



ADOPTED

FY2014 & FY2015 STRATEGIC OPERATING PLAN

AND

FY2014 – 2018 CAPITAL INVESTMENT PLAN

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CHARLOTTE.

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

MAYOR

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MAYOR PRO TEM

Patrick Cannon

CITY COUNCIL

John Autry

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Reader's Guide

This reader's guide describes the structure of two plans contained in this document: the **FY2014 & FY2015 Strategic Operating Plan (SOP)** and the **FY2014 - 2018 Capital Investment Plan (CIP)**. It is designed to help citizens, media, and City officials more easily understand and participate in budget deliberations.

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

FY2014 & FY2015 Strategic Operating Plan

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

| Section | Description |
|--|--|
| Executive Summary (Pages 1-33) | An overview of the Strategic Operating Plan which highlights the priorities reflected in the budget, itemized budget decreases and increases, fund summaries, and Capital Investment Plan Summary. |
| Corporate Strategy & Priorities (Pages 35-48) | The City's corporate strategy, objectives, and Focus Area Plans (Community Safety, Housing and Neighborhood Development, Environment, Transportation, and Economic Development). |
| Operating Budgets (Pages 49-106) | <p><u>General Fund Operating Budgets:</u> The budgets and performance achievements of departments that are funded by the City's property and sales taxes. These include: Police, Fire, Solid Waste Services, Transportation, Neighborhood & Business Services, Engineering & Property Management, and Planning.</p> <p><u>Enterprise Operating Budgets:</u> The budgets and performance achievements of Departments that function as enterprise operations with a dedicated funding source. These include: Aviation, Charlotte Area Transit System, Storm Water, and Charlotte-Mecklenburg Utility Department.</p> <p><u>Support Departments Budgets:</u> The budgets and performance achievements of support departments, which are funded by the City's property and sales taxes. These include the Mayor and City Council, City Attorney, City Clerk, City Manager, Budget & Evaluation, Shared Services, Finance, and Human Resources.</p> |
| Summary Statistics and Schedules (Pages 107-136) | Tabular presentations of key revenue and expenditure information as city wide totals and by fund. |
| Capital Investment Plan Summary (Pages 137-164) | A five year plan, which matches the City's highest priority capital needs with a financing schedule. The plan includes investments in roads, neighborhoods, housing, storm water, transit, water and sewer, aviation, and government facilities. |
| User Fees (Pages 165-186) | A listing of city regulatory and non-regulatory fees by department. |
| Key Terms (Pages 187-190) | References and defines key terms that are used throughout the document. |

Reader's Guide

Operating Budgets: A Closer Look

The operating budgets for Departments provide the core content of this document. These begin after the "Operating Budgets" tab and are outlined in the following order: General Fund Departments, Enterprise Departments, and General Fund Support Departments. A sample page containing this information is provided below.

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

City Clerk

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

| <u>Program Summary</u> | FY2013 Revised Budget/ Positions | FY2014 Budget/ Positions | FY2015 Budget/ Positions |
|---|---|---|---|
| City Clerk Services | \$ 539,017 | \$ 551,851 | \$ 561,866 |
| Attends and records proceedings of all City Council meetings; creates, maintains and makes available Council's official records; administers Council process for 38 boards, commissions and committees; responds to requests from City Council, citizens, and staff; prepares and submits requests for legal advertising for the City; organizes, attends, and records Civil Service and Citizen Review Board meetings. | 6.00 | 6.00 | 6.00 |
| Total | \$ 539,017 | \$ 551,851 | \$ 561,866 |
| Total Positions | 6.00 | 6.00 | 6.00 |

Budget Decreases

None

Budget Increases

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

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

Service Delivery Highlights and Challenges

In FY2013, the City Clerk's Office completed meeting minutes for 54 total City Council meetings and provided support for 13 Civil Service Board meetings and four hearings, with each hearing lasting a minimum of two business days. Additionally, the Clerk's Office provided staff for five Citizen Review Board meetings, facilitated the appointment of 64 advisory board members, assisted 572 citizens in signing up to speak at City Council Meetings, and executed and tracked more than 450 attestations and/or notarizations for contracts, deeds, leases or agreements. The Clerk's Office met their goal by posting all Council meeting agendas on the website no later than the Thursday before the next City Council meeting. Finally, the Clerk's Office administered 88 oaths for new employees and citizens appointed to boards and commissions.

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

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

Budget Process

PHASE I – BUDGET POLICY DEVELOPMENT

November 2012

Strategic Operating Plan Kick-off

December 2012

City Council Business Meeting

- ♦ Approve FY2014 & FY2015 Budget Calendar

February 2013

Mayor and Council Annual Retreat

- ♦ Overview of the economic environment and potential operating and capital budget considerations for FY2014 & FY2015

Council Budget Committee Meeting

- ♦ Review Proposed February 27 Budget Workshop Agenda
- ♦ Charlotte Area Transit System (CATS) Budget
- ♦ Capital Investment Plan (CIP) Committee Referrals

Mayor and Council Budget Workshop

- ♦ CATS Budget
- ♦ Storm Water Services Budget
- ♦ Financial Partner and Outside Agency Funding Requests

March 2013

Mayor and Council Budget Workshop

- ♦ Property & Sales Tax Revenue Update
- ♦ General Capital Investment Plan (CIP) Committee Referral Report Outs
- ♦ Charlotte-Mecklenburg Utility Budget

Council Budget Committee Meeting

- ♦ Review Proposed March 20 Budget Workshop Agenda
- ♦ Current Pay-As-You-Go Capital Program Overview
- ♦ General Review Overview

April 2013

Council Budget Committee Meeting

- ♦ Review Proposed April 10 Budget Workshop Agenda
- ♦ Employee Benefits
- ♦ Council Referral: School Resource Officers (SROs)
- ♦ Council Referral: Review Potential Budget Calendar Adjustments

Mayor and Council Budget Workshop

- ♦ General Capital Investment Plan
- ♦ Employee Pay and Benefits
- ♦ General Fund Update
- ♦ Financial Partner and Outside Agency Recommendations
- ♦ Council Referrals to Budget Committee

City Council Business Meeting

- ♦ Adopt FY2014 & FY2015 Focus Area Plans

PHASE II – BUDGET DELIBERATIONS AND ADOPTION

May 2013

Budget Presentation by City Manager

Public Hearing on Budget

Budget Adjustments Meeting

Straw Votes Meeting

June 2013

Budget Adoption

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Manager's Transmittal

July 1, 2013

To the Mayor and City Council of Charlotte,

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

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

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

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

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

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

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

Capital Investments Keep Charlotte Growing

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

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

Changes in Operating Programs are Modest

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

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

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

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

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

Manager's Transmittal

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

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

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

Annual Impact on "Average" Homeowner: \$86

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

Challenges and Risks

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

Conclusion

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

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

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

Respectfully submitted,



Ron Carlee, City Manager

FY2014 – 2018 Capital Investment Plan Resolution

June 10, 2013
Resolution Book 44, Page 404

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

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

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

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

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

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

This 10th day of June 2013

CERTIFICATION

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

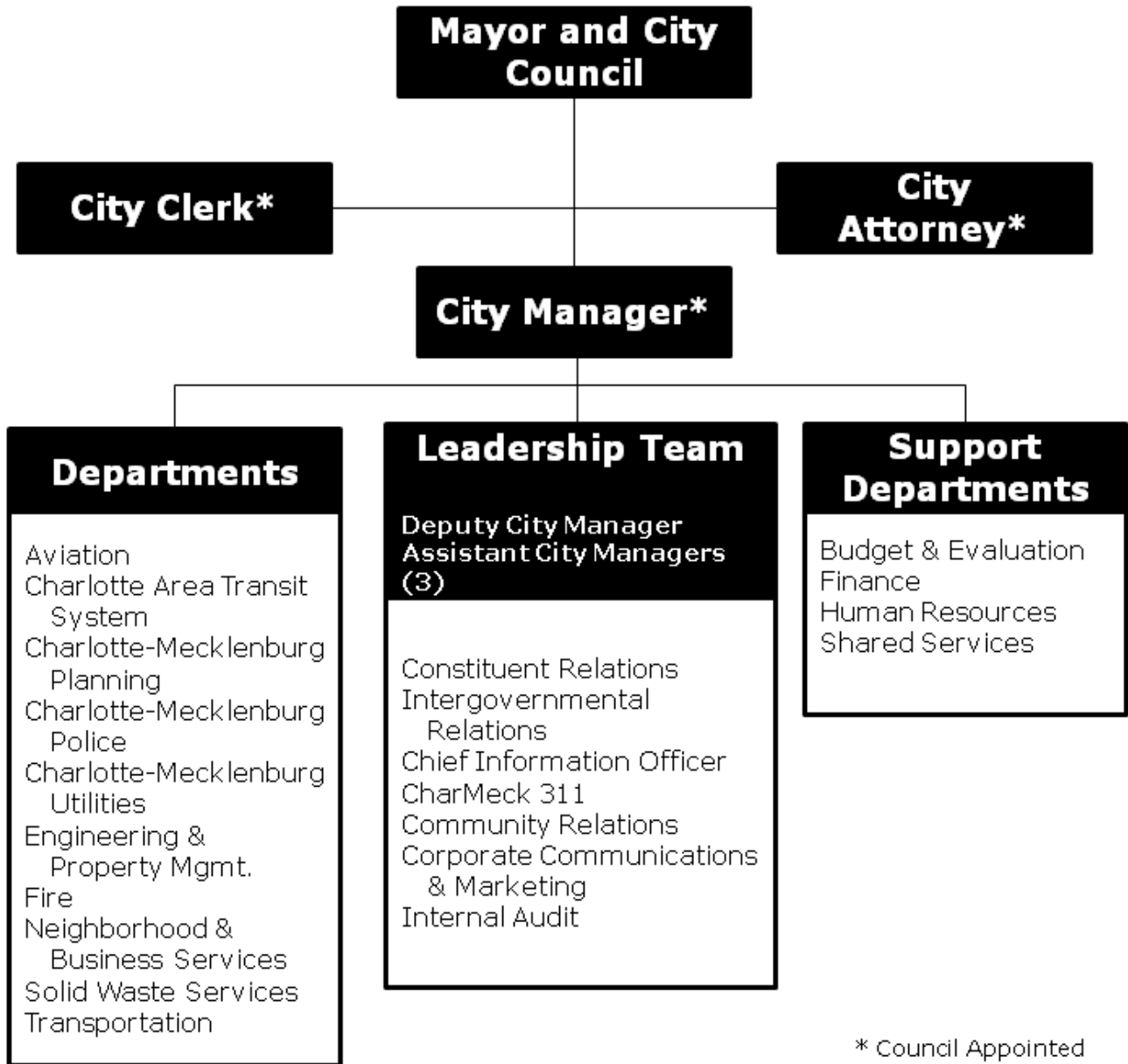
WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this the 12th day of June, 2013.



Stephanie C. Kelly
Stephanie C. Kelly, MMC NCCMC, City Clerk

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City of Charlotte Organizational Chart



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Executive Summary

Introduction

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

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

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

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

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

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

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

Total Budget

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

Executive Summary

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

Operating Budgets

The FY2014 and FY2015 total General Fund and Enterprise Funds operating budgets are \$1.18 billion and \$1.20 billion, respectively, compared to FY2013 total operating budget of \$1.12 billion. General Fund operations are those supported by general tax revenues, such as Fire, Neighborhood & Business Services, Police, Solid Waste Services, and Transportation. Enterprise funds those departments with self-sustaining revenues, specifically Aviation, Charlotte Area Transit System, Charlotte Mecklenburg Utility, and Storm Water Services.

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

Operating budgets are extremely tight after consecutive cuts in FY2009, FY2010, and FY2011, coupled with nearly flat operating growth in FY2012 and FY2013. The FY2014 and FY2015 General Fund and Enterprise operating budget line items are predominately held constant with the exception of modest increases that maintain current service levels and invest in the employees providing those services. The increases include items such as fuel and vehicle maintenance cost escalations as well as anticipated contract growth for items such as garbage and recycling. **Highlights of the General Fund and Enterprise Funds operating budgets include:**

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

Executive Summary

Capital Investment Plan (CIP)

The City's CIP is a five-year infrastructure plan, which matches the City's highest priority capital needs with a financing schedule. The plan includes investments in neighborhoods, housing, storm water projects, roads, transit, water and sewer projects, the airport, and government facilities.

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

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

Challenges and Risks

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

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

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

Executive Summary

Council Focus Areas

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



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



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



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



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



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

Executive Summary

General Fund Overview

The adopted General Fund Budget is \$563.5 million in FY2014, and \$572.7 million in FY2015, compared to the FY2013 budget of \$551.1 million. The FY2014 budget reflects an increase of 2.3% above FY2013, and the FY2015 budget reflects an increase of 1.7% over the FY2014 budget. The stabilization of revenues following economic challenges allows the City to maintain core service levels with minor budgetary adjustments made to base, core operating needs.

General Fund Decreases Overview

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

General Fund Increases Overview

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

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

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

General Fund Decreases by Council Focus Area

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

Community Safety

- ♦ None

Economic Development

- ♦ None

Transportation

- ♦ None

Housing and Neighborhood Development

- ♦ None

Environment

- ♦ None

Executive Summary

General Government

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

General Fund Increases by Council Focus Area

Community Safety

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

Economic Development

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

Transportation

- ♦ None

Housing and Neighborhood Development

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

Environment

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

General Government

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

Executive Summary

General Fund Financial Partners

Direct Discretionary Allocations

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

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

Formula-Driven, Dedicated Revenue Sources

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

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

Neighborhood & Business Services Financial Partners

Housing & Community Development and Crisis Assistance

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

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

Out of School Time Partners

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

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

Executive Summary

Employee Compensation and Benefits

Pay Plan

Employee compensation is the single largest category of expenditure in the City's operating budget, as the vast majority of City services are labor intensive. Economic conditions have impacted the ability to fund employee compensation plans in recent years. The City has made significant efforts to reduce costs by "doing more, with less." Market data analysis indicates signs of movement related to employee compensation at rates that exceed the City's compensation increase trends. As revenue begins to increase, the City is in a position to begin to address the compensation trend disparity. The FY2014 budget includes salary increases for both the Broadbanding and Public Safety pay plans.

Thus, the adopted FY2014 budget includes:

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

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

401(k)

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

Retirement System

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

Group Insurance

The FY2014 health insurance components reflect the Council-adopted philosophy of:

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

Driven by these philosophies, the FY2014 and FY2015 City contribution to group insurance increase is only 3.0% and 6.0%, respectively, compared to an estimated annual national trend of over 8.0% for FY2014. The City has managed health care costs considerably by:

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

Executive Summary

Group Insurance (cont.)

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

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

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

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

Other

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

Executive Summary

General Fund Revenues

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

Property Tax

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

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

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

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

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

Sales Tax

Sales Tax revenues for the General Fund are comprised of the proceeds from 1.5% of the City's total sales tax rate of 2.5%. The remaining 1.0% is split evenly between CATS (0.5%) and the Municipal Debt Service Fund (0.5%). For the General Fund, a growth rate of 3.5% is projected for FY2014 and FY2015, producing \$71.8 million and \$74.3 million, respectively.

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

Executive Summary

Utilities Franchise Tax

Utilities Franchise Tax revenues are projected to decrease 0.1% over FY2013 to \$38.1 million for FY2014 and \$38.8 million for FY2015. Based on area utilities' revenues reported to and taxed by the State of North Carolina and shared with local jurisdictions, this revenue reflects customer consumption of electricity, natural gas, and telecommunication services.

Intragovernmental

Intragovernmental revenues, including reimbursements from the City's four enterprise operations for overhead expenses incurred in the General Fund, in support of the enterprises, increased by 0.5% to \$27.3 million in FY2014 and 2.2% to \$27.9 million in FY2015. The services reimbursed to the General Fund include financial, technology, customer service, budgetary, and human resource functions.

Police Services

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

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

Solid Waste Services Fee

Solid waste services fee revenue is projected at \$12.2 million in FY2014 and \$12.4 million in FY2015, compared to \$12.1 million in FY2013. The Mecklenburg County disposal facilities charges remain unchanged in FY2014, but are anticipated to increase in FY2015. The single-family fee of \$47 and a multi-family fee of \$24 remain unchanged for FY2014. The cost of collecting solid waste, including garbage, yard waste, bulky items, and recyclables, is funded through the City's property tax levy.

Business Privilege License

Business privilege license revenue is projected to increase by 2% to \$17.4 million in FY2014 and \$17.9 million in FY2015. There are no changes in the license rate schedules.

User Fee

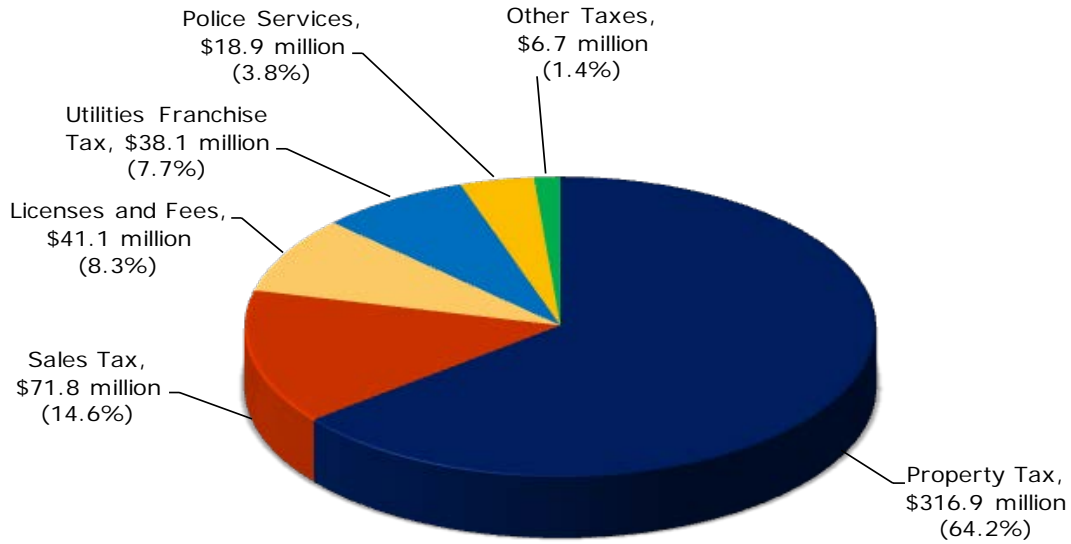
The FY2014 regulatory and non-regulatory user fee revenue is \$10.0 million, an increase of 9.6% above FY2013. Regulatory user fee rates (e.g. charges for development review services) were held flat from FY2009 through FY2012 due to economic conditions, suspending Council's 100% fully allocated cost recover policy for regulatory user fees. As revenues begins to improve, a phased-in approach is used to incrementally increase regulatory user fees over a three to five year period to return to fully allocated cost recovery. Non-regulatory user fees (e.g. cemetery fees) will continue to be based upon market rates and contracted amounts.

Other Revenues

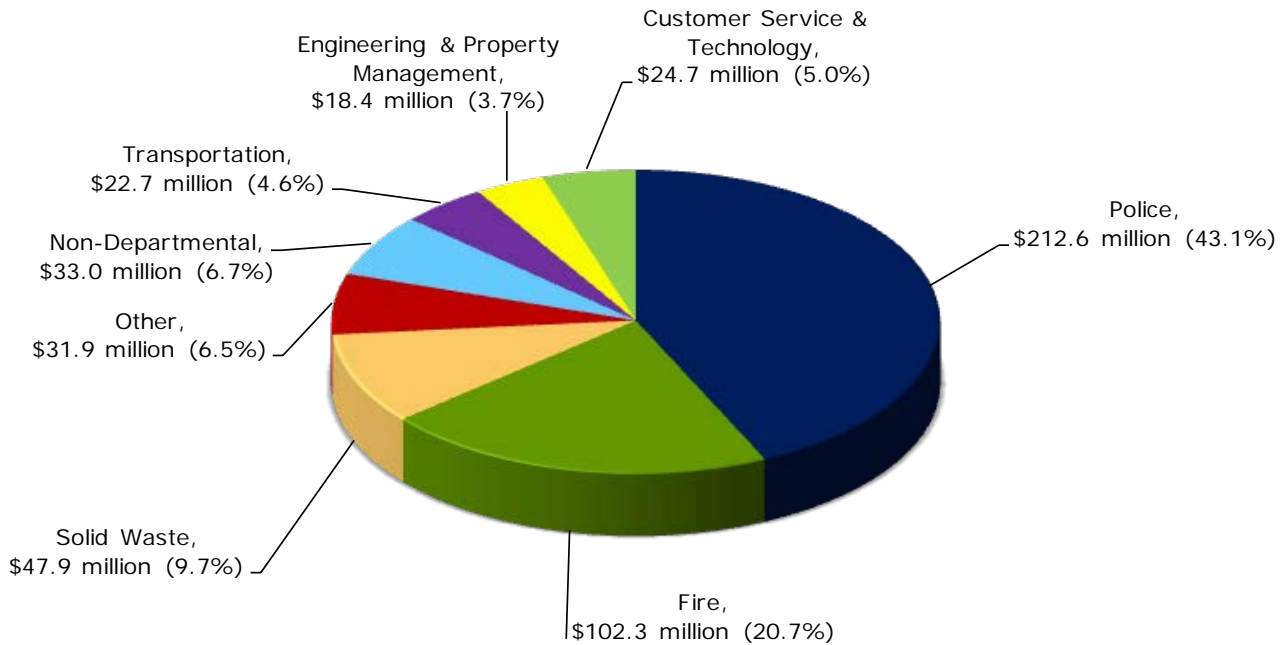
The City's other General Fund revenues, including licenses, grants, parking fees, and charges totaling \$47.9 million in FY2014, a slight increase of 1.5% from FY2013.

Executive Summary

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



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



Executive Summary

Non-General Fund

Although the General Fund supports the City's basic services such as Police, Fire, and Solid Waste Services, the City maintains other funds that also perform operating functions. The FY2014 non-general fund operating budgets total \$664.5 million, representing an increase of 8.5% from FY2013. These amounts are net of transfers to any related debt service or capital pay as you go projects.

