AGENDA

Meeting Type:	SPECIAL
Date:	05/20/1997
	BUDGET RETREAT

City of Charlotte, City Clerk's Office

City of Charlotte
FY98 Budget Half-day Retreat

May 20, 1997
2:00 p.m. - 6:00 p.m.
Room 267

#844
BK. 48
PG. 99

Old #1

2 00	User Fees	Economic Development Committee Report
2 30	Framework for Continuing Capital Development Discussions (Information to be Distributed May 16th)	Pam Syfert Curt Walton
3 00	Council Discussion - Adjustments to Budget	Mayor and Council
6 00	Adjourn	
6 30	Storm Water Public Hearing	Charlotte City Council and Mecklenburg County Commissioners

User Fees

Report for Economic Development and Planning Committee

Concerning Proposed User Fees for Regulatory Services

May 9, 1997

The Economic Development and Planning (ED/P) Committee met on April 28 to discuss the proposed user fees for regulatory services The Committee asked staff to meet with representatives from REBIC (Real Estate Building Industry Coalition) before the next ED/P meeting on May 15

On May 2, City staff, Tom Flynn and Lisa Schumacher, met with Mark Cramer, Jim Patterson, and Tom Pearson Attached are questions and answers that summarize the conversation

REBIC suggests that the City adopt a policy of 60% full cost recovery and conduct an efficiency study

The City Manager's response is to recommend the phase-in option of 60% full cost recovery the first year effective September 1, 1997 and 80% full cost recovery thereafter The land development services will be either benchmarked or studied for efficiency annually

The reasons for the Manager's response are

1) The phase in option allows more notice of the fee changes

2) 80% full cost recovery is a compromise that recognizes a portion of public good

3) Since there are no impact fees to assess the impact on roads, schools, parks, etc , the 80% full cost recovery option seems particularly appropriate

4) The City's service levels (turn around time) are very favorable for the customers

5) The proposed user fees are not significant enough to effect economic development location decisions the fees are less than 1% of the overall cost of development
(reference to Paul Tischler's, national economic development expert, findings)

6) Customer focus groups said that regulation and process issues are more important than the fees

7) Citizen focus groups said that land development and fire inspection services have high private benefit and developers/businesses should pay for services that benefit them

8) At 80% full cost recovery, the fees would add about $60 to the cost of an average residential lot or 0 035% of the new construction median house price

9) At 80% full cost recovery, the fees would add about $2,000 (0 07%) to a $3 million commercial project with conditional rezoning or about $340 (0 02%) to a $1 7 million commercial project which did not require rezoning

10) For a small business that handles or uses less than 55 gallons of hazardous materials/chemicals, the current annual fire inspection fee is $65 At 80% full cost recovery it would be $100 For a major hospital, the current annual fire inspection fee is $295 At 80% full cost recovery it would be $620

11) The current fire plan review fee for a building renovation valued at $156,000 is $110 At 80% full cost recovery the fee would be $120 The current fire plan review fee for a new building valued at $1 8 million is $150 The fee at 80% full cost recovery would be $200

Additional revenues from the recommend phase-in option (60% full cost recovery effective September 1, 1997) are not included in the City Manager's recommended budget Additional FY98 revenue would be $150,000

Since the revenue is not included

1) Approval of the Manager's proposed fee pricing policy will produce $150,000 for Council's decision-making process on the budget

2) Leaving the fees at the current level will not require other services be cut from the Manager's recommended budget to balance the budget

Attachment REBIC and City Staff Meeting
Revenue Projections by Option

REBIC and City Staff Meeting

Proposed User Fees for Regulatory Services

May 2, 1997

Q1. What is the City's incentive to control costs for land development services?

A1. The incentive is to compare favorably in benchmarking with the public and private sector If we ever competed for this work, we want to be in the position to be the preferred, low cost provider Customer satisfaction is currently very good Last year's customer satisfaction rating for Engineering Land Development was 3 93 out of 5 and for Planning it was 4 9 out of 5

Q2. How do we know the land development regulatory processes are efficient and effective?

A2. Over the last four years workload has increased while staff has decreased or remained flat, depending on the review area Staff have reduced the review times for many services The City of Charlotte has earned the national reputation of being a leader in this service area Staff have been invited to consult with other cities

As a result of internal efficiencies in the Engineering Department, City staff now review some county plans that were previously contracted with the private sector The City's costs are less than the private sector, customer satisfaction is good, and reviews are more consistent

The City has benchmarked the cost of engineering plan reviews with the private sector Our costs compare favorably to the private sector Survey results indicate that customers prefer plans be reviewed by the public sector The City is committed to continuous improvement

In 1995 KPMG Peat Marwick conducted a Land Development Permitting Process Review with recommendations to improve organization, communication and information systems, permit processing and customer service, and financial management The City has implemented 15 of the 19 recommendations and 4 recommendations are in the process of implementation

Q3. How will the City adjust to swings in the economy and land development industry?

A3. Previously we used a five year average of occurrences in calculating user fees Staff found this to be undesirable because it did not respond to swings in workload The proposed

fees are calculated using the number of occurrences for last year while also considering the upcoming year's activity forecast

If land development activity slows down, staff are assigned to other projects and bill their time accordingly For example there are backlogs of work in storm water and neighborhood plans where staff would be reassigned When costs are calculated for the next year, total land development costs would reflect the reduced effort Costs are based on the prior year, thus costs are inherently conservative

Q4. How do you interpret the 1994 North Carolina Supreme Court's decision in Charlotte Homebuilders Assoc V City of Charlotte to mean that regulatory fees may recover 100% of full costs?

A4. According to Bob Hagemann, Assistant City Attorney, in reference to the Homebuilders case " I see no reason why a fee structure could not be legally designed to recover 100% of all costs, both direct and indirect, so long as the cost allocation is in accordance with defensible accounting practices " See attached memo

Q5. What is the percentage of overhead cost allocation?

A5. The percentage varies from 4% to 11% depending on the department and the services For example, Planning has a higher percentage of overhead costs (indirect) because they require extensive legal services in performing their jobs Thus, by including the overhead costs, the time and expense of the City attorneys is captured

Q6. Does the City know what its job rate is for the various land development services?

A6. Yes, the user fees are based on a job rate for the "typical" review Typical is used because some reviews take more or less time than others

Attachment Memorandum from City Attorney

Revenue Projections by Option

	Option 1 80% Full Cost	Option 2 Phase-In 60% to 80%	Option 3 60% Full Cost	Option 4 80% Direct Cost (current policy)	Option 5 50% Full Cost
Revenue Projection FY98	$1,600,000	$1,200,00 (1st yr) $1,600,000 (estimate 2nd yr)	$1,200,000	$1,300,000	$1,000,000

CITY OF CHARLOTTE
OFFICE OF THE CITY ATTORNEY

Memorandum

TO Lisa Schumacher, Budget

FROM Robert E Hagemann, Assistant City Attorney

DATE February 20, 1997

RE Authority to Charge Regulatory User Fees

This is response to your questions regarding the City's authority to charge fees for land development, fire inspection and other regulatory programs

First, as a result of the North Carolina Supreme Court's holding in Charlotte Homebuilders Assoc v City of Charlotte, 336 N C 37 (1994), it is now clear that, even in the absence of an explicit statutory grant of authority, the City has adequate authority to charge regulatory user fees Specifically, the Court found that such fees are "reasonably necessary or expedient" to carry the regulatory program into execution and effect

Second, the Court indicated that fees will not be upheld if they are unreasonable While not explicit on this point, the Court cited authority to the effect that "a rough limit to 'reasonableness' is the amount necessary to meet the full cost of the particular regulatory program " Although the fee structure before the Court in Homebuilders was designed to recover 80% of *direct* costs, I see no reason why a fee structure could not be legally designed to recover 100% of all costs, both direct and indirect, so long as the cost allocation is in accordance with defensible accounting practices

Finally, given the Court's ruling, I believe the City's authority to charge regulatory user fees is indistinguishable from the County's authority

Let me know if you need further assistance on this issue

City of Charlotte
City Manager's Office
MEMORANDUM

JUN 5 1997
Office of CITY CLERK

To: Key Business Executives
Leadership Team

From: Pam Syfert
City Manager

Date: June 4, 1997

Subject: City Code Amendment Regarding User Fees

On May 20 City Council adopted an amendment to the City Code regarding user fees There are **several important changes** I want to highlight for you

The amendment distinguishes between regulatory and non-regulatory user fees Examples of regulatory fees include subdivision review, rezoning, grading permits, and fire inspection permits Non-regulatory fees include fees such as taxi-cab permits, hiring an off-duty police officer, rent for City facilities, street maintenance utility cuts and parking fees

It also gives the City Manager the authority to set fees in accordance with Council policies The amendment **requires staff to notify City Council of any new or increased fees through the budget process or at least 30 days prior to the effective date of the new or increased fee.**

An important change in the way we do business is that with the next budget (FY99), we will present all new or increased fees to City Council during the budget review process Even though we have the option of giving 30 days notice of a new or increased fee anytime during the year, I would rather give one report on this unless there are special circumstances

Effective immediately, do not introduce a new fee or increased fee without giving the City Manager and the Budget Director 45 days notice of such proposed change.

Early in 1998 the Budget and Evaluation Office will ask that you provide information about new or increased fees proposed for FY99 (effective July 1, 1998). If you have questions about what qualifies as a user fee, please consult with Bob Hagemann in the City Attorney's Office.

Attachment
Code Amendment

ORDINANCE NO 844

Ordinance Amending Chapter 2, Article I, Section 2-4 An Ordinance Amending the Ordinance Relating to the setting of Regulatory User Fees and Non-Regulatory User Fees

Section 1. The Code of the City of Charlotte is amended by rewriting Section 2-4 to read as follows

"Sec. 2-4. Regulatory User Fees and Non-regulatory User Fees.

(a) *Definitions*

Regulatory User Fees Fees associated with or incident to a regulatory program The purpose of Regulatory User Fees is to meet some or all of the costs occasioned by the regulated action

Non-regulatory User Fees Fees charged to those who receive governmental services or use governmental facilities The term Non-regulatory User Fees does not include fees charged incident to a regulatory program except to the extent that fees are to defray the cost of providing a higher degree of service than is otherwise provided in conjunction with the regulatory program whether or not Regulatory User Fees are charged For purposes of this section, Non-regulatory User Fees shall not include Stormwater Service Charges established pursuant to Chapter 18, Article I of the City Code or Water and Sewer Service User Charges and other fees and charges established pursuant to Chapter 23 of the City Code

(b) *Regulatory User Fees* The city manager, or his or her designee, may establish and revise from time to time regulatory user fees in accordance with regulatory user fee policies established by the city council, which policies shall be in accordance with generally accepted accounting principals

(c) *Non-regulatory User Fees* The city manager, or his or her designee, may establish and revise from time to time non-regulatory user fees To the extent that the city council has established policies regarding Non-regulatory User Fees, fees shall be in accordance with such policies

(d) *Notification of City Council of New or Increased Fees* The city manager shall notify the Mayor and City Council of any new regulatory or non-regulatory fee or any increase in a regulatory or non-regulatory fee through the budget process or, if not part of the budget process, at least 30 days prior to the effective date of the new or increased fee

(e) *Schedule of Fees* A complete schedule of Regulatory User Fees and Non-regulatory User Fees shall be available for inspection in the office of the city clerk

Section 2. This ordinance is effective upon adoption

Approved as to form

Robert E Hay
Asst City Attorney

CERTIFICATION

I, Nancy S Gilbert, Deputy City Clerk of the City of Charlotte, North Carolina, DO HEREBY CERTIFY that the foregoing is a true and exact copy of an Ordinance adopted by the City Council of the City of Charlotte, North Carolina, in regular session convened on the 20th day of May, 1997, the reference having been made in Minute Book 110, and recorded in full in Ordinance Book 48, Page(s) 99

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this the 23rd day of May, 1997

Nancy S Gilbert, Deputy City Clerk

FY98 Budget Half-day Retreat

Additional Information for the May 20th Retreat

Please place this information accordingly in your half-day retreat notebook with the information that was distributed on May 9th

Attached are the following items

1 Materials for continuing the Capital Development Discussion as stipulated on the agenda distributed May 9th

2 Copies of the May 12th Budget presentation slides with cross-reference information to Budget documents

Staff received a request to provide the slides from Monday's budget presentation to Council, along with the reference to the corresponding page in the budget That information is attached, as well as Curt Walton's presentation notes If you have any questions or need additional information, please give Curt Walton a call at 336-5019

3 Additional questions and answers

Framework for Continued Capital Development

The following issues are either not included or not fully addressed in the recommended Capital Budget This information provides Council the framework for decision-making and describes the issue status

Issue #1: **Charlotte Coliseum**

Process: Upcoming key dates are

- May 23 is a meeting for proposals to purchase
- June 15 Hornets date to resolve the Coliseum issue
- June 30 - July 20 appraisal of Coliseum completed

The continued process for this issue is in the development stage

Fiscal Impact: Sale of the Coliseum could increase general government debt capacity, pending the structure of an agreement

Issue #2: **Convention Center parking, hotel development and expansion**

Process: This issue is currently being studied by Council's Economic Development and Planning Committee Consultants have been hired to evaluate parking and hotel development It is anticipated that the Committee will continue to study this issue until September when a recommendation will be forwarded to the full Council for approval

Fiscal Impact: Revenues/fund balance from the second 3% of the Occupancy Tax and from the 1% Food Tax are eligible for these projects The financing structure(s) are not anticipated to impact the general fund or the general Capital Investment Plan

Issue #3: **Occupancy Tax Growth**

Process: The Capital Investment Plan reserves $11 5 million in debt capacity for a future capital need (reference page 119 in the Recommended Budget) This additional debt capacity is partially attributable to growth in the Occupancy Tax The review process will include discussions of the use of these funds for eligible projects in future years, particularly once the Coliseum Bonds are retired

The process is dependent upon on the resolution of other capital needs and their priorities and the determination of other available funding sources These capital needs are outlined below and include the Trolley, Westside Strategic Plan, First Ward Master Plan, CWAC Business Park and 2015 Land Use Plan

Fiscal Impact: It is anticipated that the financial requirements of new capital projects will exceed the reserved debt capacity

Issue #4: **Trolley**

Process: A consultant is studying the South Corridor (South Boulevard and the rail line) for potential future transit modes in the corridor and land uses This, includes a bus transitway and trolley This study will be completed in June

The Charlotte Center City Partners is working on the economic impact of trolley operations in uptown This study is scheduled to be completed in late May or June

It is recommended that the trolley issue be included on Council's Economic Development and Planning Committee agenda, with a recommendation to the full Council scheduled for this fall

Fiscal Impact: The total project cost is estimated at $9 6 million and has been determined eligible for funding from the Convention Center Fund fund balance and /or debt capacity from Occupancy Tax growth Public/private partnerships should be explored to reduce the level of public participation

Issue #5: **Westside Strategic Plan**

Process: The plan is a "redirection in growth" strategy, similar to the strategy which was successfully implemented in northeast Mecklenburg County The plan will include extensive neighborhood input resulting in a vision for the area The plan will include infrastructure recommendations with emphasis on water and sewer, roads, parks and schools

The plan is scheduled for completion in September, when Council will be briefed on the preliminary findings and recommendations Subsequent Council approval will be requested

Fiscal Impact: Infrastructure recommendations will be considered in next year's FY99-03 Capital Investment Plan, and/or as mid-year amendments to the FY97-98 budget

Issue #6: **First Ward Master Plan**

Process: The plan has been completed and is being considered by Council's City Within A City (CWAC) Committee The objectives of the plan are to create a mixed income neighborhood and to increase property values Key dates are as follows

- June 16 the committee will tour First Ward
- June 23 the committee will consider approval of the plan
- July 28 the plan will be considered by the full Council

Project priorities are as follows

1 Seventh Street Boulevard @ $1 5 million (funded in the CIP)
2 Ninth Street Linear Open Space and Parallel Street @ $2 2 million
3 North Davidson Street Median @ $1 2 million
4 New "U-Shaped" Street in Garden District @ $1 4 million
5 North Alexander Street Reconnection @ $360,000
6 East Eighth Street Reconnection @ $50,000
7 North Myers Street Reconnection @ $270,000

The total unfunded need at this time is $5 5 million

Fiscal Impact: Some of these improvements may be implemented by the private sector in development of the area Other improvements will be considered in next

year's FY99-03 Capital Investment Plan process, and /or as mid-year amendments to the FY97-98 budget

Issue #7: **City Within A City (CWAC) Business Park**

Process: $200,000 is included in the FY98-02 Capital Investment Plan as "seed" money for the project The Chamber will work with partners to develop a capital financing program, formal organizational structure and pre-development issues

The project implementation plan would be reviewed by Council's Economic Development and Planning Commission in December 1997

Fiscal Impact: It is estimated that $6 million will be needed for land acquisition The City's financial involvement has not been determined

Issue #8: **2015 Land Use Plan**

Process: The plan has been approved by the Planning Commission and the Planning Liaison Committee The schedule calls for plan approval by both the County Commission and City Council this summer One of the options in the approval process is to refer the plan to Council's Economic Development and Planning Committee

Fiscal Impact: The plan is a land use policy direction instrument Specific capital needs will be developed by the Key Businesses and considered in the Capital Investment Plan process

City of Charlotte
City Manager's Office
MEMORANDUM

To: Gerald G Fox, County Manager

From: Pamela A Syfert, City Manager

Date: May 15, 1997

Subject: Budget Issues

As I indicated to you last week, I have committed to City Council that I will have a process during budget discussions by which they can make some decisions about how to proceed with police funding, animal control and first responder My next opportunity to do that will be on May 20th In anticipation of that, I want to react to your three memoranda dated May 9, 1997 to state my positions once again and to offer several alternatives to you

Police Services

As stated in my letter of March 31, 1997, the City is invoking the 15% variance clause to amend the percentage budget amount to be paid by Mecklenburg County in 1997-98 The contention is the source of the population estimates to apply against the Police Services funding agreement I believe that it is appropriate to use the source that has been used since the beginning of this agreement

You and I obviously interpret the agreement differently, and if we stay on this course, I believe the matter will be decided by a third party I would like to make two additional points

1 The language in the agreement and the Law Enforcement Districts legislation includes this clause "The county will pay to the city the following percentages of the city-county *police department budget* " This means the total budget of the Charlotte-Mecklenburg Police Department The first two years of the agreement, as well as the cost against which we applied the 9 21% charge, were based on the *net*, not the total, Police budget The difference between net budget and total budget is the allowance for federal grants and other revenues, such as the payment by Mint Hill for police services We did this in good faith because we thought it to be appropriate

However, using net budget rather than total budget is not in keeping with the agreement In FY98, for example, the net budget is $99 5 million The total budget is $105 5 million

Therefore, I am asking Mecklenburg County for their percentage share to be computed against the total Police budget

In my March 31, 1997 letter to you requesting amendment of the agreement from 7 6% to 9 21%, I included the following statement "I suggest we review future years against the 15% variance clause during future budget development stages " I made this statement because I knew the upcoming annexation would have a significant impact on the FY99 budget

Because we do a two-year budget we are able to estimate the impact of the agreement over two years Using the State population estimates from last fall, the population ratio for FY98 would be 9 21%, however, for FY99, the population ratio would be 3 99% if you add the annexation population to the state numbers for FY98, clearly a significant enough drop for Mecklenburg County to invoke the 15% variance clause

Under your proposal, the population ratio for FY98 is 6 8% and this number includes the 30,000 people to be annexed this June 30 6 8% is not enough to trigger the variance clause, so the County would pay 7 6% Considering that growth in recent years in the unincorporated areas has exceeded growth within the City in non-annexation years, the 6 8% ratio is likely to remain static or fall only slightly, but again not enough for the County to avoid paying 7 6% Therefore, over the two years, Mecklenburg County would pay 15 2% of the Police Department budget under your proposal If we stay within the population figures used in the past and if the population shifts as you estimate it will, the County would pay 13 2% Whether total or net budget is used, your proposal costs you more

That is why I cannot understand your non-conformance with the cost sharing agreement I thought we had an agreement we would honor and not manipulate year to year as an attempt to balance the budget

I would make this alternative proposal

> Mecklenburg County would pay 7 6% of total Charlotte-Mecklenburg Police Department budgeted expenses in FY98, an additional cost to the County of $430,000 Further, Mecklenburg County would pay 7 6% of the total Charlotte-Mecklenburg Police Department budget in FY99 If the City of Charlotte cannot invoke the 15% variance clause in FY98, then the County cannot invoke the 15% variance clause in FY99 should it be applicable
>
> The agreement would be amended to reaffirm that cost sharing is based on total budget and that the source of population is the Charlotte-Mecklenburg Planning Department's population projected forward to July 1

First Responder

My regret here is that the County does not sufficiently value the first responder service, particularly given the concern for MEDIC service within the County Our conversations with the

hospital agency and the statement in your May 9, 1997 memorandum ("I believe this to be very generous funding for first responder services compared to other major urban areas in this country") leads me to believe the County sees first responder services as an entitlement The City does not see it that way at all

I would like for you to address how we jointly answer the following questions

1 Given that a requested increase several months ago received no response, how do we appropriately renegotiate this agreement for FY99?

2 How do we assess whether or not this is a comparable level of support to other major urban areas?

3 What is the value of the First Responder program to MEDIC? What would be the impact of the loss of the First Responder program?

4 If the City Fire Department is going to continue to be first on the scene for medical emergencies with the cost borne by the City of Charlotte taxpayers, should we not consider a functional consolidation of MEDIC into the Fire Department?

5 Is our relationship with the County or the EMS Joint Agency? In your memo of May 9, 1997, you state that the contract for these services has now been assigned to the Agency, however, you go on to say that the Agency does not intend to begin paying for a capital cost line item We were also told by the Agency that they were told not to speak with us Shouldn't the Agency speak for itself, rather than relaying the message through the County?

Pending these answers, I will commit to City Council that I will make a recommendation to them in the coming months about what position to take beginning in FY99 on the provision of First Responder services

<u>Animal Control</u>

Initially, two points on Animal Control

1 I will not renegotiate the Animal Control agreement independently of the two above issues Should you terminate the agreement effective July 1, 1997, the Animal Control Bureau of the Charlotte-Mecklenburg Police Department and the City Budget Office are making contingency plans both for providing Animal Control services within the City of Charlotte only and for reducing expenses comparable to the County revenue Cancellation of the 64%/36% funding agreement is your option

2 I still disagree strongly with your funding of basic animal control services for the other municipalities and not for the City of Charlotte

I also believe, however, that some renegotiation of this agreement is appropriate To that end, I make the following proposal

1 Mecklenburg County will pay a fixed 15% of the net Animal Control budget for basic service provided all County residents This is the level at which the City and County budget staff were before negotiations ended I do not know the basis for your 13% recommendation proposed on May 9, 1997

2 I will concur with your proposal for Mecklenburg County to pay 15 8% of the Animal

Control budget for FY98 and that future years be tied to the non-Charlotte population of Mecklenburg County as determined by the Charlotte-Mecklenburg Planning Department, or the final population source decided through the Police services discussions above

3 I will not support, however, the funding formula being net of revenues If Mecklenburg County shares in only 15% of the expenditures, then it should only share in 15% of the revenues For example, if a City resident pays a spay/neuter fee and the service is provided at City expense, then the county should not share in that revenue

4 Therefore, my calculation of the FY98 cost to Mecklenburg County for Animal Control services would be $877,123

There is a point at which it is no longer financially feasible from a cost-benefit standpoint for the City to patrol the entire County

Conclusion

Again, I will be meeting with City Council next Tuesday at 2 00 p m If you have any comments on my positions, please let me know by then

c Mac McCarley
Leadership Team

Questions and Answers

The Budget Committee asked the following questions at the November, January and February Budget Committee Meetings. Questions from future Budget Committee Meetings and the Half-day Budget Retreats will be included in subsequent Half-day Retreat Materials.

Q1. What is the status of a new/ additional helicopter?

The Police Department will submit a budget request to lease a new helicopter The annual lease cost is approximately $250,000 per year, as opposed to the estimated $1 5 million cost to purchase a new helicopter Under the proposed lease agreement, the first year of helicopter maintenance would be provided by the vendor

A major advantage of leasing a helicopter is that the Department essentially can return the unit to the vendor when it becomes obsolete or more expensive to repair than to replace With a lease, the Department in effect can trade the helicopter for a newer model

The Department is continuing to evaluate the best option for disposition of the existing helicopter

Q2. What is the reason for reduced response time to car break-ins?

Larceny from Vehicle reports generally are taken by phone by civilian personnel in the Customer Service Unit (CSU) There is rarely any physical evidence at the scene and the suspects have left the area by the time the larceny is discovered, therefore, there are rarely any "solvability factors" to be gained from dispatching a police officer to the scene Last year, there were 12,995 reported larcenies from vehicles If officers had responded to all of these calls at an average of 45 minutes per call, it would have required the equivalent of 10 full-time officers to handle these calls

Due to the volume of reports taken by the CSU (some 30% of all offense reports), delays have occurred in the customer service representative calling a citizen back to take the report The CSU has taken several actions to improve the timeliness of these callbacks, including improved staffing levels, increased training, and the installation of a new telephone system

Once the report is taken, it is sent to records for processing, coding, and distribution to the appropriate police district for follow-up This process can often take several days before the report is assigned to an officer for follow-up The Police Department's Technology Plan includes a new records management system which will enable these offense reports to be typed directly into the system and immediately transmitted to the

district where the offense occurred This should reduce the delay in following up these reports

In areas where there is a high concentration of larcenies from vehicles, officers are assigned to directed patrol activity to reduce the incidence of larcenies from vehicles or to make arrests when they can apprehend a suspect

Q3. Is the frequency of police patrols appropriate for high crime areas?

One of the factors the Police Department considers in its deployment of manpower is reported crime All response areas of the City receive a basic level of coverage but additional resources are deployed based on reported crime and any available information as to the location, time of day, and day of week that the crime is occurring Officers are assigned to additional patrols or directed activity based on crime patterns In neighborhoods where there are high incidences of crime, the districts have assigned community coordinators who work with their assigned neighborhoods to identify and solve problems as well as strengthen the neighborhood associations The officers help residents to access other services that can address some of the root causes of crime such as overgrown lots, improper lighting, trash, houses that do not meet code, etc

The Department makes every effort to assign its manpower in the areas and on the shifts where it can have maximum impact In some districts, regular patrols are supplemented by officers who work as a street crimes unit, conducting investigations of drug activity and other crimes that require a more intensive use of manpower Additionally, officers are assigned to investigate locations where there are open air drug markets or houses where there is suspected drug activity Most high crime areas have an additional police presence over and above that of the radio response officers who conduct routine patrols when they are not responding to calls for service

The Department is reviewing its current assignment of resources in the context of the City's growth patterns and shifts in workload This manpower allocation committee's recommendations are expected to result in some realignment of resources among the patrol districts

Q4. Have we changed patrol procedures in high crime areas to a frequency greater than other areas?

The Police Department attempts to deploy its manpower based on need High crime areas get increased resources plus many have community coordinators

Q5. Do 911 dispatchers need additional training to provide accurate information with positive attitudes?

Prior to last year, there was no formalized training program for police telecommunicators New employees would first be assigned to work with an available 911 operator After a period of time, they would be assigned to work with a dispatcher There were specific dispatchers designated as trainers but there was no training curriculum for the new employee

The Police Department has begun working toward developing a Communications Academy much like the program currently in San Jose, California The San Jose training program is eight weeks- six weeks of classroom instruction plus two weeks work on a simulator in which the trainee processes and dispatches calls from actual 911 tapes

Last August, the Department began the first phase of this type of training with a 40 hour Communications Academy which was attended by 15 newly hired dispatchers The classroom instruction enabled the new personnel to not only understand what they are expected to do but why their tasks are handled in a particular manner The training officers in the Communications Section report that the personnel who received this training were much better prepared to assume their new duties than those who had no exposure to classroom training prior to the on the job instruction The Department plans to continue moving toward the expansion of this training with Communications and Training Academy personnel working on additional lesson plans

Q6. What would be the cost of video cameras in patrol cars, both the cost of a test case and of putting them in all vehicles?

The estimated cost of equipping all patrol vehicles with video cameras ranges from $1 6 to $2 million depending on the model of camera selected This figure does not include maintenance or the cost of purchasing and maintaining the tapes

Vendors will provide the equipment free for a test case The Department has identified five vendors whose equipment will be tested Those vendors will be making presentations to the Department in mid-February

A Department committee is developing draft policies for the use of the cameras

Q7. What is the policy for when officers ride alone or in pairs?

In general, the Department uses one-man cars so that there will be more cars and a greater police presence on the street Recruits are assigned to a field training officer for a minimum of eight weeks after they complete Basic Law Enforcement Training so a two man car is likely to be a training officer and his recruit

On occasion, officers will have special assignments such as surveillance or service of felony warrants which may require the temporary use of a two man car On those calls which require additional personnel, other units in the area respond as back-ups

Q8. How much would it cost to enforce all speed limits?

