve Technology Efficiencies**

* **Enhance Customer Service**

Performance Highlights

- ✓ In an effort to enhance inter-agency coordination in emergency planning, Charlotte-Mecklenburg Utilities participated in three contamination exercises (target: two exercises). Some of the participants in the three exercises included the Mecklenburg County Health Department, Emergency Management, Bell South, Piedmont Natural Gas, Charlotte Fire Department, FBI, EPA Counter-terrorism Team, Nuclear Regulatory Commission, Carolinas Health Care System, Presbyterian Hospital, CharMeck 311, and MEDIC.
- ✓ Vehicle miles traveled (VMT) per capita decreased by 2.57% (target: reduce VMT). The rise of gasoline costs to near \$3/gallon is a leading factor influencing the reduction in VMT. Other factors influencing VMT include the availability of transportation options (public transit, pedestrian walkways, bicycle lanes and trails, high-occupancy vehicle lanes, and ridesharing) and continued, enhanced integration of transportation and land use design.
- ✓ The percentage of new, high-density residential development (15 dwelling units per acre) within one-half mile of South Corridor transit stations increased from 25% in FY06 to 39% in FY07 (target: increase over previous year).
- ✓ The Community Relations Committee worked with community organizations, including housing providers to conduct 35 fair housing trainings for 650 individuals during FY07. CRC's partnership with the U.S. Department of Housing and Urban Development requires that CRC take steps to affirmatively further fair housing and this is done through outreach and education, including fair housing training.
- ✓ Solid Waste Services' Call and Send Program was implemented in 4 of 16 targeted neighborhoods to increase the scheduling of bulky item collection and correspondingly reduce code enforcement violations due to unscheduled bulky waste in neighborhoods (target: four neighborhoods).

Vehicle Miles Traveled / Capita / Day



Run the Business

* Develop Collaborative Solutions

* Improve Technology Efficiencies

* Enhance Customer Service

Performance Highlights

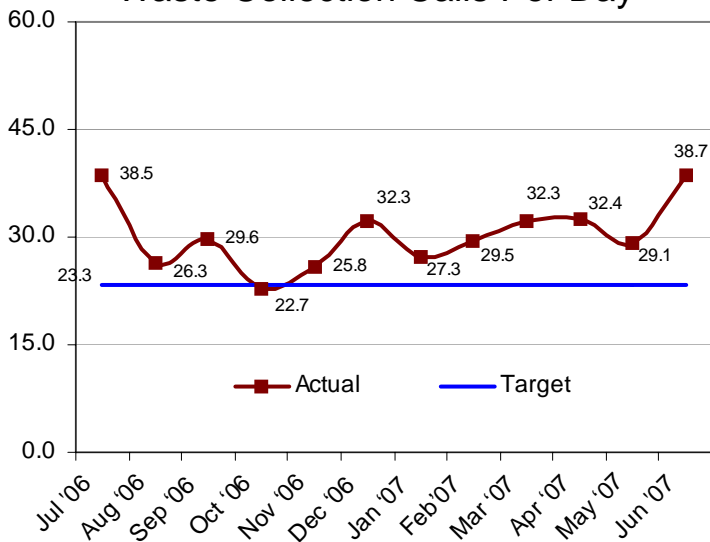
✘ Solid Waste Services averaged 30.4 missed collection calls per day in the three zones collected by City crews (target: 23.3). Factors affecting service included service day changes during the start of FY07 as well as the early leaf drop during the middle of FY07 that strained all yard waste resources.

✓ Despite continued increases in population and development activity, the Planning Department has achieved an overall satisfaction rating of 4.56 from its customers on a 1-5 point scale (target: 4.0).

✘ 80% of housing subdivision plans were reviewed within 20 days (target: 90%). Planning has experienced increased workload and demand for services in both regulatory and long-range planning functions. Added challenges included complexity of the review process, environmental concerns, and a shortage of staff. The unfreezing of two Planning positions in the FY08 budget is anticipated to help address these challenges. (Note: City ordinance allows 30 days to review subdivision plans. The ordinance's requirement is being met.)