Water and Sewer Fund

FY2014 \$112.7 million

FY2015 \$114.8 million

Revenues

Utilities customers will experience an increase in the volume rate, fixed billing charge, and the availability fee for both water and sewer. The average monthly total water and sewer bill for residential customers is estimated to be \$55.17, an increase of \$2.14 per month. The average bill assumes 5,250 gallons or 7 ccf used each month. Based on the current rate structure, users consuming more than the average level of consumption are charged a higher rate to encourage conservation and responsible use of this resource.

Water and Sewer Rates

| Current | Prior Year FY2013 | Adopted FY2014 |
|-----------------------|------------------------------|---------------------------|
| Water Rates | | |
| Fixed Billing Charges | \$2.46 | \$2.46 |
| Availability Fee | 2.41 | 2.47 |
| Tiered Rate | | |
| Tier 1: 0-4 ccf | 1.09 | 1.20 |
| Tier 2: 4-8 ccf | 2.18 | 2.40 |
| Tier 3: 8-16 ccf | 3.81 | 4.30 |
| Tier 4: >16 ccf | 5.96 | 6.76 |
| Non Residential | 2.33 | 2.46 |
| Sewer Rates | | |
| Fixed Billing Charges | \$2.46 | \$2.46 |
| Availability Fee | 4.56 | 4.56 |
| Volume Rate * | 4.32 | 4.46 |

*up to 16 ccf for residential customers
1 ccf = 748 Gallons

Average Residential Bill

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

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

Executive Summary

Non-General Fund

Water and Sewer Fund (cont.)

Expenditures

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

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

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

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

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

Service

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

Revenues

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

Expenditures

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

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

Executive Summary

Non-General Fund

Aviation Fund

FY2014 \$113.6 million

FY2015 \$116.9 million

The Charlotte Douglas International Airport (Airport) is the second busiest airport on the Eastern seaboard. Passenger traffic has grown from 2.9 million enplanements in 1982 when the current terminal opened, to over 19.2 million domestic and 1.3 million international enplanements in 2012. The Airport remains one of the nation's busiest airfields with over 550,000 operations annually and over 100 flights in a given hour. With continued passenger growth and new business requirements, the Airport must remain able to adapt as needed to meet service delivery needs. In addition, the state of the economy necessitates that all financial decisions be approached carefully. The Airport remains committed to a high-quality, customer service experience, and it strives to maintain a lean, flexible organization that can respond efficiently and effectively to its ever-changing environment. As a result, Charlotte is well-positioned as both a geographically and economically desirable hub for operations.

Revenues

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

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

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

Expenditures

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

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

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

Executive Summary

Non-General Fund

Storm Water Fund

FY2014 \$12.6 million FY2015 \$12.8 million

More frequent and larger flood events are straining older drainage systems and driving up the number of citizen requests. The new requests compete with a backlog of lower priority requests for limited funding. The budget includes a 5.5% impervious surface fee rate increase in FY2014 and a 5.0% fee rate increase in FY2015. For the average City residential storm water customer, the monthly variable rate fee will increase from \$7.48 in FY2013 to \$7.89 in FY2014.

Revenues

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

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

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

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

Expenditures

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

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

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

Executive Summary

Non-General Fund

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

The FY2014 and FY2015 budgets include funding for the five Municipal Service Districts (MSDs). These special tax districts are designed to enhance the economic vitality and quality of life in the central business district or other commercial areas. Three of the MSDs are located in the Center City area, the fourth is located in the South End area, and the fifth is located in the University City area. All MSD revenues are generated through ad valorem property tax paid by the property owners (residential and commercial) in the designated districts and must be spent on programs and services that enhance the quality of the districts. A property revaluation is anticipated during FY2014. Although a citywide revenue neutral property tax rate is budgeted in FY2015, the MSDs do not reflect an adjustment. If the revaluation results in impacts to the MSDs, a revenue neutral rate will be calculated at that time.

District Information

Center City District 1 was established by City Council in 1978 for the purpose of promoting investment in the Central Business District area. District 1 encompasses the entire Center City and includes the property between the Brookshire Freeway, Independence Boulevard, Belk Freeway, and Interstate 77. The tax rate for the district is 1.68¢, which will generate estimated revenue of \$1,284,720 in FY2014 and \$1,301,935 in FY2015.

Center City Districts 2 and 3 were formed by City Council in 1985 as overlay districts to provide additional services in smaller sections of property in the heart of the Center City. Their purpose is to promote and market programs to ensure continued economic growth for the Center City. The tax rate for Center City District 2 is 2.33¢, which will generate estimated revenue of \$738,344 in FY2014 and \$740,929 in FY2015. The tax rate for Center City District 3 is 3.58¢, which will generate estimated revenue of \$1,256,115 in FY2014 and \$1,273,816 in FY2015. All services for the three Center City MSDs are provided through contracts with Charlotte Center City Partners, Inc.

South End District 4 was created by City Council in 2000 to help continue the urban revitalization occurring in the historic South End area. The tax rate for District 4 is 6.68¢, which will generate estimated revenue of \$752,999 in FY2014 and \$760,475 in FY2015. Services for District 4 are provided through a contract with Charlotte Center City Partners, Inc.

University City District 5 was created by City Council in May 2003 and became effective on July 1, 2003, for the purpose of supporting economic development efforts in the University City area. The tax rate for District 5 is 2.79¢, which will generate estimated revenue of \$640,327 in FY2014 and \$648,685 in FY2015. Services for District 5 are provided through a contract with University City Partners, Inc.

Municipal Service Districts Property Tax Revenue

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

Executive Summary

Non-General Fund

Other Non-General Operating Funds **FY2014 \$324.8 million** **FY2015 \$318.3 million**

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

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

Powell Bill Fund

Revenues

The per-gallon tax on gas in North Carolina is 50.9¢, which is comprised of 18.4¢ in federal tax and 32.5¢ in state tax. The state gas tax is usually adjusted every six months based on the wholesale price of gasoline. However, no increases are projected in FY2014 due to a continuing freeze placed on the variable portion of the gas tax by the Governor. The state distributes a portion of the gas tax revenues to municipalities to pay for road maintenance. This funding source was named the "Powell Bill" after the State Senator who introduced the bill.

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

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

Expenditures

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

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

Executive Summary

Capital Investment Plan

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

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

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

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

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

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

Executive Summary

Capital Investment Plan (cont.)

Municipal Debt Funded

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

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

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

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

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

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

Pay-As-You-Go Funded

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

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

- ♦ \$19.0 million for the City's Maintenance of Effort (MOE) contribution to Transit
- ♦ \$9.5 million for cultural facilities, county and towns' portion of the vehicle rental tax, and road planning, design, and right-of-way
- ♦ \$6.9 million for building, roof, and parking facility maintenance
- ♦ \$4.5 million for Innovative Housing
- ♦ \$2.1 million for Tree Management Program, including trimming and removal (\$1.4 million) and tree replacement (\$0.7 million)
- ♦ \$2.0 million for Technology Investments

Enterprise Funded

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

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

Executive Summary

Capital Investment Plan (cont.)

Enterprise Funded (cont.)

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

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

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

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

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

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

Executive Summary

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

† G.O. Bonds; * COPS

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

Notes

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

Executive Summary

All Funds - Summary of Expenditures

(Net of Transfers)

FY2014

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

Adjusting the City's Funds to "net of transfers" eliminates the presentation of duplicate expenditures. For example, the payment to be made by the Aviation Fund for fire protection services provided to the Airport during FY2014 by the General's Fire Department, which totals \$4,677,674 is not included in the General Fund amount above; rather, it is included in the Aviation Fund above as a cost of providing Airport services for the fiscal year.

The City utilizes internal service funds to manage its two self-funded insurance funds; Risk and Loss and Workforce Group Insurance. These two funds are supported with charges to each operating fund above, and the charges for each are reflected within these operating funds. For FY2014, the total budget included in the above Operating Fund is:

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

FY2015

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

Adjusting the City's Funds to "net of transfers" eliminates the presentation of duplicate expenditures. For example, the payment to be made by the Aviation Fund for fire protection services provided to the Airport during FY2014 by the General's Fire Department, which totals \$4,814,075 is not included in the General Fund amount above; rather, it is included in the Aviation Fund above as a cost of providing Airport services for the fiscal year.

The City utilizes internal service funds to manage its two self-funded insurance funds; Risk and Loss and Workforce Group Insurance. These two funds are supported with charges to each operating fund above, and the charges for each are reflected within these operating funds. For FY2015, the total budget included in the above Operating Fund is:

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

Executive Summary

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

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

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

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

Executive Summary

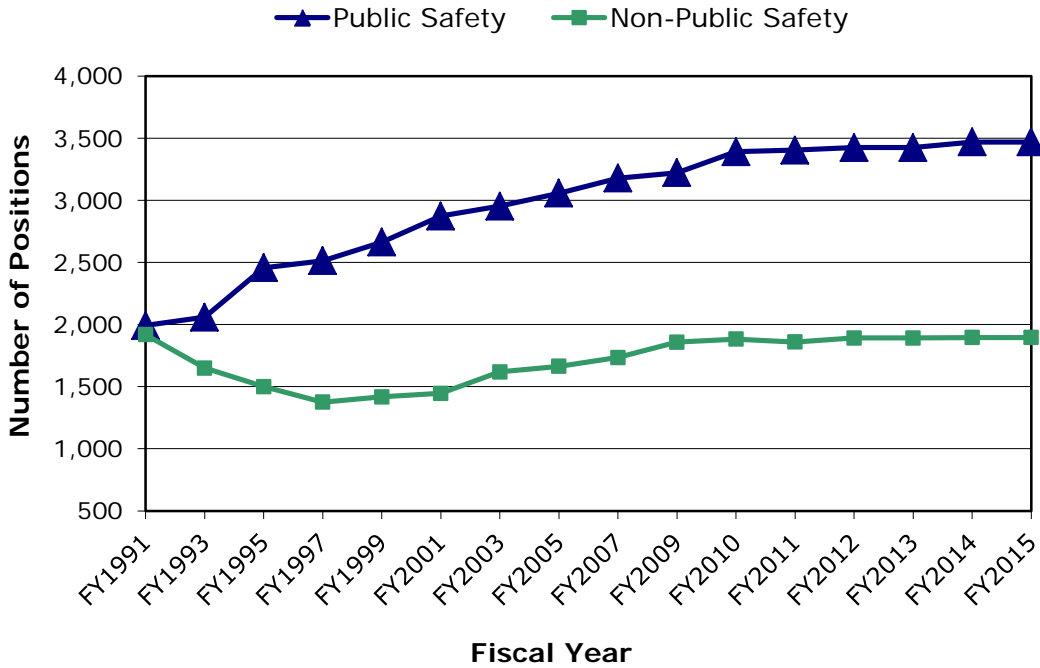
Summary of Position Allocations by Fund

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

Executive Summary

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

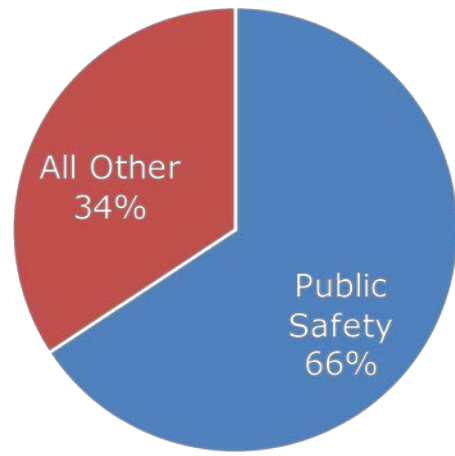
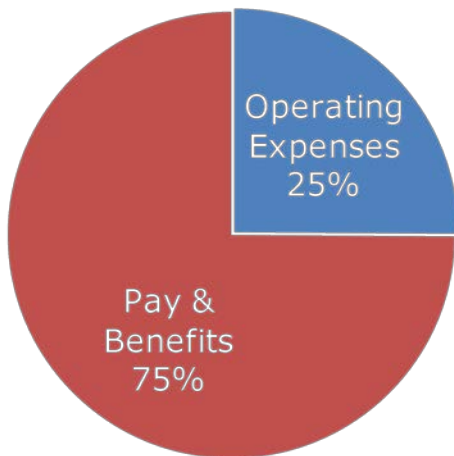
General Fund Positions



FY2014 Total Operating Budget General Fund

Total Budget \$563.5m

Pay and Benefits \$422.1m



City Profile

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

City Profile

Continued

Property Tax (FY2014)

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

Local Sales Tax (FY2014)

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

Occupancy Tax (FY2014)

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

Prepared Food Tax (FY2014)

| | |
|-------------|------|
| City/County | 1.0% |
|-------------|------|

Business Privilege License (FY2013)

| | |
|--|---------|
| Per \$1,000 gross receipt (min. of \$50 and max of \$10,000) | \$ 0.60 |
|--|---------|

Car Rental Taxes (FY2014)

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

Area City and County Property Tax Rates (FY2014)

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

MOTOR VEHICLE REGISTRATION FEE (FY2014)

| | |
|-----------|----------|
| Charlotte | \$ 30.00 |
|-----------|----------|

SOLID WASTE FEES (FY2014)

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

MUNICIPAL SERVICE DISTRICTS (FY2014)

| District | Tax Rate * |
|----------------------|------------|
| 01 - Center City | 1.68¢ |
| 02 - Center City | 2.33¢ |
| 03 - Center City | 3.58¢ |
| 04 - South End | 6.68¢ |
| 05 - University City | 2.79¢ |
| *per \$100 valuation | |

City Strategy

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

Vision

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

Mission

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

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

OVERVIEW OF CHARLOTTE'S FOCUS AREAS

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

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

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

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

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



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

COMPREHENSIVE CITIZEN SERVICE

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

Optimize Business Processes

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

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

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

Corporate Objectives

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

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



FY2014 Strategic Focus Area Plan

“Charlotte will be one of America’s safest communities.”

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

| Focus Area Initiative | Measure | FY2012 Actual | FY2013 Mid-Year Status | FY2014 Target |
|--|--|---|---|--|
| Reduce crime and loss of life/property damages from fires | Number of FBI UCR Part One Crimes and rate of UCR Part One Crimes per 100,000 population | -2% actual crime; -2.86 rate per 100,000 population | 1.37% increase in Part One UCR Crimes; .40% increase in rate per 100,000 population | 3% reduction in the number of UCR Part One reported crimes and 3% reduction in the UCR Part One crime rates per 100,000 population |
| | Percent of arson cases cleared by investigators | 51.3% | 41% | 36% clearance rate |
| | Percent of incidents where first fire unit arrives on scene within six minutes or less of 911 call | 83.1% | 83% | 80% |
| Enhance citizen perception of safety through citizen partnerships and crime and fire prevention and education activities | Survey ratings on citizen satisfaction with police and their safety in neighborhoods (spring 2014) | 7.8-overall impression of CMPD; 7.6-courtesy; 8.0-professionalism; 8.2-safe in neighborhood | Survey will be conducted spring of 2013 | Ratings of 7.0 or above on a 10 point scale |
| | Percent of fire code inspections conducted within state mandated frequencies | 100% | 49% | 95% |

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



FY2014 Strategic Focus Area

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

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

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

| Focus Area Initiative | Measure | FY2012 Actual | FY2013 Mid-Year Status | FY2014 Target |
|---|---|---------------|------------------------|---------------------------|
| Create healthy and vibrant neighborhoods by improving and implementing quality physical infrastructure | Reduce the number of nuisance violations | N/A | N/A | Reduce by 5% |
| Strengthen opportunities for public and private partnerships to encourage the integration of education, recreation, employment, and housing resources in identified redevelopment areas | Achieve a leverage ratio within the corridor of 1:10 for business corridor funds | 1:10 | 1:10 | 1:10 |
| Implement policies that will assist with geographically dispersing and increasing the supply of affordable housing | Number of developer inquiries and approval for the new voluntary single and multi-family density bonus programs | N/A | N/A | 5 |
| | Allocate Housing Trust Fund dollars to developments consistent with Housing Policy goals | N/A | N/A | Housing Trust Fund Awards |
| Continue refinement of the new Quality of Life Study for 2014 | Create a trend methodology, establish Neighborhood Profile Area goals, enhance referrals, and include new data points | N/A | N/A | 100% completion |



FY2014 Strategic Focus Area Plan

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

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

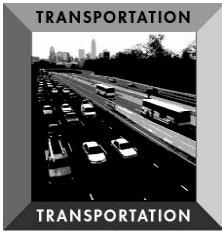
Charlotte will become a national leader in environmental sustainability by:

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

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

| Focus Area Initiative | Measure | FY2012 Actual | FY2013 Mid-Year Status | FY2014 Target |
|---|--|----------------------|---|---|
| Promote and participate in the development of a sustainable community | Focus growth and development in appropriate locations, following the guidance provided in the City Council adopted <i>Centers, Corridors and Wedges Growth Framework</i> and articulated more specifically in adopted land use plans | 95.2% | Currently 96% of rezoning decisions are consistent with area plans and/or staff recommendations | Make 95% rezoning decisions consistent with area plans and/or staff recommendations |
| | Reduce residential waste | New Target in FY2013 | Current landfill diversion rate is 25.9% | Increase the landfill diversion rate from 25% to 35% by 2015 |
| | Maintain a significant and healthy tree canopy | New Target in FY2013 | In Progress | Refine and implement strategies to achieve 50% tree canopy coverage by 2050 |
| | Maintain a safe and adequate drinking water supply for the community | Achieved | In Progress | Continue a leadership role in regional water resources planning by working with the Catawba-Wataree Management Group to complete Phase 2 of the Basin-wide water plan |
| | Continue the positive trend in community reductions of emissions that result in ozone | New Target in FY2013 | In Progress | Realize reduced three-year average ozone readings at monitors used for air quality attainment purposes |
| | Reduce impacts to air, water, waste, energy and trees through community engagement | | New Target in FY2013 | In Progress |
| | | N/A | New Target in FY2014 | Launch process to develop Community Sustainability Plan |

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



FY2014 Strategic Focus Area Plan

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

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

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

| Focus Area Initiative | Measure | FY2012 Actual | FY2013 Mid-Year Status | FY2014 Target |
|--|---|---|--|--|
| Enhance multi-modal mobility, environmental quality and long-term sustainability | Reduce annual hours of congestion per traveler, as measured by Texas Transportation Institute, for the Charlotte Urban Area compared to top 25 cities | Charlotte: 0.8% increase Top 25: .7% | Charlotte: 0.7% Top 25: - 3.4% | Any increase will be less than 5-year average of top 25 cities |
| | Reduce Vehicle Miles Travelled (VMT) per capita | N/A | N/A | Reduce VMT per capita from prior year |
| | Decrease commute times | 40.8% | N/A | Increase the percent of Charlotte commuters with a commute time of less than 20 minutes. |
| | Accelerate implementation of 2030 Transit Corridor System Plan as conditions allow: | | | |
| | LYNX BLE | DEIS Complete | FFGA Approved | Begin construction by 6/30/14 |
| LYNX Gold Line | PE Complete | Construction underway | Complete construction by 6/30/15 | |
| Transit Ridership | 3% Goal 6.4% Actual | 0% Goal 0.3% YTD Oct 2012 | Increase by 2% | |
| Red Line | Advanced Work Plan | N/A | Participate in NCDOT/NS Corp "O" Line Capacity Study | |

| Focus Area Initiative | Measure | FY2012 Actual | FY2013 Mid-Year Status | FY2014 Target |
|---|--|--------------------------------|-------------------------------|--|
| Promote transportation choices, land use objectives, and transportation investments that improve safety, promote sustainability, and livability | Improve Charlotte's walkability and bicycle-friendliness | N/A | N/A | Increase Charlotte's walk score relative to peer cities. |
| | | N/A | N/A | Increase Charlotte's walk score in mixed-use activity centers and transit station areas. |
| | | N/A | N/A | Complete a scan of City policies and practices impacting walkability and recommend needed improvements by June 2014. |
| | | N/A | N/A | Implement 15 or more pedestrian safety and/or crossing projects by June 2014. |
| | | 18.8 sidewalk 11.1 bikeways | 13.4 sidewalk 2.5 bikeways | Implement 10 miles of new sidewalk and 10 miles of new bikeways annually. |
| | Decrease vehicle accidents per mile traveled by monitoring crashes annually and identifying, analyzing, and investigating hazardous locations and concentrating on patterns of correctable crashes | -23.5% | N/A (Reported at end of year) | Decrease vehicle accidents per mile traveled below prior year |
| | Improve City Pavement Condition Survey Rating | 88 | 85.4 | Achieve Survey Rating of 90 |
| Increase % of transportation bond road projects completed or forecast to be completed on schedule | 79% | 73% | 90% or better | |
| Communicate land use and transportation objectives as outlined in the Transportation Action Plan (TAP) | Complete and present TAP Annual Report to the City Council | Completed | Completed | Complete by January 2014 |
| | The City will work with MUMPO to initiate the 2040 Long Range Transportation Plan to help advance economic development and regional land use goals. | N/A | N/A | Complete project ranking by August 2013 MPO approval of 2040 LRTP by March 2014 |
| | Collaborate with regional partners on CONNECT, to plan for future growth and development. | N/A | N/A | Collaborate with CONNECT Partners to engage the public in developing a consensus growth scenario by June 2014. |
| Seek financial resources, external grants, and funding partnerships necessary to implement transportation programs and services | Work with legislative partners and stakeholders to consider new revenue sources to fund transportation improvements. | N/A | N/A | Continue to evaluate the legislative environment regarding new revenue sources and lend support to acceptable solutions. |
| | Develop CIP funding strategy for transportation improvements | N/A | N/A | Develop project list for CIP bond funding. |