It would be impossible to enforce all speed limits in a city the size of Charlotte Each patrol officer is charged with traffic enforcement as a part of his duties Each of the patrol districts has a list of locations where speeding has been identified as a problem and assigns officers to work radar at these locations on a rotating basis The Highway Interdiction and Traffic Safety (HITS) Unit assists the districts with enforcement at problem locations as well as targeting DWI enforcement and investigating major traffic accidents

The effective enforcement of speed limits requires constant reinforcement by police An officer working radar at a particular location over a period of several days to a week can have an impact on the speeding problem, however, as soon as that officer is assigned to a new location, the speeding problem generally returns In locations where traffic volume is high, effective speed enforcement actually would require more than one officer

The Department is becoming more active in public education programs that let local drivers know that traffic accidents cause almost as many deaths in this community as homicides These programs, the purchase of VASCAR units for some of the patrol cars in each district, and the possible addition of a HITS officer to specialize in traffic enforcement in each district (to be funded through a grant) will have an impact on the speeding problem but it would be impossible to deploy enough manpower to enforce all speed limits

The Department has increased the number of traffic citations that it issues In 1996, there were 25,745 citations issued for hazardous violations, a 1 7% increase over the previous year's total of 25,309 There were 24,072 non-hazardous citations written in 1996, a 4 8% increase over the previous year's total of 22,969 There were also 13,320 warning tickets issued in 1996, an increase of 10 3% over the previous year's total of 12,076

Q9. How much extra insurance do Charlotte citizens pay because of the high rate of vehicular accidents?

The chart below illustrates the differences in automobile insurance rates between the six most populous cities in North Carolina and the comparison to Statewide averages As shown by the information received from the NC Department of Insurance, Charlotte's premiums average 22% higher than the Statewide average Comparisons between cities indicates a 20% higher rate than those paid by Raleigh residents, 3% higher than

Fayetteville residents, and 18% higher than Greensboro residents Staff continue to research the reason(s) for the lower than average costs for the City of Winston-Salem

City	Number of Vehicles	Coverage/ Premium: Bodily Injury	Property Damage	Medical Payments	Comphsve	Collision	Total	Percent of SW Avg
Greensboro	124,197	$150	$137	$14	$63	$210	$574	103 42%
Winston Salem	135,253	121	115	11	55	184	486	87 57%
Fayetteville	149,468	200	141	18	79	219	657	118 38%
Greenville	181,952	177	122	16	71	189	575	103 60%
Raleigh	266,761	158	141	14	58	196	567	102 16%
Charlotte	311,388	216	158	20	58	226	678	122 16%
Statewide Avg		153	120	14	67	201	555	-

Q10. What are the 5-year Transportation Plan Requests?

The chart below summarizes the 5-year unmet capital needs for transportation (in millions)

	City	State	Federal
Roads/Bicycle	$9 75	434 25	0
Transit	$20 0	2 1	4 2
Transitways	$17 2	13 2	2 3
Land Use	$ 02	0	0
Total	**$47.15**	**$449.45**	**$6.5**

Assumptions:

Capital Funding	25% Local - 25% State - 50% Federal
Operating	$2 million/Year State
Independence Transitway Project	50% Local - 50% State
Transitway ROW Protection	50% Local - 50% State

Q11. What is the estimated capital need in storm water?

Estimates by the City's engineering consultants described a range of $250m to $500m to repair and reconstruct the City's drainage system Our experience thus far indicates the need is within that range Our current program will have spent $163m after 10 years

Q12. What are the recent storm water decisions in Durham/Durham County and Greensboro/Guilford County and how do they affect our storm water enterprise?
The Durham lawsuit was filed by several churches in the City The principal arguments made by the churches were

1 the charges are really taxes rather than fees and, since the churches are tax-exempt under state and federal law, were illegally levied on the plaintiffs,

2 the fees charged are not reasonably commensurate with the service provided customers so charged,

3 a fee structure based on impervious surface is not a rational measure of service provided to customers so charged, and

4 fees charged exceed the City's cost of providing a storm water and drainage system

The court rejected the first three arguments and ruled in favor of the City of Durham This is significant since, as to matters related to those arguments, the City of Charlotte's storm water program and fee structure are substantially similar to Durham's

Under the fourth argument the churches contended, and the court agreed, that the use of fees is limited to the planning, building, and maintaining of the storm water and drainage system itself, *i e* the physical system designed for the conveyance of certain quantities of water Since Durham was expending more than 50% of its storm water fee revenue for water quality programs such as education, regulatory enforcement, water quality monitoring, and street sweeping, the court concluded that the City was illegally expending utility revenues Unlike Durham, only a small part (about 5%) of the Storm Water program is characterized as water quality programs As such we do not have the problems that Durham has encountered

Please note, we know of no legal problems for Storm Water in Greensboro

Q13. When the storm water program began several years ago, why was a fee chosen rather than a tax?

One of the most equitable ways to distribute the cost of providing storm water services is based on the amount of an individual's contribution to Storm Water runoff Accordingly

a Tax exempt properties are charged based on their contribution to the problem

b All properties are charged based on their contribution to the problem rather than assessed value

c The fee allows credits for private facilities that benefit the public system

Q14. What is the proposed storm water fee in ten years?

We have not proposed Storm Water fees ten years into the future We have proposed tentative fees of $4 58 in FY02 which would be the tenth year of the program After FY02 the expenditures associated with eliminating the backlog of repairs to existing storm drains will cease We plan to reassess program needs and funding at that time

Q15. What was shifted out of Pay-As-You-Go Fund in FY97? The Fund was formerly funded at 3¢ from the property tax rate and it is currently funded at 1½¢. Did the complete 1½¢ difference go into Capital Reserve? What's left to be funded out of Pay-As-You-Go?

In the FY97 budget Pay-As-You-Go Fund was redirected as follows

- transfer 1¢ to debt service
- transfer ½ ¢ to the general fund to offset cost of new Police buildings and City storm water fee increases
- retain 1½¢ for the housing program

The objective of the redirection in Pay-As-You-Go funding was to increase debt capacity while maintaining the current level of cash funding for the CIP This was accomplished in that 1½¢ was redirected equaling $25 million over the five year period and replaced with the following revenues

- General Fund Balance (Capital Reserve) - $10 2 million
- Asset Management - $10 4 million
- Pay-As-You-Go Fund Balance - $4 million

Other actions which maintained the current level of Pay-As-You)go in the CIP included

- funding Neighborhood Reinvestment with bonds instead of $2 million in Pay-As-You-Go annually, and

- transfer of $1 5 million in annual debt payments from Pay-As-You-Go to Debt Service This debt payment was incurred as a result of the City's commitment related to the football stadium

Q16. When was the last time transit fares were increased? What are comparable cities charging for comparable services?

The transit fares were last increased in 1991 - local service fares increased from 70¢ to 80¢ and express service increased from $1 00 to $1 15 Below is a comparison of Charlotte's fares with those of comparable cities

Population Peer Group

Sarasota, FL	$0 25
Austin, TX	0 50
Albuquerque, NM	0 75
Charleston, SC	0 75
Charlotte, NC	**0.80**
El Paso, TX	0 85
Toledo, OH	0 85
Omaha, NE	0 90

Fleet Size Peer Group

Jacksonville, FL	$0 60
Oklahoma City, OK	0 75
Orlando, FL	0 75
Tucson, AZ	0 75
Charlotte, NC	**0.80**
Dayton, OH	1 00
Birmingham, AL	1 00
West Palm Beach, FL	1 00
Columbus, OH	1 10
Memphis, TN	1 10
Richmond,VA	1 25
Nashville, TN	1 35

Q17. What are the total housing need requests?

A detailed description is **attached** and a summary of the needs is outlined below

Acquisition (includes acquisition & rehabilitation)	$34,921,492
Construction (includes new construction, support services & infrastructure)	2,305,306
Public Housing Modernization	22,059,389
Total	**$59,286,187**

Attachment 1

Housing Capital Needs Requests
Detailed Description

Staff requested input concerning the unmet housing capital needs from 26 Partners including

- non-profits (Community Development Corporations (CDCs), Habitat, Charlotte Housing Authority, Charlotte-Mecklenburg Housing Partnership),
- for profits (developers, banks),
- support services (Family Housing Services), and
- Neighborhood Development staff

15 responses were received and are outlined below

Non-Profits

Community Development Corporations

Wilmore Neighborhood Association
- Improving the quality and condition of housing
- Need help in the area of affordable housing
- Acquisition and rehabilitation of 34 multi-family apartments - $1,276,492 (est)

Grier Heights Economic Foundation
- Griertown Apartment Acquisition
  Purchase of 34 units of multi-family housing Gap financing in the amount of $500,000 or more Funding for pre-development and technical assistance will be needed
- Phase II Housing Development
  Develop and construct 8 or more homes on in-field lots owned by the City Revolving loan of $300,000 or more needed
- Marvin Road Multi-Family Acquisition
  Purchase of multi-family housing in the Grier Heights community Gap financing in the amount of $500,000 or more Funding for pre-development and technical assistance needed

- Other items were mentioned but did not relate to housing, i e mini-shopping center acquisition and renovation, capital improvement to Old Billingsville School and development of a monumental park area

Lakewood CDC

- Infrastructure improvements
  Construct approximately 1700 linear feet of roadways on existing undeveloped road right of ways, including the laying of water and sewer lines, storm water, curb, gutter and sidewalks These roadways will open up additional building lots and give the neighborhood more community definition
  Install approximately 125 new street lights
  Construct approximately 5000 linear feet of sidewalks not included in current allocations
- Provide low-interest loan funds to existing homeowners for home improvements and renovations to bring homes up to current City Housing Code - approximately $1,200,000
- Habitat and Charlotte-Mecklenburg Housing Partnership included in their request funds for Lakewood
- Other items were mentioned but did not relate to housing, i e improvements for neighborhood entrance identification, beautification and landscaping, improvements for business center infrastructure in addition to the currently allocated sidewalk on Rozzelle's Ferry Road, including buffered sidewalks, street tree planting, curb and gutter, storm water, street lighting, street trash receptacles, covered bus stops and tow pedestrian crossings (one with a stop light and one with a caution light), private street frontage beautification for resident home owners, to include landscaping, trees, house number identification, painting, fencing, driveway paving (funds can be a combination of low-interest loan funds and grant, such beautification efforts will foster the establishment of frontage restrictions and standards for the community), street signs including signs regulating parking (resulting from a comprehensive parking plan that ensures appropriate traffic flow), speed limit signs, children playing caution signs, school zone speed limit signs, obtain property for and construct an indoor recreation/
  community center facility to complement improvements already made to outdoor park facilities

Northwest Corridor CDC

- Acquisition, Rehabilitation and New Construction in the Cummings Avenue Area
  Estimated City cost - $6,000,000 (for acquisition) with $1,000,000 to be repaid and the $5,000,000 to be a deferred payment loan or outright grant
  Total Project Cost - $16,000,000

  Project would include acquiring the land, rehabilitating 154 apartments which would be leased to low-income households, rehabilitating and converting to single-family homes approximately 135 units for sale to moderate-income households, and produce approximately 96 new units of affordable owner-occupied housing for moderate-income households

Reid Park CDC

- Funds for new construction and rehabilitation $1,305,306

New Subdivision	
Pre-development	$67,000
Land Development	560,306
Construction Shortfall	133,000
Infrastructure	220,000
Signage	35,000
Infill Development	
Acquisition/Rehabilitation/ New Construction (Revolving Line of Credit)	$175,000
Working Capital & Equipment (Straight Line of Credit)	25,000
Construction of Sales Model Home	90,000

Habitat for Humanity

- Lakewood - $65,000

Purchase of 10 lots @ $3,000/lot	$30,000
Purchase of 10 vacant lots @ $1,000/lot	10,000
10 Water & Sewer Taps @ $2,500/tap	25,000

- Oakview Terrace - $170,000

Purchase of 20 Lots @ $1,000/lot	20,000	
20 Water & Sewer Taps @ $2,500/tap	50,000	
Water & Sewer Extensions	100,000	(estimate)

Infrastructure needs curbs, gutters, sidewalks, paving and lighting

- Todd Park - $105,000

Purchase of 30 lots @ $1,000/lot	$30,000
30 Water & Sewer Taps @ $2,500/tap	75,000

Infrastructure needs street improvements, lighting and storm drainage improvements

Recommend the Planning Dept conduct a Neighborhood Action Plan for this community

- Belmont/Optimist Park/Villa Heights - $60,000

Purchase 20 lots @ $3,000/lot	$60,000

Better street lighting on Parkwood Avenue, particularly at Pegram Street

Petitioning CDOT for a traffic signal at the intersection of Parkwood Avenue and Pegram Street

Charlotte Housing Authority

- Estimated capital needs for FY97 is $10,527,268 and for FY98 is $11,532,121 This Capital Needs Assessment was prepared in January 1996

Charlotte-Mecklenburg Housing Partnership

- Projected capital needs is $21,295,000 for 543 units Details are as follows

Fairview Homes - 400 units	$12,000,000
Genesis Park - 13 units	845,000
Seversville - 40 units	2,600,000
Lakewood - 39 units	2,535,000
Greenville - 21 units	1,365,000
CWAC, Other - 15 units	975,000
Charlotte, Suburban - 15 units	975,000

For-Profits

Developers

Peter Hubicki

- Look at reestablishing the funding for new construction of rental units on a competitive basis and issue tax exempt bonds which can be coupled with low-income tax credits and City and bank funding to provide new apartments for very low income families, handicapped individuals and senior citizens that are decent, safe and livable

J C Cousar

- Create an acquisition and development fund for interested developers to purchase condemned property in low income and the Charlotte area in general - $2,000,000 At the completion of the work, there should be public/private financing available for permanent loans
- Other items were mentioned but did not relate to housing, i e computer training in low-income neighborhoods and creation of a venture capital fund for minority businesses in deprived areas

Banks

First Union

- Provide funds for a lease/purchase home ownership program Demonstration project or scattered site program where new construction is created and make it available on a lease purchase basis Funding for this type of approach is generally cost prohibited to financial institutions

Wachovia

- Continued housing rehabilitation money
- Purchasing run-down properties to use the lots for new development

- Down payment assistance for new home purchasers
- Infrastructure improvements, i e streets, sidewalks, "green" areas

BB&T

- Need an increase in the production of the housing stock in LMI areas This increase can be facilitated by increasing funding for/to CDCs for
  1 New housing projects and rehabilitation
  2 Building human capacity within CDCs so that all CDCs in the city can be more effective and efficient in new home and rehabilitation production
- Soft second financing
- Low interest rate financing for rehabilitation before the property is in such a dilapidated state that it becomes an eye sore to the community

Support Services

Family Housing Services

- Strong counseling support services needs to be attached to all and any housing programs that provide the promise of self sufficiency The length of time which these counseling support services are made available to families should be flexible enough so as to allow for stable growth and for families to gain self sufficiency at their growth potential or capacity
- Assist families to gain skills that allow their income to reasonably support their cost of housing is the most likely way of assisting families to gain increased self sufficiency
- Realignment of current housing financial resources and a more effective coordination of collaborative efforts of each housing partner, i e City of Charlotte/Neighborhood Development, Charlotte-Mecklenburg Housing Partnership, CDCs, Family Housing Services, Charlotte Housing Authority

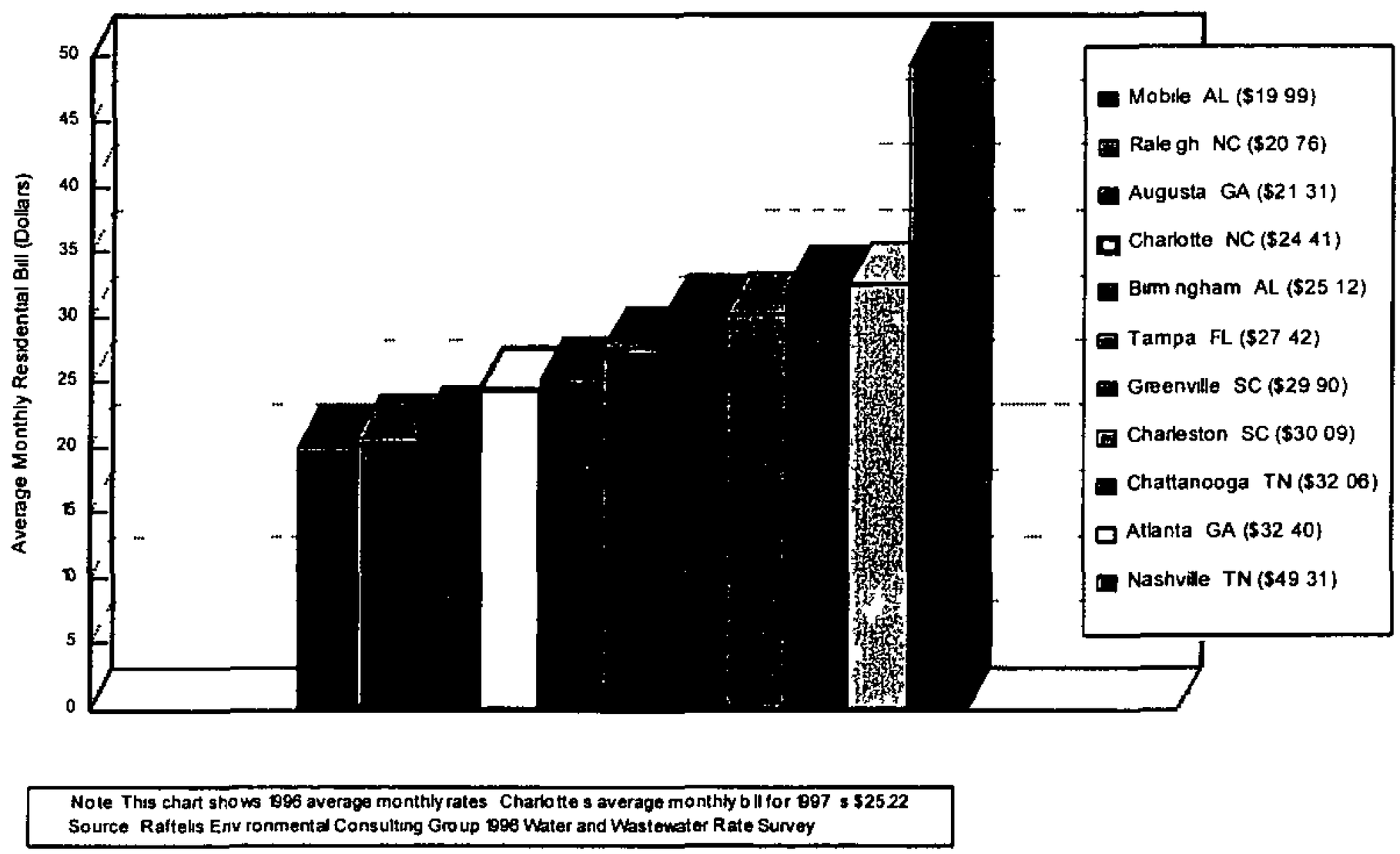
Neighborhood Development Staff

- Down payment assistance for low-income buyers (<u>not</u> impacted by code enforcement) purchasing in CWAC area - $500,000
- Expand unit-based rent subsidy program to include CWAC stable neighborhoods
- Formulate a selective rehabilitation program for homeowners needing home repairs but are <u>not</u> under code enforcement House must be in CWAC area - $750,000
- Demand for investor-owner loans are increasing rapidly, may need to double funding allocation over next two years - $1,200,000 (est)

Questions and Answers

Q18. How do the City's water and sewer rates compare to other cities (including those in North Carolina)?

Charlotte's water and wastewater rates are based on a multi-tiered rate structure that varies according to the class of user and actual consumption Because other cities have different rate structures, the best way to compare Charlotte to other cities is by showing a comparison of each city's average monthly residential water and wastewater bill Below is a chart comparing Charlotte's average 1996 monthly residential water and wastewater bill with those of 10 other cities



Q19. What does "Population Peer Group" refer to in question 16 and why is Charleston included?

The term population peer group refers to cities having comparable metropolitan populations, according to 1990 Census information With respect to Charleston, its 1990 urban area population was 393,956 compared to Charlotte's 455,597 We ranked 65 in urban area population while Charleston was 73

Q20. Why do we need a helicopter program? What is the business case for having one? What is the strategic plan for deployment/usage of the helicopter?

A helicopter is an effective tool in a police environment that includes both urban and suburban areas The helicopter provides rapid support to officers by covering a larger area of the City faster than a field patrol unit can do The helicopter also provides an omni-presence at a crime scene, a special event, or an area being searched that helps to insure officer and citizen safety The helicopter enables the Department to perform a number of functions faster, safer, and more efficiently than they can be conducted by ground units

Studies conducted by the University of Southern California indicate that a helicopter functions as a force multiplier of 15 to 1, that is, the use of a helicopter is the equivalent of adding fifteen additional patrol cars

National studies indicate that the probability of a felony arrest is six times greater if a helicopter is teamed with the ground units responding to a scene These same studies indicate that a helicopter can back up as many as 26 ground units in a geographic area

The following are the primary ways that the helicopter is used in the Charlotte-Mecklenburg Police Department

Airborne Support to Patrol Units	Night Searches
Vehicle Pursuits	Directed Patrol
Major Incident Scenes	Missing Persons
Drug Deterrence	Aerial Photography
Emergency Management	Assistance to Fire Department

In addition to these tangible activities, the helicopter is a major public relations tools for the Police Department It is a visible and readily identifiable police presence in the areas where it is assigned Citizens report that the helicopter flying at night with the searchlight gives them a great sense of security The helicopter is also used at many departmental presentations at schools and community functions The helicopter pilots and observers help educate the public about the benefits of airborne patrol

Strategic plan for deployment/use of the Helicopter

The primary mission of the helicopter unit is to provide effective airborne support to the patrol officer in the field One of the ways that the mission is accomplished is through communication between the Helicopter Unit Supervisor and the Patrol District Captains to discuss those areas where there are crime patterns that have identifiable locations, days of week, and time of day The schedule for deployment of the helicopter is largely determined by identifying those areas where the presence of the helicopter might impact the incidence of crime Since the helicopter enables the observer to see behind and between buildings, it is a particularly useful deterrent in areas where there are problems with housebreakings, storebreakings, vehicle thefts, and larcenies from vehicle The helicopter is deployed to be in these problem areas during times that district personnel have determined that these particular crimes are occurring Most of the helicopter's flight time is devoted to assistance with specific crime problems

The department is attempting to strengthen the working relationship between the Helicopter Unit and the patrol districts to insure that the districts are taking maximum advantage of the capabilities that the helicopter can offer Clearly, these efforts have been hindered by the extended down time of the current helicopter, however, the availability of a new and more reliable helicopter should increase the requests for service from the patrol districts

The helicopter is subject to being called out of the area where it has been assigned to fly so that it can respond to emergencies, major crime scenes, searches, and vehicle pursuits The helicopter can respond within a matter of minutes, providing a wider level of coverage than ground patrol units

Q21. What is the strategy of leasing versus buying the police helicopter?

There are two primary reasons for leasing a helicopter

1 The helicopter can be leased for $255,000 to $260,000 per year, avoiding the lump sum purchase cost of approximately $1,500,000

2 At the end of the original lease, the department can then negotiate a lease for a newer model helicopter By leasing, the department can avoid its current situation of having an old helicopter with high maintenance costs and significant down time

By leasing a helicopter, the department can assure that it has a reliable state of the art helicopter that can be replaced much more frequently than if it were purchased Under a lease agreement, the helicopter would likely be replaced every seven years

Q22. How many police per thousand do we have and how does it compare to other comparable cities?

The table below details the information requested

City	Population of Jurisdiction	Allocated Sworn	Officers per 1,000 pop
Washington, DC	554,000	3,800	6 86
New York, NY	7,319,546	37,450	5 12
Boston, MA	550,715	2,254	4 09
Richmond, VA	203,133	743	3 66
Cleveland, OH	495,074	1,786	3 61
Milwaukee, WS	622,467	2,185	3 51
Pittsburgh, PA	354,780	1,175	3 31
Tampa, FL	289,882	930	3 21
Winston Salem, NC	157,876	470	2 98
Columbia, SC	104,457	309	2 96
Norfolk, VA	243,857	689	2 83
Denver, CO	505,843	1,411	2 79
Cincinnati, OH	359,746	1,001	2 78
Columbus, OH	638,729	1,743	2 73
Memphis, TN	623,902	1,685	2 70
Fort Worth, TX	460,321	1,188	2 58
Raleigh, NC	240,891	602	2 50
Seattle, WA	529,526	1,261	2 38
Nashville, TN	523,681	1,246	2 38
Charlotte-Mecklenburg, NC	544,146	1,283	2.36
Greensboro, NC	199,635	472	2 36
St Petersburg, FL	242,228	517	2 13
El Paso, TX	590,215	1,191	2 02
Austin, TX	523,691	1,041	1 99
Colorado Springs, CO	324,441	627	1 93
Tucson, AZ	449,981	856	1 90
Virginia Beach, VA	435,959	731	1 68
San Jose, CA	822,845	1,284	1 56

Jurisdictions were selected from U S Department of Justice national reports Selected all jurisdictions with population range within 130,000 of Charlotte-Mecklenburg, plus New York City Selected other large NC cities, and other national cities for comparison

Q23. What are the implementation schedule and funding levels for the Neighborhood Improvement Bonds?

Cost Projections for Neighborhood Improvement Program

NEIGHBORHOODS	FY97	FY98	FY99	FY00	FY01	TOTAL
Wingate Ph-III	$235,000					235,000
Wingate Ph-IV	$50,000	$925,000				975 000
Lakewood Ph-II	$1,100,000					1,100,000
Reid Park PH-V	$625,000					625 000
Lincoln Heights/Cummings Avenue	$1 350 000					1 350 000
Druid Hills Ph-II (Norris Ave sight distance)	$480,000					480 000
Druid Hills Ph-III (Remaining part of neighborhood)	$1,650,000		$1,100 000	$1,000 000	$1 000,000	4,750,000
Grier Heights Ph-I(Repair contract)	$250,000					250,000
Grier Heights Ph-II (Remaining part of neighborhood)	$150,000	$2,100,000				2 250 000
Wilmore Ph-I(Repair Contract)	$250,000					250 000
Wilmore Ph-II (Storm Drainage Project)						0
Wilmore Ph-III (Remaining part of neighborhood)	$25 000	$725,000				750 000
Villa Heights Ph II	$1 300,000					1 300 000
Villa Heights Ph-III		$1 300,000				1,300,000
Cherry Ph IV	$250,000					250,000
Hidden Valley	$200,000	$1,500,000	$1,500,000	$1,200,000		4 400,000
Plaza Midwood	$250,000	$1,000 000	$1,000,000			2,250,000
Choyce Avenue	$200,000	$1,000,000				1,200,000
City View	$75,000	$1,075,000				1 150,000
Wilora Lake	$75 000	$1,075,000				1,150,000
Beatties Ford/Trinity Park	$100,000	$1,100,000	$1,100,000			2 300,000
Moores Chapel		$150,000	$1,600,000			1,750 000
Oakhurst		$150,000	$1,350,000			1,500 000
Sterling/Sterling Forest			$500 000			500 000
Orchard Park			$200,000			200,000
Totals	$8,615,000	$12,100,000	$8,350,000	$2,200,000	$1,000,000	32,265,000

Q24. In the "Participation in State Roadway Capital Project," which state roads and what funding levels are planned for participation? How much has been expended over the previous five years?

Over the past five years the following state roads have been included in the budget for participation

Road	Amount
W T Harris Boulevard East	$1,700,000
Albemarle Road	800,000
Mallard Creek Road	320,000
Quail Hollow Road	66,000
Harris Boulevard East	66,000
Total	**$2,952,000**

The FY98-02 Preliminary Capital Investment Plan will include the following state roads for participation

Road	Amount
Rea Road Extension	100,000
South Tryon/York Road	650,000
Westinghouse (Carpet to Downs)	100,000
Graham Street Connector	75,000
Mallard Creek Church Road	150,000
West Sugar Creek Relocation	50,000
Ardrey Kell Road Widening and Extension	150,000
Total	**$1,275,000**

Q25. What is the status of the landscaping project for the Statesville Road Landfill?

Site visits by staff and Council member Majeed have concluded that landscaping is not an issue There does appear to be some illegal dumping along Northerly Road This area will be cleaned-up and measures will be implemented to prevent future dumping

Q26. How do we measure our workers' compensation program against the private sector?