✓ CharMeck 311 engaged a third party to conduct Caller Satisfaction Surveys to measure the level of satisfaction of 311 callers. The survey results indicated a 92% customer satisfaction rate, exceeding the industry standard and target of 85%.

Average Number of Missed Solid Waste Collection Calls Per Day



Run the Business

* Develop Collaborative Solutions

* Improve Technology Efficiencies

* **Enhance Customer Service**

Performance Highlights

- ✓ Business Support Services' IT Support Desk responded to 96% of service requests at Old City Hall and the Charlotte-Mecklenburg Government Center within two hours (target: 85% within two hours).
- ✗ Land Development Services (E&PM) completed plan reviews on schedule 83% of the time (target: 95%). The volume of reviews related to strong economic growth in Charlotte has made this target a challenge. Staff continues to evaluate and improve upon the plan review process.
- ✓ 100% of 1,053 requests for emergency repair work associated with missing stop and yield signs and traffic signal malfunctions were resolved by the Charlotte Department of Transportation within one hour during routine work hours and within two hours on nights and weekends (target: 90%).
- ✓ Police 911 staff answered 99.98% of calls within 30 seconds or less (target: 85%). The abandonment rate was 6% (target: less than 10%).
- ✓ Human Resources surveyed 1,000 random employees on their experience with HR customer service. HR earned a rating of 4.6 on a 5 point scale with 5 the highest possible score (target: 4.0).
- ✓ The percentage of CATS customer complaints responded to within two days and resolved within five days increased from 89% in FY06 to 97% in FY07 (target: 94%). CATS also improved basic passenger facilities by installing 25 bus shelters and 25 benches in FY07 (target: total of 50).
- ✓ Charlotte Douglas International Airport was selected by CNNMoney.com as one of the top five airports in the United States for business travelers.



Run the Business

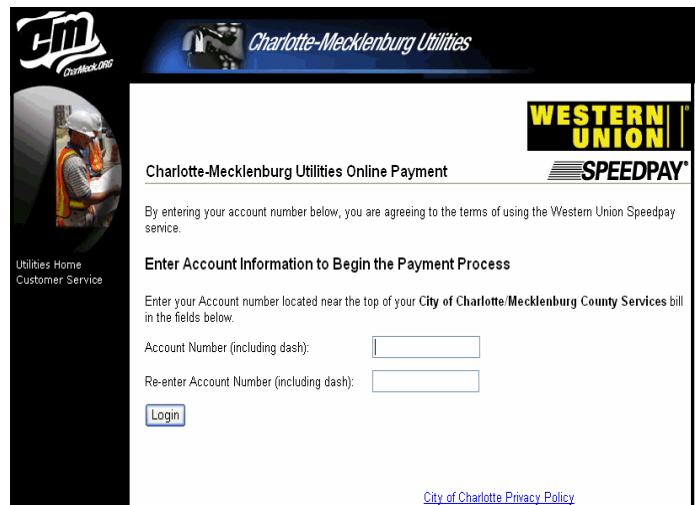
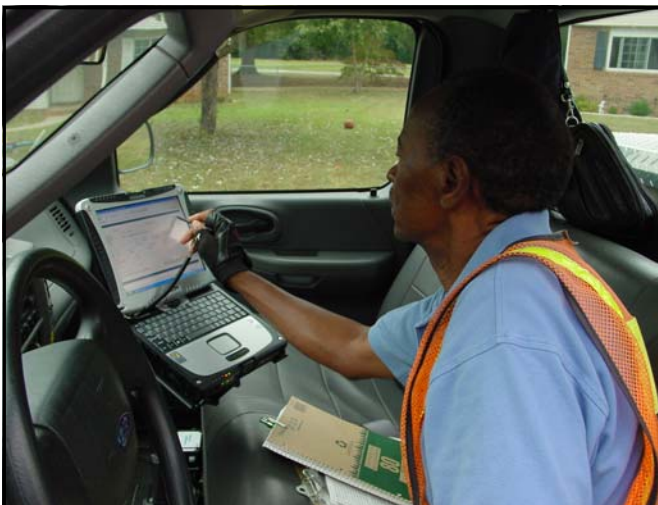
* Develop Collaborative Solutions