FY2014 Strategic Focus Area Plan

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

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

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

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

| Focus Area Initiative | Measure | FY2012 Actual | FY2013 Mid-Year Status | FY2014 Target |
|---|---|--|--|--|
| Continue to focus on job and tax base growth in business corridors | <p>Along with community partners, implement the City's 2012 update to the Business Corridor Strategy, which includes the following: Expanding the utilization of Business Corridor Funds to all commercial areas within the Business Corridor Revitalization Area;</p> <p>Increasing utilization and effectiveness of matching grant programs;</p> <p>Exploring a new relationship with the Charlotte-Mecklenburg Development Corporation (CMDC) to increase redevelopment opportunities;</p> <p>Exploring ways to encourage the development and growth of merchant associations;</p> <p>Evaluating a retail market assessment to help attract the right retail mix to underserved areas; and</p> <p>Conducting parking demand analyses, as warranted, to understand the City's role in creating public parking to assist retailers and small businesses.</p> | New Target for FY2013 | <p>The Eastland Mall site was purchased for redevelopment, and an RFQ/RFP process is underway to solicit development proposals.</p> <p>City Council authorized the use of the Business Corridor Fund (current balance \$13.4 million) to all commercial areas. Matching grant programs have been updated, including the development of façade and security grant program for eligible apartment complexes.</p> <p>The City participated in the renovation of the Four Seasons Shopping Center façade, as well as the renovation of Midwood Middle School into an international center.</p> <p>A parking demand analysis was completed for the North Davidson (NoDa) business district; evaluation of public parking model for NoDa being considered.</p> | Explore a new relationship with the Charlotte-Mecklenburg Development Corporation (CMDC) Evaluate a retail market assessment to help attract the right retail mix to underserved areas. Implement the public parking partnership model where appropriate to assist retailers and small businesses. |
| Focus on continuous improvement within the permitting and regulatory environment to facilitate job and tax base growth and to improve the customer experience | Achieve greater collaboration among the City, County, and NCDOT to shorten the time it takes and make it easier to obtain regulatory approvals, including, but not limited to certificates of occupancy | Implemented Phase 2 of electronic plans submittal project by including subdivisions. | Continued work on the Development Services Consolidated Business Plan (CDOT/Planning/Engineering) | Complete Development Services Consolidated Business Plan (CDOT/Planning/Engineering) |
| | Average number of reviews on all land development permitting submissions | 2.0 | 1.80 | Average ≤ 2.5 reviews on all plans submitted for FY2014 |

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

Police

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

| <u>Program Summary</u> | FY2013 Revised Budget/ Positions | FY2014 Budget/ Positions | FY2015 Budget/ Positions |
|--|---|---|---|
| Field Services/Community Policing/Patrol/Crime Prevention | \$ 145,175,384 | 145,358,682 | 147,466,044 |
| Provides police field services to the City and the unincorporated areas of Mecklenburg County. Includes Patrol Divisions, Burglary, Special Events, and the Charlotte Area Transit Liaison | 1,607.00 | 1,607.00 | 1,607.00 |
| Special Investigations | 8,480,546 | 8,423,270 | 8,424,017 |
| Investigates vice, gathers criminal intelligence information, and investigates gangs. Includes Vice and Narcotics, Gang and Firearm Enforcement Division, and Criminal Intelligence | 80.00 | 80.00 | 80.00 |
| Criminal Investigations | 17,280,872 | 17,323,164 | 17,337,981 |
| Investigates major Part One crimes, domestic violence cases, and crimes with a juvenile victim and/or suspect. Includes Homicide/Missing Persons, Robbery/Sexual Assault, Auto Theft, Fraud, and Special Victims | 171.00 | 171.00 | 171.00 |
| Special Operations & Crime Lab | 11,940,641 | 12,427,782 | 12,166,215 |
| Provides tactical support for patrol operations. Includes Crime lab, Crime Scene Search, Canine Unit, Aviation/Field Force, SWAT Team and ALERT Team Coordinator, and Arson/Bomb Squad | 109.00 | 109.00 | 109.00 |
| Communications | 13,992,099 | 14,335,243 | 14,609,725 |
| Answers and dispatches services for all 911 calls in the City of Charlotte, Towns of Davidson and Huntersville, and unincorporated Mecklenburg County; takes non-emergency police reports by phone and internet | 176.00 | 176.00 | 176.00 |
| Community Services | 4,307,207 | 4,142,637 | 4,170,609 |
| Provides a variety of services that promote positive police-citizen interaction | 49.00 | 49.00 | 49.00 |
| Police Officer Training/Recruiting | 3,974,158 | 3,885,395 | 3,891,236 |
| Conducts recruitment, background investigations, and hiring of police officers; provides recruit and in-service training to sworn and non-sworn personnel | 31.00 | 31.00 | 31.00 |
| Animal Care & Control | 6,563,867 | 6,677,582 | 6,786,964 |
| Enforces animal control ordinances and operates the animal shelter | 83.50 | 83.50 | 83.50 |
| Total | \$ 211,714,774 | 212,573,755 | 214,852,791 |
| Total Positions | 2,306.50 | 2,306.50 | 2,306.50 |

Police

Budget Decreases

None

Budget Increases

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

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

Service Delivery Highlights and Challenges

CMPD experienced significant reductions in crime from 2009-2011, with an average reduction of 11.9%. However, there was a slight increase of 2.8% in 2012. While it is challenging to sustain significant annual reductions in the crime rate over an extended period of time, CMPD will attempt to achieve a reduction in FY2014. The department will continually monitor crime trends and use crime analysis applications, including predictive analytics to deploy its patrol resources in a manner that responds to emerging crime problems and maximizes visibility throughout the City. CMPD's crime reduction efforts are dependent upon strong engagement with all segments of the community. CMPD is using social media in an attempt to distribute information to citizens who do not make use of traditional media outlets. CMPD's goal is for neighborhood involvement to become more proactive to major incidents or a series of crimes. CMPD continues to be challenged by the lack of resources in other components of the criminal justice system. The crime totals over the past five years are listed below:

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

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

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

Other performance highlights include:

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

Police

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

Fire

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

| <u>Program Summary</u> | FY2013 Revised Budget/ Positions | FY2014 Budget/ Positions | FY2015 Budget/ Positions |
|--|---|---|---|
| Fire Emergency Response Provides fire suppression, first responder medical service, hazardous materials mitigation, technical rescue, aircraft crash rescue and the annual Firemens Retirement Actuarial Study | \$ 94,326,759 1,059.00 | 97,229,920 1,059.00 | 98,432,176 1,059.00 |
| Emergency Preparedness/Homeland Security Coordinates large-scale emergency situations in Charlotte and Mecklenburg County | 693,232 5.00 | 711,228 5.00 | 715,205 5.00 |
| Fire Communications Provides 24-hour emergency communications responsible for matching the public's requests with the resources of the Fire Department | 2,728,154 39.00 | 3,124,792 39.00 | 3,172,238 39.00 |
| Fire Investigations Provides for investigation into origin and cause of fires under special conditions including large loss, injury or death, and arson | 934,442 10.50 | 969,547 10.50 | 979,342 10.50 |
| Fire Code Enforcement Provides enforcement of the fire code for buildings under construction and for existing commercial and business buildings | 2,716,844 36.00 | 2,774,063 36.00 | 2,815,235 36.00 |
| Fire Community Education/Involvement Provides prevention education as a key component of reducing fires and injuries to the citizens of Charlotte through an aggressive and comprehensive fire and life safety educational program | 400,475 4.50 | 415,520 4.50 | 419,718 4.50 |
| Firefighter Training Provides training to more than 1,000 firefighters who rely on their preparedness to deal with any type of emergency in the community | 1,413,194 12.00 | 1,798,624 12.00 | 1,802,045 12.00 |
| Total | \$ 103,213,100 | 107,023,694 | 108,335,959 |
| Total Positions | 1,166.00 | 1,166.00 | 1,166.00 |

Fire

Budget Decreases

None

Budget Increases

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

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

Service Delivery Highlights and Challenges

The Charlotte Fire Department operates 42 Fire Stations and protects an area encompassing 303.1 square miles with a population of 749,737 citizens. The operation includes 41 engines, 15 ladders, two heavy rescue units, and six blaze units, which responded to over 95,900 incidents last year.

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

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

Fire

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

Solid Waste Services

Solid Waste Services (SWS) strives to excel in the quality management of solid waste. SWS crews provide weekly collection service citywide for garbage, yard waste, and bulky waste from single family homes. Inland Service Corporation, a private hauler, provides bi-weekly collection of recyclables citywide under a City contract. Republic Services, a private hauler, provides weekly collection of garbage, recycling, and bulky waste for multi-family complexes of 30 or more units. In addition to these services, SWS collects business garbage, dead animals, and sweeps and removes litter from City streets and right-of-way areas. SWS also participates in neighborhood clean-ups and other specialized cleaning programs, including continual maintenance of the Central Business District and support of special events.

| <u>Program Summary</u> | FY2013 Revised Budget/ Positions | FY2014 Budget/ Positions | FY2015 Budget/ Positions |
|---|---|---|---|
| Solid Waste Collections | \$ 39,760,492 | 40,637,872 | 41,525,631 |
| Provides Single Family (weekly collection of garbage, yard waste, and bulky waste; bi-weekly collection of recycling); Multi-Family (weekly collection of garbage and recycling to multi-family complexes of 30 or more units) | 210.50 | 210.50 | 210.50 |
| Special Services | 5,772,262 | 6,132,628 | 6,243,162 |
| Provides street sweeping, right-of-way cleaning, and traffic hazard removal on City streets. Manages the infrastructure and cleanliness of the Central Business District and supports special events. Maintains bus stops and light rail corridor | 72.25 | 72.25 | 72.25 |
| Neighborhood Services | 1,053,363 | 841,147 | 865,659 |
| Provides cleaning services and unscheduled bulky waste pick-up in challenged and transitioning neighborhoods | 5.00 | 5.00 | 5.00 |
| Community Education | 284,008 | 307,139 | 313,026 |
| Communicates information and provides educational materials to the public on solid waste services | 1.25 | 1.25 | 1.25 |
| Total | \$ 46,870,125 | 47,918,786 | 48,947,478 |
| Total Positions | 289.00 | 289.00 | 289.00 |

Solid Waste Services

Budget Decreases

None

Budget Increases

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

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

Service Delivery Highlights and Challenges

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

Replacement of the Work Asset Management System

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

Disposal Site Locations and Tipping Fees

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

Increasing Number of Service Requests

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

Solid Waste Services

| Performance Measures | Performance Achievement | | |
|--|-------------------------|------------------|------------------|
| | FY2013 Target | FY2014 Target | FY2015 Target |
| Solid Waste Collections | | | |
| Maintain cost per ton for refuse collection below the statewide average as reported in the University of North Carolina School of Government's North Carolina Benchmarking Project | ≤\$98 | ≤\$98* | ≤\$98* |
| Maintain cost per ton for the collection of recyclables below the statewide average as reported in the University of North Carolina School of Government's North Carolina Benchmarking Project | ≤\$254 | ≤\$254* | ≤\$254* |
| Achieve Keep America Beautiful litter index rating of 2.0 or less (scale: 1.0-4.0; 1.0 is highest) | ≤2.0 | ≤2.0 | ≤2.0 |
| Provide at least twelve hours of safety-based training monthly in an effort to reduce accidents and injuries | 144 | 144 | 144 |
| Community Education | | | |
| Conduct educational sessions for 50% of 20 neighborhoods participating in the Call and Send Program | 10 | 10 | 10 |
| Increase the number of complexes on the multi-family and facilities refuse contract that recycle | 20 | 32 | 32 |
| * These targets are updated annually based on the results of the University of North Carolina School of Government's North Carolina Benchmarking Project | | | |

Transportation

The Charlotte Department of Transportation (CDOT) provides for a safe and efficient multi-modal transportation system that supports economic vitality and sustains the community's quality of life. In FY2014, CDOT will serve 749,737 residents encompassing an area of 303.1 square miles. Core services include Street Maintenance, Traffic Control, Transportation Planning and Capital Improvement, Land Development Regulations and Right-of-Way Management, and Transportation Safety and Neighborhood Services.

| <u>Program Summary</u> | FY2013 Revised Budget/ Positions | FY2014 Budget/ Positions | FY2015 Budget/ Positions |
|---|---|---|---|
| Street Maintenance Provides road maintenance services, including pothole and base failure repairs, patching utility cuts, and drainage system maintenance | \$ 31,919,723 250.50 | 33,442,167 250.50 | 32,599,820 250.50 |
| Traffic Control Provides new and replacement pavement markings and signs. Also includes traffic signal installation and maintenance | 6,655,511 109.50 | 7,069,880 109.50 | 7,270,207 109.50 |
| Transportation Safety & Neighborhood Services Provides ParkIt! (parking meters) operations, Pedestrian and Traffic Safety (includes capital improvements for safe movement of pedestrians-signals, marked pavement, and other improvements), and traffic calming measures | 3,281,219 15.25 | 3,322,742 15.25 | 3,369,900 15.25 |
| Land Development Regulations Reviews development plans for conformance with City ordinances | 2,691,982 21.25 | 2,721,926 21.25 | 2,769,221 21.25 |
| Capital Program Planning and Management Provides planning and management for the capital programs, including air quality conformity, regional planning, rapid transit, neighborhoods, and thoroughfares | 2,323,952 35.00 | 2,258,890 35.00 | 2,325,178 35.00 |
| Total | \$ 46,872,387 | 48,815,605 | 48,334,326 |
| Total Positions | 431.50 | 431.50 | 431.50 |

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

Transportation

Budget Decreases

None

Budget Increases

None

Service Delivery Highlights and Challenges

Street Lighting Program

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

On-Street Parking Program

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

LED Traffic Signal Lens Replacement Program

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

Transportation

| Performance Measures | Performance Achievement | | |
|---|-------------------------|------------------|------------------|
| | FY2013 Target | FY2014 Target | FY2015 Target |
| Street Maintenance | | | |
| Respond to pothole complaints involving safety and property damage within 24 hours 97% of the time | 97% | 97% | 97% |
| Improve the pavement condition survey rating over the previous survey rating of 85.4 | ≥82.0 | ≥90.0 | ≥90.0 |
| Traffic Control | | | |
| Perform preventative maintenance on 100% of traffic signals every two years (met the 100% target in FY2012) | 100% | 100% | 100% |
| Respond to all sign and signal emergencies within two hours 90% of the time | 90% | 90% | 90% |
| Transportation Safety & Neighborhood Services | | | |
| Complete 10 miles of new sidewalks annually | 10.0 | 10.0 | 10.0 |
| Complete 10 miles of new bikeways annually | 10.0 | 10.0 | 10.0 |
| Land Development Regulations | | | |
| Complete 95% of plan reviews on time annually | 95% | 95% | 95% |
| Capital Program Planning and Management | | | |
| 90% of transportation bond projects complete or on schedule | 90% | 90% | 90% |
| Percentage change in annual hours of delay per traveler in Charlotte will be less than the five-year average percent change for the top 25 cities in the nation | <Top 25 | <Top 25 | <Top 25 |

Neighborhood & Business Services

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

| <u>Program Summary</u> | FY2013 Revised Budget/ Positions | FY2014 Budget/ Positions | FY2015 Budget/ Positions |
|--|---|---|---|
| Community and Commerce Provides services to neighborhoods and business corridors, including plan implementation, outreach and problem solving, leadership and organization training, infrastructure and financial assistance programs | \$ 2,365,674 18.00 | 2,112,386 17.00 | 2,129,921 17.00 |
| Housing Services Provides loans and grants to finance affordable housing, rehabilitation services, and funds housing support agencies | 248,583 23.00 | 567,149 23.00 | 598,096 23.00 |
| Code Enforcement Conducts housing, property, and zoning inspections to enforce City codes | 7,503,779 88.00 | 7,338,291 90.00 | 7,451,635 90.00 |
| Business Services Supports public/private partnerships, business attraction and retention, small business growth and opportunity, workforce development and transit corridor development | 1,212,073 11.00 | 1,459,176 12.00 | 1,473,219 12.00 |
| Small Business Development Provides registration and certification services to small businesses, minority-owned and/or women-owned businesses, support to City departments in establishing annual goals for Small Business/Minority and Women Owned Business Enterprise utilization, and monitoring and reporting services to ensure compliance with the program | 696,548 9.00 | 971,917 12.00 | 1,071,555 12.00 |
| Total | \$ 12,026,657 | 12,448,919 | 12,724,426 |
| Total Positions | 149.00 | 154.00 | 154.00 |

Neighborhood & Business Services

Budget Decreases

None

Budget Increases

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

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

Service Delivery Highlights and Challenges

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

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

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

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

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

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

Charlotte Business INCLUSION Program

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

Reduction in Federal Grants

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

Neighborhood & Business Services

Service Delivery Highlights and Challenges (cont.)

Lack of Bond Capacity

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

Eastland Mall

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

Performance Measures

Performance Achievement

| | FY2013 Target | FY2014 Target | FY2015 Target |
|--|--|--|--|
| Economic Development | | | |
| Achieve a leverage ratio within the business corridors of 1:10 for business corridor funds to strengthen opportunities for public and private partnerships to encourage the integration of education, recreation, employment and housing resources in identified redevelopment areas | 1:10 | 1:10 | 1:10 |
| Housing Services | | | |
| Develop and recommend policies that will assist with increasing the supply of affordable housing units | Continued implementation of the 10-Year Plan | Continued implementation of the 10-Year Plan | Continued implementation of the 10-Year Plan |
| Code Enforcement | | | |
| Create healthy and vibrant neighborhoods and business districts by ensuring that properties meet community and code standards through education | 5% reduction in overall complaints | 5% reduction in overall complaints | 5% reduction in overall complaints |

Engineering & Property Management

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

| Program Summary | FY2013 Revised Budget/ Positions | FY2014 Budget/ Positions | FY2015 Budget/ Positions |
|---|---|---|---|
| Municipal Capital Project Planning, Design, and Construction | \$ 6,539,591 | 6,750,383 | 6,777,086 |
| Provides planning, engineering, landscape design, construction inspection for transportation infrastructure and municipal facility capital projects; administration, design, implementation, and oversight of neighborhood development, environment, transportation, sidewalk, streetscapes, economic development programs, and project management services for CATS. Also, provides land acquisition and disposition, and management of property | 183.00 | 183.00 | 183.00 |
| Land Development Regulation, Plan Review, and Inspection | 3,323,525 | 2,638,164 | 2,745,340 |
| Provides administrative review, building permits, storm water detention, driveway permits, grading and erosion control permits, minor plans, conditional re-zoning, subdivision plans, tree ordinance and landscaping permits, and uptown mixed use development/mixed use development district | 33.00 | 33.00 | 33.00 |
| Storm Water Services | 10,729,612 | 12,553,697 | 12,790,236 |
| Provides Water Quality/Clean Water Act enforcement, maintenance of existing infrastructure, and capital project planning, design, and construction | 95.00 | 100.00 | 100.00 |
| Municipal Facilities Maintenance | 3,422,027 | 3,666,651 | 3,694,830 |
| Provides maintenance for Charlotte-Mecklenburg Government Center, Old City Hall, and other facilities | 50.00 | 50.00 | 50.00 |
| Landscape Management | 5,590,175 | 5,871,682 | 6,001,014 |
| Provides landscape planning, management, and grounds maintenance of most public rights-of-way, public buildings, city-owned parks and green spaces, medians, islands, and park and ride lots, which are the City's responsibility. Examples of some public facilities include Tryon Street Mall, the Trolley corridor, CATS facilities and rail line, cultural arts facilities, and CMPD facilities | 56.00 | 56.00 | 56.00 |
| Total | \$ 29,604,930 | 31,480,577 | 32,008,506 |
| Total Positions | 417.00 | 422.00 | 422.00 |
| Engineering & Property Management Operating Funds | FY2013 Revised Budget | FY2014 Budget | FY2015 Budget |
| General Fund | \$ 18,875,318 | 18,926,880 | 19,218,270 |
| Storm Water Fund | 10,729,612 | 12,553,697 | 12,790,236 |
| Total | \$ 29,604,930 | 31,480,577 | 32,008,506 |

Engineering & Property Management

Budget Decreases

None

Budget Increases

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

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

Service Delivery Highlights and Challenges

Sustainability

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

Landscape Management

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

Storm Water Infrastructure

In FY2012, City Council charged Storm Water with doubling the number of its CIP projects. Storm Water is on track to advance the goal of new projects, but is struggling to maintain older infrastructure. The number of priority maintenance projects exceeds the capacity of staff to fix them. The goal is to address high priority projects within six months and medium priority in 12 months.

Engineering & Property Management

| Performance Measures | Performance Achievement | | |
|---|---------------------------|---------------------------|---------------------------|
| | FY2013 Target | FY2014 Target | FY2015 Target |
| Municipal Capital Project Planning, Design, and Construction | | | |
| Manage capital projects so that at least 85% are completed on schedule | 85% | 85% | 85% |
| Complete 90% Neighborhood Infrastructure and Business Corridor projects on schedule or as forecasted | New Target in FY2015 | New Target in FY2015 | 90% |
| Land Development Regulation, Plan Review, and Inspection | | | |
| Complete all Land Development permitting submissions with an average of less than 2.5 reviews | <2.5 Reviews | <2.5 Reviews | <2.5 Reviews |
| Storm Water Services | | | |
| Transition Storm Water capital program from debt financing by increasing Pay-As-You-Go funding | Increase by \$1.0 million | Increase by \$1.0 million | Increase by \$1.0 million |
| Municipal Facilities Maintenance | | | |
| Report annually regarding facility design, construction, and operation, as required by the Policy for Sustainable City Facilities | June 2013 | June 2014 | June 2015 |
| Maintain energy use practices so that City facilities compare favorably with available Energy Use Index (EUI) benchmark information in the South Atlantic Region (measured in 1,000s of BTUs per square foot) | Overall EUI <68 | Overall EUI <68 | Overall EUI <68 |
| Landscape Management | | | |
| Maintain a significant and healthy tree canopy: | | | |
| Achieve Arbor Foundation's "Tree City USA" status | June 2013 | June 2014 | June 2015 |
| Meet mitigation requirements through local rather than state-level restoration efforts 100% of the time when streams are negatively impacted by City projects | 100% | 100% | 100% |

Planning

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

| <u>Program Summary</u> | FY2013 Revised Budget/ Positions | FY2014 Budget/ Positions | FY2015 Budget/ Positions |
|--|---|---|---|
| Development Services | \$ 1,920,910 | 1,936,883 | 1,977,846 |
| Provides administrative and planning services for Subdivision Administration, Zoning Services, Zoning Administration, Urban Design, Historic District, and Committee Support for Charlotte-Mecklenburg Planning Commission Zoning Committee, Zoning Board of Adjustment and Historic District Commission | 24.50 | 24.50 | 24.50 |
| Strategic Planning Services | 936,371 | 945,013 | 967,245 |
| Responsible for Economic Development planning efforts in targeted areas including distressed business corridors and transit corridors, and coordinates the City's annexation process. Responsibilities include: Economic Development, Transit Planning Services, Capital Facilities, Plan Implementation, Annexation, and Developer Response | 9.50 | 9.50 | 9.50 |
| Long Range Planning Services | 2,414,851 | 2,437,139 | 2,494,473 |
| Coordinates collaborative and comprehensive long-range land use and transportation planning services, which include: Land Use Planning, Mecklenburg-Union Metropolitan Planning Organization (MUMPO), Research, Information and Technology, and Communication/Public Outreach; provides support to City and County budget offices in the development of capital budget needs, and committee support for the Charlotte-Mecklenburg Planning Commission Planning Committee and MUMPO | 27.00 | 27.00 | 27.00 |
| Total | \$ 5,272,132 | 5,319,035 | 5,439,564 |
| Total Positions | 61.00 | 61.00 | 61.00 |

Planning

Budget Decreases

None

Budget Increases

None

Service Delivery Highlights and Challenges

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

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

Area plans completed by Planning in FY2013 include:

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

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

Managing Community and Political Expectations

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

Increasing External and Internal Collaboration

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

Improving Public Education and Outreach

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

Planning

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

Aviation

Charlotte Douglas International Airport (CLT) is the second largest airport on the Eastern Seaboard. It is served by six major airlines, three foreign flag carriers, and is home to significant military, cargo, and corporate aviation operations.