Comparison of the City of Charlotte workers' compensation experience to other employers is based on a statistic called an *experience modifier* The experience modifier is a universal workers' compensation measuring tool that compares the amount and type of payroll / workers' compensation classifications with the experience of other employers with similar classifications A modifier that is less than 1 0 is better than average for the

amount and type of payroll A modifier that is above 1 0 is worse than average For example, the Fire Department shows an experience modifier of 39, that indicates that the Fire Department is 61% better than what would be considered average for their reported payroll

The table below shows the experience modifiers for various City Key and Support Businesses The data is based on FY95 information Fiscal Year 1996 information will be run in the next month Not included on the table is the city-wide overall experience modifier which is 67, or 33% better than average for our reported payroll

CITY OF CHARLOTTE
WORKERS' COMPENSATION EXPERIENCE MODIFIERS

Key Business	FY94	FY95
Fire	35	39
Neighborhood Development	57	55
Finance	63	58
Engineering & Property Management	63	67
Budget and Evaluation	69	69
Planning	69	72
Police	78	82
Human Resources	80	69
Business Support Services	84	77
Transportation	95	1 05
CMUD	1 02	1 05
Aviation	1 17	1 19
Solid Waste Services	1 24	1 37

Questions and Answers

(Please place in Blue Half-day Retreat Notebook behind the last page (H-21) following the Questions tab.)

Questions and Answers

Council's questions from the March 18th half-day retreat are answered in the attached materials submitted from the following financial partners

Arts and Science Council
Charlotte Convention and Visitors Bureau
Charlotte Mecklenburg Housing Partnership
Charlotte Housing Authority
Auditorium/Coliseum/Convention Center Authority

These questions included

The Arts and Science Council was requested to answer the following

Q27 What are the criteria the Philharmonic did not meet?

Q28 Specific changes implemented in the ASC process for review How will the new guidelines be applied to affiliates?

Q29 Council requested to see FY96 summary of funding in same format as FY97 summary

Q30 What are the paid ticket sales for Symphony? for the Philharmonic?

Q31 Are citizens on the Grant Committee also directly associated with any groups currently receiving grants? If so, where is the line drawn regarding conflict of interests? What is the policy for reserving dates to hold events in the Blumenthal Center?

The Charlotte Convention and Visitors Bureau was requested to answer the following

Q32 To what extend does CCVB make direct contributions/donations to other tourism agencies?

Q33 Grants program who received what and how much? This information was sent in the Council/Manager Memo on 2/12 and was sent out again in the 3/19 Council/Manager Memo

Q34 Any on-going effort to set specific goals and measures?

Q35 How are programs being funded related to generating room nights? Include listing of objectives that are contrary to generating room nights, indicate which ones are consistent with room night generation

Q36 Where did growth in budget come from?

Q37 Information on dollars generated per convention, quality measure of conventions booked, etc What are the top 10 conventions that bring in the dollars?

Q38 What are some of the reasons why the Convention Center cannot book the conventions that would be most beneficial to the City?

The Charlotte-Mecklenburg Housing Partnership (CMHP) was requested to answer the following

Q39 Can the City provide services more efficiently than the CMHP, as it relates to rehabilitation & new construction?

Q40 What unspent dollars are still in the "pipeline" and how are they spent? What amount of funding is held in "reserve"?

Q41 With respect to rehababilitation of units, are there any standard costs associated with standard rehababilitation procedures?

Q42 UNCC Review What is being done to address the issues?

Q43 What was meant by "we know we pay too much" in the CMHP presentation on March 18th?

Q44 Rehabilitation costs vs new construction? Why aren't houses demolished if they cost more to buy and rehababilitate than they are worth? Or that the City can recoup? (NOTE Additional information, Specifications and Standards Manual, was provided to the Budget Office and is available for Council review upon request)

Q45 At what value do these houses go on the tax rolls? Closing cost?

The Charlotte Housing Authority was requested to answer the following

Q46 Compare salary and benefits to that of the City? What regulation requires comparability study to government instead of private sector (This question will be answered in the May 6th retreat information to be distributed April 25th)

Q47 What was total maintenance budget? What percentage is privatization?

Q48 Addison apartments were sold Where is the money generated from this sale?

Q49 Need to list federal regulations from HUD that inhibit CHA's activities and interests Issues that CHA is lobbying for

Q50 "SNAP does not make any sense" - why do it?

Q51 Would it not be in the best interest of all if the CHA reported directly to the City Manager?

The Auditorium/Coliseum/Convention Center Authority was requested to answer the following

Q52 What are travel, entertainment and marketing costs associated with promotion of each of the facilities managed by the Coliseum Authority?

Q53 How are expenses allocated to the respective facilities?

Q54 How are personnel and personnel costs allocated to each facility?

Q55 What is the financial analysis if Hornets vacate the coliseum? This information was sent in the March 19th Council/Manager memo

Questions and Answers

(Please place in blue Half-day Retreat Notebook behind the last page following the tab for Q's & A's.)

Questions and Answers

Council's questions from the previous half-day budget retreats are answered below and in the attached materials

Q62. Please provide a report on the Police Department's Domestic Violence Unit and its request for additional personnel resources.

The Police Department has requested two additional counselors and one additional police officer to be assigned to the Department's Domestic Violence Unit The request is funded in the City Manager's Recommended Budget

The prevailing philosophy in the domestic violence field is that misdemeanor domestic assaults escalate into serious assaults that may eventually become homicides To that end, the CMPD's Domestic Violence Unit targets families where there is a pattern of repeat domestic disturbance calls with a combination of enforcement and counseling strategies The Unit uses a team approach where an investigator and counselor target those families where there are repeat calls for service While the investigator works with the more traditional law enforcement aspects of the case, the counselor works with the family The counselor attempts to get help for the victim ranging from short term shelter to longer term arrangements if the victim decides to leave the home situation The counselors work with the children in these families who are often the silent victims of domestic violence and who often adopt violence as their own preferred method of problem solving Counselors also attempt to arrange the needed help for the abuser In addition to working with the investigators, the counselors respond to requests from assistance from patrol officers and accompany them on visits to households in their districts

At present, the Unit has two counselors, so each counselor is responsible for two patrol service areas With that workload the counselors must do more prioritizing of cases which often does not allow them to respond to a home until there is a fairly significant pattern of abuse The two additional counselors will allow the unit to establish four officer-counselor teams, one for each of the four patrol service areas This will enable the teams to work with more families, to get involved with those families when they first come to the attention of police, and to build stronger working relationships within the patrol districts, making the unit a much more accessible resource for the officer in the field

The Unit currently has four assigned officers who serve as investigators The additional officer will result in an increased number of complaints being investigated, from both existing cases and from those added through the tracking efforts described below

The additional staff will also enable the Unit to establish a database to track all domestic violence cases in the County and, in turn, target a greater number of households for additional follow-up The Unit is beginning production of a newsletter on domestic violence issues for the Department which will include articles written by judges, district attorneys, and community advocates in the domestic violence field The Unit is also working on building partnerships with area churches through a program called Sanctuary to encourage churches to provide information and referral services for their members who may be having domestic violence problems The Unit's staff will train the appropriate personnel from participating churches in how to handle referrals Unit personnel are also initiating outreach programs at local colleges

One of the most successful programs initiated by the Domestic Violence Unit is its partnership with Bell Atlantic NYNEX under which women who have been identified by the unit as being at extreme risk are provided free cell phones and air time by Bell Atlantic The phones are programmed to call 911, the Domestic Violence Unit, Victims Assistance, the Battered Women's Shelter, and the Women's Commission The Unit requires that the phone recipients have a restraining order against their domestic partner and that they be making the required court appearances to resolve their cases The unit has a similar partnership with ADT Security which provides pendants for selected victims to wear so that they can quickly summon help

Since its inception in June, 1995, the Domestic Violence Unit has worked with over 1400 victims, not one of whom has become the victim of a homicide From 1993-1995, there was a 57% decrease in domestic violence related homicides in Charlotte All homicides in Charlotte decreased during this same period, but those that were domestic violence related declined at a rate 25% faster than those where there was no identifiable link to domestic violence The CMPD believes that its pro-arrest policy in regard to domestic violence incidents and the timely and effective intervention of Unit personnel has had a positive impact on the homicide rate

Further questions can be referred to Captain Craig Huneycutt at 336-2771 or Sergeant Len Gigante at 336-2948

Q63. Please provide information about the traffic enforcement fines initiatives currently being employed in Portland, Oregon.

The Police Department contacted the Traffic Division at the Portland Police Department to determine what additional fines they had levied to enable them to reduce the number of traffic offenders They report that they have a City Ordinance which will go into effect May 1 which will allow officers to tow vehicles when the operator has either never had a driver's license or is driving with a license that has been expired for more than 120 days The Portland Police Department reported no other traffic enforcement fine initiatives

Q64. What are the Police Department's plans to recruit and make promotional opportunities more attractive for women and minorities?

The CMPD has several initiatives underway in this area The Department's Recruitment Unit is staffed primarily by minorities and females since it is important that applicants see people of the same race or sex functioning successfully within the organization The Unit devotes considerable effort to putting on programs at predominantly Black colleges and in advertising in media outlets that reach a minority audience The Unit also attempts to work with applicants on an individual basis to help the applicant with employment potential understand what he or she needs to do to become a stronger candidate for employment

Several changes have been made in the upcoming promotional process for sergeant In the past, the applicant has first taken a written exam The exam had a cutoff score and those applicants who did not score above the cutoff were eliminated from the remainder of the process In the new process, which begins in May, all applicants will participate in both parts of the process and the exam will not serve as an eliminator

The first part of the test will be a BPAD exercise in which the applicant watches a series of taped scenarios and registers his response as to the appropriate handling of each situation This exercise measures behaviors and requires no written or verbal skills on the part of the applicant Use of the BPAD in other jurisdictions has demonstrated that the test has no adverse impact

On June 7, the applicants will take a written exam which will have undergone appropriate validation by the test vendor for readability levels Three-fourths of the questions test practical knowledge as opposed to theory Every effort has been made by both the CMPD and the designer of the test to minimize adverse impact The CMPD has provided a reading list to all applicants and will be holding study sessions on the materials These sessions will be led by members of the department's command staff There are already study sessions going on that are designed to better prepare the applicants for the mechanics of the test As a part of the study sessions, officers have been allowed to view the tapes of the BPAD exercise from the previous promotional process

The test will be weighted with the BPAD counting for 60% of the applicant's score and the written exam counting for 40% This should also help in reducing any potential adverse impact resulting from the written examination

Q65. How are police personnel assigned to different shifts?

The Police Department is conducting a study of its shift assignments to determine whether it has been successful in assigning experienced personnel to all of its shifts The Department will share the results of this study when it is completed The Department

will also make a presentation on manpower allocation at a future Public Safety Committee meeting

Q66. How many police officers did Charlotte have per 1,000 population prior to the consolidation with Mecklenburg County Police? How does that compare to now?

In 1993, prior to City/County police consolidation, the Charlotte Police Department had 976 sworn personnel, for a ratio of 2 31 for every 1,000 citizens (Charlotte population estimated at 443,611) With the requested addition of 103 officers in the FY 98 draft budget, the number of officers would total 1,386, or 2 55 for every 1,000 citizens (CMPD jurisdiction population estimated at 544,146) Please refer to Question 22 on Page H-18 of your Retreat Notebook for related information on this subject

Q67. Please provide additional information which describes the relationship of the Community Policing, Neighborhood-Based Policing, and Problem Solving Policing methodologies and their application to the CMPD's Policing philosophy.

The Department is preparing a presentation on this topic for Council's Public Safety Committee, currently scheduled for the June 1997 agenda

Q68. What is included in the Housing Authority's $60 million capital needs project request for Modernization Improvements?

The Housing Authority's Modernization Improvements request is detailed as follows

Item	Amount
lead base paint removal	$2,284,049
energy management systems	433,500
exterior accessibility improvements	433,500
exterior site improvements	4,676,175
interior dwelling accessibility improvements	2,170,636
interior dwelling improvements	47,704,788
non-dwelling structures accessibility improvements	588,364
non-dwelling structures improvements	1,064,846
TOTAL	**$60,277,019**

This information was taken from a facilities inventory report completed in 1992 An update of the report is being finalized and should be completed in early June 1997

The report lists specific improvements with cost estimates by housing project For example, a partial listing of the "interior dwelling improvements" included as an item listed above, are

Item	Quantity	Amount
install new light fixtures	300	$247,104
install inside water cutoffs	1,376	46,867
install new commode	373	106,644
install new tub/shower	300	206,238

The complete facilities inventory report is available in the Council library

Q69. How much new sidewalk is remaining to be constructed in the community?

Following the expenditure of 1996 Street Bonds ($10 million scheduled for sidewalk through FY02), the remaining sidewalk needs will be as follows

- 170 miles of high priority residential sidewalks ($32 million)
- 305 miles of thoroughfare sidewalk ($58 million)

This totals $90 million in sidewalk needs, excluding newly annexed areas

Q70. Please provide a comparative analysis of salary and benefits of the Charlotte Housing Authority and the Auditorium/Coliseum/Convention Center Authority.

Please see Attachment A

Q71. Of existing retirees, how many are from Police and Fire? What is the average age of all retirees and of the Police and Fire retirees?

Of approximately 1200 retirees, 289 are from Police and 294 are from Fire, or approximately 48% of the total retiree group Average age of all retirees is 63, average age of the Police retirees is 59, average age of the Fire retirees is 61

Q72. Please describe the City's and United Way's review processes for funding outside agencies.

United Way uses panels of volunteers under the direction of paid United Way employees to review requests for funding The panels are given a benchmark of total

funding available for the panel/ service area from the United Way Board The four service areas are Crisis Services, Families Social Development, and Health Services

Each panel is charged with recommending a funding level for each program, based on the panel members' collective consensus Information is provided by the agencies on prior year budgets, program objectives and results, and descriptions of any predicted changes for the next year(s), either in funding other than United Way or in programs

The City evaluates requests based on program overviews, financial accountabilities, objectives, and achievements From these reviews the City Manager makes a recommendation to City Council through the recommended budget on whether the agency should receive funding The City contracts with UNC Charlotte to conduct a large number of these program reviews for the outside agencies who receive funding through the Neighborhood Development Key Business

Q73. Is there potential cost savings with bi-monthly utility billing instead of monthly?

In 1991, City staff conducted a review and analysis of the potential advantages and disadvantages of converting from monthly utility billing to bi-monthly billing As a result of that analysis, the City decided against converting to bi-monthly billing

A 1993 Issue Paper prepared by Raftelis Environmental Group, Inc provided a response to the same question for the City of San Jose, California In its report, Raftelis used the City of Charlotte's 1991 analysis as an example of the conclusions many cities have made concerning this issue The Raftelis report also included a listing of the advantages and disadvantages of converting to bi-monthly billing that were cited by the City of Charlotte in our decision not to convert

Attached is a copy of the 1993 Raftelis report for your review Staff believes the issues and assumptions included in this report and its attachments remain valid, and provide a good overview that explains our conclusion to continue monthly billing

Q74. What is the status of water and sewer connections and use of septic tanks in Charlotte neighborhoods such as Rockwell Park and the Choyce Avenue Community?

<u>Rockwell Park</u> includes

West Rockwell Boulevard
Rockwell Boulevard
Carver Boulevard
Carver Place
Hawkins Place

The entire Rockwell Park community has direct access to the CMUD sanitary sewer system Extension of the water and sewer systems was initiated by Mecklenburg County Community Development, however the 1987 Annexation schedule overlapped this project schedule Though annexed into the City, Mecklenburg County Community Development remained involved in Rockwell Park, rehabilitating homes and funding water and sewer connections

Seventy two (72) residences in the Rockwell Park community are connected to the CMUD sewer system Other inhabited residences are assumed to be on functioning septic systems permitted by Mecklenburg County Environmental Health Department There are approximately 178 lots or tax parcels in Rockwell Park and all lots have access to municipal sewer service

<u>Choyce Avenue Community</u> includes Choyce Avenue
Choyce Circle
Sheryl Circle

The entire Choyce Avenue Community has direct access to the CMUD sanitary sewer system Records indicate that service was available in 1975, with a great majority of sanitary sewer service connections being placed in April and May of 1978

122 residences in the Choyce Avenue community are connected to the CMUD sanitary sewer system Other inhabited residences are assumed to be on functioning septic systems permitted by Mecklenburg County Environmental Health Department There are 226 lots or tax parcels in this community and all lots have access to municipal sewer service

Connection cost for sanitary sewer service is $1,750 0% interest loans for connection are available for qualifying applicants

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NOV 22 1993

Via Facsimile

November 14, 1993

Mr Louis Garcia
Director of Environmental Services
City of San Jose
3025 Tuers Road
San Jose, California 95121

Dear Mr Garcia.

At your request, I have prepared this issue paper which contains my views and experience on the topic of meter reading and billing frequency for municipally-owned water utilities My experience includes having prepared rate and financial planning studies for water providers from across the United States, Canada and Central America. I was the project manager on the most recent rate study completed for the San Jose Municipal Water System and am therefore familiar with your situation I am also on the Conservation Committee of the California-Nevada Section of the American Water Works Association (AWWA), a member of the AWWA Private Sector Financing Subcommittee, and a member of the Water Environment Federation Wastewater Financing and Charges Task Force Also contributing to this work was George Raftelis, the President and founder of Raftelis Environmental Consulting Group, Inc George has similar national experience and chairs the Rates and Charges Subcommittee of the AWWA in addition to authoring the book titled *Comprehensive Guide to Water and Wastewater Finance and Pricing*, which has become an industry standard

The approach used for identifying and evaluating the issues of meter reading and billing frequency is two-fold First a listing of the advantages and disadvantages was prepared (see Attachments A and B) for bimonthly meter reading and billing and also for monthly billing with bimonthly meter reading (bills will be estimated for every other month). These attachments will provide the reader with a readily available summary of the issues associated with this topic Secondly, and contained in the balance of this letter, is a discussion of the most significant advantages and disadvantages

We have not undertaken efforts to estimate cost savings and increases resulting from the proposed change Any such estimates contained in this letter report were provided to us by your staff and have not been independently verified Our experience indicates cost savings typically exceed estimates of any cost increases which can be quantified when changing to a less frequent read and bill period However, there are a number of non-quantifiable factors to be considered before making such a change These and other related issues are discussed in the balance of this letter

INTRODUCTION

The San Jose City Council has recommended that the Municipal Water System go from a monthly meter read cycle to an every other month or a bimonthly meter reading cycle It is not entirely clear if Council intended to move both the meter reading and billing frequency to this cycle or just the meter reading function If billing is to continue on a monthly basis and meters are to be read bimonthly, then it will be necessary to estimate water consumption every other month for each customer

Furthermore, it is not clear if Council intended for this change to apply to all account types Typically, residential accounts represent eighty to ninety percent of all accounts, but may only generate forty to sixty percent of revenues Non-residential customers may represent only ten to twenty percent of the accounts and generate a significantly larger percent of the utility's revenue For this reason it seems logical that the greatest cost savings may come from a change in residential reading and billing frequency In San Jose residential accounts represent just under ninety percent of the accounts and generate approximately sixty-three percent of the revenue with non-residential accounts representing the balance For this reason City Council may want to consider retaining monthly reading and billing for non-residential accounts

As part of the most recent rate and financial planning study conducted on behalf of the Municipal Water System, certain rate structure changes were recommended As a result of this study and meetings with the City's Environment Committee, the Committee recommended that an inverted block rate approach be adopted for residential customers and a seasonal approach be used for non-residential customers These recommendations were made prior to any knowledge of the City Council's recommended change in meter reading and/or billing frequency One, if not the most important reason for recommending the change in rate structure related to the goal of conservation. However, given the drought conditions and associated rate and surcharge structure in place at the time, implementation of these rate structure changes was deferred. It is our understanding that the Committee/City now desires to have these changes in place by the summer of 1994

ISSUE DISCUSSION

Attachments A and B are comprehensive in their listing of the advantages and disadvantages of moving from monthly to bimonthly meter reading and/or billing for the Municipal Water System In this section a more detailed discussion is presented of several significant issues They include

- Pricing Signals
- Customer Acceptance
- Operational Considerations
- Trends in the Industry

Following this discussion our findings and recommendations are presented

Pricing Signals

The single most effective means of communicating with the customer is through the utility bill. Currently the Municipal Water System has this communication on a monthly basis The bill is used to communicate the customers water consumption and associated cost and provide other related messages about the system As part of the last formal rate study, the City's Environment Committee recommended that the current rate structures be modified to encourage the conservation of water As important as the structure change is to sending a conservation signal (to inverted block and seasonal approaches), the price to be charged per unit of metered water consumption is equally important. While public notice and hearings will be used to communicate these changes to customers, the billing process remains the primary means of communication with the vast majority of customers

If the City were to decrease the frequency of communication at a time when a new conservation oriented structure is being adopted, such a change cannot improve the City's ability to achieve the desired results To put this in perspective the following example is offered During the drought period of the past several years the Municipal Water System was being charged for water by its suppliers under an approach designed to encourage reductions in water use One of the most effective ways to pass this information or message on to the ultimate customer was through the monthly water bill However, if billing was done on a bimonthly basis a customer billed in August for water used in June and July, would not have been aware of his or her water use in June (or July), until early August. While this would still allow the customer to modify their water use in the balance of August, July's usage would have gone uninfluenced Essentially, the message sent to

the customer was not delivered in a timely fashion Certainly the extreme conditions present during the drought resulted in the use of a variety of other media to convey the conservation message, however, during non drought periods these same media would not likely be used Again, the monthly bill would be the primary means of communicating (sending price signals) with water customers

One approach to mitigating this problem is to provide customers with an estimate of what their bill will be if they use the same amount of water in the upcoming two-month period that they used for this same period in the prior year This kind of advance information can be an effective means of communicating or sending price signals under a bimonthly read and bill frequency

It should be noted that while the San Jose Water Company has, since 1972, read meters on a bimonthly basis and billed monthly, it is our understanding that they do not have a conservation oriented pricing approach.

Customer Acceptance

Customers of the Water System are accustomed to receiving a water bill, along with bills for most all other utility services including electricity, natural gas, telephone, and cable television, on a monthly basis (Water service is the only item on the bill issued by the Water System) Businesses and residences alike, are billed and pay for virtually all services and commodities on a monthly basis We plan and budget on a monthly basis. The disadvantages discussed in Attachment A relating to the size and frequency of the water bill are all valid. The bill "increases" associated with bimonthly billing are likely to overshadow in the minds of the customers, any cost savings that may be realized by going to bimonthly meter reading and billing. The net savings (i e , the costs of monthly billing that will be avoided netted against the increase in uncollectibles and customer service activities) may be negligible when compared to increases for other utility expense items In this case the increase in rates would be compounded by the "increase" resulting from the change to bimonthly billing

Again, the San Jose Water Company (SJWC) has for many years read meters bimonthly and estimated bills for every other month of the year To the best of our knowledge this has been accepted by customers and SJWC does not experience significant and regular customer problems Although we are aware of at least one community where the use of estimated bills created significant controversy

Operational Considerations

As mentioned on Attachment A, water line leaks and breaks could go unnoticed for longer periods under a bimonthly meter reading frequency. Depending on the City's "leak adjustment" policy, extending the reading period to bimonthly could result in greater cost to the City and/or the customer as leaks occur.

The data derived from monthly meter readings is used extensively in managing the system and in the completion of cost of service and rate design studies Monitoring line losses and system performance is more effectively done with customer usage data provided by monthly meter reading and billing Furthermore, in designing water rates peak use data is "diluted" by a change from monthly to bimonthly meter reading

Trends in the Industry

In general, our experience indicates that utilities with conservation oriented pricing approaches either already read meters and bill on a monthly basis or are looking at increasing the frequency of performing these activities For example, the City of Wichita, Kansas adopted a peak pricing approach in January of 1993 and as part of this process changed from bimonthly to monthly billing several months earlier In about 1988 the City of Santa Rosa went to monthly read and bill as part of a comprehensive rate and financial planning study The cities of Phoenix and El Paso have both adopted fairly aggressive conservation rate structures and continue to read and bill on a monthly basis While there probably are communities that have changed from monthly to bimonthly billing, the majority of large water providers and those focused on conservation pricing are not looking to decrease the frequency of meter reading and billing If anything the trend is towards more frequent read and bill periods as opposed to the other direction (source the Ernst & Young Rate Surveys 1986 to 1992)

FINDINGS AND RECOMMENDATIONS

Our experience indicates that utilities adopting conservation oriented approaches are more likely to increase the frequency of meter reading and billing In general, utilities that bill and read on a bimonthly basis, have either gone to monthly read and bill or have looked for other opportunities to increase the amount of information provided to customers about their water use For example, a utility on a bimonthly read and bill cycle might consider providing customers with an estimate of their upcoming or prospective bill based on their water use for the same period during the prior year Customers would then have the opportunity to manage their water use knowing what their bill would be if they used the same amount used in the prior year Of course the bill also provides their water use and cost for the immediately preceding two-month period

RE

In changing to bimonthly meter reading and billing there can be a number of factors that contribute to cost savings and increases For example, the Charlotte-Mecklenburg Utility Department (the City and County of Charlotte and Mecklenburg, South Carolina) was considering this same change from monthly to bimonthly read and bill. In completing their evaluation costs associated with a number of activities were considered These included such factors as the number of

- meters read per day - residential versus non-residential
- cashiers needed to process walk-in and mail-in payments
- customer service calls taken per day
- premises inspected per day

The time and cost associated with each of these and other activities is needed to fully cost these activities and understand the potential cost savings and increases which may occur if a change is made in the frequency of meter reading and billing Other factors were evaluated by the Utility and cost savings and increases were estimated For example, it was expected that the Utility would incur additional costs associated with re-programming of the billing system and re-designing meter reading routes In the end the net cost savings were estimated to be approximately $0 50 per customer per bill or 17% of the fixed monthly service charge Even with this savings the Utility decided against the change. Cited as reasons for not changing were many of the disadvantages listed on Attachments A and B of this report.

We would suggest that the City fully evaluate all the cost considerations effecting this issue as part of the decision making process In some instances tangible cost savings may be outweighed by policy and customer impact considerations, as was the case for the Charlotte-Mecklenburg Utility Department. Having completed several studies to look at meter reading and billing activities, we would be available to assist you and your staff in examining the costs associated with these activities

I hope that you, the Management of the Water System and City Council find this issue paper informative and that it has a positive contribution on the decision making process relating to this issue. Thank you for this opportunity to again be of service to you. Please call me at (303) 220-0356 if you have any questions regarding this paper or any other issue

Best regards,

Richard D Giardina
Executive Vice President

Attachment

ATTACHMENT A

ADVANTAGES AND DISADVANTAGES OF BIMONTHLY BILLING

The Council has recommended bimonthly meter reading for San Jose Municipal Water System If water bills are to be generated on a bimonthly basis as well, the following are the advantages and disadvantages of both meter reading and billing on a bimonthly basis Costs associated with these advantages and disadvantages were provided by Water System Staff

Advantages

- Savings of approximately $20,000 annually in postage to the Utility Customers would also save on postage and related paper product costs

- Reduced labor involved in generating bills A customer service position could be eliminated It was also determined that a meter reading position could be eliminated resulting in costs savings of approximately $45,000 per year

- Less frequent billing will result in reduced amounts of paper products needed such as envelopes and bills, the cost of which has not be estimated

Disadvantages

- Moving from monthly to bimonthly billing will impact cash flows and management by increasing receivables Monthly revenues range from $0.4 to $0.5 million monthly in winter months up to over $1 million in summer months. In each case, this accounts receivable amount will be delayed by 30 days The exact financial impact will require further analysis

- Less timely information to customers This is contrary to conservation and customer service principles of providing as timely information on consumption as possible Leaks on the customers premises would go unnoticed for longer periods thus increasing to costs to the Utility or the customer or both. Also, data on customer use and use by customer class would not be as timely Water use data for management reports and in the preparation of rate and financial planning studies is a critical element in managing the system and designing rates Peak usage data becomes diluted when compiled bimonthly versus monthly

- The dollar amounts of the bills will become sizable and customers will be paying in larger installments Municipal Water has already been grappling with the problem of financially strapped customers who are unable to meet monthly cash flow requirements As water costs increase, this problem will be exacerbated Customers are accustomed to paying their water bill and bills for most expenses, on a monthly basis

RE

- Customer complaints due to larger bills are expected to increase and requests to have water meters re-read are also expected to increase

- Large water bills could make it more difficult for customers to keep their accounts current and could result in a higher delinquency and uncollectible rate It is expected that more past-due bills will be generated and that more "door hangers" will be distributed notifying customers of possible service shutoff for nonpayment. Increased labor costs are expected but difficult to estimate.

- Customers will have a dramatic increase in water bills in moving from winter bimonthly cycles to spring and summer bimonthly cycles as water consumption may double or triple during the hottest months Bimonthly cycles may magnify this effect.

- There will be some costs associated with billing program redesign and changes to meter routes

ATTACHMENT B

ADVANTAGES AND DISADVANTAGES OF ESTIMATED BILLS

The Council has recommended bimonthly meter reading without addressing the billing cycle If the San Jose Municipal Water System (SJMWS) were to generate estimated bills every other month in order to continue monthly billing while reading meters every other month, the following are the advantages and disadvantages of such a process These would be in addition to many of those listed on Attachment A.

Advantages

- Monthly billing enhances cash management by reducing receivables, thereby allowing SJMWS to realize the time-value of money each month.