* Improve Technology Efficiencies

* Enhance Customer Service

Performance Highlights

- ✓ The strategic technology planning process, aligning technology planning with business planning and priorities, continued during FY07. Significant progress was made on defining and communicating corporate business priorities and on the investment request and review process. The overall effort continues to emphasize seamless citizen service as the primary goal.
- ✓ In an effort to provide state-of-the-art technology offerings for passengers, Aviation installed a wireless network throughout the airport terminal.
- ✓ Finance received a top software industry award for its efforts to incorporate best practices in automation using wireless field laptops to process utility service orders for delinquent customers. Efficiency savings include reduced field and home office operations as well as a reduction in the number of phone calls required to process work orders. The City of Charlotte was the only public organization among four international award recipients.
- ✓ The Work and Asset Management (WAM) team has made significant progress in the evaluation of functional requirements for work and asset management, citizen relationship management, and procurement processes across all City business entities. The WAM solution selection phase of this project is anticipated to be completed by February 2008. As implementation progresses, the WAM program will benefit internal and external customers by providing greater transparency and timeliness in handling service requests/responses and follow-through, provide a needed view into service delivery status, and will assist in better planning for capital improvements.
- ✓ The percentage of all Utility (water/wastewater and storm water) customers using e-Business as a means of making payments increased from 28.4% in FY06 to 30.5% in FY07 (target: 25%). Electronic payments provide cost avoidance of 50 cents per transaction for processing and provide customers an additional payment option.



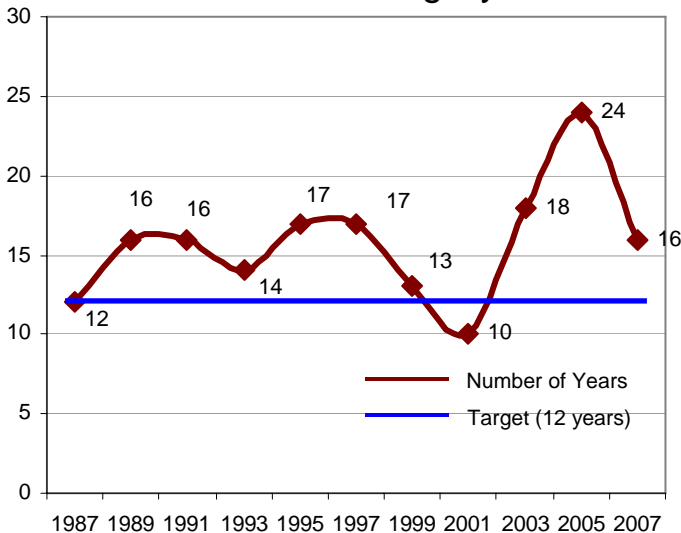
Manage Resources

- * **Maintain AAA Rating**
- * **Expand Tax Base & Revenues**
- * **Deliver Competitive Services**
- * **Invest in Infrastructure**