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

Aviation

Budget Decreases

None

Budget Increases

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

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

Service Delivery Highlights and Challenges

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

Despite robust operations, there is no certainty in the aviation environment. This is a statement that has been applicable for the past few years and is expected to be appropriate for the foreseeable future. As a result of volatile oil price increases and passenger flight capacity, Aviation continues to best manage the uneven and unpredictable passenger growth for the Airport. With approximately 75% of passenger traffic at CLT connecting through the Airport, it is important for Airport management to continue to abide by its mission to provide the highest quality product for the lowest possible cost. Airport management also continues to seek other revenue streams to help mitigate impacts from changes to airline operations and, to develop as a platform for regional economic development.

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

Aviation

| Performance Measures | Performance Achievement | | |
|--|--|--|--|
| | FY2013 Target | FY2014 Target | FY2015 Target |
| Airport Operations | | | |
| Increase food/beverage/retail revenue per passenger by 1% | ≥1% | ≥1% | ≥1% |
| Maintain low cost of enplaned passenger to airlines | ≤\$2.00/per passenger | ≤\$1.50/per passenger | ≤\$1.50/per passenger |
| Airport Capital Project Planning, Design, and Construction | | | |
| Provide ample parking capacity and convenient parking services through the construction of a rental car/hourly parking deck facility | Maintain construction schedule and budget | Maintain construction schedule and budget | Maintain construction schedule and budget |
| Enhance cargo operations and development into an intermodal facility that connects air, sea, highway, and rail by creating a rail yard facility on-site to meet demands of potential users | Collaborate on the construction of the intermodal facility throughout FY2013 | N/A | Complete in FY2015 |
| Meet debt service coverage in City's revenue bond order | Generate debt service coverage of 1.25 (125%) or greater | Generate debt service coverage of 1.25 (125%) or greater | Generate debt service coverage of 1.25 (125%) or greater |
| Airport Maintenance | | | |
| Maintain Part 139 Certification annually with zero defects | 0 | 0 | 0 |
| OSHA injuries less than 5% of workforce | <5% | <5% | <5% |

Charlotte Area Transit System

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

| <u>Program Summary</u> | FY2013 Revised Budget/ Positions | FY2014 Budget/ Positions | FY2015 Budget/ Positions |
|--|---|---|---|
| Transportation Services | \$ 105,144,848 | 111,955,068 | 116,904,857 |
| Provides day-to-day public transportation services across the Charlotte-Mecklenburg region: conducts operations planning; vehicle maintenance; route scheduling; facilities security; transit support and management | 263.75 | 263.75 | 275.75 |
| Transit Development | 2,635,216 | 3,211,780 | 3,328,286 |
| Provides for planning and developing long-range rapid transit systems outlined in the 2030 Transit Corridor System Plan | 23.00 | 23.00 | 23.00 |
| Marketing and Communications | 2,915,216 | 2,928,147 | 3,014,709 |
| Provides customer service, public relations, communications and service marketing; develops market research, sales, and promotional activities | 32.00 | 32.00 | 32.00 |
| Executive and Administration | 8,518,532 | 8,823,542 | 9,057,327 |
| Provides leadership and management of the public transit program and support for the Metropolitan Transit Commission; manages financial planning, budget, and grants administration | 43.00 | 43.00 | 43.00 |
| Less Transfers to Eligible CIP Projects and Grants | (13,981,768) | (16,673,177) | (18,232,408) |
| Sub-Total CATS | \$ 105,232,044 | 110,245,360 | 114,072,771 |
| Contributions to Capital Program and Future Capital | 30,033,534 | 12,580,197 | 13,540,240 |
| Total | \$ 135,265,578 | 122,825,557 | 127,613,011 |
| Total Positions | 361.75 | 361.75 | 373.75 |

Charlotte Area Transit System

Budget Decreases

None

Budget Increases

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

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

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

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

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

Service Delivery Highlights and Challenges

Despite reductions in key sources of income and significant volatility in fuel prices, CATS remains focused on maintaining safety, providing core mass transit services in the Charlotte-Mecklenburg region, providing transportation and accessibility choices for the community, and sustaining ridership and customer satisfaction levels. As the economy continues a gradual recovery, CATS will maintain transit service levels by continuing to align expenditures with projected revenues.

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

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

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

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

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

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

Charlotte Area Transit System

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

Charlotte-Mecklenburg Utility Department

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

| <u>Program Summary</u> | FY2013 Revised Budget/ Positions | FY2014 Budget/ Positions | FY2015 Budget/ Positions |
|--|---|---|---|
| Administration, Management, & Support | \$ 29,391,679 | 27,635,296 | 28,085,739 |
| Provides departmental level functions such as key business decisions, human resources, budget, financial management, rate setting, technology, communications, training, revenue recovery, safety, security, and competitiveness via continuous improvement | 47.00 | 47.00 | 47.00 |
| Customer Service | 7,814,123 | 7,573,195 | 7,633,219 |
| Oversees new connections, service availability and customer account management including bill inquiries, meter reading, leak investigation, and backflow prevention | 113.00 | 122.00 | 122.00 |
| Utility System Planning & Engineering | - | - | - |
| Provides design and construction of CMUD facilities, water and sewer main rehabilitation and extensions, donated projects, and surveying | 92.00 | 94.00 | 94.00 |
| Laboratory Services | 1,147,512 | 1,104,580 | 1,161,771.00 |
| Provides testing of water, wastewater, and industrial users for compliance and manages water quality issues relating to taste, color, and odor. | 35.00 | 35.00 | 35.00 |
| Environmental Management | 46,915,328 | 47,944,271 | 49,209,403.00 |
| Manages the treatment of wastewater before being discharged back into the environment and protects our system by regulating industrial/commercial wastewater discharges, and oil and grease reduction. Also, provides treatment and pumping of water to distribute drinking water to customers | 183.50 | 184.50 | 184.50 |
| Field Operations | 28,293,751 | 28,477,973 | 28,734,410 |
| Maintains more than 8,000 miles of water and sewer pipe and more than 249,000 service connections | 276.00 | 279.00 | 279.00 |
| Total Operating Expenses | \$ 113,562,393 | 112,735,315 | 114,824,542 |
| Total Contribution to Capital and Debt Service | 177,523,567 | 234,983,535 | 218,209,119 |
| Total | \$ 291,085,960 | 347,718,850 | 333,033,661 |
| Total Positions | 746.50 | 761.50 | 761.50 |

Charlotte-Mecklenburg Utility Department

Budget Decreases

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

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

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

Budget Increases

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

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

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

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

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

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

Service Delivery Highlights and Challenges

CMUD remains committed to the City's corporate strategy and to providing high-quality, low-cost services to its customers. The primary lesson learned in FY2013 has been the need to shift the focus from high growth oriented utilities to a utility focused on sustaining operations and customer service. This is due to the dramatic slowing of growth that has occurred during recent years. The lessons learned will impact how CMUD repositions itself to best respond to customer needs and maintain efficient operations in the future. CMUD plans to promote the achievement of organizational goals and objectives as well as a continuing commitment to providing vital basic services to customers in upcoming fiscal years.

Below is a chart detailing annual CMUD statistics.

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

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

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

Charlotte-Mecklenburg Utility Department

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

Mayor & City Council

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

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

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

Budget Decreases

None

Budget Increases

None

Service Delivery Highlights and Challenges

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

City Attorney

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

| <u>Program Summary</u> | FY2013 Revised Budget/ Positions | FY2014 Budget/ Positions | FY2015 Budget/ Positions |
|---|---|---|---|
| City Attorney Services | \$ 2,301,307 | 2,354,931 | 2,371,155 |
| The City Attorney's Office drafts or reviews all ordinances and resolutions considered by the City Council. The Office also drafts or reviews all contracts, leases, deeds, franchises, and other legal documents to which the City is a party. | 28.50 | 28.50 | 28.50 |
| Total | \$ 2,301,307 | 2,354,931 | 2,371,155 |
| Total Positions | 28.50 | 28.50 | 28.50 |

Budget Decreases

None

Budget Increases

None

Service Delivery Highlights and Challenges

The City Attorney's Office achieved the following goals and accomplishments during the last year: concluded the delivery of legal services that supported a successful Democratic National Convention that generated no civil litigation; obtained favorable decision from the North Carolina Court of Appeals on supplemental multi-family collection disposal fee; helped negotiate potential agreement with the Carolina Panthers on the renovation of Bank of America Stadium that would "tether" the Panthers to Charlotte; and negotiation and drafting of railroad agreements necessary to secure a Full Funding Grant Agreement with the FTA for the Blue Line Extension.

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

Performance Measures

Performance Achievement

| | FY2013 Target | FY2014 Target | FY2015 Target |
|--|--------------------|--------------------|--------------------|
| Ensure that attorneys and paralegals maintain certifications | 240 training hours | 240 training hours | 240 training hours |
| Provide litigation services in a cost effective manner and at a lower cost than services provided by outside counsel | \$99.36 per hour | \$114.03 per hour | \$117.89 per hour |
| Publish a newsletter for City employees with legal topics of interest | 4 per year | 4 per year | 4 per year |
| Manage active real estate condemnation cases | 220 | 200 | TBD |

City Clerk

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

| <u>Program Summary</u> | FY2013 Revised Budget/ Positions | FY2014 Budget/ Positions | FY2015 Budget/ Positions |
|---|---|---|---|
| City Clerk Services | \$ 539,017 | 551,851 | 561,866 |
| Attends and records proceedings of all City Council meetings; creates, maintains and makes available Council's official records; administers Council process for 38 boards, commissions and committees; responds to requests from City Council, citizens, and staff; prepares and submits requests for legal advertising for the City; organizes, attends, and records Civil Service and Citizen Review Board meetings. | 6.00 | 6.00 | 6.00 |
| Total | \$ 539,017 | 551,851 | 561,866 |
| Total Positions | 6.00 | 6.00 | 6.00 |

Budget Decreases

None

Budget Increases

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

Service Delivery Highlights and Challenges

In FY2013, the City Clerk's Office completed meeting minutes for 54 City Council meetings and provided support for 13 Civil Service Board meetings and four hearings, with each hearing lasting a minimum of two business days. Additionally, the Clerk's Office provided staff for five Citizen Review Board meetings, facilitated the appointment of 64 advisory board members, assisted 572 citizens in signing up to speak at City Council Meetings, and executed and tracked more than 450 attestations and/or notarizations for contracts, deeds, leases, or agreements. The Clerk's Office met their goal by posting all Council meeting agendas on the website no later than the Thursday before the next City Council meeting. Finally, the Clerk's Office administered 88 oaths for new employees and citizens appointed to boards and commissions.

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

City Clerk

Service Delivery Highlights and Challenges (cont.)

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

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

| Performance Measures | Performance Achievement | | |
|---|-------------------------|------------------|------------------|
| | FY2013 Target | FY2014 Target | FY2015 Target |
| Complete Council business meeting minutes within 28 business days 98% of the time | 98% | 98% | 98% |
| Upload stamped RCAs to CNET within four business days of a City Council meeting | 100% | 100% | 100% |
| Attest and return documents within three business days of receiving them | 95% | 95% | 95% |

City Manager

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

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

| <u>Program Summary</u> | FY2013 Revised Budget/ Positions | FY2014 Budget/ Positions | FY2015 Budget/ Positions |
|---|---|---|---|
| CharMeck 311 As the customer contact center, serves as the first contact point for general information, initiating service requests, and directing calls to other departments and agencies for problem resolution | \$ 8,670,916 139.00 | 8,884,847 139.00 | 8,981,986 139.00 |
| Charlotte-Mecklenburg Community Relations Promotes community harmony by: addressing personal and community conflicts, fairness in housing and preventing discrimination, training and education as well as police community relations | 915,300 10.00 | 952,562 10.00 | 966,515 10.00 |
| City Administration Provides vision and leadership to the organization, is responsible for carrying out City Council's policy decisions, and for overseeing the daily operations of City government | 2,179,628 12.00 | 2,378,359 12.00 | 2,405,100 12.00 |
| Corporate Communications & Marketing Provides strategic and integrated communications and marketing solutions. Partners with departments to develop and implement strategic planning to market specific campaigns, services and initiatives for City department and the citizens of Charlotte | 1,971,797 19.00 | 2,059,921 19.00 | 2,085,661 19.00 |
| Internal Audit Conducts reviews of the City's system of internal controls then reports findings, recommendations and corrective actions to department managers | 1,097,299 9.00 | 1,134,980 9.00 | 1,170,322 9.00 |
| Office of the Chief Information Officer Provides executive-level leadership for the City's Technology Governance Policy and coordinates IT initiatives across the organization to support, enhance, and advance citizen service delivery | 2,475,654 21.00 | 2,515,404 21.00 | 2,234,440 21.00 |
| Total | \$ 17,310,594 | 17,926,073 | 17,844,024 |
| Total Positions | 210.00 | 210.00 | 210.00 |

City Manager

Budget Decreases

None

Budget Increases

City Administration

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

Service Delivery Highlights and Challenges

CharMeck 311 Customer Service Call Center

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

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

Charlotte-Mecklenburg Community Relations

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

City Administration

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

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

Corporate Communications & Marketing

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

Internal Audit

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

Office of the Chief Information Officer (OCIO)

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

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

City Manager

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

Budget & Evaluation

Budget and Evaluation (B&E) is responsible for the development and oversight of the City's strategic operating plan of \$1.17 billion and five-year capital investment plan of \$743.8 million. In addition, B&E also provides coordination of the Balanced Scorecard for performance management, policy and management analysis, and coordination of City Council's business agenda.

| <u>Program Summary</u> | FY2013 Revised Budget/ Positions | FY2014 Budget/ Positions | FY2015 Budget/ Positions |
|---|---|---|---|
| Budget and Evaluation Services | \$ 1,629,206 13.00 | 1,597,854 13.00 | 1,615,545 13.00 |
| Strategic Planning and Monitoring Recommends strategy and resource allocation for achievement of the City's vision and mission, manages decision-making process and information that allows for strategic investment, and manages organizational resources that ensure competitive services | | | |
| Total | \$ 1,629,206 | 1,597,854 | 1,615,545 |
| Total Positions | 13.00 | 13.00 | 13.00 |

Budget Decreases

None

Budget Increases

None

Service Delivery Highlights and Challenges

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

Performance Measures

Performance Achievement

| | FY2013 Target | FY2014 Target | FY2015 Target |
|--|------------------|------------------|------------------|
|--|------------------|------------------|------------------|

Strategic Planning and Monitoring

| | | | |
|--|---------------|---------------|---------------|
| One of three lowest tax rates of the top seven NC cities | 1 of 3 lowest | 1 of 3 lowest | 1 of 3 lowest |
| Percent of General Fund growth exclusive of property taxes | New Target | ≥3% | ≥3% |

Develop Competitive Services

| | | | |
|---|-------|-------|-------|
| % of City measures at or above School of Government Benchmarking Project averages | 78.3% | 78.3% | 78.3% |
|---|-------|-------|-------|

Shared Services

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

| <u>Program Summary</u> | FY2013 Revised Budget/ Positions | FY2014 Budget/ Positions | FY2015 Budget/ Positions |
|--|---|---|---|
| Resource Management & Administration | \$ 2,275,601 | 2,322,347 | 2,344,998 |
| Provides centralized support throughout Shared Services through administration, communications, business analysis, human resources, and financial services. Resource Management is also the City-wide manager of all telecommunication services | 17.00 | 17.00 | 17.00 |
| Procurement Management | 2,115,619 | 2,158,192 | 2,180,970 |
| Provides services to City and County departments for the acquisition of goods and services, facilitates cost savings through identifying and pursuing opportunities for pooling resources and supports property disposal | 18.00 | 18.00 | 18.00 |
| Technology Management | 17,952,217 | 19,092,160 | 19,576,140 |
| Ensures the City receives the most reliable and best value technology infrastructure available to enable the effective delivery of City services. Services include planning, design, and implementation of the City's technology infrastructure in support of the enterprise architecture; management of the corporate computing environment including office productivity environments; telecommunications technology including land mobile radio and wireless broadband; and application and database services | 100.00 | 100.00 | 100.00 |
| Fleet Management | 1,962,622 | 1,522,069 | 1,741,404 |
| Ensures internal and external customers that their equipment and fleet assets yield the highest return on investment by providing equipment specification, predictable, and preventative maintenance focused on achieving the peak operating efficiency at the lowest cost | 122.00 | 122.00 | 122.00 |
| Total | \$ 24,306,059 | 25,094,768 | 25,843,512 |
| Total Positions | 257.00 | 257.00 | 257.00 |

Shared Services

Budget Decreases

None

Budget Increases

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

Service Delivery Highlights and Challenges

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

As the needs of the citizens and customer base continue to diversify and multiply, resource constraints dictate an innovative approach to service delivery and prioritization. Throughout FY2014, Shared Services will continue implementation of the shared services approach to providing services. Given the limited resources available and within the Shared Services Government Committee (SSGC) Management Guidelines, Shared Services must prioritize service offerings, work effort, focus on operational mission, and not divert resources into areas where the best value and return on investment will not be beneficial. Working with the SSGC and all its partners, Shared Services will focus on its strategic objective of "Building and Effectively Managing the Service Infrastructure" to improve its efficiency and optimize its processes. Through this approach, Shared Services will continue to seek opportunities for new partnerships, while providing a more holistic approach to meeting the core business needs of the City.

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

Fleet Management is experiencing an increase in demand for medium and heavy equipment maintenance, which is driving the need for additional maintenance bays to support this service as described in the Capital Improvement Project requests.

The City of Charlotte was granted permission by the Federal Communications Commission (FCC) to build a 700 Megahertz (MHz) public-safety broadband network together with Mecklenburg County, and supported by 20 other governmental entities. The City applied for and was awarded a \$16.7 million Broadband Technology Opportunities Program (BTOP) Grant on August 17, 2010 to construct the network. The grant funds construction of a public-safety Long Term Evolution wireless broadband network within the Mecklenburg County geographic boundaries. The network will use 700 MHz frequencies allocated to the City of Charlotte and Mecklenburg County. City Council approved the grant on September 13, 2010. The BTOP Project is a major initiative for the City. When the project is released to continue, additional resources will likely be required to complete the project as planned.

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

Shared Services

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

Finance

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

| <u>Program Summary</u> | FY2013 | FY2014 | FY2015 |
|---|--|------------------------------|------------------------------|
| | Revised Budget/ Positions | Budget/ Positions | Budget/ Positions |
| Financial Management | \$ 1,846,804 | 1,924,776 | 1,969,167 |
| Provides strategic financial planning, debt and cash management, and revenue and economic forecasting to City Council, the City Manager, and City departments | 12.00 | 12.00 | 12.00 |
| General Accounting | 2,978,275 | 2,940,604 | 3,403,471 |
| Provides general accounting services, such as preparing cost analysis, federal and state mandated reports, the Comprehensive Annual Financial Report, overseeing and coordinating automated financial systems, obtaining authorization and documentation for payment of the City's liabilities, distributing accounts payable checks, miscellaneous billing for all City departments, and preparing related reports | 38.25 | 38.25 | 38.25 |
| Revenue Management | 5,146,440 | 5,162,403 | 5,290,587 |
| Responsible for the billing, collection, and deposit of all City monies for city-wide services, including animal licenses, transit passes, Neighborhood Development loans, parking violations, and water/sewer and storm water billing and collection services. Revenue also provides collection services for the Mecklenburg County Tax Office. | 30.75 | 30.75 | 30.75 |
| Risk Management | 3,009,007 | 3,100,402 | 3,244,854 |
| Provide general risk management services to the City, County, Board of Education, and other quasi-governmental agencies | 27.00 | 27.00 | 27.00 |
| Total | \$ 12,980,526 | 13,128,185 | 13,908,079 |
| Total Positions | 108.00 | 108.00 | 108.00 |
| | FY2013 | FY2014 | FY2015 |
| Finance Operating Funds | Budget | Budget | Budget |
| General Fund | 9,971,519 | 10,027,783 | 10,339,486 |
| Risk Management Fund | 3,009,007 | 3,100,402 | 3,244,854 |
| Total | \$ 12,980,526 | 13,128,185 | 13,584,340 |

Finance

Budget Decreases

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

Budget Increases

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

Service Delivery Highlights and Challenges

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

Finance was awarded the Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report for the 27th consecutive year by the Government Finance Officers Association. In FY2013, there has been a substantial increase in debt issuance activity, and due to the City's strong financial management practices and AAA rating, the City is able to issue debt at extremely low interest rates.