- More frequent billing enables customers to pay in smaller installments

Disadvantages

- Increase in customer complaints According to Richard Balocco, Manager of Customer Relations at San Jose Water Company (SJWC), bill estimating is not understood well by customers and it is the number one complaint received by SJWC From their experience

  - When bills are underestimated, this results in larger bills the following month. Customers wonder if their meters were read correctly and request re-reads

  - Bills are also overestimated Since estimating is based on a system-wide production percentage, customers who monitor their consumption and bills closely will be unhappy with the higher bill and dissatisfied with such service Even though the estimate is automatically reconciled when the meter is read, and the bill is sent the next month, customers are often displeased with paying the higher bill up front.

- In order to estimate water bills, SJWC records water production daily, including weekends and holidays IF SJMWS were to use the same method, then overtime pay will be required on weekends and holidays for a technician to visit all production sites and record the daily readings An accurate estimate of the increase in cost due to overtime cannot be determined until a detailed analysis of the method to be used is performed

- The above scenarios are what SJWC actually experiences, with a flat rate for water. This would become more complex and confusing to customers if an inverted rate structure is implemented as recommended by the Environment Committee. In addition, the use of an inverted rate structure will magnify the underestimates and overestimates, thus increasing customer discomfort and their reasons for contesting estimated bills

Attachment A

MEMORANDUM

TO: Mayor and City Council

FROM: William H Wilder
Human Resources Director

DATE: May 5, 1997

SUBJECT: Pay and Benefits Comparison - Charlotte Housing Authority and Auditorium/Coliseum/Convention Center Authority with City of Charlotte

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Attached is information in response to the request for a comparative analysis of salary and benefits of the Charlotte Housing Authority and the Auditorium/Coliseum/Convention Center Authority with that of the City as discussed at the March 18, 1997 Half-Day Budget Retreat

The information includes all of the job titles used by the Housing Authority and the Auditorium/Coliseum/Convention Center Authority, their pay ranges and the actual salaries paid to position incumbents When there is more than one position incumbent, the salary shown is an average of the actual salaries paid

Based on either written or verbal job descriptions provided by the two authorities, the City information reflects the market value and actual salaries for the jobs that are similar to those within the City organization With the Broadbanding pay system, the City does not utilize pay ranges, therefore we have included the market values for the similar jobs, based on our survey efforts

Please note that there are many jobs that are unique to each authority These jobs do not have a counterpart within the City and are indicated with the words "no match" on the City side of the chart There are several job titles that would appear to be comparable, however, analysis indicates that the City positions involve substantially greater scope and complexity and are not considered to be a job match For example, the job of Human Resources Director in the City is responsible for a wider, more complex range of duties with a staff of 18 providing Human Resource management services to an organization with 4565 employees vs the Personnel Director positions in both authorities who have a very small or no staff providing services to less than 300 employees each

If you have any questions or would like additional information, please contact me at 336-5703

PAY COMPARISON

HOUSING AUTHORITY 248 FULL TIME POSITIONS			CITY OF CHARLOTTE 4575 FULL TIME POSITIONS		
JOB TITLE	PAY RANGE	AVG SALARY	JOB TITLE	MARKET RATE	AVG SALARY
Accountant Grants	27 705 - 38,786	32 001	Administrative Officer II	37,338	35,392
Accountant Section 8	27 705 - 38 786	31 951	Accountant I	33,493	31 523
Accounts Payable Assistant	19 506 - 27 311	24,477	Accounting Clerk II	24 508	26,143
Accounts Receivable Assistant	19 506 - 27,311	24 995	Accounting Clerk II	24 508	26 143
Accounts Receivable Assistant II	29 344 - 41 081	30 385	No Match		
Admin Assistant Executive	22 787 - 31 901	32 625	Administrative Secretary II	33,386	32,313
Admin Assistant I	21,147 29 606	29 822	Administrative Secretary I	28 563	30 043
Admin Assistant II	19 506 - 27 311	25 109	Office Assistant V	26 017	26 532
Administrator Benefits/Safety	27 705 - 38 786	36 177	No Match		
Administrator Contract	32 623 - 45 672	43 638	No Match		
Administrator Employment	27 705 - 38 786	25 000	No Match		
Administrator Payroll	19 506 27 311	23 806	No match		
Administrator PC/LAN	26 065 - 36 491	35 339	Network Support Specialist	45 085	34 101
Analyst MIS	30 983 - 43 376	37 794	Sys Applications Specialist II	43 641	36 971
Analyst Planning & Evaluation	27,705 - 38 786	33 280	No Match		
Area Housing Manager	32 623 - 45 672	44 394	No Match		
Assistant Housing Manager	19 508 - 27 311	24 995	No Match		
Attorney Staff	42 458 59 442	52 000	Assistant City Attorney	58 474	57,236
Budget/Accounting Manager	32 623 - 45 672	39 148	Accountant II	41 642	43,304
CAP Counseling Advocate	16 229 - 22 721	19 295	No Match		
Case Manager	21 147 - 29 606	24 574	No Match		
Case Manager ICT	21 147 - 29 606	28 400	No Match		
Chief Housing Inspector Sect 8	26,065 - 36 491	32,015	No Match		
Clerk Section 8	16 229 - 22 721	19 475	Office Assistant III	20 017	20,035
Compliance Auditor	40 819 - 57 147	48 892	Administrative Officer III	39 260	40 534
Comptroller	45 737 - 64,032	65 776	No Match		
Counselor ICT	19,508 - 27 311	25 613	No Match		
Counselor Section 8	17,869 - 25 016	23,691	No Match		
Data Entry Clerk	14,590 - 20,426	19 828	Office Assistant III	20,017	20,035
Director, Facilities Maintenance	44,096 - 61,727	62,162	No Match		
Director Housing Management	49 016 - 68 622	60 877	No Match		
Director Human Resources	32,623 - 45,672	50,000	No Match		
Director MIS	49,016 - 68 622	62 000	No Match		

Director Planning & Development	49 016 - 60 622	56,299	No Match		
Director, Procurement	40,819 - 57,147	48 593	No Match		
Director, Public Relations	37,540 - 52,557	51,748	Corp Communications Officer	56,791	53 324
Director, Resident Services	49,016 - 68 622	58,818	No Match		
Director URD Project	49,016 - 68 622	61,799	No Match		
Economic Dev Coordinator	29,344 - 41,081	36,225	No Match		
Family/Youth Therapist	24 426 - 34 196	29 332	No Match		
Help Desk Technician	26 065 - 36,491	29 935	City-wide Service Rep	25,234	25,353
Housing ACCESS Specialist	22,787 - 31 901	26,809	No Match		
Housing Inspector Section 8	22 787 - 31,901	24,773	No Match		
Housing Manager	22 787 - 31,901	26 274	No Match		
Housing/Case Managers	21 147 - 29,606	27 119	No Match		
Human Services Specialist	22 787 - 31 901	28 059	No Match		
In Community Treatment Coord	26 065 - 36 491	34 374	No Match		
Intake Processor Res Sel /Sec 8	16 229 - 22 721	19 670	No Match		
Intake Specialist DATOP (ICT)	16 229 - 22 721	18 000	Office Assistant III	20,017	20 035
Intake Specialist TFP	16 229 - 22 721	19 475	Office Assistant III	20,017	20,035
Lead Mechanic Assistant	17 869 - 25 016	22 170	Assistant Maint Mechanic	23 192	19 599
Learning Center Teacher		26 780	No Match		
Maintenance Laborer	14 590 - 20 426	17 238	Laborer II	20 428	19,537
Maintenance Operations Mgr	34 262 - 47 967	41 300	No Match		
Maintenance Training Coordinator	24 426 - 34 196	30,911	No Match		
Management Review Officer	24,426 - 34 196	31,585	No Match		
Materials/Supply Assistant	17,869 - 25 016	21 442	Storekeeper	21 973	21 915
Materials/Supply Supervisor	26 065 36 491	33 037	Stores Supervisor	30 030	27 331
Mechanic - Automotive	22 767 31 901	27 537	Auto Mechanic	30 859	29 078
Mechanic - Carpenter	22 767 - 31 901	27 159	Construction Maint Mechanic	28 604	25 028
Mechanic Electrician	22 767 - 31 901	26 770	Systems Maint Mechanic	30 651	29,723
Mechanic HVAC	22 767 - 31 901	20 074	Systems Maint Mechanic	30 651	29,723
Mechanic Locksmith	22 767 - 31 901	25 736	Systems Maint Mechanic	30 651	29,723
Mechanic - Plumber	22 767 - 31 901	28 759	Systems Maint Mechanic	30 651	29,723
Mechanic Assistant	17 869 25 016	20 768	Assistant Maint Mechanic	23 192	19 599
Modernization Coordinator	21 147 - 29 606	27 169	No Match		
Modernization Manager	34 262 - 47 967	43 676	No Match		
Personnel Technician	19 508 - 27 311	24 698	Office Assistant IV	22 708	23,045
Planning & Evaluation Assistant	24 426 - 34,196	40,999	No Match		
President/CEO	81 602 - 114 323	100 079	No Match		
Procurement & Energy Control Mgr	29,344 - 41,081	35 697	No Match		
Project Manager	37,540 - 52,557	40 344	No Match		
Public Relations Assist	22,787 - 31,901	29,118	No Match		
Purchase Order Clerk/Secretary	16,229 - 22 721	24 118	Office Assistant IV	22,708	23,045
Receptionist	14,590 - 20 426	16,993	Office Assistant III	20,017	20,035
Receptionist/Secretary	14,590 - 20 426	20 250	Office Assistant III	20,017	20,035

Re-Exam Specialist	16,229 - 22,721	19,475	No Match		
Re-Location Asst (P/T)	16,229 - 22 721	17 867	No Match		
Relocation Specialist URD	29 344 - 41 081	36,173	Housing/Referral Specialist	29,272	29,478
Resident Selection Specialist	17 269 - 25 016	18,984	No Match		
Safety Program Manager (Interim)		24,425	No Match		
Secretary	17,269 - 25,016	19,188	Office Assistant III	20,017	20,035
Section 8 Coordinator	24,426 - 34,196	28 727	No Match		
Senior Buyer	32,622 - 45,672	41,999	Purchasing Agent	35,944	40,811
Senior Housing Manager	26,065 - 36,491	29,532	No Match		
Senior Operations Mgr - Business	40,819 - 57 147	47,501	No Match		
Senior Operations Mgr - Oper	40 819 - 57 147	47 501	No Match		
SNAP Investigator	22 787 - 31,901	25 289	No Match		
SNAP On-Site Coordinator	17 269 - 25 016	19 893	No Match		
URD Program Coordinator	29 344 - 41 081	40,000	No Match		
URD Program Manager	37 540 - 52 557	55,000	No Match		
Volunteer Coordinator	26,065 - 36 491	26 668	No Match		
V P Admin & Finance	60,491 - 84 687	78 000	No Match		
Work Order Clerk	16 229 - 22 721	20 742	Office Assistant III	20 017	20,035
Working Foreman	24 426 - 34 196	25 703	Labor Crew Chief II	30 203	29,365
Youth Coordinator	24 426 - 34 196	28 895	No Match		

PAY COMPARISON

AUDITORIUM/COLISEUM/CONVENTION CENTER AUTHORITY			CITY OF CHARLOTTE		
175 -190 FULL TIME EMPLOYEES			4565 FULL TIME EMPLOYEES		
JOB TITLE	PAY RANGE	AVG ACTUAL SALARY	JOB TITLE	MARKET RATE	AVG ACTUAL
Accounting Clerk - Payroll	18 720 - 29 952	30 000	Accounting Clerk II	24 508	26,143
Accounting Clerk - Purchasing	18 720 - 29 952	20,800	Accounting Clerk II	24 508	26,143
Accounting Clerk - Recvbls	10 920 - 18,720	24,500	Accounting Clerk II	24,508	26,143
Accounting Office Supr	22,000 - 42 000	31 125	No Match	24 508	26 143
Admin Assistant I	25 000 - 35 000	36,466	Admin Secretary I	28 563	30,043
Admin Assist II	20 800 - 30 000	25 000	Office Assistant V	26 017	26 532
Assist Box Office Mgr	20 800 - 28 000	21 000	No Match		
Assist Concession Mgr	24 000 - 35 000	25 000	No Match		
Assist Ctrg Steward	20,800 - 28 000	19 000	No Match		
Assist Facilities/Equip Mech	14,560 - 22 880	20 713	Construction Maint Mech	28 604	25,028
Assist Facility Dir/Bldg Mgr	35 000 - 45 000	56 691	No Match		
Assist Security Coord	10 920 18 720	18 500	No Match		
Assist Warehouse Mgr	20 800 - 30 000	22,480	No Match		
Aud/Arena Operations Mgr	30 000 - 50 000	54 954	No Match		
Banquet/Beverage Mgr	22 880 - 31 200	29 000	No Match		
Banquet Captain	10 920 - 18 720	17 472	No Match		
Booking Manager	20,800 - 30 000	29 000	No Match		
Box Office Manager	26 000 - 46 000	37 440	No Match		
Cashier	10 920 - 18 720	13 500	Revenue Coll Assist I	18 984	20 224
Catering/Banquet Mgr	20 800 - 30 000	37 962	No Match		
Catering Manager	30 000 - 50 000	42 000	No Match		
Catering Steward	20 800 - 30 000	30 000	No Match		
Concession Assistant	14 560 - 22 880	13,000	No Match		
Concession Office Mgr	25 000 35 000	34 343	No Match		
Concessions Secretary	20 800 - 30 000	23 500	Office Assist IV	22 708	23,045
Concessions Mgr	26 000 46 000	41 148	No Match		
Conv Ctr Food + Bev Mgr		60 500	No Match		
Conv Ctr Operations Mgr	30,000 - 50 000	45 754	No Match		
Cook	18,720 - 29 952	28 000	No Match		
Dir of Leisure Operations	17,000 - 22,000	70,000	No Match		
Director of Finance	50 000 - 75 000	85 000	No Match		
Director of Personnel	30 000 - 60 000	50 500	No Match		
Electrician/Maintenance Tech	16,640 - 31 2000	34,125	Systems Maint Mech	30 651	29 723
Event Coordinator	20 800 - 30 000	25 261	No Match		

Event Director	35,000 - 45,000	44,100	No Match		
Executive Chef	50,000 - 70,000	52,002	No Match		
Facility Dir/Bldg Mgr	80,000 - 110,000	76,667	No Match		
Facility Equipment Mechanic	18,720 - 29,952	24,515	Systems Maint Mechanic	30,651	29,723
Facility Engineer	35 000 - 45 000	52,000	Operations Supervisor	44,534	49,953
Facility Plumber	14,560 - 22,880	24 461	Systems Maint Mechanic	30,651	29,723
HVAC Technician	22,880 - 31 200	31,803	HVAC Technician	34,826	31,862
Laborer I	10 920 - 18 720	15 705	Laborer II	20,428	19,537
Laborer II	10 920 - 18 720	14 145	Laborer I	17,892	17,383
Maintenance Foreman	14,560 - 28 000	33,090	Labor Crew Chief II	30 203	29,365
Maintenance Supt	25 000 - 35 000	40,792	Chief Maint Mech	38 834	38 041
Managing Director	100,000 - 200 000	150 000	No Match		
Marketing Director	40 000 - 50 000	43,917	No Match		
Promotions Manager	20 8000 - 30,000	29,000	no Match		
Purchasing Manager	25 000 - 45 000	40 245	Purchasing Agent	35 944	40,811
Refrigeration Technician		42 000	No Match		
Sales Manager	28 000 - 50 000	40 251	No Match		
Scoreboard Tech	30 000 - 40 000	41 234	No Match		
Secretary/Receptionist I	12 480 - 20 800	18 357	Office Assist IV	22 708	23 045
Secretary/Receptionist III	10 920 - 18 720	Part Time	Office Assist III	20 017	20,035
Security Coordinator	20 800 - 30 000	33 599	No Match		
Security Guard	10 920 - 18 720	13 875	No Match		
Server		Part Time	No Match		
Sous Chef	25 000 - 35 000	47 250	No Match		
Systems Administrator	35 000 - 45 000	41 978	Network Administrator	50 465	39 220
Waiter/Waitress		Part-Time	No Match		
Warehouse Coordinator	14 560 22 880	20 184	Storekeeper	21 973	21 915
Warehouse Manager	20 800 - 30 000	25 333	No Match		

BENEFITS COMPARISON

CHARLOTTE HOUSING AUTHORITY			CITY OF CHARLOTTE			
HEALTH INSURANCE COSTS (Monthly)						
	PPO		POS A		POS B	
	HACC Cost	EE Cost	City Cost	EE Cost	City Cost	EE Cost
Employee Only	$195 76	$0 00	$123 11	$13 68	$121 57	$0 00
Employee + Child(ren)	$195 76	$292 36	$226 96	$101 96	$201 33	$90 45
Employee + Spouse	$195 76	$286 42	$240 00	$107 82	$213 07	$95 73
Employee + Family	$195 76	$286 42	$256 19	$115 10	$227 33	$102 13
	HMO		HMO			
Employee Only	$143 08	$0 00	$119 84	$6 32		
Employee + Child(ren)	$143 08	$143 08	$208 53	$94 25		
Employee + Spouse	$143 08	$209 42	$221 44	$99 00		
Employee + Family	$143 08	$209 42	$235 89	$106 00		
DENTAL COSTS (Monthly)						
	HACC Cost	EE Cost	City Cost	EE Cost		
Employee Only	$16 07	$0 00	$12 02	$2 69		
Employee + Child(ren)	$16 07	$26 43	$12 02	$12 97		
Employee + Spouse	$16 07	$26 43	$12 02	$17 39		
Employee + Family	$16 07	$26 43	$12 02	$27 67		
LIFE INSURANCE COSTS (Monthly)						
	HACC Cost	EE Cost	City Cost	EE Cost		
Employee Only	$9 20	$0 00	$ 385/1000	$0 00		
Employee Optional	N/A	N/A	$0 00	$0 0460	$1 05	
Employee + Child(ren)	$0 00	$1 12	N/A	N/A		
Employee + Spouse	$0 00	$1 12	N/A	N/A		
Employee + Family	$0 00	$1 12	$0 00	$0 24	$1 77	
RETIREMENT PLANS						
HOUSING RENEWAL & LOCAL AGENCIES RETIREMENT PLAN			NC LOCAL GOV EMPLOYEE S RETIREMENT SYSTEM			
	HACC Cost	EE Cost	City Cost	EE Cost		
Cost	7 5%	5 5%	4 80%	6%		
Investment Options		4		None		
Vesting Schedule		5 years		5 Years		
SHORT TERM DISABILITY						
	HACC	NONE	City Cost	EE Cost	50% salary 26 wk	
			$ 50/ee/mo	$0 00	7 day waiting period	
LONG TERM DISABILITY						
	HACC Cost	EE Cost	City Cost	EE Cost	Only if not vested in retirement plan,	
60% of salary up to age 65	$3/ee/mo	$0 00	$ 13/$100	$0 00	50% up to age 62 6 mo waiting period	

90 day waiting period/after 6 mo employment

BENEFITS COMPARISON

HMO VS. HMO

BENEFITS DESCRIPTION	HACC - PRUCARE *HMO* *In Network*	CITY - PRUCARE *HMO* *In Network*	CITY - CIGNA *HMO* *In Network*
Calendar Year Deductible	None	NONE	NONE
Out of Pocket Maximum	None	$1,500/$3,000	$1,500/$3,000
Lifetime Maximum	None	$1 5 Million	$1 5 Million
Lifetime Max (Mental/Chemical)	$25,000/yr	$40,000 combined	$40,000 combined
Primary Care Physicians Svcs	$10 copay/visit	$15 copay/visit	$15 copay/visit
Specialty Physicians Svcs	$10 copay/visit	$15 copay/visit	$15 copay/visit
Maternity Care	$10 copay, 100%	$15 copay	$15 copay
Impatient Hospital Svcs	100%	85%	85%
Inpatient Physician and Surgeon's Svcs	100%	85%	85%
Outpatient Surgical Charges & Treatment	100%	85%	85%
Outpatient X-Ray & Lab	100%	100%	100%
Outpatient Short-Term Rehab	10 copay/visit, max 3 mos.	$15 copay per visit	$15 copay per visit
Home Health Care	100%	100%	100%
Hospice Care	100%	100%	100%
Skilled Nursing Facility	100%	85%	85%
Emergency Care	$50 copay/visit, 100%	$50 copay/visit, 85%	$50 copay/visit, 85%
Emergency Care - Ambulance	100%	85%	85%
Mental/Substance Abuse - Inpatient	100%, max 30 days	85%	85%
Mental/Substance Abuse - Outpatient	$10 copay/visit 20 visits/yr @ 50 mins	$25 copay/visit, 50 visits/yr	$25 copay/visit, 50 visits/yr
Chiropractic Svcs	n/a	$15 copay/visit	$15 copay/visit
Prescriptions Drugs - Retail	$5 Generic/$10-$15 Brand	$15 Generic/$30 Brand	$5 GENERIC/$10 BRAND $12 COPAY

A(2)

BENEFITS COMPARISON

PPO VS. POINT-OF-SERVICE
In Network Comparison

	HACC PruCare	CITY CIGNA	CITY PruCare
	PPO	*POS A*	*POS B*
BENEFITS DESCRIPTION	*In Network*	*In Network*	*In Network*
Calendar Year Deductible	None	$200/$600	$400/$1,200
Out of Pocket Maximum	$300	$1,500/$3,000	$4,800/$9,600
Lifetime Maximum	$1 Million	$1 Million	$1 Million
Lifetime Max (Mental/Chemical)	$25,000	$40,000 combined	$40,000 combined
Primary Care Physicians Svcs	100%	$15 copay/visit	$20 copay/visit
Specialty Physicians Svcs	100%	$15 copay/visit	$20 copay/visit
Maternity Care	$10 copay, 100%	$15 copay/visit	$20 copay
Impatient Hospital Svcs	$250 copay/visit, 100%	80%	80%
Inpatient Physician and Surgeon's Svcs	$10 copay, 100%	80%	80%
Outpatient Surgical Charges & Treatment	100%	80%	80%
Outpatient X-Ray & Lab	100%	100%	100%
Outpatient Short-Term Rehab	100%	$15 copay per visit	$20 copay/visit
Home Health Care	100%	100%	100%
Hospice Care	100%	100%	100%
Skilled Nursing Facility	100%	80%	80%
Emergency Care	$50 copay/visit, 100%	$50 copay/visit, 80%	$50 copay/visit, 80%
Emergency Care - Ambulance	100%	80%	80%
Mental/Substance Abuse - Inpatient	100%	80%	80%
Mental/Substance Abuse - Outpatient	100%	$25 copay/visit, 50 visits/yr	$30 copay, 50 visits/yr
Chiropractic Svcs	n/a	$15 copay/visit	$20 copay/visit
Prescriptions Drugs - Retail	$5/$10/$15	$5/$10	$5/$10
Prescriptions Drugs - Mail Order	n/a	$12 copay	$12 copay

A(3)

BENEFITS COMPARISON

PPO VS. POINT-OF-SERVICE
Out of Network Comparison

	HACC PruCare	CITY CIGNA	CITY PruCare
	PPO	*POS A*	*POS B*
BENEFITS DESCRIPTION	*Out of Network*	*Out of Network*	*Out of Network*
Calendar Year Deductible	300	$200/$600	$400/$1,200
Out of Pocket Maximum	$300	$3,000/$6,000	$4,800/$9,600
Lifetime Maximum	$1 Million	$1 Million	$1 Million
Lifetime Max (Mental/Chemical)	$25,000	$40,000 combined	$40,000 combined
Primary Care Physicians Svcs	70%	Not covered	Not covered
Specialty Physicians Svcs	70%	60%	60%
Maternity Care	70%	60%	60%
Impatient Hospital Svcs	70%	$200 deductible/admission	$400 deductible/admission
		60%	60%
Inpatient Physician and Surgeon's Svcs	70%	60%	60%
Outpatient Surgical Charges & Treatment	70%	60%	60%
Outpatient X-Ray & Lab	70%	60%	60%
Outpatient Short-Term Rehab	70%	60%	60%
Home Health Care	70%	60%, 100 visits max	60%, 100 visit max
Hospice Care	70%	60%	60%
Skilled Nursing Facility	70%	$200 deductible/admission	$400 deductible/admission
		60%	60%
Emergency Care	70%	$50 copay/visit, 80%	$50 copay/visit, 80%
Emergency Care - Ambulance	70%	80%	8-%
Mental/Substance Abuse - Inpatient	70%	$200 deductible/admission	$400 deductible/admission
		50%	50%
Mental/Substance Abuse - Outpatient	70%	50%, $1,000 max/yr	50%, $1,000 max/yr
Chiropractic Svcs	70%	60%, 30 visits/yr	60%, 30 visits/yr
		or $1,000 max/yr	or $1,000 max/yr
Prescriptions Drugs - Retail	$5/$10/$15	60%	60%
Prescriptions Drugs - Mail Order	n/a	n/a	n/a

BENEFITS COMPARISON

AUDITORIUM/COLISEUM/CONVENTION CENTER AUTHORITY					CITY OF CHARLOTTE					
HEALTH INSURANCE COSTS (Monthly)										
	PPO		NON PPO		POS A		POS B		HMO	
	ACCA Cost	EE Cost	ACCA Cost	EE Cost	City Cost	EE Cost	City Cost	EE Cost	City Cost	EE Cost
Employee Only	$131 00	$0 00	$131 00	$0 00	$123 11	$13 68	$121 57	$0 00	$119 84	$6 32
Employee + Child(ren)	N/A	N/A			$226 96	$101 96	$201 33	$90 45	$208 53	$94 25
Employee + Spouse	N/A	N/A			$240 00	$107 82	$213 07	$95 73	$221 44	$99 00
Employee + Family	$230 00	$65 00	$230 00	$65 00	$256 19	$115 10	$227 33	$102 13	$235 89	$106 00
DENTAL COSTS (Monthly)										
	ACCA Cost	EE Cost			City Cost	EE Cost				
Employee Only	$16 00	$0 00			$12 02	$2 69				
Employee + Child(ren)	N/A	N/A			$12 02	$12 97				
Employee + Spouse	N/A	N/A			$12 02	$17 39				
Employee + Family	$36 00	Incl in Medical			$12 02	$27 67				
LIFE INSURANCE COSTS (Monthly)										
	ACCA Cost	EE Cost			City Cost	EE Cost				
Employee Only	$0 33/1000	$0 00			$ 385/1000	$0 00				
Employee Optional	N/A	N/A			$0 00	$0 0460	$1 05			
Employee + Child(ren)	N/A	N/A			N/A	N/A				
Employee + Spouse	N/A	N/A			N/A	N/A				
Employee + Family	N/A	$ 68/unit	$2 06/unit		$0 00	$0 24	$1 77			
NC LOCAL GOVERNMENTAL EMPLOYEE S RETIREMENT SYSTEM										
	ACCA Cost	EE Cost			City Cost	EE Cost				
Cost	4 80%	6%			4 80%	6%				
Investment Options		None				None				
Vesting Schedule		5 Years				5 Years				
SHORT-TERM DISABILITY										
50% salary, 26wk max	ACCA Cost	EE Cost			City Cost	EE Cost	50% salary 26 wk			
8 day waiting period	$4 50/ee/mo	$0 00			$ 50/ee/mo	$0 00	7 day waiting period			
LONG-TERM DISABILITY										
	ACCA Cost	EE Cost			City Cost	EE Cost	Only if not vested in retirement plan			
	$0 00	$ 52/100			$ 13/$100	$0 00	50% up to age 62 6 mo waiting period			

BENEFITS COMPARISON

AUDITORIUM/COLISEUM/CONVENTION CENTER AUTHORITY *(IN NETWORK)*			CITY OF CHARLOTTE *(IN NETWORK)*		
BENEFITS DESCRIPTION	CCA - PPO	ACCA - NON PPO	CITY - POS A	CITY - POS B	CITY - HMO
Calendar Year Deductible	$200/$600	$200/$600	$200/$600	$400/$1,200	None
Out of Pocket Maximum	$800/$2 400	$800/$2 400	$1,500/$3,000	$4,800/$9 600	$1,500/$3,000
Lifetime Maximum	$1 Million	$1 Million	$1 Million	$1 Million	$1 5 Million
Lifetime Max (Mental/Chemical)	$20 000	$20 000	$40 000 combined	$40 000 combined	$40,000 combined
Primary Care Physician Svcs	$10 copay	80%	$15 copay	$20 copay	$15 copay
Specialty Physician Svcs	$10 copay	80%	$15 copay	$20 copay	$15 copay
Maternity Care	90%	80%	$15 copay	$20 copay	$15 copay
Inpatient Hospital Svcs	90%	80%	80%	80%	85%
Inpatient Physician & Surgeon Svcs	90%	80%	80%	80%	85%
Outpatient Surgical Chgs & Treatment	90%	80%	80%	80%	85%
Outpatient X Ray & Lab	90%	80%	100%	100%	100%
Outpatient Short-Term Rehab	90%	80%	$15 copay	$20 copay	$15 copay
Home Health Care	80%	80%	100%	100%	100%
Hospice Care	100%	100%	100%	100%	100%
Skilled Nursing Facility	90%	80%	80%	80%	85%
Emergency Care	90%	80%	$50 copay 80%	$50 copay 80%	$50 copay, 85%
Emergency Care Ambulance	80%	80%	80%	80%	85%
Mental/Substance Abuse - Inpatient	90%	80%	80%	80%	85%
Mental/Substance Abuse Outpatient	60%	50%	$25 copay/50 visits	$30 copay/50 visits	$25 copay/50 visits
Chiropractic Svcs	90%	80%	$15 copay	$20 copay	$15 copay
Prescription Drugs - Retail	100%/80%	100%/80%	$5/$10	$5/$10	$5/$10
Prescription Drugs Mail Order	$ 0/$10	$ 0/$10	$12 copay	$12 copay	$12/$15/$30

Expenditure Statement
Provide expenditure detail for program for which funding is being requested. Outline specific services or activities for which City funds will be used. Provide an itemized list of intended expenditures and sources of revenue including total operation funds, reserves and income from private fund raising. Distinguish City funded activities and activities funded from other revenue sources.