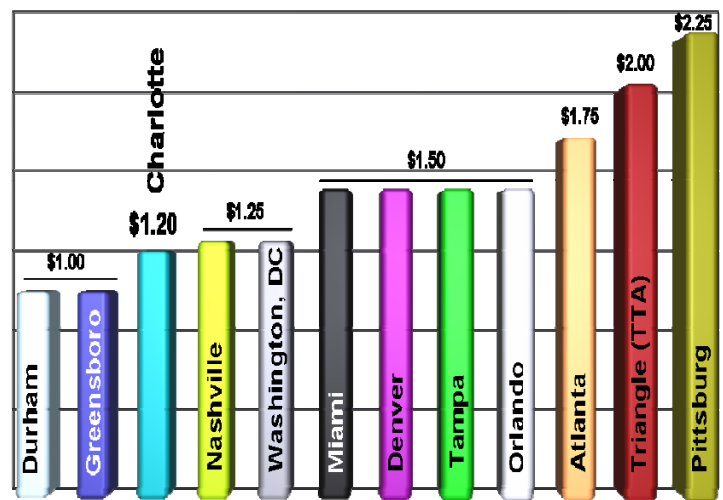
Performance Highlights

- ✗ Construction of the Southwest Water Main is 88% complete (target: 100%). Completion is anticipated by September 2007.
- ✓ CMU continued its business optimization plan with its four wastewater treatment plants, which will enhance the efficiency of operations.
- ✓ Street Maintenance responded to 100% of emergency pothole requests (potential safety or property damage) within three hours (target: three hours) and 100% of the repairs were completed within 24 hours (target: 97%). 100% of non-emergency pothole requests were responded to within five days (target: 95%) and 90% were repaired within 10 days (target: 95%).
- ✓ City Council's FY07 adopted budget increased funding to reduce the City's resurfacing cycle from 28-31 years to 16 years. The FY08 budget further enhances the resurfacing cycle to 14 years. The recommended industry standard is 12 years.
- ✓ The City maintained its AAA rating for general obligation debt for the 34th consecutive year.
- ✓ Storm Water Service maintained its revenue bond rating of Aa2 from Moody's and improved its Standard & Poor's rating to AAA .
- ✓ The Airport improved all three of its bond ratings. Standard & Poor's rating increased to A; Fitch's rating rose to A+; and Moody's raised the Airport's bond rating to A2.
- ✓ Utilities maintained its AAA rating from Standard & Poor's and Fitch and Aa1 from Moody's. (target: AAA and Aa1).
- ✓ Transit maintained its ratings of Aa2 by Moody's, AA+ by Standard & Poor's, and AA by Fitch.

Street Resurfacing Cycle



Transit Fares of Comparable Cities



Manage Resources

- * Maintain AAA Rating
- * Expand Tax Base & Revenues
- * Deliver Competitive Services
- * Invest in Infrastructure

Performance Highlights

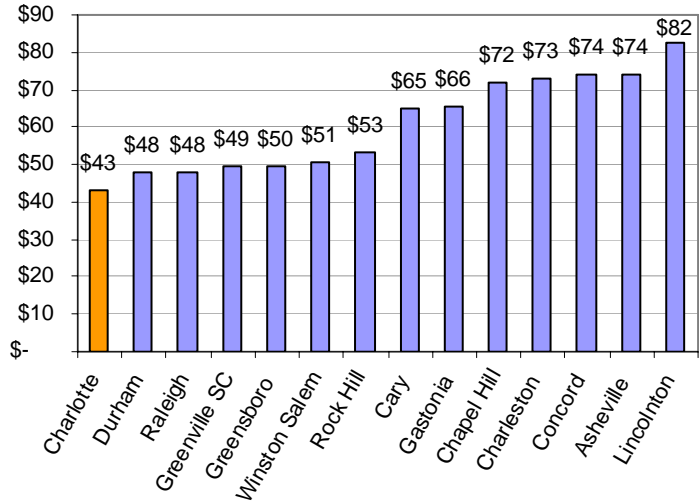
- ✓ The Equipment Management Division was recognized as being the fifth-ranked Fleet Management Operation in the country by *Fleet Equipment* magazine based on performance measures, competitive pricing, and customer service.
- ✓ Economic Development staff worked with internal and external partners to grow Charlotte’s hospitality industry tax revenues 27%, or a net of 9% increase excluding the new 2% occupancy tax for the NASCAR Hall of Fame (target: 7%).

- ✓ The ratio of private-sector housing funds leveraged with City funds was 1:6 (target: 1:4). The City’s HouseCharlotte program provides down-payment assistance (\$13,046,796) that is leveraged with the private-sector financial institutions (\$73,645,407).
- ✓ Charlotte-Mecklenburg Utilities maintains some of the lowest water and wastewater rates in the region.