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

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

Risk Management Reduced Litigation

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

Finance

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

Human Resources

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

| <u>Program Summary</u> | FY2013 Revised Budget/ Positions | FY2014 Budget/ Positions | FY2015 Budget/ Positions |
|---|---|---|---|
| Compensation, Benefits Services, Compliance, Recruitment and Retention Supports over 6,800 employees and 2,000 retirees. Services cover compliance, recruitment and retention; employee compensation, and employee benefits. | \$ 2,281,400 18.00 | 2,287,587 18.00 | 2,309,350 18.00 |
| Employee Training and Organizational Development Provides consultation, coaching, facilitation, and training services to improve organizational and individual performance. Training topics include leadership development, diversity, business skills, and technology. | 880,759 9.00 | 925,028 9.00 | 933,141 9.00 |
| Human Resources Management Services Manages the human resource management system, which manages the human resources and payroll software, produces payroll and maintains employment records for pay, taxes, benefits, and leave. | 916,652 6.00 | 951,031 6.00 | 969,328 6.00 |
| Total | \$ 4,078,811 | 4,163,646 | 4,211,819 |
| Total Positions | 33.00 | 33.00 | 33.00 |

Budget Decreases

None

Budget Increases

None

Service Delivery Highlights and Challenges

Human Resources highlights include 76.6% of employees opting for health insurance coverage also enrolled in the Wellness Incentive option and to provide employees with new voluntary benefit options, without additional cost to the City.

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

Human Resources

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

Non-Departmental Accounts

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

| <u>Services Provided</u> | <u>FY2013</u> <u>Revised</u> <u>Budget</u> | <u>FY2014</u> <u>Budget</u> | <u>FY2015</u> <u>Budget</u> |
|---|--|--------------------------------|--------------------------------|
| FINANCIAL PARTNERS AND OTHER COMMUNITY AGENCIES | | | |
| Arts and Science Council | \$ 2,940,823 | 2,940,823 | 2,940,823 |
| Administered by the Arts and Science Council. Supports cultural and arts agencies in the City. | | | |
| Safe Alliance (formerly United Family Services) | 333,977 | 333,977 | 333,977 |
| Funding for program that provides counseling and guidance for crime victims and their families. | | | |
| ImaginOn | 94,554 | - | - |
| Provides funding for maintenance of Children’s Theatre space in ImaginOn. Children’s Theatre moved from a City-owned facility to ImaginOn in the Fall of FY2006. The City’s contribution covers a portion of the building maintenance cost. FY2013 was the final year of a three-year elimination plan, mirroring the shift of building operating costs of the Mint Museum of Art, Performing Arts Center, and Discovery Place, as approved in the City’s Cultural Facilities Plan. | | | |
| Charlotte International Cabinet | 156,121 | - | - |
| Promotes the development of Charlotte as an international city and supports an international cultural exchange program. As of July 1, 2013, the Charlotte International Cabinet will transition into the Neighborhood & Business Services department of the City. | | | |
| Community Building Initiative | 49,000 | 49,000 | 49,000 |
| Serves as community resource providing strategic assistance in addressing race and ethnicity issues. | | | |
| Library | 2,500 | 2,500 | 2,500 |
| Provides funding for maintenance for the Charlotte-Mecklenburg Library, contributed according to legal requirements. | | | |
| Protocol Services | 40,000 | 40,000 | 40,000 |
| Provides assistance to City officials with regards to visiting dignitaries and international protocol. | | | |
| City Memberships and Subscriptions | 649,019 | 658,731 | 658,731 |
| Funds the City’s participation in the following organizations: | | | |
| UNC Chapel Hill School of Government | 73,760 | 83,472 | 83,472 |
| NC League of Municipalities | 76,242 | 76,242 | 76,242 |
| NCLM - Charlotte Host City | 50,000 | - | - |
| US Conference of Mayors | 26,216 | 26,216 | 26,216 |
| National League of Cities | 32,000 | 32,000 | 32,000 |
| ICMA - Charlotte Host City | - | 50,000 | 50,000 |
| NC Metropolitan Coalition | 16,225 | 16,225 | 16,225 |
| Charlotte Regional Partnership | 199,034 | 199,034 | 199,034 |
| Centralina Council of Governments | 175,542 | 175,542 | 175,542 |
| Total Financial Partners and Other Community Agencies | \$ 4,265,994 | 4,025,031 | 4,025,031 |

Non-Departmental Accounts

| <u>Services Provided</u> | <u>FY2013</u> <u>Revised Budget</u> | <u>FY2014</u> <u>Budget</u> | <u>FY2015</u> <u>Budget</u> |
|---|--|--------------------------------|--------------------------------|
| COUNTY ADMINISTERED | | | |
| County Storm Water Provides for the City's payment of its County storm water fees. | \$ 1,631,724 | 1,631,692 | 1,664,326 |
| Elections Office Provides the City's share of the normal expenses of the County Elections Office, per the cost sharing formula in the City-County Interlocal Agreement. FY2014 includes the 2013 City Elections and FY2015 includes the 2014 mid-term election. Reduction for FY2014, due to the final payment on the voting machine upgrade in FY2013. | 2,106,451 | 1,893,946 | 1,931,825 |
| County Tax Office Provides funding for reimbursement of expenses associated with collecting the City's auto license and business privilege license fees. Reduction for FY2014, due to the internal reorganization in the County Tax Office. | 1,442,661 | 1,020,455 | 1,040,864 |
| Total County Administered | \$ 5,180,836 | 4,546,093 | 4,637,015 |
| CAPITAL INVESTMENT | | | |
| Municipal Equipment Provides a contribution to fund capital outlay via cash and lease/purchase agreements for capital equipment items such as police cars, fire trucks, and solid waste trucks. | \$ 15,022,939 | 16,131,540 | 14,230,375 |
| Municipal Debt-Interest on Investments Transfers the interest earned on invested assets of the General Fund, supporting the City's financial policy of transferring all interest earnings to support the Capital Program. | 440,000 | 288,000 | 288,000 |
| Street Resurfacing Provides supplemental funding to the Powell Bill for increased level of street resurfacing | 4,261,000 | 4,261,000 | 4,261,000 |
| City Storm Water Fee Provides for a portion of the annual impervious area payment for storm water services. Impervious areas include City roads, buildings, parking lots, and sidewalks. The Powell Bill Fund pays a portion of the total fee for the street pavement areas. FY2011 funding decreased by 10%, or \$453,929, and is restored over three fiscal years in equal amounts of \$151,309, returning to full funding in FY2014. | 4,387,981 | 4,539,291 | 4,539,291 |
| Capital Support (PAYGO Sales Tax) Transfers sales tax revenues to the PAYGO Fund to support capital programs funded with cash versus debt. Sales tax revenues are received in the General Fund and transferred to the PAYGO Fund. | 13,614,752 | 13,821,022 | 14,304,757 |
| Total Capital Investment | \$ 37,726,672 | 39,040,853 | 37,623,423 |

Non-Departmental Accounts

| <u>Services Provided</u> | <u>FY2013</u> <u>Revised</u> <u>Budget</u> | <u>FY2014</u> <u>Budget</u> | <u>FY2015</u> <u>Budget</u> |
|--|--|--------------------------------|--------------------------------|
| OTHER ACCOUNTS | | | |
| Street Lighting Represents electrical operating costs for the City's street lighting program. | \$ 9,572,640 | 10,274,659 | 10,496,367 |
| Charlotte Regional Visitors Authority (CRVA) Funds the City's general tourism marketing services contract with CRVA. The amount is based on a portion of projected collections of the occupancy tax and a \$35,000 City contribution for special events. | 3,636,590 | 3,876,024 | 3,980,754 |
| Mecklenburg Towns' Tourism Subsidy Distributes to Mecklenburg County's six towns a portion of the occupancy and prepared food and beverage taxes. Annual amount and distribution are determined per state statute. | 2,786,075 | 2,824,592 | 2,923,452 |
| Unemployment Insurance Reserve Provides funding for creation and Reserve of State mandated reserve fund for unemployment insurance. Establishment of the reserve must equate to 1% payroll and will be established over two fiscal years. Funding for the reserve is provided within General Fund fund balance. | - | 550,000 | 550,000 |
| Compensation Contingency A pay plan is currently not included in the FY2015 budget plan due to revenue uncertainties associated with potential State tax reform and ongoing Mecklenburg County review of property valuation repeals. Funding provides a compensation contingency for potential allocation to a pay plan in FY2015. | - | - | 5,000,000 |
| General Fund Fuel Reserve Provides a reserve for potential budget impacts due to fuel price escalations or price shocks. | 500,000 | - | - |
| Rental Assistance Program Provides initial funding to support the \$10 million rental assistance endowment program City request from the Foundation for the Carolinas. The \$10 million will leverage \$10 million from the private sector and \$1.4 million of Mecklenburg County funding. Future City contributions of \$8 million are contingent upon the Foundation's ability to secure the full private sector pledge. Future City contributions will be programmed into future CIP programs. | - | 2,000,000 | - |
| Reimbursable Accident Repairs Provides funding for the repair of accident-damaged vehicles by third parties | 275,000 | 275,000 | 275,000 |

Non-Departmental Accounts

| <u>Services Provided</u> | <u>FY2013</u> <u>Revised</u> <u>Budget</u> | <u>FY2014</u> <u>Budget</u> | <u>FY2015</u> <u>Budget</u> |
|--|--|--------------------------------|--------------------------------|
| OTHER ACCOUNTS (cont.) | | | |
| Charlotte-Mecklenburg Government Center Parking \$ | 347,082 | 361,758 | 362,246 |
| Provides funding for operation, utilities, and maintenance of the CMGC parking deck. The cost is 35.3% funded by Mecklenburg County, based on the ratio of the number of parking spaces. | | | |
| Business Investment Grants | 1,732,537 | 1,874,175 | 1,875,542 |
| 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. | | | |
| Contributions and Grants | 300,000 | 300,000 | 300,000 |
| Provides a reserve for any miscellaneous grants or contributions that may be received during the year. Allows implementation of the designated project without bringing relatively small amounts through Council's agenda process. Any of these projects requiring a locally-funded match will continue to proceed to Council's agenda for approval. | | | |
| Road Use Tax | 200,000 | 200,000 | 200,000 |
| Funds the State tax for all title transfers and new purchases on City vehicles. Requires 3% of purchase price. | | | |
| CIAA Men's Basketball Tournament | 200,000 | 200,000 | 200,000 |
| The City successfully won rights to host the CIAA Men's Basketball Tournament in FY2006. In 2011, the City received approval for a three-year award, through 2014. It is the intent of the City to seek award after 2014. | | | |
| City Participation in Regional Grants and Organizations | 396,044 | 396,014 | 374,871 |
| The City partners with organizations such as Mecklenburg-Union Metropolitan Planning Organization (MUMPO) and also provides a match for the Unified Planning Work Program (UPWP) grants for regional transportation planning | | | |
| City Council Discretionary Account | 200,000 | 200,000 | 200,000 |
| Provides Council with a source of funds for unanticipated projects that may occur during the year that Council may wish to fund. The account balance as of May 5, 2013, was \$63,192 | | | |
| Charlotte-Mecklenburg Government Center Rent | - | 10,506 | 10,591 |
| Funds building rent for unoccupied areas | | | |
| Federal Program Representative | 104,340 | 96,840 | 96,840 |
| Provides the General Fund's share of the contract for local government liaison with the federal government. Includes \$12,840 for eCivis grant research subscription. The remaining funding portion is provided by CATS, Utilities, and Aviation. | | | |

Non-Departmental Accounts

| <u>Services Provided</u> | <u>FY2013 Revised Budget</u> | <u>FY2014 Budget</u> | <u>FY2015 Budget</u> | | | | | | | | | | | | |
|--|--------------------------------------|--------------------------|--------------------------|---------------------|-----------|-----------|---------------------|---------|---------|--------------|--------------------|--------------------|--|--|--|
| OTHER ACCOUNTS (cont.) | | | | | | | | | | | | | | | |
| Maintenance of Public Spaces Provides funding for facility maintenance expenses for overstreet walkways and other facilities not assigned to specific departments | \$ 157,975 | 153,252 | 156,317 | | | | | | | | | | | | |
| Annual Audit Represents the pro rata amount charged to the General Fund for the annual audit | 59,000 | 66,000 | 66,000 | | | | | | | | | | | | |
| Citizens Review Board Funds operating expenses for the volunteer citizens committee, which reviews Police related incident complaints. | 20,000 | 20,000 | 20,000 | | | | | | | | | | | | |
| Reserve for Annexation Start-up Provides funding for the initial costs of the City's biennial annexation process. Includes the cost of hiring firefighters and solid waste collection employees for training purposes prior to the annexation effective date, economic loss payments to qualified private solid waste collection firms and volunteer fire departments operating within areas to be annexed by the City, and equipment such as fire and solid waste trucks. Due to current NC General Assembly review of annexation laws, the City is not anticipating a FY2014 annexation. The \$50,000 programmed in FY2013 was for review work to determine if any annexation law changes impact the City's annexation program and what possible modifications, if any, needed to be made. | 50,000 | - | - | | | | | | | | | | | | |
| Synthetic Tax Increment Grant Provides funding from the equivalent of property tax revenues generated from private/public investment to support economic development projects as approved by Council: | 1,933,237 | 2,109,598 | \$2,164,590 | | | | | | | | | | | | |
| <table border="0" style="width: 100%;"> <thead> <tr> <th style="width: 60%;"></th> <th style="text-align: right; width: 20%;">FY2014</th> <th style="text-align: right; width: 20%;">FY2015</th> </tr> </thead> <tbody> <tr> <td>Cultural Facilities</td> <td style="text-align: right;">1,268,871</td> <td style="text-align: right;">1,270,103</td> </tr> <tr> <td>External Agreements</td> <td style="text-align: right;">840,727</td> <td style="text-align: right;">894,487</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">\$2,109,598</td> <td style="text-align: right;">\$2,164,590</td> </tr> </tbody> </table> | | FY2014 | FY2015 | Cultural Facilities | 1,268,871 | 1,270,103 | External Agreements | 840,727 | 894,487 | Total | \$2,109,598 | \$2,164,590 | | | |
| | FY2014 | FY2015 | | | | | | | | | | | | | |
| Cultural Facilities | 1,268,871 | 1,270,103 | | | | | | | | | | | | | |
| External Agreements | 840,727 | 894,487 | | | | | | | | | | | | | |
| Total | \$2,109,598 | \$2,164,590 | | | | | | | | | | | | | |
| City Burials Funds burials in City-owned cemeteries for indigent citizens | 3,400 | 3,400 | 3,400 | | | | | | | | | | | | |
| Total Other Accounts | \$ 22,473,920 | 25,791,818 | 29,255,970 | | | | | | | | | | | | |
| Total Non-Departmental Accounts | \$ 69,822,422 | 73,403,795 | 75,541,439 | | | | | | | | | | | | |

Non-Departmental Accounts

Financial Partner Summary

General Fund

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

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

Neighborhood & Business Services

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

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

*Request for Proposals process is conducted annually

**For FY2013, Council approved a one-time appropriation from General Fund fund balance of \$394,752 to fund GEP at their FY2012 funding level.

Municipal Service Districts

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

District 1 (Center City)

Assessed value for FY2014 is \$7,867,432,273. Budget continues the current MSD tax rate of 1.68¢ per \$100 valuation.

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

District 2 (Center City)

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

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

Municipal Service Districts

District 3 (Center City)

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

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

District 4 (South End)

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

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

District 5 (University City)

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

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

Synthetic Tax Increment Grant

Synthetic Tax Increment Grant Program

The City uses Synthetic Tax Increment Grants (STIG) as a public/private partnership tool to advance Economic Development and land use planning goals. STIG does not require the establishment of a Tax Increment Financing district, as required by Self Financing Bonds, and utilizes locally approved financing, which is repaid by the incremental City/County property tax growth generated by the development. The three funds supported by the property tax (General Fund, Debt Service, and Pay As You Go) each contribute its pro-rate share. Per City Council policy, the amount of total STIG assistance to all projects is limited to 3.0% of annual property tax levy in any given year.

City Council Approved Projects

Mid-Town Square (Metropolitan)

Project involved two phases. Phase I included a first floor Home Depot Design Center (vacant) under a 2nd floor Target; 800 space parking deck; and road, intersection, and bridge improvements. Phase II included 160,000 sq. ft. of retail/restaurant space, 75,000 sq. ft. of office space, 101 condominiums, parking deck, and relocation of Baxter Street Bridge and construction of the Sugar Creek Greenway extension. A multi-family project is scheduled for completion in 2015. Anticipated total private investment equals \$224,046,463. Sale of South Parcel pending settlement.

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

The Levine Center for the Arts (Cultural Facilities)

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

| | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | 5-Yr. Total |
|--------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Est. % of investment completed | 100% | 100% | 100% | 100% | 100% | |
| Est. property tax increment | 1,968,707 | 2,002,310 | 2,002,310 | 2,002,310 | 2,002,310 | 9,977,946 |
| Est. STIG Payment | 1,652,000 | 1,652,000 | 1,652,000 | 1,652,000 | 1,652,000 | 8,260,000 |

Wesley Village (Bryant Park)

Project supports redevelopment of Bryant Park and funds construction of Stewart Creek Parkway from the tax increment generated by the development of Wesley Village apartments - Phase I. Anticipated total private investment equals \$33 million. Total STIG payments not to exceed \$1.36 million. Completion of the Stewart Creek Parkway street triggered payment. Project sold and assigned to Legacy Partners.

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

Double Oaks Redevelopment

Project supports redevelopment of Double Oaks apartments including 940 residential units and approximately 108,000 sq. ft. of non-residential development. Anticipated total private investment equals \$96,058,000. Total STIG payments not to exceed \$3.6 million to offset HUD 108 loan payments. Brownfield agreement in place which offsets incremental tax payments.

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

Synthetic Tax Increment Grant

Ballantyne Area Infrastructure

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

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

Elizabeth Avenue Mixed-Use Development

Project includes construction of 250,000 sq. ft. of retail, 340,000 sq. ft. of office space, 810 residential units, and a parking deck with 3,000 spaces. Anticipated total private investment equals \$220 million. Completion of parking deck construction of 1,000 spaces triggers payment. Deadline for parking deck completion extended from 2014 to 2020.

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

Ikea/City Boulevard

Project supports the construction of a connector road between McCullough Drive to City Boulevard providing overall accessibility with North Tryon Street and City Boulevard. Contract for road extension extended until 2014. Anticipated total private investment equals \$170 million. Total STIG payments not to exceed \$5.4 million. Completion of the Ikea Road street connector triggers payment.

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

Pope & Land Coliseum

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

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

Seaboard Street/NC Music Factory

Project involves construction of the Seaboard Street extension and three development phases. Phase I includes construction of the Seaboard Street extension, 1,350 residential (with affordable) units and renovations to the existing NC Music Factory facility. Phase II includes 80,000 sq. ft. of entertainment, 170,000 sq. ft. of office space, and 140,000 sq. ft. of retail space. Phase III involves renovations to the Silver Hammer Studio, and 200,000 sq. ft. of retail space. Anticipated total private investment equals \$246 million. Total STIG payments not to exceed \$1.7 million. Completion of street, residential, and NC Music Factory elements triggers payment. Extension has been requested to build residential units.

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

Synthetic Tax Increment Grant

Merrifield/Radiator Specialty

Project supports construction of Bryant Park Drive, connecting Wilkinson to Morehead. Merrifield/Radiator Specialty development includes 600,000 sq. ft. of office space and 250,000 sq. ft. of residential development on 34 acres. Anticipated total private investment equals \$170 million. Total STIG payments not to exceed \$2.2 million. Completion of Bryant Park Drive road triggers payment. Contract for commencement of road construction extended until 12/31/2015.

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

First Ward Parking Deck and Park

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

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

The second STIG is a ten-year term that begins at completion of the first STIG and supports 1,335 public parking spaces. An amendment approved in FY2013 reduces the City/County deck grant amount by \$6,044,208. Anticipated total private investment equals \$700 million. City's total STIG payments not to exceed \$23,705,792 for second STIG.

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

STIG Projects Combined Total

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

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

Est. Total STIG Payment by Fund

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

Synthetic Tax Increment Grant

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City-wide Summary of Tax Levies

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

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

Summary of Position Allocations by Fund

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

All Funds - Summary of Expenditures (Net of Transfers)

FY2014

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

Adjusting the City's Funds to "net of transfers" eliminates the presentation of duplicate expenditures. For example, the payment to be made by the Aviation Fund for fire protection services provided to the Airport during FY2014 by the General's Fire Department, which totals \$4,677,674 is not included in the General Fund amount above; rather, it is included in the Aviation Fund above as a cost of providing Airport services for the fiscal year.

The City utilizes internal service funds to manage its two self-funded insurance funds: Risk and Loss and Workforce Group Insurance. These two funds are supported with charges to each operating fund above, and the charges for each are reflected within these operating funds. For FY2014, the total budget included in the above Operating Fund is:

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

FY2015

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

Adjusting the City's Funds to "net of transfers" eliminates the presentation of duplicate expenditures. For example, the payment to be made by the Aviation Fund for fire protection services provided to the Airport during FY2014 by the General's Fire Department, which totals \$4,814,075 is not included in the General Fund amount above; rather, it is included in the Aviation Fund above as a cost of providing Airport services for the fiscal year.

The City utilizes internal service funds to manage its two self-funded insurance funds: Risk and Loss and Workforce Group Insurance. These two funds are supported with charges to each operating fund above, and the charges for each are reflected within these operating funds. For FY2015, the total budget included in the above Operating Fund is:

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

General Fund Summary of Expenditures

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

Notable Budget Drivers

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

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

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

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

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

General Fund Summary of Revenues

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

* 0.25% pt of delivery + 0.25% per capita

General Fund Summary of Revenues

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

General Fund Summary of Revenues

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

General Fund Summary of Revenues

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

Aviation Operating Funds Summary of Revenues and Expenditures

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

*Passenger Facility Charge and Contract Facility Charge are included.