HISPANIC / LATINO COMMUNITY RESOURCE CENTER

Staff and Operation Budget
Fiscal Year 1997 - 1998

Staff

Executive Director	$35,000
Administrative Asst / Sec	$23,000
Receptionist	$18,000
Staff Costs	**$76,000**

Operations

Fringe Benefits @ 18%	$13,680
Technical Writer	$18,000
Technical Advisor	$10,000
Copies and flyers	$1,500
Telephone (3 lines & Fax)	$2,000
Office Supplies	$1,500
Mileage & Travel @ 30/mi	$1,800
Postage 6000 pcs @ 32/pc	$1,920
Program Promotion	$6,250
Rent	$18,000
Utilities	$2,400
Miscellaneous	$2,500
Operations Costs	**$79,550**
TOTAL COST	**$155,550**

Questions and Answers

Please place behind the last page following the Questions and Answers tab in the blue Half-day Retreat Notebook.

Questions and Answers

Council's questions from the previous budget discussions are answered below

Q75 . Increasing the bus fares is projected to result in a reduction in ridership of 1.1 million rides. How long will it take to recover from this initial reduction in ridership?

From the time fares are increased and service increases are implemented with the Five-Year Transportation Plan, ridership levels are projected to recover to original levels in 12 to 18 months

Q76. The following questions relate to general government debt capacity:

- **How much debt capacity does the City have?**
- **What is the projected capacity over the next three years?**
- **What does debt capacity mean?**

Debt capacity refers to the City's ability to issue debt without a tax increase At the January Council Retreat, $46 million in additional debt capacity was identified This additional debt capacity is attributable to the upcoming annexation ($20 million) and improved revenue assumptions ($26 million) The increased debt capacity is based on these two changes, debt retirement schedules are included in the debt model and do not contribute to the additional $46 million in debt capacity

Debt capacity is measured over a 10 year period For purposes of the Capital Investment Plan, the first five years of debt capacity is considered for programming The $46 million in additional debt capacity may be issued at anytime over the next five years

Debt Capacity is calculated based on Council's Capital Investment Plan financial policy of maintaining a fund balance in the Debt Service Fund equal to 50% of debt payments for the following year In advising that $46 million in debt capacity was available, the 50% financial policy was taken into account and it is projected that the 50% level would be reached in the year 2004 This financial policy adds to the strength of the City's financial condition and helps to maintain the City's AAA credit rating

The FY98-02 Recommended Capital Investment Plan programs the $46 million in additional debt capacity as follows (reference pages 118 and 119 in the Recommended Budget)

- $25 million for the local match for a federal Intermodal Surface Transportation Efficiency Act (ISTEA) grant as part of the Five-Year Transportation Plan

- $9 5 million for two road projects Arequippa Drive and Krefeld Drive as part of the Five-Year Transportation Plan

- $11 5 million is reserved for a future public investment need Several capital needs issues are outstanding, including the Trolley, Westside Strategic Plan, CWAC Business Park, 2015 Land Use Plan and the First Ward Plan

The Recommended FY98-02 Capital Investment Plan also recommends a shift in the property tax rate totaling ½¢ This shift is composed of two parts as follows

- ¼¢ transfer from the Storm Water Fund to the Debt Service Fund to support the $98 4 million in bonds approved in November 1996

- ¼¢ transfer from the General Fund to the Debt Service Fund to support the local matching requirements for the Five-Year Transportation Plan

Q77. Please explain the growth in parking and concession revenue noted for the Airport.

The Airport is projecting growth in its concession and parking revenues as a result of the following

Daily parking deck rates increased from $8 to $12 to be comparable with market rates at other Airports The increased rate was effective April 1, 1997 Additional surface lots (i e Park N Fly, EZ Park, Executive) have been recently acquired to meet increased demand Parking has been growing at a rate of about 15% due to Charlotte's increased origin and destination traffic growth (more Charlotte and surrounding area citizens are traveling)

The Airport's food, beverage, news and gift sales have increased from about $25 million in FY94 to $40 million in FY96, due to continued growth in passengers utilizing the Airport. This growth includes traffic increases as well as new facilities added in the Food Atrium It is Aviation's opinion that this particular segment of the Airport business has an upside potential of about $60 million The Airport receives various percentages of these sales

Additionally, due to continued growth in total boardings, the Airport's Rent-A-Car market reflects strong growth Rent-A-Car sales increased from $36 million in FY94 to $49 million in FY96 Again the Airport receives a percentage of these sales

Q78. How much money is available in current budget (FY97) for Council Contingency?

Original appropriation was $324,500 of which $220,750 is available as of May 15, 1997

Q79. How many of the contracts awarded based on competition have been amended, had addendums written, or otherwise changed?

Of 34 contracts, 7 have been amended, terminated or otherwise changed before the completion date of the contract

One city-awarded contract was outsourced after the employee involved in the particular work resigned

Three contracts were amended to change the scope of services, to expand responsibilities of the contracts

Three contracts were terminated, canceled or ended due to default by the contractor These contracts include one grounds maintenance contract and two ROW mowing contracts In the first case, the contract was awarded to the second low bidder (private), in the other two cases, the city was the second low bidder and we assumed responsibility for the work

Please see following pages for detailed information

City of Charlotte
Public/Private Competitions
January 1994 Through May 1997

Activity/Service	KBU	Bid Opening	Contract Award Contract Amount Contract Period	Amendments, Change Orders, Price Increases, Other
Tire Service - Louise Avenue Shop	BSS	02/22/94	City 23,681 1 Year	None - Contract complete
Telephone Installation, Maintenance & Repair	BSS	08/10/95	City 103,971 1 Year	City employee resigned mid-contract term Contract was awarded to the private sector No further changes
Radio Installation & Removal - Public Safety Vehicles	BSS	01/24/96	Private 52,729 1 Year	Contract amended to add all other city vehicles Contract extended to first renewal year
Water Distribution Locates - Entire Operation	CMUD	12/01/95	City 490,170 3 Years	None
Sewer ROW Clearing & Maintenance - One Basin	CMUD	08/07/95	City 20,276 6 Months	None - Contract complete
Materials Testing	CMUD	10/04/95	City 192,746 1 Year	None Contract extended to first renewal year

Activity/Service	KBU	Bid Opening	Contract Award Contract Amount Contract Period	Amendments, Change Orders, Price Increases, Other
Residuals Management Facility O & M	CMUD	10/23/95	City 4,880,374 3 Years	None
Residuals Management Land Application	CMUD	10/23/95	Private 2,031,540 3 Years	None
Wastewater Treatment Plant O & M - Irwin Plant	CMUD	04/11/96	City 3,242,459 3 Years	None
Water Treatment Plant O & M - Vest Plant	CMUD	04/11/96	City 1,521,103 3 Years	None
STS - Night, Holiday & Weekend Service	CDOT	12/12/94	City 975,000 3 Years	None This contract was terminated The services provided by this contract were then incorporated into the public/private competition for the entire STS service on 12/03/96
Annexation Street Widening - One Annexation	CDOT	07/14/94	Private 607,381 120 Days	None - Contract complete
Traffic Signal Bulb Replacement - Entire System	CDOT	09/07/95	City 48,982 90 Days	None - Contract complete Work performed $8,715 below contract amount

Activity/Service	KBU	Bid Opening	Contract Award Contract Amount Contract Period	Amendments, Change Orders, Price Increases, Other
Street Base Failure Repair - Selected Streets	CDOT	10/26/95	City 91,720 90 Days	None - Contract complete
Grounds Maintenance - Vacant Lots - Entire System	EPM	02/17/94	City 9,217 1 Year	None - Contract complete
Facility Maintenance - Painting - One Fire Station	EPM	11/15/94	City 12,860 30 Days	None - Contract complete Work performed $7,638 below contract amount
Facility Construction - HVAC Installation - Radio Tower Building	EPM	02/21/95	City 9,220	None - Contract complete
Facility Construction - Electrical Installation - Radio Tower Building	EPM	02/21/95	City 16,775 N/A	None - Contract complete
Facility Maintenance - Painting - Two Fire Stations	EPM	11/15/94	City 3,938 45 Days	None - Contract complete
Facility Construction - Broom Storage Building	EPM	03/08/95	City 31,895 30 Days	None - Contract complete Work performed $4,536 below contract amount

Activity/Service	KBU	Bid Opening	Contract Award Contract Amount Contract Period	Amendments, Change Orders, Price Increases, Other
Systematic Tree Trimming - 400 Trees	EPM	12/06/94	Private 35,200 6 Months	None - Contract complete
Facility Maintenance - Kitchen Renovations - Two Fire Stations	EPM	07/18/95	City 31,757 N/A	None - Contract complete
Grounds Maintenance - ROW Mowing - Districts 1 & 4	EPM	01/16/96	City 56,034 1 Year	None Contract extended to first renewal year
Grounds Maintenance Vacant Lots - Entire System	EPM	01/11/96	Private 15,210 1 Year	Private contractor defaulted Contract awarded to second low private sector bidder for $16,540 No further changes
Grounds Maintenance - Phase I - Center City	EPM	02/22/96	Private 504,900 3 Years	Contract amended to include properties adjacent to mowing areas which were previously under a separate private contract Under the terms of the contract, a price increase of 1 75% was approved in April 1997
Industrial Hygiene Entire Service	Financ e	04/03/96	City 152,878 3 Years	None
Meter Reading - 28% of Residential Meters	CMUD	01/09/97	City 631,421 3 Years	None

Activity/Service	KBU	Bid Opening	Contract Award Contract Amount Contract Period	Amendments, Change Orders, Price Increases, Other
Grounds Maintenance - Phase II - Outlying Facilities	EPM	01/16/97	Private 285,327 3 Years	None
Grounds Maintenance - Police & Fire Academy / Police Adam Bureau	EPM	02/04/97	Private 152,019 3 Years	None
STS - Entire Service	CDOT	12/03/96	City 3,963,520 3 Years	None
Street Reconstruction	CDOT		City 89,000 N/A	None - Contract complete
Parking Lot Construction	CDOT		City 28,000 N/A	None - Contract complete
Grounds Maintenance - ROW Mowing - District 2	EPM	03/06/97	Private 84,288 3 Years	Private contractor canceled contract after five weeks Contract awarded to the City, second low bidder for $110,364 No further changes
Grounds Maintenance - ROW Mowing - District 3	EPM	03/06/97	Private 78,600 3 Years	Private contractor canceled contract after five weeks Contract awarded to the City, second low bidder for $114,969 No further changes

cp list cos

FY98 and FY99 Operating Budget
FY98-02 Capital Investment Plan

City of Charlotte
May 12, 1997

Mayor and City Council, I am pleased to give you an overview of the fiscal years 1998 and 1999 two-year operating budget and the fiscal years 1998 through 2002 Capital Investment Plan This budget reflects the policy decisions the Mayor and Council have made in the 5 focus areas The recommended budget also reflects the City organization's commitment to translating those focus areas into service delivery

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Budget Book Reference No specific reference

Highlights

- No Tax Increase since 1987
- No increase in General Fund Fees
- Investments in Community Safety and Transportation

The Manager's recommended budget contains no tax increase or increases in General Fund fees There are significant new investments in community safety and transportation These investments are accomplished through the continued restructuring of City government

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Budget Book Reference Executive Summary pages ES-10 and ES-18 through ES-20 May 12 City Manager submittal letter and Preliminary Operating Plan pages 5 through 12, 13 through 16, and 23 through 29

Budget Development Goals

- Align resources with priorities
- Implement November 1996 Bond Projects
- Reduce service costs and maintain customer service
- Provide Council with budget information earlier

3a The Mayor and Council established 6 goals to guide development of this budget The first goal was Align resources with Council's priorities These priorities are closely aligned with Council s focus areas of Community Safety, Transportation City Within a City and Economic Development

3b The second goal is Implement November 1996 Bond Projects that fund major new capital investments Last November the voters approved $98 4 million to improve the infrastructure in neighborhoods showing signs of distress and to improve and expand our road network

3c The third goal is Reduce Service Costs and Maintain Customer Service Through the Restructuring Government focus area, costs are $20 million less than they would have been without rightsizing competition benchmarking and process improvements The challenge now is to maintain customer service Several services are now showing signs of not meeting customer service expectations Those areas such as the neighborhood sidewalk program, are addressed within this recommended budget

3d The fourth goal is Provide Council with budgetary information earlier in the budget development process Council's Budget Committee has met since November and the full Council has participated in half-day budget retreats since February These meetings have provided Council the opportunity to discuss the major components of the budget early in the process

---

Budget Book Reference May 12 City Manager's submittal letter

Additional FY99 Goals

- Incorporate 2015 Plan action steps in the budget
- Keep the property tax rate revenue neutral with revaluation

Two additional goals apply to the second year of the two-year budget We will address these goals next Spring The first of these goals is Incorporate 2015 Plan action steps in the budget as appropriate The 2015 Land Use plan is currently under discussion in the Planning Liaison Committee and will come to the full Council later in the year

The second goal is keep the property tax rate revenue neutral with revaluation Mecklenburg County will soon reassess all property When Council reviews the FY99 budget plan next year, the recommended budget will include a property tax rate that will generate the same amount of revenue had revaluation not occurred

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Budget Book Reference May 12 City Manager's submittal letter

Information to be Shared

- Revenues and Expenses
- Council Focus Areas
- Next Steps

I will now highlight the revenues and expenditures within the Manager's Recommended budget and how the budget addresses Council's focus areas I will also outline the process Council approved for reviewing the recommended budget

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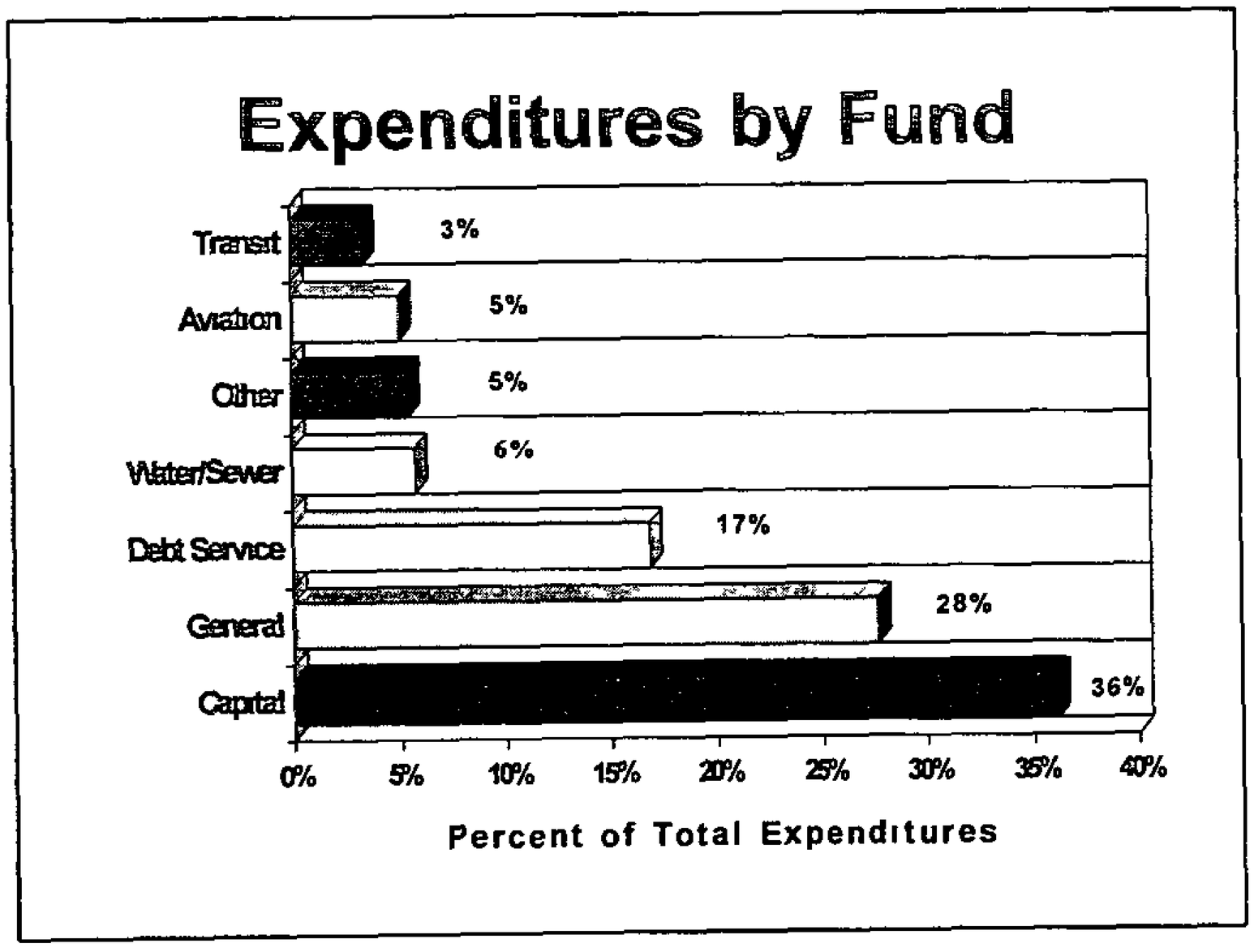
Budget Book Reference No specific reference



Total expenditures are in 7 categories The capital budget is the largest expense, followed by the General Fund The capital budget, the General Fund and our debt costs represent over 80% of the City's expenses

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Budget Book Reference Preliminary Operating Plan page 97

Total Budget

FY98 - $876 million

FY99 - $823 million

The total of the Manager's Recommended Budget is $876 million in fiscal year 1998 and $823 million in fiscal year 1999 The 6% decrease in the second year is due to the completion of several major water and sewer projects during the first year

The budget is divided into 2 components the operating budget and the capital budget

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Budget Book Reference Preliminary Operating Plan pages 97 and 98

Operating Budget

FY98 - $559 million

FY99 - $569 million

The operating budget reflects the costs of delivering services to our citizens This includes salaries, electricity for street lights, operating the airport and materials such as concrete and asphalt

The operating budget totals $559 million for FY98, a 7% increase over last year The increase is due primarily to increases for public safety, annexation, the 5 year Transportation Plan and airport expansion

The total operating budget for FY99 is $569 million, a 2% increase primarily from increased debt costs

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Budget Book Reference Preliminary Operating Plan pages 97 and 98

FY98-02 Capital Investment Plan

Neighborhoods	$ 229 million
Transportation	226 million
Facility Investments	23 million
Economic Development	647 million
Total	**$1.125 billion**

The 5 year Capital Investment Program or CIP totals $1 1 billion The CIP is divided into 4 functional areas Neighborhoods, Transportation, Facility Investments, and Economic Development

Economic Development includes the airport and water and sewer infrastructure

Budget Book Reference Preliminary CIP page 135

Capital Budget

FY98 - $317 million

FY99 - $254 million

From the $1 1 billion capital budget over the 5 years, the capital budget for FY98 is $317 million and $254 million for FY99 The decrease from the first to the second year is due to a smaller water and sewer capital program in the second year

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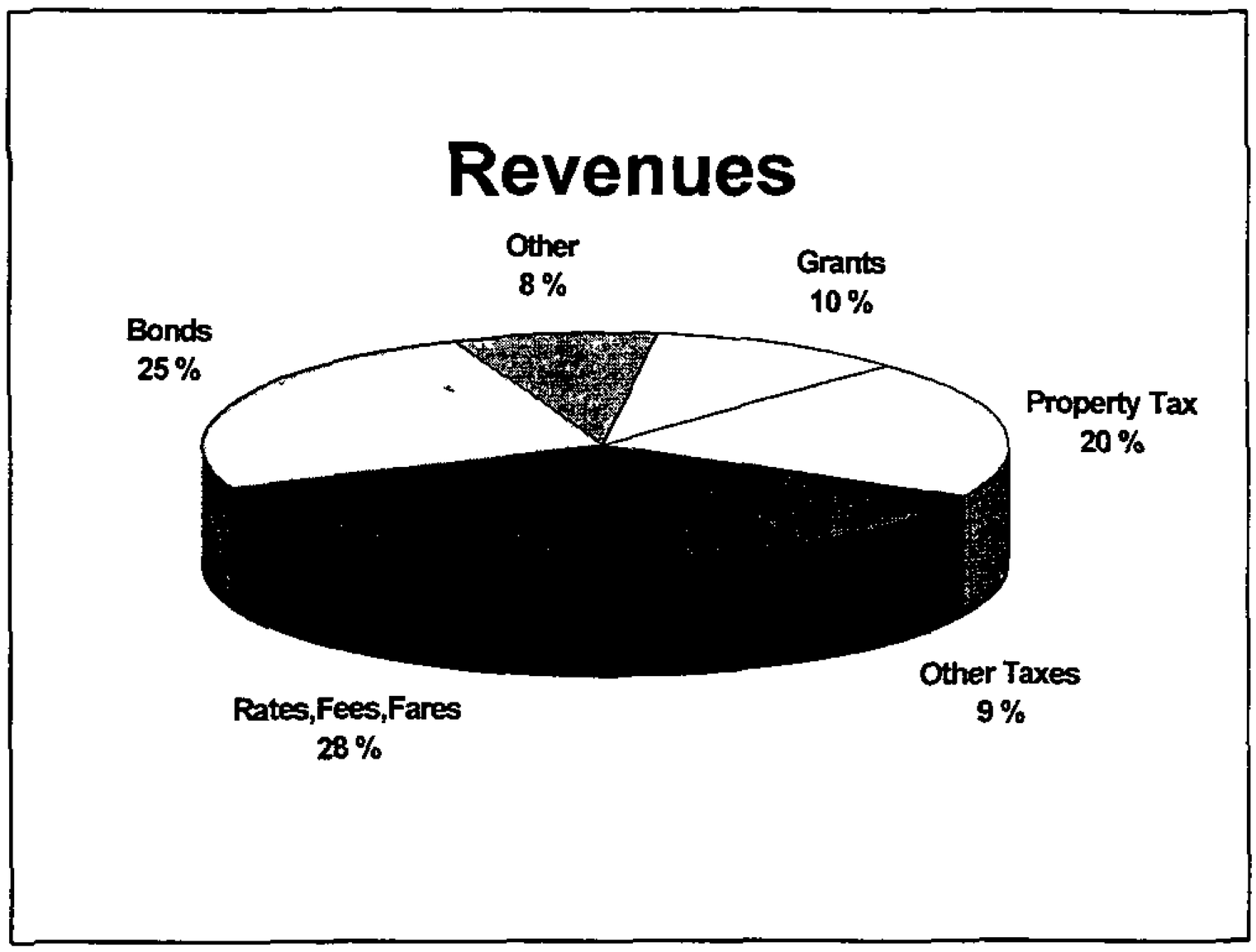
Budget Book Reference Preliminary Operating Plan pages 97 and 98



Revenues to fund our operating and capital budgets come from 6 major sources Bonds and Rates, Fees and Fares each comprise roughly ¼ of our revenue stream

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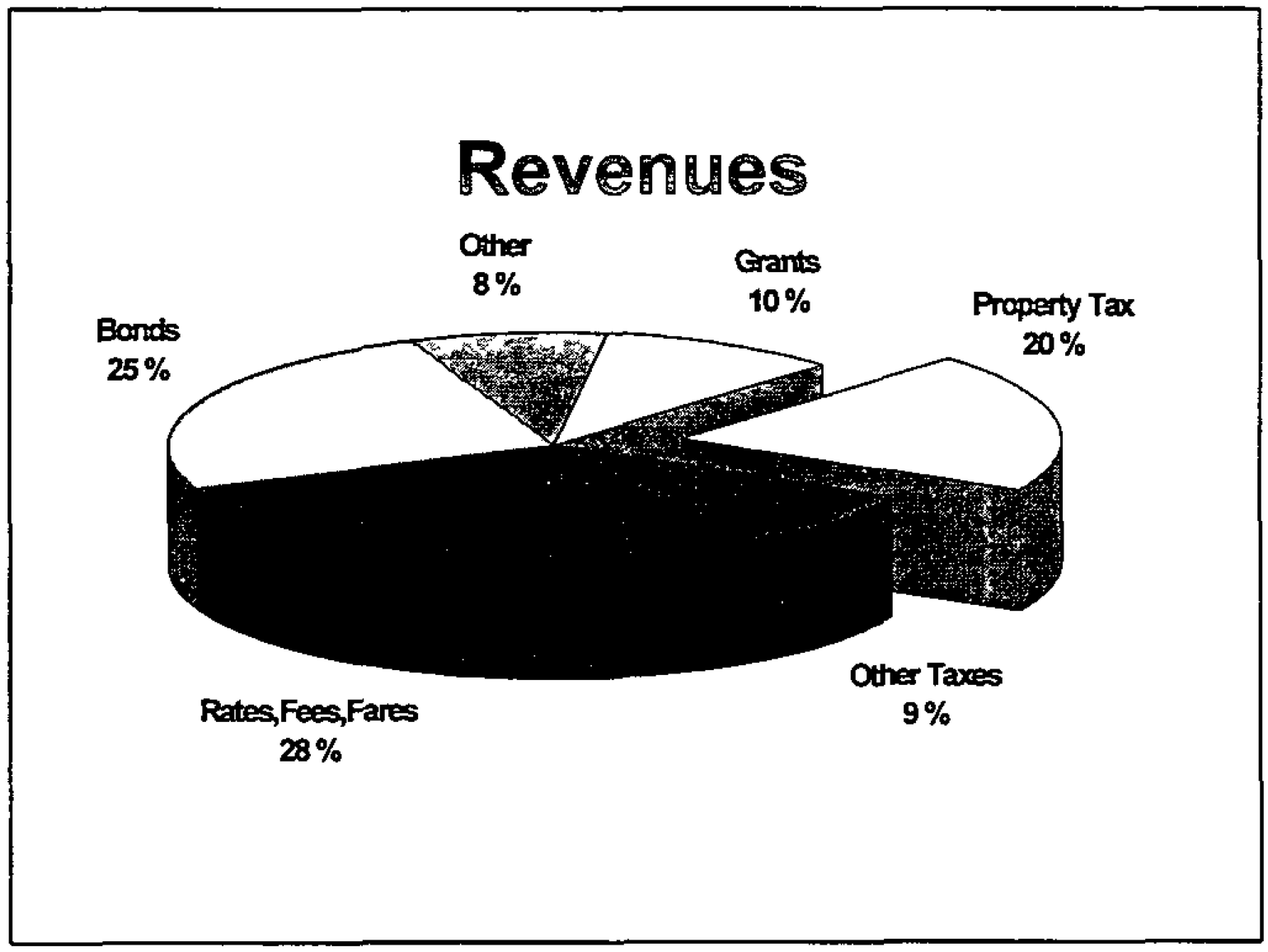
Budget Book Reference Various data from Preliminary Operating Plan pages 86 through 110



Property taxes, which have not increased since 1987, are 1/5th of the City's total revenues

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Budget Book Reference Various data from Preliminary Operating Plan pages 86 through 110

Property Tax Rate

	FY97	FY98	FY99
General Operations	43.25¢	43.00¢	43.00¢
Debt Payments	6.75	7.25	7.50
Pay-As-You-Go Capital	1.50	1.50	1.50
Storm Water	1.00	0.75	0.50
TOTAL	52.50¢	52.50¢	52.50¢

The current property tax rate is 52½¢ and is split into 4 components

The Manager's Recommended tax rate for FY98 remains at 52½¢, but shifts ¼¢ from the General Fund to debt service to support the 5-year transportation plan The recommendation also includes the first ¼¢ transfer from storm water to debt service to support last November's bonds

The FY99 tax rate is recommended to remain at 52½¢ with an additional ¼¢ transfer from storm water to debt service