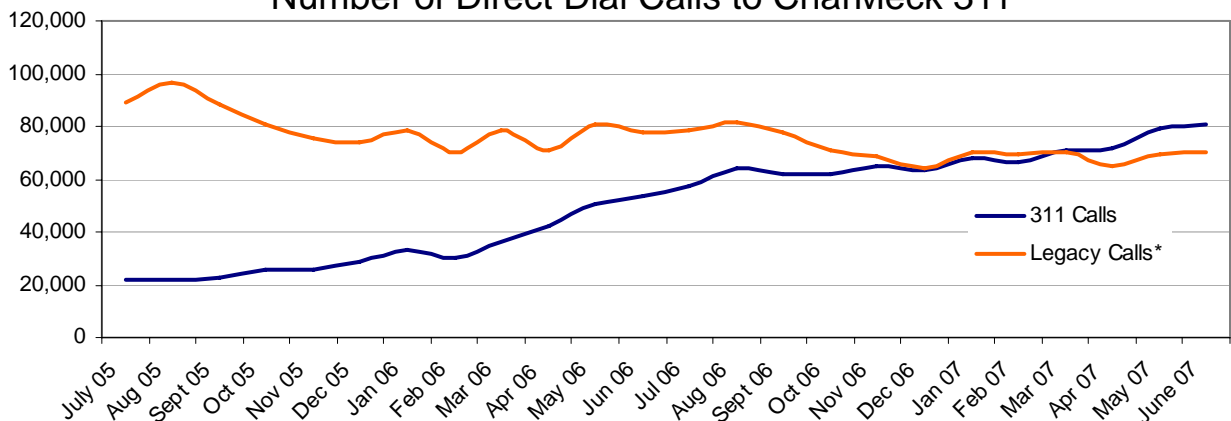
- ✓ Finance participated in the North Carolina Debt Setoff program, which allows the City to collect past due debt owed to the City from an individual’s state income tax refund. Collections from the debt setoff program with the State increased 123% over FY06. Collections in FY07 totaled \$314,605.

- ✓ 64% of those surveyed in the 2007 Community Survey were aware of CharMeck 311 (target 45%). Additionally, for the first time since operations began, calls to CharMeck 311 were higher than direct dials to legacy numbers (existing 10-digit numbers that route to 311).

Regional Water & Sewer Rates



Number of Direct Dial Calls to CharMeck 311



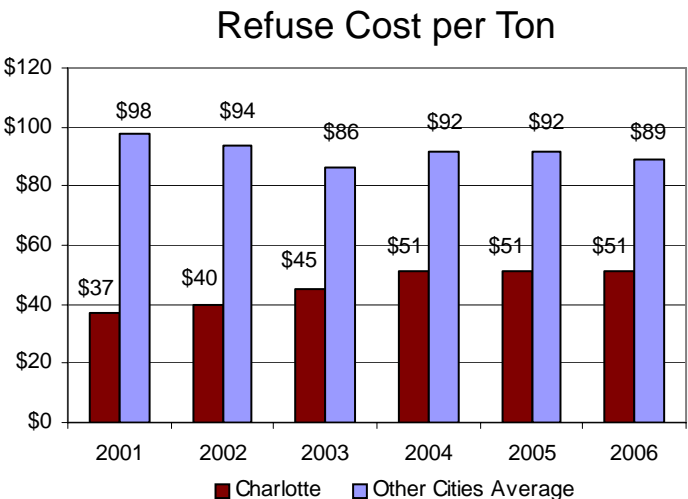
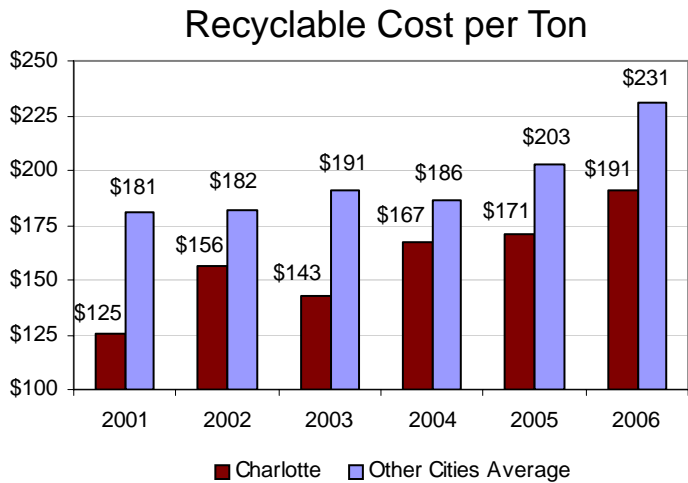
* 10-digit numbers that route to 311