Water and Sewer Operating Fund Summary of Operating Revenues and Expenditures

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

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

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

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

Storm Water Fund Summary of Revenues and Expenses

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

Municipal Debt Service Fund

Summary of Revenues and Expenditures

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

Aviation Debt Service Fund - Consolidated Summary of Revenues and Expenditures

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

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

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

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

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

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

Storm Water Debt Service Fund Summary of Revenues and Expenditures

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

Convention Center Debt Service Fund Summary of Revenues and Expenditures

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

Hall of Fame Debt Service Fund Summary of Revenues and Expenditures

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

Cultural Facilities Debt Service Fund Summary of Revenues and Expenditures

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

Tourism Debt Service Fund Summary of Revenues and Expenditures

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

Powell Bill Fund

Summary of Revenues and Expenditures

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

Convention Center Tax Fund Summary of Revenues and Expenditures

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

Hall of Fame Tax Fund Summary of Revenues and Expenditures

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

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

Public Safety and Other Grants Fund Summary of Revenues and Expenditures

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

Public Safety 911 Services Fund Summary of Revenues and Expenditures

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

Neighborhood & Business Services - Consolidated Grant Funds Summary of Revenues and Expenditures

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

Consolidated Municipal Service Districts Summary of Revenues and Expenditures

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

Risk Management Fund Summary of Revenues and Expenditures

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

Tourism Operating Fund*

Summary of Revenues and Expenditures

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

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

FY2014-2018 Capital Investment Plan

INTRODUCTION

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

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

For the FY2014-2018 CIP, the City took a comprehensive, holistic view of neighborhood and community needs and evaluated projects that:

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

CIP FUNDING

In FY2007, City Council adopted a 2.67¢ property tax increase to fund three bond referendums (2006, 2008, and 2010). The three referendums funded a total of \$551.0 million in transportation, neighborhood improvement, and affordable housing bond projects. The FY2007 property tax increase did not provide a funding source for a 2012 or subsequent bond referendum.

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

HIGHLIGHTS OF THE FY2014-2018 CIP

The FY2014-2018 CIP totals \$3.4 billion, a 2.7% increase over the current capital program. The first year of the five-year CIP in FY2014 is \$779.3 million, a 35.0% increase over the first year of the prior year's CIP of \$577.5 million, due mostly to growth in the CATS and Aviation Enterprise capital programs. The second year of the five-year General Government CIP in FY2015 is \$220.0 million, a 183.5 million increase over the FY2014 General Government CIP of \$75.2 million. The FY2015 increase reflects new funding scheduled for the 2014 bond referendum for the capital projects that approach the City's infrastructure needs with a long-term, sustainable emphasis on: 1) investing in corridors, 2) increasing connections, and 3) improving communities.

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

- ◆ General Government totals \$663.2 million, and is funded by \$502.8 million in bonds and COPS of which \$9.0 million is authorized and \$493.8 million is included for authorization through bond referenda in 2014 and 2016; \$117.3 million in Pay-As-You-Go (PAYGO) funding, \$34.6 million in housing grants, and \$8.5 million in other funding.
- ◆ Storm Water totals \$213.2 million, an 18.2% decrease, and is funded by \$206.5 million in cash and \$6.7 million in revenue bonds. The program is self-funded through user fees charged to property owners according to areas of impervious surface.

FY2014-2018 Capital Investment Plan

HIGHLIGHTS OF THE FY2014-2018 CIP (cont.)

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

General Government

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

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

- ♦ Debt capacity: The property tax rate dedicated to general government debt in FY2014 is 9.67¢, an increase of 3.17¢ reflecting the dedication of the 3.17¢ property tax rate increase to the debt service fund.
- ♦ PAYGO: The property tax rate dedicated to the PAYGO Fund in FY2014 is 1.20¢, no change from the current year.
- ♦ Capital Fund balances
- ♦ One-time (non-recurring) revenues
- ♦ Interest earnings
- ♦ Asset Management property sales
- ♦ Grant funding

The five-year General Government program totals \$663.2 million. Funding highlights of the program are as follows:

Housing and Neighborhoods (\$197.7 million)

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

Transportation (\$205.5 million)

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

Economic Development (\$94.0 million)

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

Environment (\$16.5 million)

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

FY2014-2018 Capital Investment Plan

Facility Investments (\$149.5 million)

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

Storm Water (\$213.2 million)

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

Major projects include:

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

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

This program includes funding for maintenance and expansion of the existing bus, special transportation, circulator, community, and regional transportation systems. The program also includes planning, design, and construction of rapid transit. The program totals \$1.1 billion and is fully financed through the one half-cent sales tax and federal and state capital grants.

Major projects include:

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

Water and Sewer (\$461.7 million)

This program includes funding for maintenance and expansion of the existing system of water and sewer mains and water and sewer treatment plants. The program totals \$461.7 million and is fully financed from water and sewer fees. Major projects include:

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

Aviation (\$966.8 million)

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

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

FY2014-2018 Capital Investment Plan

Capital Investment Plan Program Policies

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

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

1. Evaluate capital projects requests according to the following priorities:
 - 1st priority: Maintenance and/or retrofitting of existing infrastructure
 - 2nd priority: Replacement of existing infrastructure
 - 3rd priority: Expansion of existing infrastructure
 - 4th priority: New infrastructure
2. Develop and implement a capital program based on Smart Growth principles:
 - ♦ Maintain land use planning
 - ♦ Sustain effective land use decisions
 - ♦ Strengthen neighborhoods
 - ♦ Build a competitive economic edge
 - ♦ Design for livability
 - ♦ Safeguard the environment
 - ♦ Expand transportation choices
 - ♦ Use public investment as a catalyst
3. Preserve the existing tax base, a fundamental principle for City capital investment decision-making
4. Affirm neighborhoods as a foundation of the community and emphasize a reinvestment program for all neighborhoods
5. Form partnerships with citizens and businesses to leverage public dollars and make the community one of choice for living, working, and leisure activities
6. Serve as a platform for economic development through the funding of priority projects in targeted investment areas
7. Provide a balanced capital plan, which funds the highest priority community needs in a variety of program areas
8. Anticipate infrastructure and facility needs resulting from future changes in the City's boundaries and density that are consistent with Council's development and growth policies
9. Comply with applicable federal and state mandates

FY2014-2018 Capital Investment Plan

CAPITAL INVESTMENT PLAN: STRATEGIES AND POLICIES

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

Capital Planning

The FY2014-2018 Capital Investment Plan was developed within the context of the City's Corporate Scorecard objectives of:

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

Process Components

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

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

FY2014-2018 Capital Investment Plan

Capital Investment Plan Financial Policies

1. General government debt policies:

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

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

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

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

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

4. Use the PAYGO Tax Fund in conjunction with long-term debt financing to finance capital projects

5. Dedicate asset sales to the Capital Investment Plan:

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

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

- ♦ Funding in excess of 16% of the General Fund balance is dedicated to PAYGO capital expenses, unless otherwise directed by Council.

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

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

FY2014-2018 Capital Investment Plan

CAPITAL FINANCING: BONDS AND PAYGO

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

Existing General Government Municipal Debt Status

- ♦ The Capital program includes \$9.0 million in previously authorized 2010 Neighborhood Improvement Bonds for traditional Neighborhood Improvement Projects (NIP), all programmed in FY2014.

New General Government Municipal Debt Status

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

FY2014-2018 Capital Investment Plan

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

† G.O. Bonds; * COPS

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

Notes

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

FY2014-2018 Capital Investment Plan

Pay-As-You-Go and Current Revenues

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

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

Below is a summary of the major FY2014 PAYGO revenues:

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

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

Major projects funded by PAYGO in FY2014:

- \$19.0 million for the City's Maintenance of Effort (MOE) contribution to Transit
- \$9.5 million for cultural facilities, county and towns' portion of the vehicle rental tax, and road planning, design, and right-of-way
- \$6.9 million for building, roof, and parking facility maintenance
- \$4.5 million for Innovative Housing
- \$2.1 million for Tree Management Program, including trimming and removal (\$1.4 million) and tree replacement (\$0.7 million)
- \$2.0 million for Technology Investments

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

FY2014-2018 Capital Investment Plan

PAY-AS-YOU-GO SCHEDULE

| <u>PROJECT TITLE</u> | <u>FY2014</u> | <u>FY2015</u> | <u>FY2016</u> | <u>FY2017</u> | <u>FY2018</u> | <u>TOTAL</u> |
|---|----------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| Pay-As-You-Go Revenues | | | | | | |
| Property Tax | \$ 10,363,717 | 10,679,485 | 10,839,677 | 11,002,273 | 11,167,307 | 54,052,459 |
| Register Motor Vehicle Revenue | 207,730 | | | | | 207,730 |
| Property Tax - Synthetic TIG | 105,498 | 116,926 | 262,492 | 334,106 | 428,183 | 1,247,206 |
| PAYGO Fund - Interest Income | 344,000 | 344,000 | 430,000 | 602,000 | 903,000 | 2,623,000 |
| Sales Tax | 13,821,022 | 14,304,757 | 14,805,424 | 15,323,614 | 15,859,940 | 74,114,756 |
| Auto Tax | 13,511,225 | 13,916,562 | 14,334,059 | 14,764,080 | 15,207,003 | 71,732,928 |
| Vehicle Rental Tax (a) | 9,521,270 | 9,711,696 | 9,905,929 | 10,104,048 | 10,306,129 | 49,549,072 |
| Capital Fund Balance | 2,240,472 | 2,104,872 | 295,099 | | | 4,640,442 |
| Grant Program Income (c) | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 3,000,000 |
| Sale of Land (Central Yard) | | | 1,099,736 | 714,950 | | 1,814,686 |
| TOTAL REVENUES | \$ 50,714,934 | 51,778,297 | 52,572,416 | 53,445,070 | 54,471,562 | 262,982,280 |
| EXPENDITURES | | | | | | |
| Contribution to MTC (MOE) (b) | \$ 18,952,000 | 19,520,560 | 20,106,177 | 20,709,362 | 21,330,643 | 100,618,742 |
| Contribution to Cultural | 7,159,999 | 7,303,199 | 7,449,262 | 7,598,248 | 7,750,213 | 37,260,920 |
| County/Towns Share | 571,272 | 582,697 | 594,351 | 606,238 | 618,363 | 2,972,922 |
| Road Planning/Design/ROW | 1,790,000 | 1,825,800 | 1,862,316 | 1,899,562 | 1,937,553 | 9,315,230 |
| Synthetic TIG Projects | 70,320 | 72,645 | 134,791 | 205,611 | 283,429 | 766,796 |
| Neighborhood Grants | 325,000 | 325,000 | 325,000 | 325,000 | 325,000 | 1,625,000 |
| Innovative Housing (c) | 4,479,290 | 4,479,290 | 4,479,290 | 4,479,290 | 4,479,290 | 22,396,450 |
| HOME Grant Match (c) | 913,887 | 913,887 | 913,887 | 913,887 | 913,887 | 4,569,435 |
| In Rem Remedy - Residential | 550,000 | 550,000 | 550,000 | 550,000 | 550,000 | 2,750,000 |
| Sidewalk and Curb Repairs | 550,000 | 550,000 | 550,000 | 550,000 | 550,000 | 2,750,000 |
| Streetcar Starter Project Operations | | 750,000 | 1,500,000 | 1,500,000 | 1,500,000 | 5,250,000 |
| Business Corridor Revitalization | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 10,000,000 |
| Environmental Services Program | 1,200,000 | 1,200,000 | 1,200,000 | 1,200,000 | 1,200,000 | 6,000,000 |
| Tree Trimming and Removal Program | 1,400,000 | 1,400,000 | 1,400,000 | 1,400,000 | 1,400,000 | 7,000,000 |
| Tree Replacement Program | 700,000 | 700,000 | 700,000 | 700,000 | 700,000 | 3,500,000 |
| Building Maintenance | 3,703,167 | 3,655,220 | 3,657,342 | 3,657,872 | 3,783,184 | 18,456,785 |
| Roof Replacement Program | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 7,500,000 |
| Parking Lot/Deck Repairs | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 1,500,000 |
| CMGC and Plaza Maintenance | 700,000 | 700,000 | 700,000 | 700,000 | 700,000 | 3,500,000 |
| Fire Station Renovations | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 | 2,000,000 |
| Landscape and Median Renovation | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 | 1,250,000 |
| Technology Investments | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 10,000,000 |
| Solid Waste Admin Bldg HVAC Replacement | 1,200,000 | | | | | 1,200,000 |
| Blumenthal Seat Replacement | | 800,000 | | | | 800,000 |
| TOTAL EXPENDITURES | \$ 50,714,934 | 51,778,297 | 52,572,416 | 53,445,070 | 54,471,562 | 262,982,280 |

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

(b) Maintenance of Effort (MOE)

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

FY2014-2018 Capital Investment Plan

PUBLIC ART SCHEDULE

| FY2014-2018 General Art Allocations | <u>FY2014</u> | <u>FY2015</u> | <u>FY2016</u> | <u>FY2017</u> | <u>FY2018</u> | <u>TOTAL</u> |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| Neighborhood Improvements - Streetscape | \$ 9,000 | | | | | 9,000 |
| Comprehensive Neighborhood Improvements | | 100,000 | | 200,000 | | 300,000 |
| Northeast Corridor Infrastructure (NECI) University Pointe Connection-IBM Drive to Ikea | | 99,840 | | 212,160 | | 312,000 |
| 26-Mile Cross Charlotte Multi-Use Trail | | 15,080 | | - | | 15,080 |
| Sidewalks and Pedestrian Safety | | 18,750 | 18,750 | 18,750 | 18,750 | 75,000 |
| Joint Communications Center | 140,000 | 320,000 | | | | 460,000 |
| South Division Police Station | | | | 56,250 | | 56,250 |
| Park South Division Police Station | | | | 56,250 | | 56,250 |
| Westover Division Police Station | 63,000 | | | | | 63,000 |
| Northeast Equipment Maintenance Facility | | | | 11,440 | | 11,440 |
| TOTAL | \$ 212,000 | 553,670 | 18,750 | 642,350 | 18,750 | 1,445,520 |
| REVENUES | | | | | | |
| 2010 Neighborhood Improvement Bonds | \$ 9,000 | | | | | 9,000 |
| Neighborhood Improvement Bonds | | 100,000 | | 200,000 | | 300,000 |
| Street Bonds | | 133,670 | 18,750 | 318,410 | 18,750 | 489,580 |
| Certificates of Participation | 203,000 | 320,000 | | 123,940 | | 646,940 |
| TOTAL | \$ 212,000 | 553,670 | 18,750 | 642,350 | 18,750 | 1,445,520 |

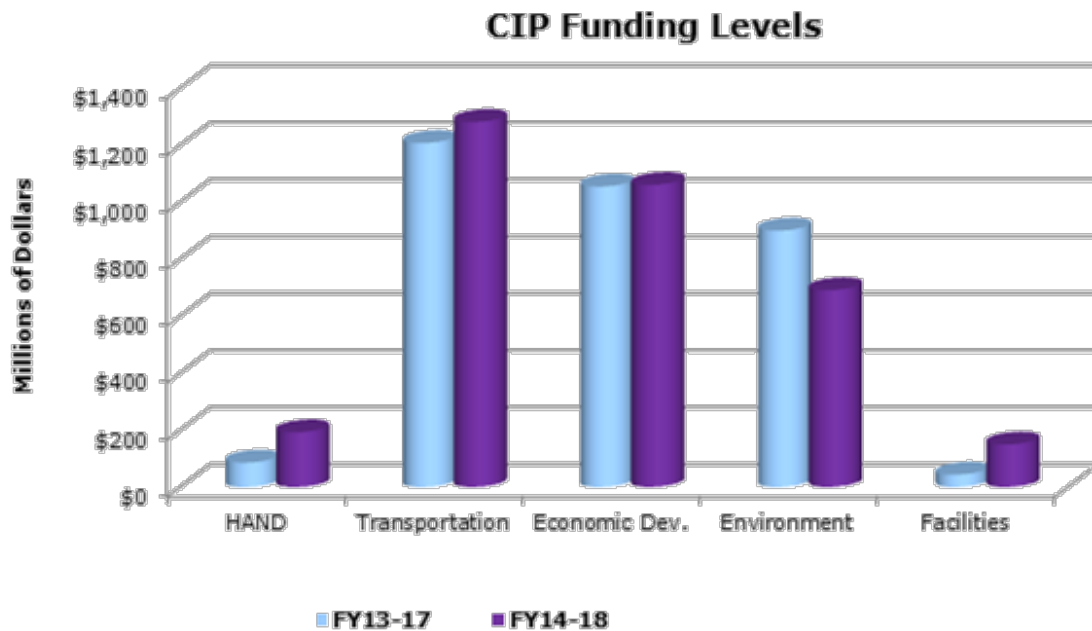
FY2014-2018 Capital Investment Plan

CAPITAL INVESTMENT PLAN (CIP) OVERVIEW

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

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

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



FY2014-2018 Capital Investment Plan

NEW GENERAL GOVERNMENT CAPITAL PROJECTS

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

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

INVESTING IN CORRIDORS

To promote economic development, expansion and job creation

Airport/West Corridor (\$31.2 million)

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

East/Southeast Corridor (\$64.1 million)

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

Northeast Corridor (\$90.3 million)

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

INCREASING CONNECTIONS

To increase connectivity through road projects, and infrastructure improvements

Road and Infrastructure Projects (\$25.9 million)

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

FY2014-2018 Capital Investment Plan

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

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

Sidewalk and Pedestrian Safety Program (\$30.0 million)

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

Traffic Control and Bridges (\$24.0 million)

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

IMPROVING COMMUNITIES

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

Public Safety Facilities (\$101.3 million)

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

FY2014-2018 Capital Investment Plan

Maintenance Facilities (\$2.1 million)

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

Affordable Housing (\$30.0 million)

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

Comprehensive Neighborhood Improvement Program (\$60.0 million)

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

FY2014-2018 Capital Investment Plan

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

FY2014-2018 Capital Investment Plan

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

FY2014-2018 Capital Investment Plan

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

FY2014-2018 Capital Investment Plan

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

FY2014-2018 Capital Investment Plan

| PROJECT TITLE | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | TOTAL | |
|--|-----------------------|--------------------|--------------------|--------------------|-------------------|----------------------|-------------|
| TRANSPORTATION | | | | | | | |
| Roads | | | | | | | |
| SE Corridor Sidewalk and Bikeway Improvements | \$ | | | 2,000,000 | | 2,000,000 | |
| Research Drive-J.W. Clay Connector over I-85 (N) | | 3,000,000 | | | | 3,000,000 | |
| University Pointe Connection-IBM Dr. to Ikea Blvd (S) | | 15,080,000 | | | | 15,080,000 | |
| Northeast Corridor Infrastructure (NECI) | | 16,640,000 | | 35,360,000 | | 52,000,000 | |
| Spine Dixie Berryhill Infrastructure (New Garrison Road) | | | | 31,200,000 | | 31,200,000 | |
| Prosperity Church Road NW Arc | | 5,200,000 | | | | 5,200,000 | |
| Eastern Circumferential (Hanberry to Back Creek Church) | | 12,064,000 | | | | 12,064,000 | |
| Park South Drive Extension | | | | 8,632,000 | | 8,632,000 | |
| 26-Mile Cross Charlotte Multi-Use Trail | | | | 35,000,000 | | 35,000,000 | |
| Traffic Signal System Coordination Upgrade Program | | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 6,000,000 | |
| Traffic Control Devices Upgrade Program | | 3,500,000 | 3,500,000 | 2,000,000 | 2,000,000 | 11,000,000 | |
| Repair and Replace Bridges Program | | 2,000,000 | 2,000,000 | 1,500,000 | 1,500,000 | 7,000,000 | |
| Sidewalk and Curb and Gutter Repairs | 550,000 | 550,000 | 550,000 | 550,000 | 550,000 | 2,750,000 | |
| Road Planning/Design/ROW | 1,790,000 | 1,825,800 | 1,862,316 | 1,899,562 | 1,937,552 | 9,315,230 | |
| Streetcar Starter Project Operations | | 750,000 | 1,500,000 | 1,500,000 | 1,500,000 | 5,250,000 | |
| TOTAL ROADS | \$ 2,340,000 | 62,109,800 | 10,912,316 | 121,141,562 | 8,987,552 | 205,491,230 | |
| Charlotte Area Transit System | | | | | | | |
| Vehicles: Revenue | \$ | 9,130,995 | 10,958,943 | 14,096,000 | 18,378,321 | 22,525,610 | 75,089,869 |
| Bus Facilities: Improvements | | 895,962 | 1,109,527 | 2,906,970 | 1,578,209 | 2,229,739 | 8,720,407 |
| Bus Equipment: Shop | | 645,000 | 885,000 | 1,001,000 | 720,000 | 879,000 | 4,130,000 |
| Preventive Maintenance | | 5,400,000 | 3,608,445 | 4,410,377 | 4,410,377 | 4,410,377 | 22,239,576 |
| LRT Maintenance-Of-Way: Equipment & Tools | | 3,318,750 | 6,009,658 | 1,783,625 | 632,000 | 566,000 | 12,310,033 |
| LRT Facilities Projects | | 2,288,250 | 3,834,750 | 1,747,875 | 845,000 | 1,289,000 | 10,004,875 |
| Vehicles: Non Revenue | | 227,946 | 134,000 | 707,000 | 251,000 | 416,000 | 1,735,946 |
| Safety & Security Equipment | | 996,389 | 1,009,376 | 1,142,738 | 1,033,362 | 927,376 | 5,109,241 |
| Technology | | 4,748,311 | 7,083,441 | 4,066,320 | 5,531,990 | 2,698,286 | 24,128,348 |
| LYNX Blue Line Extension (NE Corridor Light Rail) | | 204,500,300 | 318,794,000 | 262,258,000 | 112,409,000 | 9,871,025 | 907,832,325 |
| Transit Corridor Development | | 1,164,000 | 505,000 | 255,000 | 165,000 | 170,000 | 2,259,000 |
| Transit Planning | | 526,000 | 533,000 | 541,000 | 525,000 | 525,000 | 2,650,000 |
| Total Charlotte Area Transit | \$ 233,841,903 | 354,465,140 | 294,915,905 | 146,479,259 | 46,507,413 | 1,076,209,620 | |
| TOTAL TRANSPORTATION | \$ 236,181,903 | 416,574,940 | 305,828,221 | 267,620,821 | 55,494,965 | 1,281,700,850 | |
| TRANSPORTATION REVENUE SUMMARY | | | | | | | |
| Street Bonds TBA (2014, 2016) | \$ | | 58,984,000 | 7,000,000 | 117,192,000 | 5,000,000 | 188,176,000 |
| Pay-As-You-Go Fund | | 2,340,000 | 3,125,800 | 3,912,316 | 3,949,562 | 3,987,552 | 17,315,230 |
| Total Revenue Roads | \$ 2,340,000 | 62,109,800 | 10,912,316 | 121,141,562 | 8,987,552 | 205,491,230 | |
| Federal Transit Grants | | 92,365,718 | 95,635,170 | 97,687,334 | 99,079,175 | 25,123,198 | 409,890,595 |
| Certificates of Participation | | 104,500,300 | 218,794,000 | 162,258,000 | 12,409,000 | 9,112,775 | 507,074,075 |
| NCDOT Transit Grants | | 27,549,965 | 27,958,146 | 27,712,037 | 28,397,647 | 3,208,048 | 114,825,843 |
| CATS Operating Budget Contribution | | 9,425,920 | 12,077,824 | 7,258,534 | 6,593,437 | 9,063,392 | 44,419,107 |
| Total Revenue Transit | \$ 233,841,903 | 354,465,140 | 294,915,905 | 146,479,259 | 46,507,413 | 1,076,209,620 | |
| TOTAL TRANSPORTATION REVENUES | \$ 236,181,903 | 416,574,940 | 305,828,221 | 267,620,821 | 55,494,965 | 1,281,700,850 | |