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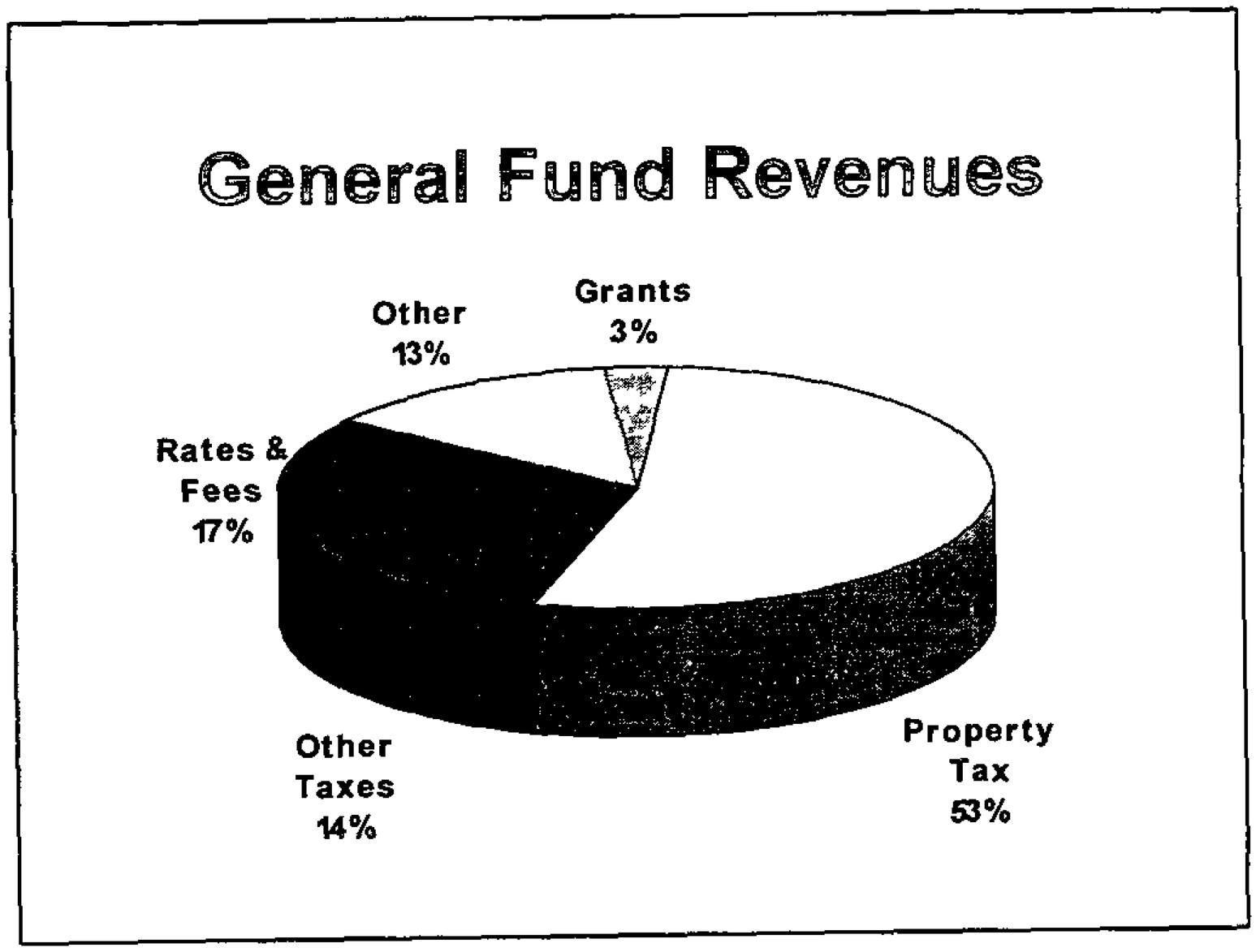
Budget Book Reference Executive Summary page ES-10



The property tax primarily supports the General Fund, which includes traditional municipal services, such as Police, Fire, garbage collection and landscaping of public spaces

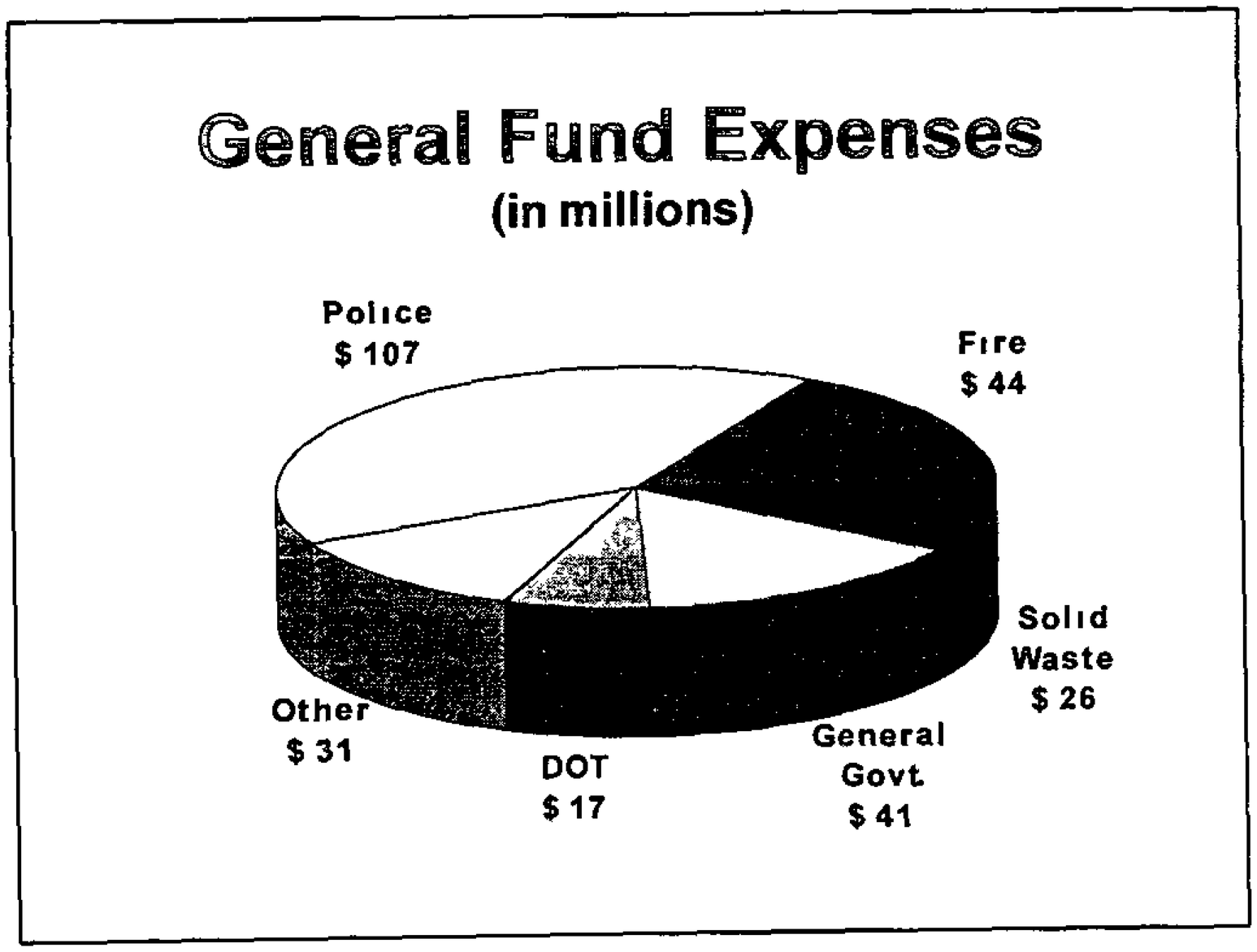
Budget Book Reference Executive Summary page ES-18

General Fund Revenue Changes
(in millions)

	Base Change	Annex	Total
Property Tax	$ 2.2	$ 8.3	$ 10.5
Police Services	(1.3)		(1.3)
Grants	3.5		3.5
Other	2.9	2.9	5.8
Totals	$ 7.3	$ 11.2	$ 18.5

The General Fund revenues are projected to increase by $18 5 million over the current year Part of this change is a result of the upcoming June 30th annexation of approximately 22 square miles The annexation also has $10 million in first year costs associated with it

Budget Book Reference Executive Summary page ES-18



General Fund expenditures include Police, at $107 million and Fire at $44 million Police and Fire are 57% of the General Fund budget

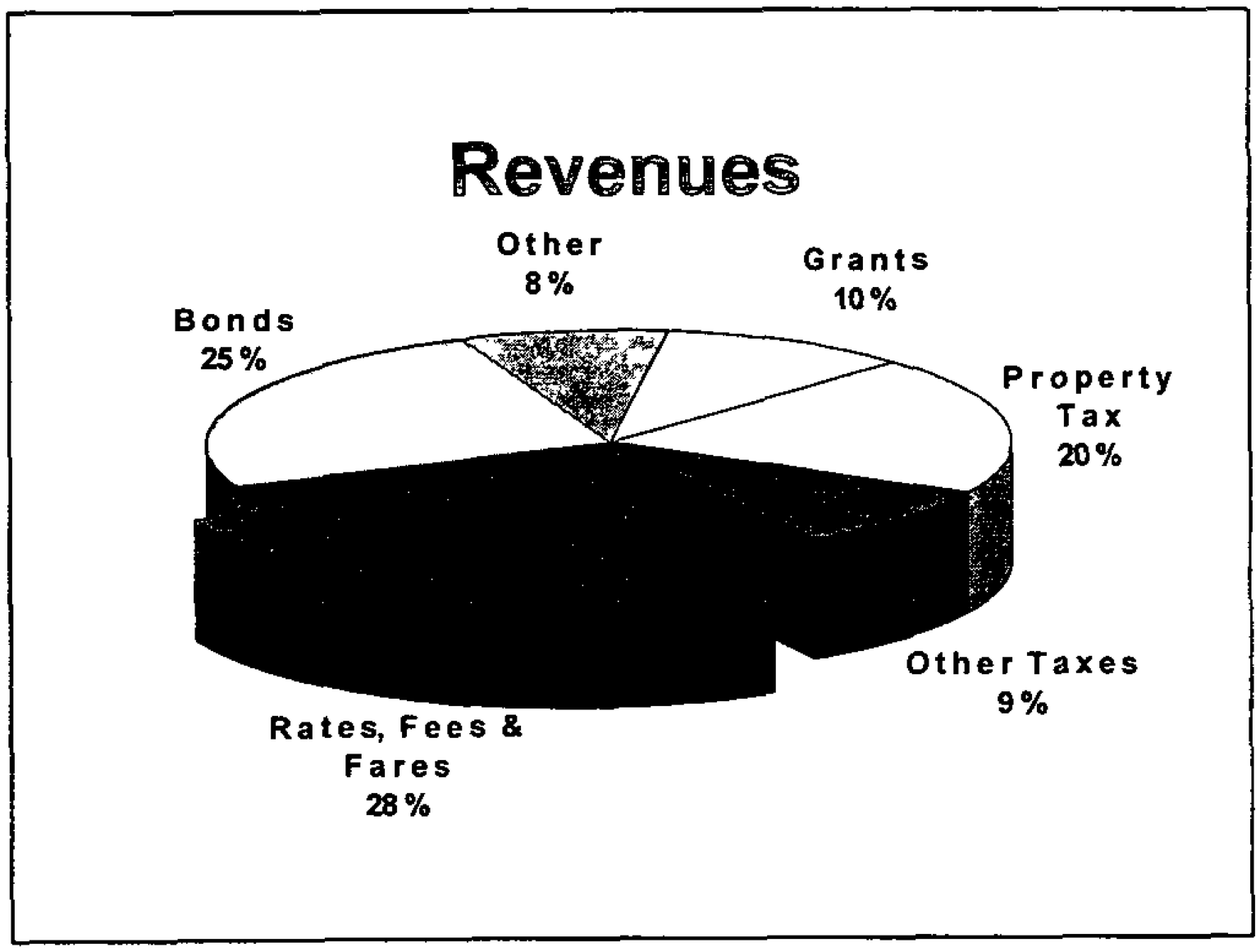
Budget Book Reference Executive Summary page ES-21 and Preliminary Operating Plan page 100

Enterprise Funds

- Water and Sewer
- Public Transit
- Aviation
- Storm Water

Rates, fees and fares are 28% of total revenues and support our Enterprise Funds

Budget Book Reference No specific reference



While the General Fund is funded largely with property taxes, Enterprise funds are self-supporting through revenues such as water and sewer rates, transit fares, and landing fees to airlines that use our airport Storm Water begins in this recommended budget to work toward enterprise fund status by the year 2001

Budget Book Reference Various data from Preliminary Operating Plan pages 86 through 110

Water and Sewer Fund

- **Rate increase equals 2.5%**
- **Average monthly bill increases 63¢**
- **Capital expands plants and street mains**

The increase in the water and sewer rate is 2½%, the smallest increase in 14 years, due in large part to the competition program The 2½% increase results in an average monthly increase of 63¢ on the water and sewer bill The rate increase is driven by the capital program

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Budget Book Reference Executive Summary pages ES-23 and ES-24 and Preliminary Operating Plan pages 47 through 51 and 104

Public Transit

- Five - Year Transportation Plan
- Fare increase
  - 20¢ increase "local"
  - 25¢ increase "express"

The Manager's recommendation for the public transit fund includes the beginning of the 5-year transportation plan, which seeks to double transit ridership by the year 2010 To support this plan and to bring fares in line with comparable cities, fares are recommended to increase in FY98 from 80¢ to $1 00 for local service and from $1 15 to $1 40 for express service Fares have not increased since 1992

Budget Book Reference Executive Summary page ES-26, and Preliminary Operating Plan pages 23 through 29 and 107

Aviation

- Airport Master Plan
- Parking and Concessions Revenue growth $5.1 million

Growth at the airport is driven by the airport master plan Land acquisition in the first year and the third parallel runway in future years are the largest projects associated with the growth While the projects are supported primarily by federal revenues, local revenues from concessions and parking remain strong

Budget Book Reference Executive Summary page ES-25 and Preliminary Operating Plan pages 52 through 55 and 106

Storm Water

- Reduce backlog of repair requests
- Rate increase equals 7.7%
- Average residential monthly bill increases 24¢

The recommended storm water program continues on the expansion course established last year The immediate goal of the program is to address the backlog of storm water requests within 10 years We are in the sixth year of that program

To achieve that goal, the residential storm water rate is recommended to increase 7 7%, or 24¢ per month

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Budget Book Reference Preliminary Operating Plan pages 36 through 39 and 105

Council Focus Areas

With that overview of the City's different funds, expenses and revenue sources, I will address Council's focus areas and how this recommended budget aligns resources with Council's priorities

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Budget Book Reference No specific reference

Council Focus Areas

- Community Safety
- Transportation
- City Within A City
- Economic Development
- Restructuring Government

Council has identified the following focus areas

Community Safety
Transportation
City Within a City
Economic Development and
Restructuring Government

Budget Book Reference No specific reference

Community Safety - Police

- Drive down crime rate
- Increase perception of safety
- Invest additional $17 million

The Community Safety Plan established the goals of driving down the crime rate and increasing the perception of safety in our community The recommended budget includes a significant new investment in our Police Department A $17 million addition over the current year is recommended, an increase of 15%

Budget Book Reference Executive Summary page ES-22 and Preliminary Operating Plan pages 5 through 12

Community Safety - Police

- 103 more Officers and Supervisors
  - 45 Community Police Officers
  - 41 Response Time Officers
  - 16 Sergeants
  - 1 Domestic Violence

The expansions are for community policing, officers for response-time patrols, sergeants for increased field supervision and the domestic violence program

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Budget Book Reference Executive Summary page ES-22 and Preliminary Operating Plan pages 5 through 12

Community Safety - Police

- 40 more non-sworn personnel
  - 26 Telecommunicators
  - 8 Customer Service
  - 2 Domestic Violence
  - 3 Automation
  - 1 DNA Lab

Additional personnel are also added for telecommunications, customer service, domestic violence counselors,automation and the DNA lab

Budget Book Reference Executive Summary page ES-22 and Preliminary Operating Plan pages 5 through 12

Community Safety - Police

- Technology and Automation
- Video Cameras in Police Cars
- Helicopter

In addition to staffing, the recommended budget includes continued funding of the Police information systems plan, video cameras in patrol cars and purchase of a replacement helicopter

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Budget Book Reference Executive Summary page ES-22, and Preliminary Operating Plan pages 5 through 12

Community Safety - Fire

- Annexation
  - Two Fire Stations
  - 50 additional positions
- Fire Organizational Study
  - Minimum Staffing Levels

The Fire Department budget includes construction and staffing of 2 annexation fire stations, as well as funding for the top priorities in the organizational study That study recommended uniform staffing to ensure no companies would be out of service at any time and additional Telecommunicators for appropriate staffing on all shifts

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Budget Book Reference Executive Summary page ES-22, and Preliminary Operating Plan pages 13 through 16

Transportation

- Double Transit Ridership
- Keep Pace With Road Building Needs
- Road Bonds - $66.4 million
- Five-Year Transportation Plan

The transportation focus area established the goals of doubling transit ridership by the year 2010 and keeping pace with the 2015 road building needs

Transportation reflects a significant new investment in the Manager's recommended budget In addition to implementation of the $66 4 million in road bonds approved last November, the budget includes funding to begin the five-year transportation plan

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Budget Book Reference Executive Summary page ES-26, Preliminary Operating Plan pages 23 through 29 and Preliminary CIP pages 118 119 129, and 139 through 142

Transportation

- $150 million Capital Program
  - Existing Debt Capacity
  - Transfer ¼¢ General Fund to Debt
  - State and Federal Grants
  - Transit Fare Increase
  - Fund Balance

The 5-year plan, a $150 million investment, is funded using a portion of our existing $46 million debt capacity, a ¼¢ property tax transfer to debt service from the General Fund to create additional capacity, state and federal grants, the recommended fare increase and existing fund balances A bond referendum is recommended in the year 2000 A new revenue source will be required in the fourth year to complete and sustain the 5-year plan

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Budget Book Reference Executive Summary page ES-26 Preliminary Operating Plan pages 23 through 29 and 107 and Preliminary CIP pages 135 and 140 through 142

City Within A City

- Improve Quality of Life
- Neighborhood Improvement Bonds
  - $32 million
- Neighborhood Matching Grants
- Landlord - Tenant Mediation Program
- Financial Partners - $4.7 million

City Within a City focuses on improving the quality of life in our inner city neighborhoods

Implementation of the Neighborhood Improvement bonds approved last November are a key component of the Manager's recommended budget for City Within a City 7 construction and four design projects within City Within a City are already underway

The Manager's recommended budget also includes funding to continue the Neighborhood Matching Grants program and funding for the landlord-tenant mediation program added several years ago with no additional funding

Neighborhood Development contracts with 18 agencies to provide services to the City of Charlotte The total of these contracts is $4 7 million, ranging from $2 million to the Housing Partnership for housing construction to $41,000 for St Paul Baptist's After School Enrichment Program

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Budget Book Reference Executive Summary pages ES-28 and ES-29 Preliminary Operating Plan pages 32 34 35, and 110 and Preliminary CIP page 118

Economic Development

- Airport Master Plan
- Water and Sewer Infrastructure
- CWAC Business Park
- Street Tree Replacement Program
- Landscaping for Medians and Rights-Of-Ways

The City's Picture of the Future determined that the City would be a platform for economic development The Manager's budget recommends a number of initiatives which support economic development, including expansion of the airport and the water and sewer infrastructure Also included is $200,000 for the planning of a City Within a City Business Park The budget does not include further investment in the business park

Improving the quality of our neighborhoods and the appearance of the City are also important economic development factors Reinstatement of the street tree replacement program and increased funds for landscaping medians and rights-of-ways are included in the recommended budget The appearance of our City is an important component to increasing economic development opportunities

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Budget Book Reference Preliminary Operating Plan pages 38 and 40, and Preliminary CIP pages 143 through 146

Restructuring Government

- Resource Management
- Rightsizing
- Competition/Privatization
- Process Improvement
- Technology
- Reallocation of Resources

Restructuring Government is the process of shifting resources to higher priorities and making those limited resources go further

The Restructuring Government focus area has enabled us to address the other four focus areas Cost reductions achieved through rightsizing, competition and privatization, process improvement, and use of technology have shifted significant resources to the highest priority services

Through competition, 108 positions and recurring costs of $3 7 million have been eliminated from the City's budget The recommended budget has eliminated another 60 positions The budget also includes the savings from Solid Waste's bid for the second quadrant of garbage collection The bid is currently under review by the privatization committee and will be coming to Council in June

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Budget Book Reference May 12 City Manager's submittal letter and various departmental references throughout the Preliminary Operating Plan

Restructuring Results

• Competition	$ 3.7 million
• Rightsizing	10.0 million
• Controlling Costs	7.0 million
	Total $ 20.7 million

In addition to savings from competition, other savings are accruing, as well Rightsizing now produces an annual savings of over $10 million The City's operating expenses for costs such as electricity, supplies and uniforms have been flat since 1991, an annual savings of $7 million All of these programs have reallocated resources to the other focus areas, particularly community safety

Community Safety is the focus area that is most impacted by the General Fund, which is where most of these cost reductions have occurred

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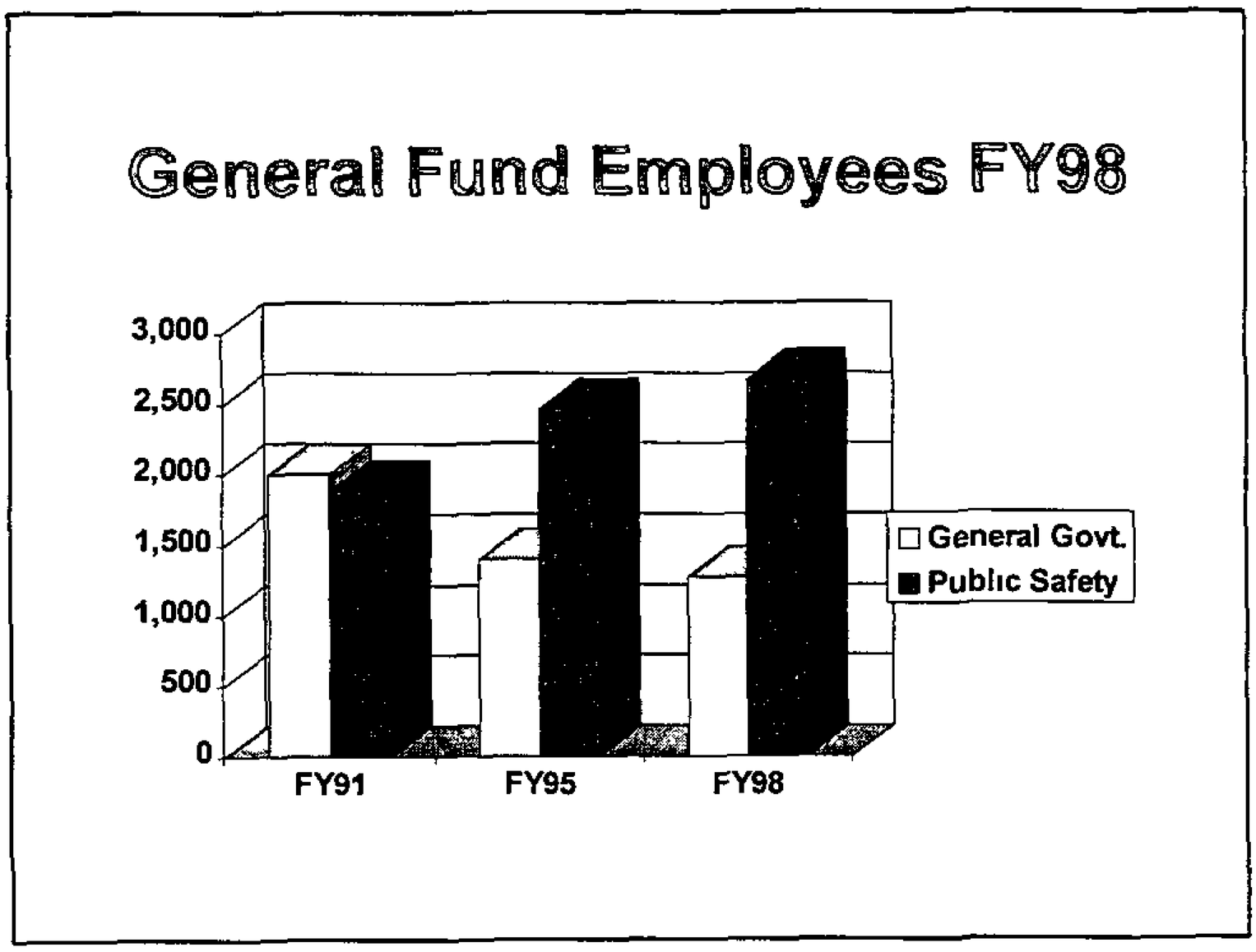
Budget Book Reference Compilation of various departmental data throughout the Preliminary Operating Plan No specific references



In Fiscal Year 1991, there were about 3,900 General Fund employees with roughly 1,900 public safety employees and 2,000 employees in other areas

In 1995, the numbers had shifted to 2,500 public safety employees and 1,400 employees in other areas

The recommended budget for fiscal year 1998 shifts even more employees to public safety, bringing the totals to 2,700 public safety employees and 1,300 employees in other areas Since 1990, the City has added 636 police officers

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Budget Book Reference Executive Summary page 17

Compensation

- Employee Adjustment
  - 4.0% Public Safety
  - 3.7% Performance Based
  - 0.3% Career Development
- Benefits - No Change

The recommended budget includes a compensation adjustment for City employees Police and Fire employees in the public safety pay plan will receive a 4% compensation adjustment, an additional cost of $3 2 million

For employees in the broadbanding pay plan, each key business will receive funding for an average 3 7% adjustment for its employees based on performance 3 tenths of 1% is added for career development, such as promotions and other recognitions of changes in job assignments

The restructuring of the City's health insurance program is now saving $4 million annually Instead of the expected 10% increase in the City's $16 million health care cost, insurance costs are held flat in this recommended budget There are no recommended adjustments to employee benefits

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Budget Book Reference Pay and Benefits Recommendations Report

Financial Partners

Not all municipal services are provided by City employees Financial Partners are agencies outside of the City government that the City contracts with to provide specific services There are currently about 25 of these agencies receiving a total of $10 million

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Budget Book Reference No specific reference

Financial Partners

- Arts and Science Council
- Convention and Visitors Bureau
- Auditorium/Coliseum/Convention Center Authority

At the March budget retreat, the Council reviewed several of these agencies

The Arts and Science Council is recommended to receive $2 1 million for both Fiscal Year 1998 and 1999 This is the same funding level as the current year

The Charlotte Convention and Visitors Bureau is recommended to receive $2 2 and $2 3 million in fiscal years 1998 and 1999 respectively

CCVB and the Coliseum Authority share marketing responsibilities for the Charlotte Convention Center The budget recommends that the approach established for marketing the convention center be reassessed This will enable us to either reaffirm joint marketing is appropriate or suggest to us another method for use of these marketing funds

At the City Manager's request, there is a $ 1 1 million transfer from the Coliseum Authority's reserves to the city in each year of the 2 - year budget Once Council's policies are established, these funds will be available for use in the CIP for unfunded projects These might include projects such as the westside strategic plan, First Ward infrastructure, the City Within A City business park or the trolley

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Budget Book Reference Preliminary Operating Plan page 85

Financial Partners

- Housing Partnership
- Housing Authority

Two other financial partners reviewed in March were the Charlotte-Mecklenburg Housing Partnership and the Charlotte Housing Authority The budget recommends that we continue the two existing contracts with the Housing Partnership for housing construction and home purchase counseling

However, the Manager is recommending that funding for one of two contracts with the Housing Authority be terminated The Safe Neighborhood Awareness Program, or SNAP, did not meet several of its objectives and is unable to report on several others The City will continue to support the Housing Authority communities through our targeted enforcement efforts, but does not consider SNAP to be the most effective way to do this

Funding for the Housing Authority's self-sufficiency program is recommended to continue and to increase This supports Council's housing policies

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Budget Book Reference Preliminary Operating Plan pages 34 and 35

Unfunded Requests

• Stop the Killing	$ 40,000
• Philharmonic Orchestra	100,000
• AAU Junior Olympics	100,000
• Hispanic/Latino Resource Center	155,000
	$395,000

Funding is not included in the recommended budget for new requests received from outside agencies The recommendation is that the City not expand the number of outside agencies it contracts with In the case of the Philharmonic Orchestra, Council's policy since 1983 is that the Arts and Science Council will manage the City's funds for arts and cultural programs and that all related funding requests will go through the Arts and Science Council

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Budget Book Reference Preliminary Operating Plan page 85

Additional Unfunded Requests

- **Higher Maintenance Standards**
  - **Shorter Street Resurfacing Cycle**
  - **I-277 Landscaping**
- **Emergency Rental Assistance**
- **Streetscape Improvements**

In addition to the unfunded requests from outside agencies, there are a number of unfunded projects which were requested from inside the organization

Shortening our street resurfacing cycle from 15 to 12 years is not included, nor is additional maintenance along I-277 that was requested by the State

Increased funding for emergency rental assistance resulting from code enforcement was not achieved

And improvements along streets like 9th, Alexander, and North Davidson street are also not included in the recommended budget