Manage Resources

- * Maintain AAA Rating
- * Expand Tax Base & Revenues
- * Deliver Competitive Services
- * Invest in Infrastructure

Performance Highlights

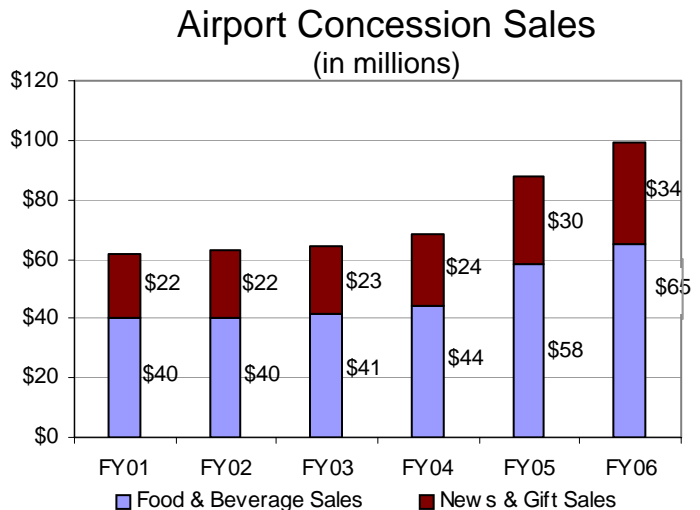
- ✓ Solid Waste Services (SWS) maintains a cost/ton collected for refuse and recyclables that is less than the statewide average, as reported by the Institute of Government Performance Measurement Project. The reporting for this project runs on a one-year delay. In FY06, the state average cost per ton collected for refuse was \$89, compared to SWS's cost of \$51. For recyclables, the state average was \$231, compared to SWS's cost of \$191.
- ✗ The City performed as well or better than the state-wide average in the 2006 Benchmarking Report published by the Institute of Government in 30 of 41 (73.2%) effectiveness and efficiency measures for services including solid waste collection, fire response and prevention, emergency communications, street maintenance, human resources management, and fleet maintenance (target: 75%).



- ✓ Properly functioning equipment is critical to the delivery of services to citizens. The City's Equipment Management Division achieved an average daily equipment availability rate of 96.8% (target: 95%).

- ✓ The Fire Department continues to be awarded Homeland Security grants for Charlotte (SHSGP) and the entire region (UASI), which includes York, Lancaster, Gaston, Lincoln, Catawba, Iredell, Cabarrus, Stanly, and Union counties (FY07 UASI: \$3.9M; FY06 SHSGP: \$1.0M).

- ✓ Aviation's overall food/beverage/retail sales are trending at an increased 11% per passenger over the prior year (target: ≥ 3%).



Develop Employees

* Achieve Positive Employee Climate

* Promote Learning & Growth

* Recruit and Retain Skilled, Diverse Workforce

Performance Highlights

✓ The voluntary turnover rate for public safety employees was 1.8% (target: $\leq 3\%$). The voluntary turnover rate for all other employees was 7.6% (target: $\leq 8\%$). The rates are for calendar year 2006. Although the voluntary turnover rate is below the target, there are business units with turnover challenges. Business Units with voluntary turnover rates of 8% or higher include:

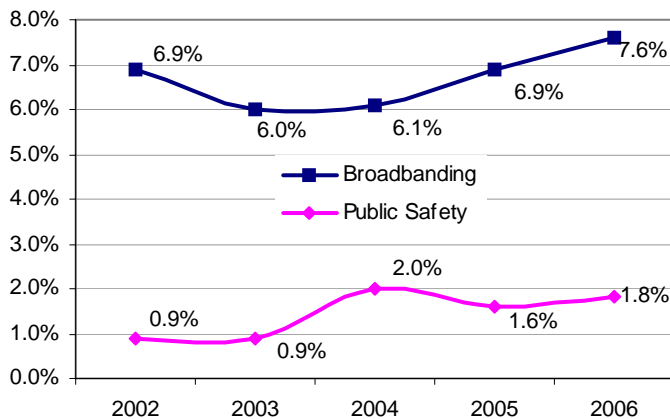
✗ The turnover rate for minority and female firefighters decreased from 2% in FY06 to 1.29%, but did not meet the target of $<1\%$. The percentage of minority and female firefighters has decreased from 17.5% in 1996 to 12.85% in 2007. Since 2006, the department has been working to counter this trend through the reassignment of a Battalion Chief from Operations into a Recruitment Coordinator role.