FY2014-2018 Capital Investment Plan

| PROJECT TITLE | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | TOTAL |
|--|---------------------|-------------------|------------------|-------------------|------------------|-------------------|
| ECONOMIC DEVELOPMENT | | | | | | |
| <u>Economic Development</u> | | | | | | |
| Business Grant Program | \$ 180,000 | 180,000 | 180,000 | 180,000 | 180,000 | 900,000 |
| Business Corridor Revitalization Strategy | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 10,000,000 |
| Synthetic Tax Increment Financing (property tax) | 70,320 | 72,645 | 134,791 | 205,611 | 283,429 | 766,796 |
| Applied Innovation Corridor | | | | | | |
| Graham Street Streetscape | | 10,480,000 | | | | 10,480,000 |
| Woodward/24th Street Connection | | | | 2,560,000 | | 2,560,000 |
| Tryon Street Connectivity | | | | 5,160,000 | | 5,160,000 |
| Private Development Leverage Fund | | 2,000,000 | | | | 2,000,000 |
| SE Corridor Land Acquisition & Street Connection | | 12,500,000 | | 12,500,000 | | 25,000,000 |
| Monroe Road Streetscape | | | | 2,080,000 | | 2,080,000 |
| Bojangles/Ovens Area Redevelopment | | 25,000,000 | | | | 25,000,000 |
| Public/Private Redevelopment Opportunities | | | | 10,000,000 | | 10,000,000 |
| Total Economic Development | \$ 2,250,320 | 52,232,645 | 2,314,791 | 34,685,611 | 2,463,429 | 93,946,796 |
| ECONOMIC DEVELOPMENT REVENUE SUMMARY | | | | | | |
| Business Grant Program Income | \$ 180,000 | 180,000 | 180,000 | 180,000 | 180,000 | 900,000 |
| Pay-As-You-Go Fund | 2,070,320 | 2,072,645 | 2,134,791 | 2,205,611 | 2,283,429 | 10,766,796 |
| Street Bonds TBA (2014, 2016) | | 24,980,000 | | 32,300,000 | | 57,280,000 |
| Certificates of Participation TBA (2014, 2016) | | 25,000,000 | | | | 25,000,000 |
| Total Revenue General ED | \$ 2,250,320 | 52,232,645 | 2,314,791 | 34,685,611 | 2,463,429 | 93,946,796 |

FY2014-2018 Capital Investment Plan

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

FY2014-2018 Capital Investment Plan

| PROJECT TITLE | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | TOTAL |
|--|-----------|--------------------|--------------------|--------------------|--------------------|----------------------|
| General Aviation Projects | | | | | | |
| Bank of America Road Relocation | \$ | | 1,500,000 | | | 1,500,000 |
| FBO Ramp Rehabilitation | | 4,650,000 | | | | 4,650,000 |
| FBO Ramp Expansion | | | 3,000,000 | | | 3,000,000 |
| FBO Terminal Expansion | | | 1,150,000 | 1,850,000 | | 3,000,000 |
| FBO Terminal Canopy | | 1,000,000 | | | | 1,000,000 |
| GADO Site Redevelopment | | | | 1,250,000 | 3,750,000 | 5,000,000 |
| General Aviation Hangars | | 5,000,000 | 5,000,000 | | | 10,000,000 |
| General Aviation Maintenance Hangar | | | 3,500,000 | | | 3,500,000 |
| Total General Aviation Projects | \$ | 10,650,000 | 14,150,000 | 1,850,000 | 1,250,000 | 31,650,000 |
| Cargo Development Projects | | | | | | |
| Cargo Buildings #8 | \$ | | 2,600,000 | | | 2,600,000 |
| Cargo Ramp Expansion (Buildings 6 & 7) | | | 3,200,000 | 3,000,000 | | 6,200,000 |
| Old Terminal Loop Road | | 2,000,000 | | | | 2,000,000 |
| Total Cargo Development | \$ | 2,000,000 | 5,800,000 | 3,000,000 | - | 10,800,000 |
| TOTAL AVIATION | \$ | 326,459,151 | 269,518,626 | 218,352,893 | 129,760,838 | 22,750,000 |
| AVIATION REVENUE SUMMARY | | | | | | |
| Revenue Bonds | \$ | 193,285,307 | 169,686,009 | 156,625,744 | 99,627,710 | 4,750,000 |
| FAA Grants and Funding | | 22,411,654 | 34,770,793 | 55,977,503 | 28,883,128 | 14,250,000 |
| Excluded Cost Centers | | 9,162,500 | 15,300,000 | 2,600,000 | 1,250,000 | 3,750,000 |
| Contract Facility Charge Fund Balance | | 67,392,855 | 24,300,000 | | | |
| Transportation Security Admin Funding | | 18,674,613 | 18,674,613 | 3,112,435 | | |
| Airport Pay-As-You-Go | | 1,180,000 | 1,450,000 | | | |
| Passenger Facility Charge Pay-As-You-Go | | 14,352,222 | 5,337,211 | 37,211 | | |
| Total Revenue Aviation | \$ | 326,459,151 | 269,518,626 | 218,352,893 | 129,760,838 | 22,750,000 |
| TOTAL ECONOMIC DEVELOPMENT REVENUES | \$ | 328,709,471 | 321,751,271 | 220,667,684 | 164,446,449 | 25,213,429 |
| | | | | | | 1,060,788,304 |

FY2014-2018 Capital Investment Plan

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

FY2014-2018 Capital Investment Plan

| PROJECT TITLE | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | Total |
|---|----------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| WATER | | | | | | |
| Annexation | | | | | | |
| 2014 Annexation - Water | \$ 500,000 | | 8,300,000 | | | 8,800,000 |
| Maintain and Extend Existing Infrastructure | | | | | | |
| N Meck WTP Generator | | 1,400,000 | | | | 1,400,000 |
| Lee S. Dukes WTP Rehab & Upgrades | | | | | | |
| Sulkirk Road 24" Water Main Replacement | 5,000,000 | | | | | 5,000,000 |
| Water Metering Upgrade Program | 1,600,000 | 1,600,000 | 1,600,000 | | | 4,800,000 |
| Valve Rehab and Replacement | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 5,000,000 |
| WM - Freedom / Tuckaseegee Rd. Replacement | | | | | 7,200,000 | 7,200,000 |
| Vest Plant Rehab/Upgrades | | | 1,150,000 | | | 1,150,000 |
| Street and Minor Water Main Extensions | 3,600,000 | 3,600,000 | 3,600,000 | 3,600,000 | 3,600,000 | 18,000,000 |
| New Service Installation Water | 3,600,000 | 3,600,000 | 3,600,000 | 3,600,000 | 3,600,000 | 18,000,000 |
| Replacement of Old Statesville Road 24" PCCP | 1,000,000 | | | | | 1,000,000 |
| Water Distribution Flow Monitoring Program | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 500,000 |
| Support for Other Public Projects and for Utilities Operations | | | | | | |
| Water Line Rehabilitation/Replacement | 10,500,000 | 10,500,000 | 10,500,000 | 10,500,000 | 10,500,000 | 52,500,000 |
| Technology Projects | 1,875,000 | 1,275,000 | 1,275,000 | 1,275,000 | 1,275,000 | 6,975,000 |
| UMS / Advantage Operations and 4.3 Upgrade | 600,000 | 1,550,000 | 150,000 | 150,000 | 150,000 | 2,600,000 |
| Admin/Eng Bldg. Upgrades | | | | | | |
| Water Lines for Street Improvements | 1,800,000 | 1,800,000 | 1,800,000 | 1,800,000 | 1,800,000 | 9,000,000 |
| GIS Facilities Mapping | | 450,000 | 200,000 | 200,000 | 200,000 | 1,050,000 |
| LIMS Replacement | | 50,000 | | | | 50,000 |
| Security Improvements - Water System | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 1,000,000 |
| Support Growth and Development | | | | | | |
| Dixie Berryhill Water Infrastructure | | 2,750,000 | 2,630,000 | | | 5,380,000 |
| NE Transit Corridor Improvements - University | 1,500,000 | | | | | 1,500,000 |
| Camp Stewart and Rocky River Church Rd 12" Water Main | 500,000 | 1,500,000 | | | | 2,000,000 |
| NC-115/Cornelius 24" Water Main | 200,000 | | | | | 200,000 |
| Water Dist. System Study | | 1,400,000 | | | | 1,400,000 |
| 978' North-South Transmission Main | | | 8,000,000 | | | 8,000,000 |
| 978 Booster Pump Station | | | | 5,000,000 | | 5,000,000 |
| 978 Zone Elevated Storage | 4,500,000 | | | | | 4,500,000 |
| North Tryon Transmission Main | | | 2,000,000 | | | 2,000,000 |
| Carmel Rd to NC-51 Transmission Main | | | | 2,100,000 | | 2,100,000 |
| Rozzelles Ferry WM | | | | 1,300,000 | | 1,300,000 |
| Plaza BPS Intake Transmission Main -NEWT Extension | | | | 1,250,000 | | 1,250,000 |
| Water Main to Plaza Tank | | | | 1,000,000 | | 1,000,000 |
| WM: Main St. Huntersville (Gilead to Ramah Ch) | | 800,000 | | | | 800,000 |
| Plaza Rd. to W.T. Harris TM | | | | 500,000 | | 500,000 |
| Northeast Water Transmission Main | | | | | 25,700,000 | 25,700,000 |
| W.T. Harris / Albemarle Rd. | | | 5,800,000 | | | 5,800,000 |
| LS Dukes WTP/Stumptown Rd. Transmission Main | | | | | 3,650,000 | 3,650,000 |
| Gibbon / Nevin to Mallard Tank Transmission Main | | | | | 3,000,000 | 3,000,000 |
| Dixie River Road 24" Water Main | | | | | 900,000 | 900,000 |
| Total Water | \$ 38,075,000 | 33,575,000 | 51,905,000 | 33,575,000 | 62,875,000 | 220,005,000 |

FY2014-2018 Capital Investment Plan

| PROJECT TITLE | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | Total |
|---|-----------------------|-------------------|--------------------|-------------------|--------------------|--------------------|
| SEWER | | | | | | |
| Annexation | | | | | | |
| 2014 Annexation - Sewer | \$ 1,000,000 | | 13,000,000 | | | 14,000,000 |
| Maintain and Extend Existing Infrastructure | | | | | | |
| Sanitary Sewer Line Rehabilitation | 13,000,000 | 13,000,000 | 13,000,000 | 13,000,000 | 13,000,000 | 65,000,000 |
| Street and Minor Sewer Main Extension | 6,000,000 | 6,000,000 | 6,000,000 | 6,000,000 | 6,000,000 | 30,000,000 |
| New Service Installation Sewer | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 7,500,000 |
| Irwin Creek WWTP Upgrade | 12,000,000 | | | | | 12,000,000 |
| Remove Aerial Crossings | 1,000,000 | | | | | 1,000,000 |
| Lift Station Improvements | 500,000 | | | | | 500,000 |
| Clems Branch Pump Station Improvements | 400,000 | | | | | 400,000 |
| Little Hope Creek Outfall Replacement | 100,000 | | | | | 100,000 |
| Sugar WWTP Rehab and Upgrades | | 100,000 | 500,000 | | | 600,000 |
| McDowell WWTP Rehab and Upgrades | | 2,000,000 | 1,000,000 | | | 3,000,000 |
| Site Work at All WWTPs | | 1,000,000 | 500,000 | | | 1,500,000 |
| Irwin WWTP Rehab and Upgrades | | 1,000,000 | 200,000 | | | 1,200,000 |
| Mallard WRF Rehab and Upgrades | | 1,250,000 | 800,000 | 600,000 | 300,000 | 2,950,000 |
| Support for Other Public Projects and for Utilities Operations | | | | | | |
| Sewer Lines in Streets to be Widened | 1,850,000 | 1,850,000 | 2,850,000 | 1,850,000 | 1,850,000 | 10,250,000 |
| Work and Asset Management | 780,400 | 790,400 | 770,400 | | | 2,341,200 |
| Support Growth and Development | | | | | | |
| Ramah Creek Trunk Sewer | 4,000,000 | | | | | 4,000,000 |
| Paw Creek FM Repl | 1,500,000 | | | | | 1,500,000 |
| Little Paw Creek LS, Force Main, & Grav Sewer | 4,400,000 | | | | | 4,400,000 |
| Matthews Commons Gravity Sewer | 1,000,000 | | | | | 1,000,000 |
| Developer Constructed Sewer - Reimbursable | 250,000 | 200,000 | | | | 450,000 |
| Briar Creek Relief Sewer | 10,000,000 | | | | | 10,000,000 |
| Mallard Creek WRF Reuse Water Main | 5,000,000 | | | | | 5,000,000 |
| Hidden Valley Trunk Sewer Replacement | 1,500,000 | | | | | 1,500,000 |
| Paw Creek Tributary Outfall Replacement | 1,000,000 | 4,550,000 | | | | 5,550,000 |
| Upper Taggart Creek Outfall Replacement | 1,000,000 | 4,000,000 | | | | 5,000,000 |
| McMullen Creek Parallel Sewer & Flow EQ | | | 7,000,000 | | | 7,000,000 |
| Upper McAlpine Creek Relief Sewer | 500,000 | | 4,500,000 | | | 5,000,000 |
| Dixie Berryhill Sewer Infrastructure | | 3,000,000 | 1,750,000 | 790,000 | | 5,540,000 |
| South Davidson LS Replacement | | 400,000 | | | | 400,000 |
| McDowell Basin Trunk Sewers | | | 3,000,000 | | | 3,000,000 |
| Gum Branch Outfall Replacement | | 1,000,000 | 3,000,000 | | | 4,000,000 |
| Clarkes Creek to Ramah Church Road | | | | | 2,900,000 | 2,900,000 |
| North Fork of Crooked Creek | | | | | 2,700,000 | 2,700,000 |
| Campus Ridge Rd. LS, Force Main, & Grav Sew | | | | | 2,500,000 | 2,500,000 |
| Dixon Branch Trunk Sewer Extension | | | | | 1,600,000 | 1,600,000 |
| Little Sugar Creek Lift Station | | | | | 1,500,000 | 1,500,000 |
| McCullough Branch LS Improvements | | | | | 1,500,000 | 1,500,000 |
| Beaver Dam Creek West Branch Outfall | | | | | 1,300,000 | 1,300,000 |
| Rocky River (South Prong) to Mayes | | | | | 1,100,000 | 1,100,000 |
| Upper Clear Creek Tributary Sewer | | | | | 1,000,000 | 1,000,000 |
| Fuda Creek Trunk Sewer | | | | | 1,550,000 | 1,550,000 |
| Lake Road Trunk Sewer (Matthews) | | | | | 625,000 | 625,000 |
| Mountain Island Tributary Extension | | | | | 510,000 | 510,000 |
| McKee Creek Tributary-Larkhaen GC Trunk | | | | | 2,500,000 | 2,500,000 |
| Goose Creek PS and Outfall | | | | | 3,000,000 | 3,000,000 |
| Torrence Creek Tributary Sewer to Hambright Rd. | | | | | 975,000 | 975,000 |
| Cane Creek Southeast Tributary Trunk Sewer | | | | | 700,000 | 700,000 |
| Total Sewer | \$ 68,280,400 | 41,640,400 | 59,370,400 | 23,740,000 | 48,610,000 | 241,641,200 |
| WATER/SEWER REVENUE SUMMARY | | | | | | |
| Water Revenue Bonds | | | 23,250,000 | | | 23,250,000 |
| Sewer Revenue Bonds | 22,000,000 | 5,000,000 | 15,750,000 | | 4,000,000 | 46,750,000 |
| Water / Sewer Operating Fund | 84,355,400 | 70,215,400 | 72,275,400 | 57,315,000 | 107,485,000 | 391,646,200 |
| Interest Income | | | | | | |
| TOTAL REVENUES | \$ 106,355,400 | 75,215,400 | 111,275,400 | 57,315,000 | 111,485,000 | 461,646,200 |

FY2014-2018 Capital Investment Plan

| PROJECT TITLE | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | TOTAL |
|--|----------------------|-------------------|------------------|-------------------|------------------|--------------------|
| FACILITY INVESTMENTS | | | | | | |
| Building Maintenance Program | \$ 3,703,167 | 3,655,220 | 3,657,342 | 3,657,872 | 3,783,184 | 18,456,785 |
| Roof Replacement Program | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 7,500,000 |
| Parking Lot and Deck Repairs | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 1,500,000 |
| CMGC and Plaza Maintenance | 700,000 | 700,000 | 700,000 | 700,000 | 700,000 | 3,500,000 |
| Fire Station Renovations | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 | 2,000,000 |
| Landscape Maintenance and Renovation | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 | 1,250,000 |
| Joint Communications Center | 24,000,000 | 44,000,000 | | | | 68,000,000 |
| Westover Division Police Station | 10,500,000 | | | | | 10,500,000 |
| South Division Police Station | | | | 9,375,000 | | 9,375,000 |
| Park South Division Police Station | | | | 9,375,000 | | 9,375,000 |
| Northeast Equipment Maintenance Facility | | | | 2,080,000 | | 2,080,000 |
| Land for Future Fire Stations | | | | 4,000,000 | | 4,000,000 |
| Technology Investments | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 10,000,000 |
| Solid Waste Admin Bldg HVAC Replacement | 1,200,000 | | | | | 1,200,000 |
| Blumenthal Seat Replacement | | 800,000 | | | | 800,000 |
| TOTAL FACILITY INVESTMENTS | \$ 44,553,167 | 53,605,220 | 8,807,342 | 33,637,872 | 8,933,184 | 149,536,785 |
| FACILITY INVESTMENTS REVENUE SUMMARY | | | | | | |
| COPs - Joint Communications Center (TBA 2014) | \$ 24,000,000 | 44,000,000 | | | | 68,000,000 |
| COPs - Westover Division Police Station (TBA 2014) | 10,500,000 | | | | | 10,500,000 |
| COPs - South Division Police Station (TBA 2016) | | | | 9,375,000 | | 9,375,000 |
| COPs - Park South Division Police Station (TBA 2016) | | | | 9,375,000 | | 9,375,000 |
| COPs - NE Equipment Maintenance Facility (TBA 2016) | | | | 2,080,000 | | 2,080,000 |
| COPs - Land for Future Fire Stations (TBA 2016) | | | | 4,000,000 | | 4,000,000 |
| Pay-As-You-Go Fund | 10,053,167 | 9,605,220 | 8,807,342 | 8,807,872 | 8,933,184 | 46,206,785 |
| TOTAL REVENUES | \$ 44,553,167 | 53,605,220 | 8,807,342 | 33,637,872 | 8,933,184 | 149,536,785 |

FY2014-2018 Capital Investment Plan

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Adopted FY2014 User Fees

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

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

As detailed in this report, significant personnel and operating cost reductions have been made over the past several years to reduce the costs associated with user fees. In FY2014, staff anticipates achieving revenue recovery of all direct costs associated with regulatory fees. Based upon user fee activity, fixed overhead costs such as payroll and building rent, may not be fully recovered and are therefore absorbed by the General Fund.