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Budget Book Reference Preliminary CIP page 132 and Summary Listing of Requests for Change to Current Level (insert in back pocket of book)

Budget Process Review

- Council Retreat
- Council Budget Committee
- Half Day Retreats

At your places before you is the Manager's recommended budget
Much of this information you have seen at the Council retreat, in
Council's Budget Committee and in the half day budget retreats

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Budget Book Reference *No specific reference* *Reference for this slide is previously distributed material*

Remainder of Budget Process

- **Council Budget Retreat** **May 20**
- **Storm Water Public Hearing** **May 20**
- **Budget Public Hearing** **June 9**
- **Council Budget Retreat** **June 10**
- **Budget Adoption** **June 23**

The remainder of the budget review process includes another half-day budget retreat on May 20, as well as the storm water public hearing held jointly with the County Commission The Public Hearing on the budget will be at your regular Council meeting on June 9th A half-day budget retreat is scheduled for June 10th, where Council will be taking straw votes on items to add to or delete from the recommended budget And on June 23rd, Council is scheduled to adopt a budget for the upcoming fiscal year and a budget plan for the second year of the two-year budget

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Budget Book Reference Budget Calendar and Process (green sheet in front pocket of book)

Communication with Citizens

- Public Hearings
- Televised Meetings
- "State of the City" Budget Summary
- Documents Available at Regional Libraries
- Fax and E-Mail Information
- Government Channel Programming

Various opportunities will be available as we continue through this process for citizens to learn about and give feedback on the recommended Budget

In addition to the public hearing dates just mentioned,

all of the hearings and your meeting for straw votes will be televised,

The State of the City Budget summary will be published in tomorrow's newspaper

Budget documents will be available at the five regional libraries and

we will make information available by fax or email upon request

The budget video will be included in upcoming Government Channel programming

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Budget Book Reference No specific reference See Corporate Communications

Conclusions

- **Budget Meets Goals**
- **Reallocates Resources**
- **Increases Investments in Community Safety and Transportation**
- **Maintains Infrastructure for Economic Development**

In conclusion, this recommended budget addresses the goals the Mayor and Council have established for this budget process, it reallocates resources to higher priorities, especially community safety and transportation, and maintains the infrastructure that is critical to maintaining our economic vitality

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Budget Book Reference No specific reference

FY98 and FY99 Operating Budget
FY98-02 Capital Investment Plan

City of Charlotte
May 12, 1997

I am pleased to represent the City Manager, the Budget Office and the City organization in presenting this budget for your consideration

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Budget Book Reference No specific reference

COUNCIL BUDGET COMMITTEE MINUTES

Date	November 26, 1996
Present	Rousso, Wheeler, Scarborough, Reid, Baker, Spencer
Absent	None
Time	3 30-4 50 p m

Overview of the Purpose of the Budget Committee - Pam Syfert provided an overview on the new committee which was approved buy Council on November 11

Presentation of Budget Calendar Options - Curt Walton presented options for upcoming budget sessions Committee consensus was to recommend to Council Option 2 (monthly half-day Friday morning budget retreats each month)

Identification of Issues to be Discussed - Issues were presented by committee members for future discussion Staff will sort the issues to determine if further review should be through the Budget Committee or other Council Committees

Committee Meeting Schedule - Committee agreed to meet monthly beginning in January Calendar indicating dates of Committee Meetings, half-day retreats, designated staff times, and other target dates for the budget will be provided at the December 2 Workshop

Council Budget Committee Meeting Minutes
January 6, 1997

Present: Councilmembers Charlie Baker, Don Reid, Al Rousso, Ella Scarborough, Sara Spencer, Lynn Wheeler

City Staff Manager's Office - Pam Syfert, City Manager
Budget and Evaluation Office - Curt Walton, Budget Director, Tumiko Pinckney and Ann White

Guest Political Science student Cory Humphrey

Absent: None

Time 3 30 p m - 4 45 p m

Rousso: We are the Council Budget Committee Our charge is to assist in the development of the agendas for Council's monthly half-day budget retreats, to assist in the policy issues and questions associated with the budget retreats, and to receive detailed information on some of the budget retreat topics to help shape presentation of the items at the budget retreats Our charge for the Council's half-day budget retreats is 1) for staff to share information on budget issues, problems and needs earlier in the budget development process, 2) for staff to receive policy direction from Council during the development of the Manager's recommended budget

I think it's a good charge I am going to turn the meeting over at this time to Curt Walton I had a few questions and they were answered to my satisfaction and I think there were a number of questions posed at the last meeting It was a good meeting I think Curt might possibly have some answers to those questions Curt, please proceed

Walton Thank you Mr Rousso First, were there any comments on the charge that we drafted and that Mr Rousso read? I just want to make sure that you have considered, since your last meeting, the options for calendars Each option had a little different role The option that was chosen was the half-day retreats Basically, you all will help us structure those half-day retreat agendas so that they will be the most productive use of your time We just wanted to draft out the charge for this Committee and those half-day retreats If there are not any comments that's fine, we just wanted to make sure the charge met with your expectations

Rousso: Curt, there is one question that I did not ask Will the agendas for the retreats remain basically the same as you have them listed?

Walton: They will be basically as we have drafted Each month at your Budget Committee Meeting, we will bring the agenda for your retreat to the meeting, and maybe some specifics about those agenda items They may change a little depending on when information is available If something is not too far developed, we may not put it on that retreat We may also add items that you would like You can advise us of that at the Budget Committee Meetings, but pretty much they would stay the same

Rousso: They were basically agreed upon by most of the Councilmembers at the time we were discussing them weren't they?

Walton: Yes

Rousso I thought so

Reid· Are all of these at 2 00 p m ?

Walton: Yes They will be held at 2 00 p m on Tuesday afternoon

Wheeler We have the calendar

Walton: Your Budget Committee Meetings are each month at 3 30 p m , right before the regular workshop The Half-day Retreats are the third Tuesday of each month from 2 00-6 00 p m

The one thing I wanted to comment on was the question asked last month requesting that the materials be sent out two weeks in advance We will rearrange the schedule to so that you will get the materials ten days ahead of time, however, it will not be quite two weeks

I wanted to start with a quick review of where we ended last year Last year's budget had a number of significant changes to it and those changes carry onto the FY98-99 budget that you are going to begin working on So beginning on page one of the attachments, I want to just walk you through as a refresher They do have a significant impact on the structure of the budget The first item was the end of the Police Tax Equity agreement that we were in with Mecklenburg County for about five years It was a significant swing in tax rates In the end, our tax rates increased by 9 7¢ and the County's tax rate decreased by 9 46 ¢ so there was that ¼¢ differential there The good news is that you at least got back control over those pennies on your tax rate The County had become our second largest revenue source So at least we have control of over at least 10¢ on the tax rate

Number two Reallocation of the property tax rate There were a number of changes there in addition to tax equity First a ½¢ was shifted from PAYG to the General Fund to help support the cost of new facilities, particularly two new police facilities The new police headquarters operating cost is much greater than the old The Westside Service Center comes on line in the Spring of this fiscal year 1¢ was shifted from PAYG to Debt Service to support the bonds that were passed in 1996 The 1½¢ that was reduced from PAYG was replaced by $10 million from the General Fund Fund Balance We call that the Capital Reserve So that will replace PAYG for a couple of years

Wheeler: Curt, what is 1¢ equivalent to now? It used to be $2 7 million

Walton· In the current year it is $2 9 million and in the upcoming year it will be about $3 million

Wheeler: What is the discrepancy in a 1½¢ from PAYG being replaced with 9 2¢ that's not quite the same?

Walton: We were drawing down the fund balance to 10% We try to keep 10% of fund balance at the rate of the General Fund so the amount that was over 10% we decided to dedicate

Wheeler: So it is not equal to 1½¢

Walton: No This is over three or four, maybe five years before we have to address it again But the primary reason was fund balance being over 10%

Reid What did you say the next year was going to be? $2 9 million?

Walton: Its $2 9 million this year and probably $3 million next year

Reid: For purposes of my analysis here I have used $3 million as 1¢ rather than $2 9 it's easier if you are working with numbers So ½¢ would be $1 5 million I know that's not quite right but for discussion, here is what I want to ask you We had $4 5 million going from General Revenues into PAYG, is that right? That $4 5 million was being used for various things We replaced that with $10 2 million If you divide $4 5 million into $10 2 million plus interest, then you have got about three years and you are out of funds Am I right?

Walton. Yes sir

Reid: Because the $4 5 million was yearly occupance, so $10 2 million will only replace that yearly occupance for approximately three years Am I right in my figuring?

Walton: Yes, but there is one difference in that some of the things that we formally funded with PAYG, we bonded and are now in Debt Service A portion of those things, that $4 5 million annual expense shifted to Debt Service and is funded a different way

Reid: O K But there is some confusion You said four years so I am off a year So after four or five years, we are still back to using up the $10 2 million What exactly is the $10 2 million going to be used for? What is the purpose of the $10 2 million? For what purpose do we use PAYG?

Walton: Housing

Reid For housing So that $10 2 million will only last so many years, maybe four years maybe five years So we are at a point where we do not have any money left for housing unless we got money from some place else

Walton: We would have to address it again either through the tax rate or the Capital Reserve

Reid· The point I am making is very significant in that these transfers are going to leave us to figure out where to get this $4 5 million that was going through PAYG We have got to figure out a way to do it I do not know how we are going to do it but it seems to me that there is some jeopardy in that decision There is a downside that we may not be able to find it five years from now

Rousso: I talked to someone about this awhile ago I think we are delaying the inevitable

Reid We are also reducing the fund balance by $10 2 million That brought us down to the minimum So we sort of cashed out on that deal

Walton: That brought us down to where we were in the close of the year It is actually back up now

Reid: But the fund balance is a reserve account isn't it? So we have spent some of our reserve for better or for worse? We have less reserve to spend today than we did when we took the $10 2 million out?

Walton: Yes I do not remember any of the fund balance appropriation since then but it is possible

Reid. I know what we have done and I guess most of us voted to do it but I think we have got to recognize that we are not as strong financially as a City as we were before we did it I am willing to hear someone tell me we are but I do not think we are I do not see how we can be as strong financially

Scarborough: We are not since we made that choice as you said

Syfert: No, I disagree with that I am sorry to jump in here at the last minute These decisions to shift some of our cash around and put it into capital were made after Wendell asked a group to look at our financial posture and our usage of capital The goal was to put more money into capital They said we were being very conservative They stated that we were building up Fund Balance and using a lot of PAYG while you should be bonding more of it instead of having it in PAYG as cash So they recommended and we agreed to save PAYG dollars for things like housing - which are harder to bond We moved as much as we could of our PAYG and cash reserves into Debt Service The 1¢ was transferred to Debt Service That 1¢ was moved from cash to help increase the bonds The cash reserves were used for capital as opposed to being used to help balance the operating budget As Curt said, this came up at the last workshop that we had Your policy is to keep the Fund Balance at 10% The State says 8% so we are very conservative with the 10% We drew the $10 million down to 10% so we did not have those cash reserves to spend on capital The Fund Balance is back up to 13%

Reid· Let me be kinder We are not as conservative now as we once were If we were too conservative then we would not have taken some of the Fund Balance We have transferred money that was coming in every year to pay off debt

Syfert I would agree with you Don - if we had used that money to help balance the operating budget, but what we really did was invest in capital The choice was to invest in capital, invest in operating, or not spend any of it and

just keep it in reserve You said we were not conservative enough to take the reserves we had and lower the tax rate I might agree with you - but we took a very conservative posture which we still have That position is investing in capital and not spending that in the operating budget and trying to build some long range capital

Reid: If at some point we had $4 5 million we were spending in housing and we will have some figure less than that, we will either borrow money to do it or find money to do it Therefore, it is a logical step to conclude in my thinking that if we are using $4 5 million to fund debt, we are in greater debt than we were I guess the question is, is it better to borrow the money than it is to pay it as you go? I am not sure I agree with that concept That is the choice we did make, to borrow it rather than to pay it as we go, isn't it Mr Rousso? Now that's a major change in my mind

Wheeler· Can I ask a question? The group that helped the City - was that the group from NationsBank that Jim Thompson chaired and then retired?

Syfert Right

Wheeler: So we had the recommendation from the bank?

Syfert: Yes They said we were being very conservative The choice between doing PAYG and bonding - providing you want to invest - is that you can bond facilities that are going to be used for many years so they last past the lifetime of the bond So you are paying for roads and things that are going to be around thirty to fifty years with dollars that you pay off over time The PAYG that we still have, we use for smaller projects that you do not want to bond An example is housing projects which are harder to bond Another point on housing, it did not happen this year, but a couple years ago we started using more of the housing money from the Federal money We got home money and Block Grant money and started replacing some of that innovative money from HOME and Block Grants so that the innovative money could be used for other things It goes to building crews and intersections, etc

Rousso. Are there any more questions?

Reid: I want to make sure I have this clear in my mind When we bond things, we are paying interest?

Syfert That's true

Reid: So we are paying more for those things than we would if we used PAYG It's like me buying a capital improvement for my house and using my income to pay it off or taking my income and spending it on something else and borrowing the money to pay it off Well, in twenty years we are paying double

Rousso: Aren't we keeping more liquidity by doing it that way as it was recommended by those folks at NationsBank?

Walton: Yes

Rousso: I can understand it and it makes sense A lot of major businesses do that

Reid: Are you doing it?

Rousso: Sure I do I borrow cash on hand I guess maybe NationsBank does more consulting for corporate citizens than public entities like the City of Charlotte

Storm Water

Walton: The last bullet under number two was the 1¢ dedicated to Storm Water It will be phased out in four years with the exception of tax equity The tax rate I predicted to stay flat at 52¢

Reid: I have a question on something else We had some response by Mac about this In Durham County, there was a lawsuit by the churches I know for a fact that they have stopped charging a storm water fee I know for a fact that the same thing is happening in Greensboro and Guildford County I think we would be sticking our head in the sand to think that same thing is not going to happen to Charlotte If it does, and I have heard that ours is different, I think we may end up in deep trouble I say that because storm water is found illegal, especially as it pertains to churches In fact Durham County has stopped all charges

Roussou· None whatsoever?

Syfert If we did what Durham County did, that would happen to us In Durham, the court upheld the right to charge storm water to everyone What got Durham in trouble and what got everyone else in trouble is that they are taking those revenues and using them for non-storm water related things That is why ours is so different That is one of the advantages of setting up a utility The revenues and expenditures are exactly tied together

Reid How about the religious aspect of it?

Syfert The Durham case upheld it

Reid· Then why are the churches in Greensboro doing the same things? Has Greensboro spent the money on things other than storm water?

Syfert I am not familiar with the Greensboro case

Baker Let me be sure I understand I want to look at the impact on the taxpayer here Looking at the bottom line we have 43¢, and then 52 5¢ There is only a net increase to the tax payer, considering the county contribution, of about a ¼¢

Rousso· I want a follow up on what Don said Are we strictly using those funds for storm water and nothing else?

Syfert· We are not using them for parks, etc

Rousso: Can any doubt be attributed to that fact?

Syfert· Durham was using storm water funds in streets They were using that money for things other than storm water that just didn't pass the test If we look at it closely, there were four points on the lawsuit The point that moved illegally was how they were spending the money Some of the other points are similar to ours By making this a utility, we will keep it legal and avoid some of the problems

Reid: Have they ruled on it? The only thing I question and I am not sure of is the church aspect Did they rule on that issue separately from where they were spending the money for things other than storm water?

Rousso: Would that be considered a tax and why it was considered illegal?

Reid: I don't know the answer to that

Scarborough If you remember when we passed the storm water here, we answered those same questions, including the questions from the churches We ruled that we would treat the churches like everyone else There has not been a church since that time that time has raised this issue

Baker. If we are very careful in the bookkeeping and do not use that money for anything else then, we have provided a service for religious facilities which they are allowed to pay The burden is on the financial section of the City to make sure that we are doing it correctly

Reid: I just say we need to be careful The lawsuit against Greensboro is something that I just heard about

Syfert: The lawsuit did cause some concern and we do need to track what is happening across the State on it According to Mac so far we are doing it right

Rousso Good Go ahead Curt

Walton: Now lets look at these two under number three Prior to July 1, 1996, the County charged a $38 fee on each residence then they reduced their fee to $10 That action shifted $2 2 million of landfill costs to the City So in the budget that was approved, there was a $38 fee for single family units and $23 for multi-family residential units in the City

Rousso: I think the City dwellers will still pay $48 for a single family unit and $33 for a residential unit is that correct? The County kept $10 for new recycling So they got an increase of approximately $10

Walton· Yes

Reid· Is this each household?

Walton: This is each single family

Reid. But $10 is the extra cost, correct?

Walton: (Yes) Number four, the storm water enterprise fund we talked about before As Mr Baker's pointed out, the enterprise fund structure ensures that the funds collected from the revenues will run into the storm water expenditure fund The fee was increased to $3 13 and those will go up a similar amount in the next few years

Reid: I have a question about this I spent a little time on this yesterday afternoon as a matter of fact Here's what we have done I think we ought to know what we did If we take the $3 13 and increase it by 8% each year, by the end of ten years the storm water fee will be $6 76 a month If you multiply that by 12, that's $81 00 for a homeowner of a $100,000 house That's equal to an 8% property tax increase on a $100,000 house It is equal to a 16 increase on a $50,000 house If I came in here today and said to you guys we are going to raise property taxes 8%, there would be the biggest carrying on and crying, but yet we've done it That's exactly what we have done Now for most of us that does not matter There is not a Councilmember that would vote on it I would like to see them do it

Rousso: You are right in your figure of $6 76 My calculator worked like yours I think this is a service that we are having to furnish for these people

Reid· We took money from the property tax to pay storm water and we are using it for Debt Service and we're passing it on to people who own homes We need to level with people It is a tax and you can call it a fee if you like The worst thing about it is that it is not deductible If it were a property tax, we could deduct it

Scarborough Don - would you recommend that we raise property taxes?

Reid: I recommend that you put me in charge of the budget and let me show you how to cut enough out of it to pay for it

Scarborough· I raise this issue because if you want to talk about storm water and cost, I suggest you go talk to God because he brought the water But if you want to talk about it from the perspective of the City of Charlotte sitting back and allowing the storm water to eat up the properties, that's irresponsible Are you asking me to be irresponsible?

Reid: I think you are missing my point My point is that storm water is one of the biggest problems in Charlotte I think it needs to be fixed I think it needs to be looked at in the context of what we are going to be asked to spend this year That's what I am saying to you I am not going to bring up all these deals We are going to be asked to spend a ton of money When you ask me to borrow money for certain projects that I do not think are important to storm water and we are raising their fees every year, I am going to remind you of it That's the whole point

Rousso. I think you should

Spencer: Don, I think from my conversation with people that they are perfectly aware that this is a fee that acts like a tax There was an interesting figure, Curt maybe you remember, the number of people who deduct their taxes If this was a tax we could do that but only about 20% of people actually choose to deduct their taxes

Baker: The question of fees versus taxes is a legitimate question Those things that can be measured positively, for example the amount of water that you use, should be charged as a fee You know exactly how much it is Different people use different amounts and different people should pay different amounts Now when you go to storm water you cannot do that I do not have a storm water problem When I bought my lot, I guess because of my training, I knew what was going to be a problem and what was not I bought a lot that would not have this problem I do not like to pay that fee I would rather pay it as a tax if it cannot be measured I would much rather take it off of my taxes and get a refund I am going to suggest that sometime in the future we make those things that are measurable a fee and those things that are not measurable a tax

Syfert: Are you saying that garbage and refuse should be a fee? A lot of cities do that as an enterprise fee Are you looking at putting storm water back into the property tax?

Baker: I am not sure about that Two people in a family may have X pounds of garbage while ten people in a family may have Y pounds of garbage So it is not the same level of service Therefore, I would suggest that that counts as a tax

Scarborough: Do you need to go to the legislature to get it to be a tax versus a fee? We dealt with this before and you might want to go back and get that information as a starting point

Syfert: What I hear Mr Baker saying on the discussion of fees versus taxes is this you want us to look at our revenues and our services and come up with a list of those that can be measured and those that cannot be measured I think that is something the Committee can let you know about This issue was looked at by previous councils, we looked at making it tax deductible, and we went through a tax attorney The attorney looked at all sorts of ways to see if this particular fee or parts of it could be tax deductible and they said no We tried that and came to a dead end

Baker: If I can respond to that - I have two people in my family and we do not fill up that garbage can half way every week My neighbors have five people in their family and they have it stacked up We should not be charged the same amount, and if we are charged the same amount we should be charged a tax so I can get my money back I am going to suggest that your reasoning to Council shows the fee basis was used because it kept us from raising taxes It made us look bad I will put it out there that if you can measure it charge a fee, if you cannot measure it, charge a tax

Spencer. We did make that choice I remember in the solid waste discussion, we talked about using technology to measure every household's garbage and we could do that

Baker: I am subsidizing the garbage business

Spencer· That is true I do not remember all of that discussion Part of what I do remember is that one of the ways I could choose to get around a fee was to get my garbage service from somewhere else In other words, that is one of the risks

Baker: I would like to hear that discussion come up at some workshop and let the whole council talk about it

Syfert: This is the Budget Committee and one of your goals is to put things on your Retreat

Reid: One of the ways you can get a measurable effect on storm water is getting a fee based on the square footage of the property

Scarborough & Spencer: That's what it is It is based on the impervious surface

Reid: No It only has two categories

Spencer: We could have more categories

Reid: Well, no - just charge so much per square foot

Spencer: True

Reid This proposition that Charlie is talking about could be a real can of worms There are some really high crime areas I am paying a lot more for that service than some neighborhoods I could argue that I am paying more for that service than I use I think the argument is going to break down eventually But if you use your hypothesis that if you can measure it - well maybe that is it Then if you cannot measure it - at least you and I get to take it off our taxes

Roussou: Capital Improvement Program

Baker: Excuse me before we go on, I did not hear anyone say we could talk about that

Wheeler and rest of the group. Yes

Walton: We could add it to the agenda topics

Rousso: Absolutely that's what we are here for

Walton: Moving on to the next item on the suggested topics We want to walk through these and make sure we are making best use of your time We want to see if you have comments about the topics or see if there were additional topics to be added The principal process of the charges we talked about before The structure of this year's budget development cycle is different than it has been in the past The CIP would be or is suggested as the first topic because the Capital budget is always running a little ahead of the operating budget in development and calendars so we suggest talking about the CIP with the exception of PAYG Also, the Capital Program Evaluation Proposal is something that Don specifically asked about last year during the straw votes I think you remember we asked about software that would help us track investments We never found anything to show the correlation between investments and improvements We are working with UNCC to piggyback with the "Quality of Life Index" that they are doing for Neighborhood Development They will be looking at neighborhoods before investments are made and track them for a year or two and see what the changes are in housing starts, building permits, new building starts, and a number of different variables That is something that we are meeting with UNCC about now and we will bring that to you in February February may also be the appropriate time to talk about fees versus taxes We'll get that in somewhere

Roussou: Could you expand a little time on the airport?

Walton: They have not submitted their request yet

Rousso: Does this have anything to do with a four lane or third whatever it is?

Walton: The third lane is already on the table and it is in discussion It has not gotten to its funding point yet

Syfert: The meeting is not a neighborhood meeting It is a meeting where Sue, Thomas, a person from the neighborhood, Steve Crampton, Jerry Orr, and Brookshire go through that list of things that Sue and Thomas brought up in November I asked Phil to facilitate that meeting and sort out those issues and report back to the Council prior to when you hold your public hearing on it So it is not a public hearing - it's the facilitation

Spencer: There are two dates

Reid: I have a question about Aviation I know it is a very sensitive subject, and no one, I cannot say no one because, I certainly understand the importance of the airport and USAir to the City I must mention that we have the lowest boarding rates and the highest airfares

Rousso: What did we talk about an hour ago Madam Manager? Don we think alike

Reid· I think this is an issue that needs to be discussed I think we need to bring in the airport and USAir into this discussion It is just not fair

Rousso I went to Richmond and most of the people flying from this area went to Columbia or Greensboro to fly to Richmond Do you know how much it costs to fly to from here to Richmond? It costs $600 If you leave from Columbia, it costs less than $400

Reid I fly to Chattanooga, Tennessee occasionally and unless I have a seven day advance or 21 day advance it costs me $500 or $600

Baker. If you really want a gut wrencher, compare the USAir flights from Charlotte to Los Angeles with the fairs from Raleigh to Los Angeles

Rousso What are they? I never really realized this before

Baker If you drive to Raleigh and get a round trip ticket to Los Angeles 30 days ahead of time, leave on Friday and come back on Monday it costs you $188

Rousso What about USAir?

Baker That is UsAir That flight goes from Raleigh to Charlotte to Los Angeles If you catch it here in Charlotte it will cost you $1000 That's not what I was going to bring up, but if you call a meeting with them as Don suggested, keep this in mind This information comes from my seven years on the Airport Advisory Committee You ought to know that every airline in this country at every hub does the same thing It is not just USAir Don't brow beat USAir because they all do this You have a locked market in a hub The theory is that business flyers comprise 90% of the passengers and they do not give a flip about cost Airlines can get away with it

Spencer. Is there a positive in this anywhere and for whom?

Baker: Yes there is, if you are a business executive Let's pick an hourly wage for a business executive Say $100 If you drive to Raleigh, it takes three hours and to take a plane to Charlotte is one hour If you do that twice on a leg that is $800 That's $800 he saves by catching the flight in Charlotte

Spencer: What is the benefit to us having a hub here?

Baker The only reason you have United Dominion and Trans America is because you have over 100 nonstop destinations to every place around the world

Spencer: So that's the trade off?

Syfert A hub gives you nonstop flights to a number of major cities

Baker: That's why we have those companies here The businesses do not mind the $1 000 versus the $200 because it is a wash

Spencer In the terms of this budget and these deliberations where does this all fit in?

Reid: I recognize the importance of the airport, but we are competing with Raleigh that does not have a hub, any sport teams, they have lower crime, lower taxes and a better education system yet they are growing faster than we

are Maybe we need to look at what they are doing Maybe the hub is not the end all do all answer I know that Pittsburgh is a hub and their prices are lower than any where in the country

Baker I am not saying that they should not be asked about their rates I am saying that we should not accuse them of doing something that all the other airlines do not do

Scarborough As long as we ask these questions we need to remember that per capita Raleigh's wages are higher We also need to remember that Pittsburgh does not have what Charlotte has because it is in a down flux versus an up flux like Charlotte Let's make sure that we are measuring apples and apples

Reid: I am not sure I agree with you on that I think Pittsburgh has made more improvement percentage wise than any city in the country Right now Pittsburgh is one of the finest cities in the country

Rousso Is there any potential lost of income to the city with so few boardings in the City? Could that be looked at too?

Syfert May I make a suggestion?

Rousso Sure

Syfert You have a Citizen's Committee at the Airport Why not ask them instead of the Council jumping into it?

Reid: I do not disagree with doing it that way I don't care particularly about getting involved I think it is a question that needs to be asked I think the City Council tends to let the Airport do whatever they want because it costs us no money and the operate like a little fiefdom out there We have no knowledge of what is going on out there We are almost afraid to ask what is going on It is bigger than we are We ignore it

Syfert Let me ask them about it Let me have the Mayor, on behalf of the Council ask the Airport Advisory Committee look into the rising of cost of air transportation

Rousso Its worth a look Curt proceed

Walton: March was recommended as the month for financial partners discussion We will bring you their requests then The requests will be coming in February The biggest of these are the Arts & Science Council, CCVB, and Charlotte Uptown Development Corporation I mentioned to you that the CUDC & CCD merger will be on your agenda next Monday night It will look a little different There will be three separate tax districts under one administrative umbrella

Spencer. I have a question Are the people who live in the uptown special tax district taxed in a comparable way to businesses? Have we thought of the issue of wanting to pull more and more into the uptown? Is that the way to do it?

Baker Point of clarification Do you mean that the home owners pay that same 1 ½¢ tax?

Spencer Yes

Baker People that live in the Fourth Ward pay that same 1 ½¢ tax? That seems unfair

Syfert· There are three districts The original district, District 1 is the loop It is inside the 277 development It includes part of the Third Ward too They all pay that tax rate that is levied for District 1 The two other districts which were set up later, are located over the commercial areas along Tryon Anybody living along there, for example those new houses that are going up, would pay that same tax It is a regular property tax rating You cannot distinguish between commercial and residential

Wheeler How can that be changed? Does it have to go to the legislature?

Syfert That's State law

Walton: The only choice would be to change the boundaries to be able to tax differently

Syfert You want to change the boundaries to exclude the houses along Tryon?

Wheeler Could you pass out a map of the special tax districts and really delineate where one is from the other?

Spencer. Let me tell you what my concern is Very affluent people can handle this tax If we want to have an Uptown center with other than very affluent people or other than very poor people that live in public housing we need to look at the tax That is the issue here if we want to have a mix in the Uptown

Scarborough: You are trying to bring in a new market which is the working class to this area Are you saying that they would all be charged the same fee?