✓ Police increased the number of minority and female applicants in three of seven categories in 2006 as compared to 2005 (* denotes increases).

	<u>Turnover Rate</u>
Attorney	20.8%
311 Call Center	19.8%
Corporate Communications	16.7%
Planning	13.2%
Transit	11.6%
Solid Waste Services	11.3%
Finance	8.3%

Police Applicants	2005	2006
White female	60	54
African-American male	174	155
African-American female	49	31
Latino male*	50	67
Latino female*	6	15
Asian male*	16	18
Asian female	1	1

Voluntary Employee Turnover



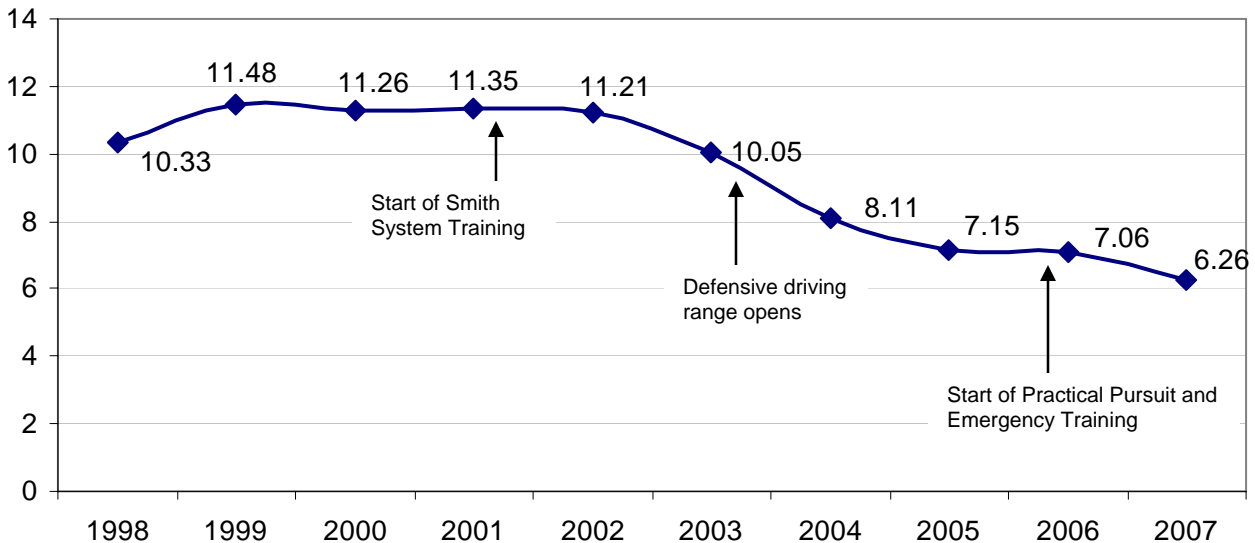
Develop Employees

- * Achieve Positive Employee Climate
- * Promote Learning & Growth
- * Recruit and Retain Skilled, Diverse Workforce

Performance Highlights

- ✓ 98.55% of all firefighters, engineers, and captains received 24 hours of annual, in-service EMT training (target: 98%).
- ✓ All Police employees who drive City vehicles completed defensive driving training. There were 6.26 preventable collisions per million miles driven (target: rate not to exceed 9.5).
- ✓ City employees earned 1,242 new certifications and 61 new degrees in FY07 compared with 2,352 new certifications and 55 new educational degrees earned in FY06 (target: increase number of specialized certifications received and the number of educational degrees received).
- ✓ CDOT experienced only 12 preventable vehicle accidents (target: <30) thanks to ongoing safety awareness and driver training efforts.

Number of Preventable CMPD Collisions per Million Miles Driven



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