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

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

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

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

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

Regulatory User Fee Cost Recovery Example:

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

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

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

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

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

| Description | Fee Activity 1 | Fee Activity 2 | Fee Activity 3 |
|-------------------------------------|----------------|----------------|----------------|
| 100% Cost to Applicant/ Customer | \$40 | \$335 | \$960 |

Adopted FY2014 User Fees

Regulatory User Fees

Engineering & Property Management

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

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

Charlotte Department of Transportation (CDOT)

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

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

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

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

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

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

Adopted FY2014 User Fees

Planning

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

Fire

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

Police

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

Neighborhood & Business Services

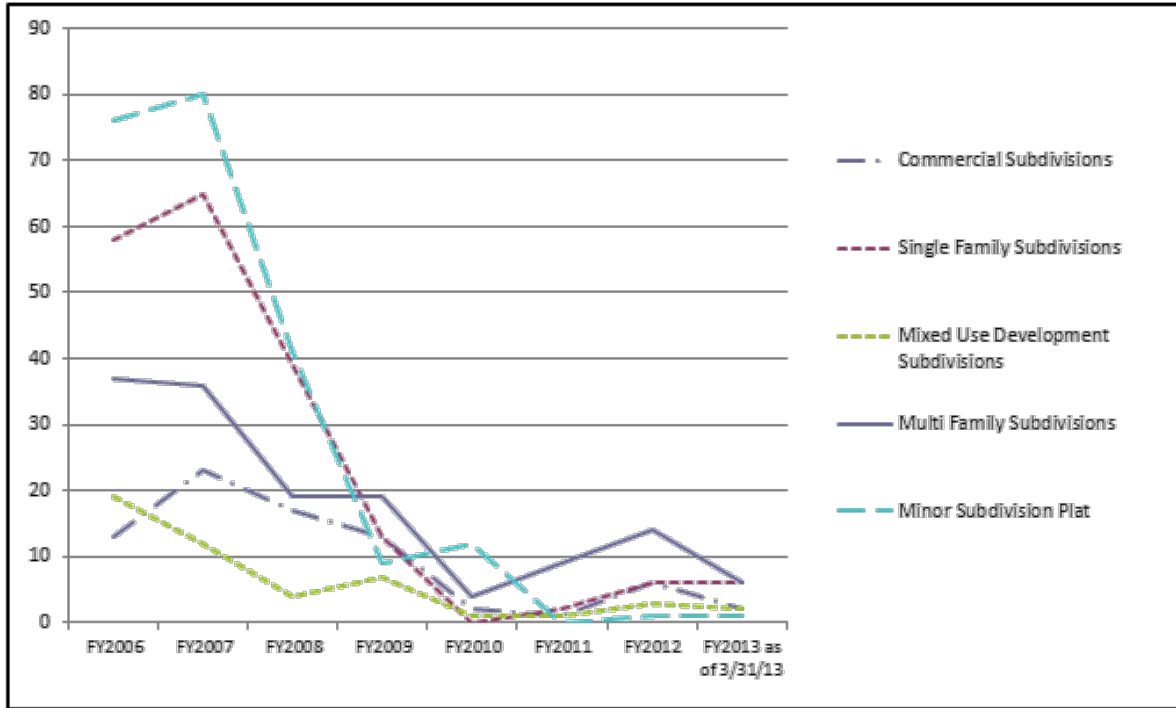
No new fees are included for FY2014 by Neighborhood & Business Services. The majority of the regulatory FY2014 fees are increasing by \$5 to \$15. The Business Licenses Review fee decreases by \$5.

Adopted FY2014 User Fees

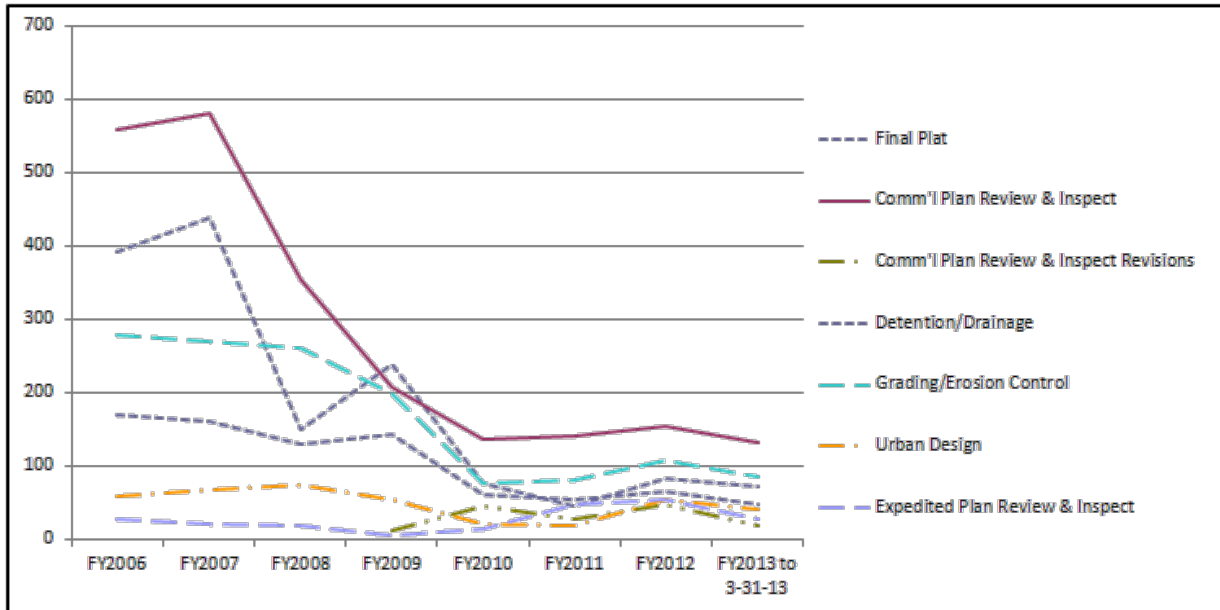
Land Development Services' User Fees Occurrences

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

Subdivision Development Fees and Permits



Other Land Development Fees and Permits



Adopted FY2014 User Fees

Non-Regulatory User Fees:

Aviation

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

Engineering & Property Management

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

Charlotte Mecklenburg Police Department – Animal Care & Control

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

City Clerk

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

Charlotte Area Transit System (CATS)

In FY2013, CATS implemented a contractual provision of advertising services for both exterior and internal vehicle advertisement with guaranteed minimum revenue plus a percentage share of overall revenue. As such, rates will continue to be established by the advertising contractors.

Other non-regulatory user fees held constant:

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

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

Adopted FY2014 User Fees

E&PM – Storm Water

More frequent and larger flood events are straining older drainage systems and increasing the number of citizen requests. These newer requests compete with a backlog of lower priority requests for limited funding. The user fee schedule includes a 5.5% impervious surface fee rate increase in FY2014. For the average City residential storm water customer, the monthly variable rate fee will increase from \$7.48 in FY2013 to \$7.89 in FY2014.

Charlotte-Mecklenburg Utilities Department

In the FY2014 adopted budget, Utilities customers will experience an increase in the volume rate for both water and sewer, and the availability fee for water. The average monthly total water and sewer bill for residential customers is estimated to be \$55.17 in FY2014, an increase of \$2.14 per month. This average bill assumes 5,250 gallons or 7 ccf used each month. Based on the current rate structure, users consuming more than the average level of consumption are charged a higher rate to encourage conservation and responsible use of this resource.

The total fixed billing charge per month remains at \$2.46 for sewer and \$2.46 for water. The sewer volume rate increases from \$4.32 to \$4.46 per ccf for all sewer customers.

Adopted FY2014 User Fees

REGULATORY USER FEES

Engineering & Property Management

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

Note 1: Engineering collects for driveway permit reviews, which includes CDOT's services on all complex traffic reviews for building permits, and driveway permit applications

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

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

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

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

Note 6 (with FY2014 fees): City Engineering Fee(s) collected by Mecklenburg County. Construction costs of \$1 - \$3,000=\$90 fee; \$3,001-\$50,000=\$140 fee; \$50,001-\$100,000=\$340 fee; \$100,001-\$1,000,000=\$715; over \$1,000,001=\$860 fee; RTAP review = \$145 fee; CTAC review = \$90 fee

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

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

Adopted FY2014 User Fees

Charlotte Department of Transportation (CDOT)

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

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

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

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

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

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

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

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

Adopted FY2014 User Fees

Fire

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

Adopted FY2014 User Fees

Fire Fees continued

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

Adopted FY2014 User Fees

Fire Fees continued

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

Adopted FY2014 User Fees

Police

| Regulatory Fees | FY2013 | FY2014 |
|--|----------|----------|
| Adult Businesses: | | |
| Application Fee | \$ 2,225 | \$ 2,380 |
| License Fee | 800 | 855 |
| Background Check Fee | 30 | 35 |
| Building Design Change Fee | 1,090 | 1,090 |
| Passenger Vehicle for Hire Fees: | | |
| Company Certification Fees: | | |
| Application Fee | 220 | 235 |
| Certification/Permit Fee | 385 | 410 |
| Renewal of Certification/Permit | 425 | 455 |
| Late Renewal Charge (per day) ¹ | 100 | 100 |
| Driver/Chauffeur Fees: | | |
| Application Fee | 80 | 80 |
| New Driver/Chauffeur Fee ² | 15 | 15 |
| Renewal of Permit Fee | 90 | 95 |
| Reinstatement of Permit Fee | 100 | 100 |
| Transfer or Duplication of Permit Fee | 30 | 35 |
| Add or Change a Company Affiliation | 70 | 75 |
| Extend Driver Permit Expiration Date | 100 | 110 |
| Replace Driver Permit | 70 | 75 |
| Vehicle Fees: | | |
| New-Vehicle Permit (Decal/Medallion Fee) | 190 | 190 |
| Renew Vehicle Permit | 155 | 155 |
| Transfer Vehicle Permit | 95 | 100 |
| Replace Vehicle Permit | 100 | 110 |
| Replace Vehicle Decal | 45 | 45 |
| Dance Hall License Fees: | | |
| Application/Renewal Fee | 2,320 | 2,480 |
| License Fee | 820 | 875 |
| Background Check Fee | 35 | 40 |
| Building Design Change Fee | 1,095 | 1,170 |
| Carnival Permit Fee | 865 | 865 |

Note 1: penalty; not a regulatory fee

Note 2: fee amount regulated by State statute

Adopted FY2014 User Fees

Planning

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

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

Adopted FY2014 User Fees

Neighborhood & Business Services

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

City Clerk

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

*Collected by Planning Department

Adopted FY2014 User Fees

NON-REGULATORY USER FEES

Aviation

| Non-Regulatory Fees | FY2013 | FY2014 | Basis |
|---|--------------------|-------------------|--------------------------|
| Commuter Facility Charge | \$ 0.65 | \$ 0.65 | Per available seat |
| International Facility Use (FIS) | 5.00 | 5.00 | Per deplaned passenger |
| International Gate Use (City Gates): | | | |
| Narrow Body Jet | 0.65 | 0.65 | Per turn |
| Wide Body Jet | 0.65 | 0.65 | Per turn |
| Fuel Flowage (use of Airfield) | 0.065 | 0.065 | Per gallon delivered |
| Fuel through-put (fees for ground service equipment) | 0.08 | 0.08 | Per gallon delivered |
| Parking Cards (combined lots) | 245.00 | 245.00 | Per card |
| Airport ID Cards | 10.00 | 10.00 | Per card |
| Parking Fees: | | | |
| Hourly Deck (\$16.00 daily maximum) | 1.00 | 1.00 | Per half hour |
| Daily Deck & Lot (\$6.00 daily maximum) | 1.00 | 1.00 | 0-1 hour |
| Remote Lot | 6.00 | 7.00 | Daily maximum |
| Long Term Lot | 4.00 | 5.00 | Daily maximum |
| Curbside Valet (\$19.00 daily maximum) | 4.00 | 4.00 | Minimum |
| Business Valet (\$10.00 daily maximum) | 4.00 | 4.00 | Minimum |
| Cell Phone Lot (Free while waiting for arriving passengers) | Free | Free | |
| Other Ground Transportation Operators: | | | |
| Taxi Permits | \$312.50 | \$312.50 | Per permit per quarter |
| Off Airport Rent-A-Cars | 10% | 10% | % of gross revenue |
| Off Airport Parking | 10% | 10% | % of gross revenue |
| Hotel/Motel Courtesy Vans | \$400.00 | \$400.00 | Annually/per vehicle |
| Commercial Courier Vehicles | \$1.00 | \$1.00 | Per trip through lane |
| Contract Vans or Limos | \$1.00 | \$1.00 | Per trip through lane |
| Frequent Parking Cards | \$100.00 | \$100.00 | Per month |
| Land Rent | \$3,500 - \$9,584 | \$3,500 - \$9,584 | Per acre |
| Landing Fees | \$0.67 | \$0.67 | Per 1,000 lbs lwt. |
| Aircraft Ramp Parking Fees: | | | |
| Per operation 0 to 30,000 lbs | \$25.00 | \$25.00 | Aircraft 0 to 30,000 lbs |
| ≥30,000 lbs for 0-3 hours | \$50.00 | \$50.00 | 0 to 30,000 lbs, 0-3 hrs |
| > 30,000 lbs for 3-24 hours | \$100.00 | \$100.00 | >30,000 lbs, 3-24 hrs |
| Terminal Area Rentals | \$5.21 to \$52.14 | \$17.42 | Per square foot |
| Cargo Facility Rentals | \$3.00 to \$12.01 | \$3.00 to \$12.01 | Per square foot |
| Maintenance & Operations Costs | \$10.00 to \$12.00 | \$13.00 | Per square foot |
| City Hanger Rentals: | | | |
| 60' x 60' | \$840.00 | \$840.00 | Per month |
| T-Hangers | \$300.00 | \$300.00 | Per month |
| Shadeports | \$155.00 | \$155.00 | Per month |
| Rent-A-Car Concessions | 10% | 10% | Minimum Annually |
| Cargo Ground Handling Fees | 8% | 8% | % of Gross Revenue |

Adopted FY2014 User Fees

City Clerk

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

Engineering & Property Management

| Non-Regulatory Fees: Oaklawn, North Pinewood, West Pinewood, 9th St., and Pinewood | FY2013 | FY2014 |
|--|--------|--------|
| Opening & Closing Fees: | | |
| Adult: | | |
| Weekdays | \$ 725 | \$ 725 |
| Weekdays after 3:30 p.m. & Saturday | 1,088 | 1,088 |
| Sunday & Holidays | 1,360 | 1,360 |
| Indigent (Catholic Social Svc-Weekdays) | 300 | 300 |
| Non-Permanent Burial Container/Adult - additional cost | 250 | 250 |
| Infant/Child (up to 3 feet): | | |
| Weekdays | 300 | 300 |
| Weekdays after 3:30 p.m. & Saturday | 450 | 450 |
| Sunday and Holidays | 563 | 563 |
| Indigent (Catholic Social Svc-Weekdays) | 100 | 100 |
| Cremations (burial) (In-ground): | | |
| Weekdays | 300 | 300 |
| Weekdays after 3:30 p.m. & Saturday | 450 | 450 |
| Sunday & Holidays | 563 | 563 |
| Second Right of Interment (new fee) | 200 | 200 |
| Disinterment: | | |
| Adult | 1,088 | 1,088 |
| Infant/Child (up to 3 feet) | 300 | 300 |
| Reinterment: | | |
| Adult | 725 | 725 |
| Infant/Child (up to 3 feet) | 300 | 300 |
| Sale of Grave Spaces: | | |
| Sale of Grave Adult | 700 | 700 |
| Sale of Cremain Space In Ground | 250 | 250 |
| Perpetual Care Charge (one-time fee per space) | 50 | 50 |
| Amenities: | | |
| Flower Vase Installation | 50 | 50 |
| Sale and Installation of City Vase | 90 | 90 |
| Monument Foundation Construction (per sq. in) | 0.65 | 0.65 |
| Marker Installation (per sq. inch) | 0.60 | 0.60 |
| Transfer Burial Rights | 100 | 100 |

Adopted FY2014 User Fees

Engineering & Property Management Fees continued

| Non-Regulatory Fees: Elmwood and Evergreen Cemeteries | FY2013 | FY2014 |
|--|---------------|---------------|
| Charges for Opening and Closing Grave Spaces/Niche: | | |
| Adult: | | |
| Weekdays | \$ 725 | \$ 725 |
| Weekdays after 3:30 p.m. & Saturday | 1,088 | 1,088 |
| Sunday & Holidays | 1,360 | 1,360 |
| Non Permanent Burial Container/Adult – additional cost | 250 | 250 |
| Infant/Child (up to 3 feet): | | |
| Weekdays | 300 | 300 |
| Weekdays after 3:30 p.m. & Saturday | 450 | 450 |
| Sunday and Holidays | 563 | 563 |
| Cremations (burial): | | |
| Weekdays | 300 | 300 |
| Weekdays after 3:30 p.m. & Saturday | 450 | 450 |
| Second Right of Interment (new fee) | 200 | 200 |
| Sunday & Holidays | 563 | 563 |
| Disinterment: | | |
| Adult | 1,088 | 1,088 |
| Infant/Child (Up to 3 feet) | 300 | 300 |
| Re-interment: | | |
| Adult | 725 | 725 |
| Infant/Child (Up to 3 feet) | 300 | 300 |
| Sale of Grave Space: | | |
| Sale of Grave Space Adult/single | 900 | 900 |
| Sale of Cremation Space - Lot | 400 | 400 |
| Sale of Cremation/Niche - Double | 1,200 | 1,200 |
| Sale of Cremation/Niche - Single | 800 | 800 |
| Perpetual Care Charge one-time upon purchase | 50 | 50 |
| Amenities: | | |
| Lettering of Niche Cover includes two lines/Name-Date (Evergreen Only) | 150 | 150 |
| Tent & Chair Setup (Evergreen only) | 200 | 200 |
| Flower Vase Installation | 50 | 50 |
| Sale and Installation of City Vase | 90 | 90 |
| Monument Foundation Construction (per sq. in.) | 0.65 | 0.65 |
| Marker Installation (per sq. in) | 0.60 | 0.60 |
| Transfer Burial Rights | 100 | 100 |

Adopted FY2014 User Fees

Engineering & Property Management Parking Fees

| Non-Regulatory Fees | FY2013 | FY2014 |
|--|---|---|
| Employee Parking | \$25/Month | \$25/Month |
| Public Parking: | | |
| First 1/2 hour | \$1.00 | \$1.00 |
| Additional time (1/2 hours increments) | \$1.00 | \$1.00 |
| Maximum per day | \$12.00 | \$12.00 |
| After Hours/Weekends: | | |
| After Hours weekdays Mon - Thurs 7 p.m. - 7 a.m. | \$1/hour or fraction | \$1/hour or fraction |
| Weekends Fri 7 p.m. - Mon 7 a.m. | Maximum 6 hrs or \$6 After 6 hrs max period, \$1 each 1/2 hr or 1/2 hr fraction | Maximum 6 hrs or \$6 After 6 hrs max period, \$1 each 1/2 hr or 1/2 hr fraction |

Engineering & Property Management Telecommunication Tower Lease Non-Regulatory Fee*

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

Engineering & Property Management Land Development Fees

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

Adopted FY2014 User Fees

Charlotte-Mecklenburg Police Department Animal Care & Control Fees

| Non-Regulatory Fees | FY2013 | FY2014 |
|---|------------------------|------------------------|
| Animal Control Adoption Fees: | | |
| Adult Dog/Cat | \$ 30 | \$ 30 |
| Adult Dog/Cat Senior Citizen 62 older | no charge | no charge |
| Puppy/Kitten | 30 | 30 |
| Puppy/Kitten Senior Citizen 62 older | no charge | no charge |
| Rescue Group Dog/Cat Approved Adoption | no charge | no charge |
| 0 - 3 ft Snake | 25 | 25 |
| 3 - 6 ft Snake | 50 | 50 |
| 6 + ft Snake | 75 | 75 |
| Small Pot Belly Pig | 25 | 25 |
| Medium Pot Belly Pig | 15 | 15 |
| Large Pot Belly Pig | 5 | 5 |
| Rats | 2 | 2 |
| Mice | 1 | 1 |
| Hamster/Gerbil | 3 | 3 |
| Chinchilla | 35 | 35 |
| Guinea Pigs | 5 | 5 |
| Rabbits | 5 | 5 |
| Chickens | 2 | 2 |
| Turkeys | 5 | 5 |
| Ferrets | 25 | 25 |
| Small Iguana | 25 | 25 |
| Medium Iguana | 50 | 50 |
| Large Iguana | 75 | 75 |
| Finch | 5 | 5 |
| Parakeet /Canary | 10 | 10 |
| Parrot - Max Price | Market Rate | Market Rate |
| Gray Cockatiel | 25 | 25 |
| Lutino Cockatiel | 50 | 50 |
| Peach Faced Lovebird | 25 | 25 |
| Other Lovebird | 50 | 50 |
| Horse/Cow | Auction Starting Price | Auction Starting Price |
| Goats | 15 | 15 |
| Animal Spay/Neuter Fees: | | |
| Canine Spay/Neuter | 55 | 55 |
| Feline Spay | 45 | 45 |
| Feline Neuter | 35 | 35 |
| Rabbit Spay | 30 | 30 |
| Rabbit Neuter | 25 | 25 |
| Animal Reclaim/Boarding/Rabies Shot/Microchip: | | |
| Canine | 40/10/15/8 | 40/10/15/8 |
| Feline | 25/6/15/8 | 25/6/15/8 |
| Livestock | 55/12/0/0 | 55/12/0/0 |

Adopted FY2014 User Fees

Solid Waste Services

| Non-Regulatory Fees | FY2013 | FY2014 |
|------------------------------------|---|---|
| Veterinary Dead Animal Collections | \$ 3 per animal or 15 minimum pickup charge | \$ 3 per animal or 15 minimum pickup charge |
| Annual Solid Waste Disposal: | | |
| Mobile Homes (Bus.) | \$ 47.00 | \$ 47.00 |
| Mobile Homes (Ind.) | 47.00 | 47.00 |
| Residential | 47.00 | 47.00 |
| Manufactured | 47.00 | 47.00 |
| Mobile Home | 47.00 | 47.00 |
| M/F Business Residential | 24.00 | 24.00 |
| M/F Individual Residential | 24.00 | 24.00 |
| M/F Others | 24.00 | 24.00 |

Charlotte Department of Transportation

| Non-Regulatory Fees | FY2013 | FY2014 |
|---|--------|---------------------|
| Parking Permits: | | |
| Parking Permits (4 th Ward, 3 rd Ward, etc) | \$ 30 | \$ 30 |
| Replacement Permits | 5 | 5 |
| Parade Permit* | 10 | see regulatory fees |
| Off-Duty Police Officer Permit: | | |
| Registration Fee | 25 | 25 |
| Permit | 50 | 50 |
| Daily Permit | 5 | 5 |
| Permit Renewal | 50 | 50 |
| Parking Meters | 1/hour | 1/hour |

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

Adopted FY2014 User Fees

Engineering & Property Management

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

Charlotte Mecklenburg Utilities

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

* up to 16 ccf for residential customers

Adopted FY2014 User Fees

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Key Terms

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

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

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

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

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

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

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

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

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

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

Key Terms

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

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

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

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

Department: City's operating departments.

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

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

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

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

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

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

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

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

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

Key Terms

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

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

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

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

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

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

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

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

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

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

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

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

Key Terms

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

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

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

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

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