Syfert: They are paying an extra penny just like everybody else

Reid: It is my understanding that those people voted to tax themselves This was not one of those things that was imposed by the City or State They were given an opportunity to vote, and the voted for this extra tax

Syfert When all those districts were set up, Council approved the tax but they only did it after there was a coalition of business leaders come forward and agree to be taxed They held a public hearing and there was no opposition What I think you are talking about is that the geography has changed since the early 80 s For example, the First Ward was all run by the Housing Authority so there was no property tax Now it has changed We are talking about a penny

Walton I think CCD has the biggest at 3¢ The two pieces of CCD are 1½¢

Scarborough Let me reiterate Sara's point These people did not vote for this tax because they were not there yet The demographics are changing If we want to encourage these people to move into the Uptown area, we certainly cannot tell them that they are moving into an area where the taxes are going to be higher than the taxes they are paying now I think that is something we ought to look at

Syfert: I am going to suggest that if this is something that you want to look, you need to put it on an earlier meeting If you want to make changes, keep in mind this is a very structured process that will take a lot of time

Wheeler: What about March 18th, is that early enough?

Syfert. I do not think that is early enough

Wheeler· February 18th?

Baker Did I understand you to say that if Council chose we could delineate certain areas within that loop as residential and not have that extra tax?

Syfert: We need to go back and look at that When you draw the boundaries, you can do that but you need to have some rational

Baker You could have a doughnut inside like First Ward and Fourth Ward, couldn't you?

Syfert· I do not see why not

Reid What benefit does Fourth Ward have that I do not have? What extras do they have that they pay extra for it?

Scarborough They can walk to NationsBank

Reid You have to put things into perspective I only went along with the tax because they voted to tax themselves 1¢ for residents in $100,000 home is only $10 a year, or 80¢ a month We are not talking about a huge amount of money They did make a good case for taxing themselves and using the money to benefit those that live there I think we need to look at the whole thing and here them out before we start making decisions

Syfert. The reason Fourth Ward went along with it and Third Ward to a certain extent is because it was their thinking that as more was done uptown, the more their property value would incresae

Reid Exactly right

Syfert Which has happened

Rousso Now wasn't that part of a special district like special cleaning crews that sort of thing?

Syfert That did not come out of that special taxing

Rousso The Transit Mall, that's part of it too, is it not?

Syfert That came out of general

Rousso: It did?

Walton It is within the district but it was not payed for by the district

Syfert· Those district taxes go to pay for promotions for the Uptown and the economic development of the Uptown

Scarborough For the single moms and the new work force that we are trying to attract that 80¢ a month and $10 a year is going to make a difference If she have to choose between $10 a year and getting a child into a nursery or getting that child somewhere he has to go, she is going to choose to do that first and forget about those taxes I think we should be looking at that I think it is going to be different

Reid One other thing Curt Do you remember the letter that Wendell and I wrote to these partners about three years? That is who we are talking about here isn't it? In that letter I requested quite a bit of information from them to better understand who they were, what they are doing and whether they are being responsible Some responded and some did not I think we need to pull that letter out and send it out to them again Can we have this information on each one of these partners so we can make a decision on whether to keep funding them, increase their funding, or whatever?

Walton. That is all part of their application They have a check list and we will be able to tell you who provided the information and who did not

Reid: Well, there were a lot of them that did not and I think that puts me in a position of not voting for their money

Wheeler. Is it not a requirement that they provide us this information? Well if they do not fill it out, then I would send it right back to them

Walton The first year we got a slow start but since then we have had complete information

Reid Well I have looked at this information and I think we need to have a format that we want this in They provided a lot of information The Arts and Science Council did by far the best job They had a booklet and outlined everything we asked for Some of the others did a very haphazard gathering of information I wish we had a format that we could look at, for example if we were interested in their tax return, and all the other partners would send their information in the same order It would make it much easier to analyze

Walton: We will try that It is usually a function of what size staff they have A smaller group may have no one, but we will try to get that in a standard format

Walton: Coliseum Housing Fund Ella asked the question about the relationship between the City and the Housing Authority in November We put that question there for March 18th Review of current service levels Sara asked two questions in November 1) What were things that were cut in the last five years that departments might recommend adding back? 2) What things have slipped over the last few years? On April 22, we'll talk about transit and transit fares

Rousso. When you do business with an accountant you get an increase every year The Observer rates go up every year I think we should look at it I know it affects those who can least afford it

Spencer Tonight you will hear some comment on that in the Transportation report There will be some discussion tying the fees to something specific They will also discuss splitting out the regular bus rider from the express rider and recognizing that many of these express riders would be people who have stronger salaries

Rousso: You are looking at special service?

Spencer: Therefore, the transit fee you pay when you walk in the bus door would not be something that we would set every year as much as it would be shifted as the economic circumstances shift So we'll be talking about that tonight

Walton: In April we are still working through the Fire Organizational Study Chief Fincher is going to make a presentation to you and he will be back again later Also in April is Employee Compensation

Technology As a reminder, you approved $5 million for General Fund purchases - $3 million for Police - and utility billing is coming to you and that is $3-4 million You'll see that $11 12 million in the next few months There is going to be a similar request in the upcoming budget for technology purchases

We will know by April the impact of the Solid Waste Competitive Bid that will be opened in March

Economic Development is the Focus area that we will be discussing in April We are having a study done on looking at our user fees, particularly in the land development area We will have a report back in April We will also have the draft CIP by then

In May we will provide you with the competition update It will let us know where we are with the five-year competition plan

Annexation is on your workshop tonight It will be on your January 27 agenda By that point we will know your decisions The time for appeal will have passed If you move ahead with it, we can tell you about the impact On May 19th, we will meet for an hour from 4 00-5 00 p m That will be a presentation of the Manager's recommended budget On May 20 we will continue working through the questions and issues and any alternatives that are on the table That will be the time that it takes five or more votes to get an item on an add or delete list Then June 10 will be the straw votes where it takes six or more votes to get an item into your actual agenda Are there any questions?

Reid The only question, and this is not giving it much thought, do we have enough time between the presentation of the budget and the next meeting which is the 20? Will this be enough time to look at your budget? It seems to me that is an awfully quick turn around It seems it would be awfully nice to have three or four days to look at your budget

Rousso The 19th and 20th, you think that's too fast Don?

Reid. Yes I think if I get the budget on the 19th and on the 20th I have to ask questions about it that only gives me 24 hours That isn't much time to look at it

Syfert· I think the assumption is from all these retreats there shouldn't be much surprise in there

Rousso I think it's something we should look at

Syfert: Hopefully through this process I can bring information to you, and you will have an opportunity to say during this process - "this is our policy on this issue" When you get the recommended budget on the table, there should not be any surprises

Reid. We'll get it that night probably We have a meeting on the 20 Why not give it to us on the 20 Do not worry about getting it to us on the 19

Spencer I think the only place we'll get into trouble is if we say this is our priority and on the 19th you are unable to reconcile our priorities with the money That's where the problem comes in If the priorities fit the money, then we are close

Syfert· I hope we can have some of those discussions early I do think Don is making a good point Maybe we might want to look at having our first meeting on January 22

Walton· The only reason it was on the 20th is because that was one of the only Tuesdays that people could make

Reid What about the 27th? Give us a week

Baker: Will there be - on each budget item as it comes to us on the 19 or 20 whenever it is - a number so that we can compare how many tax cents each one of those items is going to cost? For example if one item costs 24 ¢ and another costs $1 24 we may say that's a disparity, it's not worth it How are we going to be able to compare how much something is going to cost not in actual dollars but in cents?

Walton. On the new items?

Baker How will we be able to compare how much something is going to cost?

Rousso Like a spreadsheet? What percentage is this, what percentage is that? Is that it basically?

Baker: Yes

Reid: Give me an example of where that might come into play

Baker. I cannot think of one right now We may have to cut something If we want to say this item benefits a certain group of people, that item benefits a certain group of people, but this item does not benefit nearly as many people but its going to cost as much Let's get rid of it

Syfert When we get the budget we cost it out in terms of dollars

Baker Can we divide it out?

Syfert The problem is when you get the budget for the General Fund not everything is going to be equivalent to the property tax because there are so many other revenues in the General Fund The General Fund budget has sales tax, property tax, and a bunch of other things in it so it's harder We do get the cost of service - the old ones and the new ones

Baker: Just scrub it then if I have a question about something, I'll just ask you

Rousso· Anything else Curt?

Walton So the preference is to move May 20 to May 27 I am not sure when Memorial day is

Spencer That s Town Hall Day

Walton: That's right there was a conflict

Reid: I have a question I think it relates to this budget Maybe you will be able to answer it for me I think Richard was going to answer it I asked about the $300,000 fee we are paying for parking at a deck underneath one of the buildings Uptown Which one was it?

Wheeler· Independence

Reid· Yeah And Richard said I will get you an analysis of that

Syfert I had read that its going out Wednesday

Rousso· So we are moving that to Tuesday, May 27?

Spencer. No - I don't think so That's Town Hall day

Rousso: Oh it is

Spencer If I remember when we looked at all these dates, the 27th is the day we are supposed to be in Raleigh I also remember that when we were looking at all the dates for this week various people were saying what they couldn't do We may be stuck with this date

Rousso: We will have time won't we if we have to?

Spencer: What I think we will do if we are really desperate is add it to our calendars despite that they are already messed up

Rousso: O K We have the 29th

Scarborough We'll still be in Raleigh

Rousso· That's a long time away Let's leave it like this for now and see what happens

Spencer: I would like to leave it and acknowledge that we have a potential problem Then try to keep an open mind of how we want to deal with it

Syfert We can also see as we go through the retreats

Baker. Does Darlene have Council's regular calendar for the year?

Reid What do you need? I have the calendar right here

Walton. Is there anything else on the retreat?

Rousso I don't think so

Walton: I just wanted any input for your Annual Retreat We are working on the financial projections and usually we give you the financial projections rather than expenditures for the major funds, General Fund, Debt Service, Transportation Storm Water We usually exclude Aviation and Water and Sewer I just wanted to see if there are any comments on the type information that you would like to receive at the Retreat

Reid Pam, what is the purpose of our annual retreat? What would you like to see accomplished at the annual retreat? Council has decided what it would like to accomplish so maybe if we got that question answered, we would know how to structure the Retreat

Syfert: What I would like to get out of the annual Retreat is for us to get Council the information we have on the budget issues I would like to at least get Council setting some of the budget policies That's one of the things we get out of the annual Retreat That's one of the key points for this Retreat The other thing we like to get out of the Retreat is for Council to focus in on priorities In the past we have looked at the focus areas that had updates I think that would be my second goal for the Retreat, seeing how we are moving along in meeting those goals in the Focus Areas Tonight you will hear that Transportation is one of these Focus Areas and we are suggesting that you spend some time at the Retreat on Transportation Another goal of the Retreat is for Council to talk about the things you want to do as far as getting policy levels accomplished

Reid: I think last year if I remember it we tried to do lots of things and we had very little time to do any of them What I am hearing is almost the same kind of situation That sounds like a whole bunch of stuff to accomplish in 12 hours I wonder if the goal is realistic at all I wonder if we would be better off focusing on two or three areas instead of looking at all five areas We could spend the 12 hours on one area

Syfert· That's a good point

Reid: Last year and no criticism I think we tried to accomplish too much and ended up not finalizing anything I wanted to hear from you what do you need from us

Syfert I need direction on the budget I would suggest that you focus on Transportation as one of the Focus Areas

Rousso: Certainly

Spencer: At other retreats we have had generous presentations that we listened to This Retreat is going to be different in that it is going to be more audience engaged and talking ourselves about what we want to have happen I think that will help with the time

Reid: It seems to me the key is how quickly we get the information so we can analyze it for the Council Retreat If you give us two days, forget it If we had 10 or 15 days that would be nice

Wheeler: Last year we got it ten days in advance

Syfert: I think the other point is if you agree that the Transportation issue is one you want to talk about, you will already have a presentation on it which will be tonight You will have a lot of material on it in advance

Rousso. I would like to thank the Budget Committee for their full attendance, at this our second meeting Are there any questions, statements or suggestions? Move adjournment

Council Budget Committee Meeting Minutes
February 3, 1997

Present: Councilmembers Charlie Baker, Malachi Greene, Don Reid, Al Rousso, Ella Scarborough, Sara Spencer

City Staff City Manager's Office - Greg McGinnis,
Budget and Evaluation Office Curt Walton Director, Phil Cowherd, Bill Parks, Tumiko Pinckney
Finance Richard Martin, Director
Neighborhood Development Stanley Watkins, Director and Debra Campbell

Guests Molly Hedrick and Mary Clayton Charlotte Uptown Development Corporation, Harrison Campbell, UNCC

Absent: None

Time. 3 30 - 4 55 p m

Rousso Does everyone have a copy of the agenda with them? Stanley, I am going to give you the floor first Stanley Watkins we welcome you Stanley will discuss the Neighborhood Improvement projects Evaluation and Proposals and so forth, am I right?

Watkins: No I am going to do the neighborhood Improvements

Walton I will do the evaluation proposals

Watkins: I am going to take a few minutes to bring you up to date Since we passed the $32 million bond referendum in November there has been a lot of activity In infrastructure we are talking about streets, curb and gutter and other improvements to enhance those neighborhoods It is also important to mention that the Neighborhood Improvement Group consists of representatives from City Budget, CMUD, Engineering, CDOT, Planning, Neighborhood Development These teams have established a four point process

In the suburban neighborhoods we have held an informational meeting with the neighborhoods We will be going back to the neighborhoods to conduct a facilitation process Then we will identify infrastructure needs in the neighborhoods as well as other needs It is important that we address public City issues We will talk about crime and other issues After the facilitation process, we will go back to the neighborhoods with a proposal of how to put the infrastructure in place After that point, we will start the actual construction in each of those neighborhoods Also it is important to point out that we conducted the initial informational meeting We spent a lot of time talking to the neighborhood After the bond vote, we spent between November and December going out and talking to those neighborhoods I need to let you know we had eight neighborhoods particularly with City Within the City We will be ready in the Spring to start with these eight neighborhoods and start actual construction Let me stop now and answer any questions that you may have

Spencer: Tell me about the need of the neighborhood and where they are now

Watkins Debra can help me with this We went to some of the neighborhoods like City View, Orchard Park, Laurel Lake, Sterling, Shell Circle, and talked about what the bonds are for and what they can do We indicated that we would be coming back to them and starting a facilitation process

Spencer What about the other neighborhoods like CWAC?

Watkins The CWAC Neighborhoods are aware of the procedure We went ahead and identified their need, and more of the neighborhoods, like Druid Hills That's a Neighborhood Action Plan that we have pretty much completed We also talked to them about the time schedule

Spencer What about Oakhurst?

Cowherd: Oakhurst was schedueld but it was a mix up and there is another one scheduled for February 10

Greene It would seem to me Stanley, since this was such an interesting bond issue, that the Councilmembers in the area would be made aware of the meetings with the neighborhoods I realize that staff does this, it seem as though the folks who vote and deserve credit should also be there

Watkins· We stand corrected We will immediately notify all Councilmembers of our upoming meetings

Baker· I want the record to show that that does not apply for all Councilmembers Some districts don't get money like that

Rousso: I think the entire Council should be notified When you are talking about improvements you are talking about storm water, curb and gutter, etc

Watkins. I think we asked about this earlier We want to emphasize all improvements We are trying to do these as a group effort

Scarborough· This may be a stretch as it pertains to neighborhood development But in the Lakewood neighborhood and Wilmore, we have had some improvements especially in crime What I hear many neighborhoods saying is that there are not enough community police officers Is this a part of the plan? Neighborhoods believe we are doing one thing and saying another Can you please ask the Chief to respond to this This is another part

Watkins· Once we go out there, we are going to identify all needs If public safety is a need we will identify that and try to seek a short-term solution and try to bring the Police as well as other City departments along with us when we have that conversation We are using the infrastructure improvements as a spring-board to really provide short-term planning improvements This will be an opportunity to get their concerns on the table and figure out a way to address them

Reid We have how many dollars to spend on this issue?

Watkins: $32 million

Reid. And over what period of time do you plan to spend that $32 million?

Watkins. Five years

Reid. So this study we are going to do, let's say that study is going to take up to two years, is that correct?

Watkins Are you talking about the infrastructure?

Reid: The Neighborhood Improvement Evaluation Proposal

Walton I'll talk more about that later

Reid: How long will it take you to evaluate where and how this money is going to be spent?

Watkins. Mr Reid, what we have done is we actually put together a schedule and attached estimates to the eighteen neighborhoods

Reid. And how much does that add up to - did we spend all the money?

Watkins: Yes sir What we are actually projecting is $32,265,000

Reid: How does that projection relate to this study? Shouldn't we have done the study before we did the allocation?

Walton Well the study wouldn't determine the neighborhoods we put the money in The study would evaluate the impact of the money once it is done If you question is would it help the criteria for choosing the neighborhoods? That is not the focus of our proposal in the next agenda item, but it would help us evaluate the things that are the most effective in those neighborhoods

Syfert It will help us to decide on our next bond issue - if this is worth doing again and will help in the last three years of the program

Reid: So the study doesn't necessarily relate to the spending of this $33 million?

Walton: Not the first piece at least, because at least several of the neighborhoods will go forward so that we can do the study and then we can apply what the study tells us to the remaining three years

Syfert What it is going to help you to understand is whether the money has been well spent and had an impact

Reid: But the study is not going to necessarily identify those things we should have done or shouldn't be doing In other words, it seems to me that the study is coming about a little late It seems we should have had a study done on what should be done and then evaluate how we spent the money and that would have been a better process or am I missing something?

Walton: Ideally, that would be the case To do what we are doing would involve a pre-test and a post-test and we've never had the pre-test

Spencer: Wouldn't it be correct to say that we have been doing on-going work leading up to this bond and we have been spending money for 25 years that I am aware of and probably longer than that and while it might be ideal to do things in a certain manner, we are simply trying to create an instrument to evaluate what we are doing and we can't back it up to 25 years ago We can only start it at the point where we are starting

Syfert You've got to start it sometime As I understand it, this also came out of Jim Palermo's Capital Committee too The recommendation was not only to start investigating but to create the methodology for measuring the effect in neighborhoods which we had not done yet You're right, we have been doing this for a while We are starting now though so the next time, three years from now, you are going to have better information

Reid: I understand that we have been investing and I voted for that All I am saying is that hearing all this, it seems to me that we are going out and evaluating something that we didn't pre-test to begin with and it would have been better to do that I guess we go ahead and spend our $33 million or half of it and we test it and we say well that wasn't too good, we probably should have done more storm water or something else That seems a little bit backwards but

Syfert. You are making a good point, Don, but I think what we are trying to say is that we should have done a pre-test ten years ago when we started doing this The bond issue was only a different way of funding what we had been doing So if we had done it right, we should have done the pre-test ten years ago so we would have this information now I agree with your point

Greene Don, I think studies have already been done that identify these needs We know and we all have a general feeling that we have things that have improved because of the expenditures of monies but it is only on a "windshield" survey basis as opposed to something that is on paper that accountants and the like, evaluators in the like and people that are impressed by scientific and statistical lies, like That is the reason that when I read the study, I read it like that Finally somebody is going to give somebody a way to measure it with some numbers But the only way to determine if fixing a broken window in a neighborhood is going to have an impact unless we build a computer model and we can simulate - that is still virtual reality The only way to do it is go out and fix a broken window and then evaluate to see if fixing the broken window was a solution for that particular problem I think that is where we are at this point We can theorize about it and we can create models but they are virtual This is an actual model that we can look at

Reid: I understand that and I agree with that Ella threw in a new element crime She is absolutely correct we do need to know that It could very well be that if we spent $4 million of the $33 on 100 more police officers - that is only one year of course - but you have been a strong advocate of something like that That would be good and do far more for neighborhoods than fixing broken windows That is what I am trying to get at - the assessment, the pre-test to see what is actually needed out there So you decide whether you fix a window or allow someone to come outside without being shot

Greene: My reference to fixing broken windows is directly related to crime because that is what I hear police referring to - fixing broken windows all the time He keeps implying and keeps saying you have got to clean that environment and that has a direct effect on crime at least that is what I have been hearing

Scarborough· In the 1987 Mayor's Budget Advisory Committee, it was identified back then that there was a need to have additional dollars put in neighborhoods and housing When I first came on City Council I made a motion to do a bond referendum and some of you remember that - 25 million bond referendum and it was seconded by Gus Campbell that we do that $25 million was the number that we put there That was a direct effect of what we were learning in the Budget Advisory Committee and I am very glad to see us now, ten years later, and we finally get to the point where we understood that $25 million So I am very happy We were told at that time that we couldn't do a $25 million bond referendum because the City would not approve it - the voters would not approve it We were getting the money through PAYG and let's leave it there Now ten years later we are doing something about it so I am excited about that Let me repeat in reference that crime is a symptom it is not the problem The problem in these neighborhoods is jobs, job skills and job training Once those things are fixed, we will fix some of the other problems We will fix the crime problem and some of the other things that the police department is complaining about all the time So I am glad we are on this track and I hope that we will continue this and prioritize and deal with the issues - jobs, job skills, housing and home ownership Homeownership is one of the problems -not a symptom but one of the actual problems so I am glad that we dealing with it from that perspective

Rousso: Curt you are going to get into the evaluation in your presentation - the two neighborhoods that are being approved and the two they want and we will get a comparison between the two, will we not?

Walton· Yes

Reid Before you start, this analysis will be two neighborhoods only?

Walton: Yes, I am going to talk about that in a moment

Reid: Stanley, I going to ask this and we can ask the Police Chief, but I would like to know what crime rates are in all those neighborhoods that we are planning to help I would like to know the crime rate by crime in those neighborhoods

Watkins: We provided that in the initial package but I will make sure you get that again

Reid Did we get all neighborhoods - all 18?

Watkins We have all 18 but generally what I recall from the information, with the City Within A City, I gave you some crime rates and some earlier information However, in some of the suburban neighborhoods we are looking at - I only gave you the current crime rates

Reid· Can you update that for us or whatever and get it to us again? I have already lost mine

Watkins Certainly

Greene Stanley, in doing this work, or in setting these partnerships, how closely tied were they to existing neighborhood plans, area plans, etc ? You were in Planning then and you are in Neighborhood Development now, are you getting the opportunity to implement some of that stuff you have been planning for the last 25 years? (Laughter)

Watkins. That is one of the reasons that made me decide to go to Neighborhood Development (Laughter) If you look at certainly the CWAC area, which is the yellow area - we have either Neighborhood Action Plans in most of these neighborhoods and in some cases we have done small area plans Again, in all those plans we do identify the infrastructure needs in these neighborhoods along with some other things and proven that they are needed This is going to be a great leg up to addressing some of these neighborhoods

Greene So there is direct coordination between what has been put on paper and now during the implementation

Watkins: Yes, as I said earlier, we are ready to go in eight neighborhoods already You are going to see some construction beginning in the Spring

Greene. What is the oldest plan that you have done that is not getting addressed, that has not had any treatment?

Watkins One of the things that has happened, even though we have made some improvements - if you walk back in time, '82 we had Beatties Ford Road Small Area Plan and we redid the Neighborhood Action Plan for the Lincoln Heights/Cummings Avenue There is a plan that I guess predates that, probably back into the late '70s where we identified some improvements in the Sterling community, we made some leveraging improvements This sort of completes the Sterling Community Some, if I remember correctly, a good 15 years old - that we are now able to go back and address in some of these neighborhoods

Greene. There are others that are similar?

Watkins· As you look, pretty much in the Center City there is another example of some earlier planning some years ago

Scarborough: I know that the Sterling Community is certainly glad to see this When I served as the Chair of the District 3 Committee - we worked on that plan and it looked like it was never going to come to fruition

Rousso· Now you are beginning to see the end results The crime rate has gone down 46 and 47%

Greene The Beatties Ford Road Small Area Plan happened when I was on the Planning Commission back in 1982 so that has been a long time coming

Spencer: I want to echo that I think we do have to recognize that neighborhoods take a long time to go down sometimes and they take a long time to come back Some of them require a lot of assistance and some of then just require a little bit of a push and they make it on their own It is not a quick process Just like the crime rate, the Chief is talking about how it has dropped pretty much this last year - it has dropped in a lot of places Some of those things are statistical circumstances I mean if we are increasing our presence and not releasing people then we are not having people come out So things like that affect the crime rate and we can always just rely on a descending series of numbers in the crime rate as our sole proof that something good happened I think that we have to look at a neighborhood and all its pieces and allow a neighborhood the time they take to come back

Rousso: Any other questions for Stan? Thanks very much Now Curt you will tell us a bit about the evaluation process and so forth

Walton Let me say too, that all three of these agenda items are scheduled to be on your half day retreat on February 18th, so we will take the comments you give us and that will help us to provide the information you need so we appreciate you doing that

On the Capital Program Evaluation Proposal, I would like to walk through the Executive Summary that is on the second page behind your agenda and talk generally about the study Dr Campbell from UNCC will address the study briefly As a refresher of where this came from, Don Reid made the suggestion last year as we were considering other budget alternatives to buy a piece of software that would measure the benefits of the capital program We have looked and haven't found anything that would do the job The second option we looked at was to work with the tax office and try to do our own study of cause and effect of capital improvements We found that the way the records are kept if we assessed property every year it would be a fairly easy thing But with a six or

eight year assessment, you don't know what caused the change or the improvement or the decline in the neighborhood So we are recommending this route to you The Capital Needs Advisory Committee (the Jim Palermo lead committee) asked us to address the three questions that are listed there and the purpose of the study 1) to talk about the business case for making investment decisions in our neighborhoods, 2) to address vital signs in each community and what the key success measures are and 3) does Capital Investment pay for itself Those are the three key questions around which this proposal has been structured We are recommending that the analysis be applied to four neighborhoods within the Neighborhood Improvement Program Two neighborhoods that we are getting ready to invest money in now in this short round and two neighborhoods that we are not They may be in the second round or third round The neighborhoods will be as comparable as possible UNCC will be meeting with our Neighborhood Improvement Team later in the week and by the 18th we will have a suggestion to you what those four neighborhoods will be The analysis will basically be structure so that staff will be able to replicate the process in future studies We will look for cost benefit analysis, the support for collecting the data, and then actually collect the data and analysis the data for the four neighborhoods The methodology that is being recommended will look at the total cost of the program - both direct and indirect costs, the total benefits - we listed a few there - changes in property values, land use, etc We will attempt to place a dollar value on those changes and then compare the benefits and the costs

The vital signs that were mentioned by the Capital Needs Committee, we will look at those They range from building permits, average rents, average household incomes, home sales We will try to establish benchmarks for each of the neighborhoods The first phase we will try to complete by the end of July and that would be the baseline data for all four neighborhoods In the same four neighborhoods, we would do another test within two years to see what the impact would be The cost for the first phase is about $23,000 and the second phase in two years would be $15,000 By mid-February at your Half-day Retreat we will have a recommendation to you - if you agree with this proposal - of how you would pay for it That is a very quick overview The proposal is attached

Rousso: We are going to try if possible not to use the bond monies for the two fees we would pay?

Walton That would be our preference We are doing our mid-year budget reports now in the capital and operating budgets and by the 18th we will know if there is savings from some other sources, but our preference would be not to use the bond funds so that we don't take money out of neighborhoods

Rousso. Any questions? Dr Campbell - we are delighted to have you

Campbell· Let me pass around a few things Curt has done a good job with the overview What we have tried to do is respond to some of the issues that have been raised by the Advisory Committee When we start talking about a business case, the first question that comes to mind is to question what is the return on investment and when someone talks to me about business case the essential question is what is gained for every dollar for capital investment that is put in place As has been mentioned earlier, we are talking about a two part procedure Benefit cost analysis will be conducted A flow chart has been provided as the back page We have talked about identifying two neighborhoods to apply the study to and two neighborhoods as controls The basic procedure is to identify the study areas and the control groups that will be as similar to these as possible We will establish the data base, look at the cost of the program estimate the benefits, and of course compare then and come to some conclusions It appears to be relatively straight forward task There are a couple of slippery slopes we have to walk in the process of doing this If you look at the flowchart, it is pretty clear what the costs of the program are We are talking about sidewalks, curbs and gutters, landscaping street resurfacing and construction and so forth that will flow directly into the target neighborhood Presumably, there will be some benefits that will be derived from those investments and those benefits will appear over time and it won't happen instantaneously It will take some time for those benefits to unfold The final evaluation takes place in phase two We will begin to take a look at what the benefits of the program are and compare them to the costs One question that quickly comes up is how does one measure those benefits The benefits consist of things like property values changes in employment/payroll, retail sales, cost savings (if investments mean we have fewer maintenance costs down the line), etc There are basically two ways we would attempt to measure these benefits The first is to measure the vital signs for the four neighborhoods We would measure these over time and then at some point in the future - we are suggesting about 24 months - measure those vital signs again It is difficult to tell whether or not the neighborhoods have changed by virtue of the capital investments being made or by some larger force that is taking place in the local economy For

that reason, we are suggesting the use of the control groups whereby we try to identify neighborhoods that are as similar as possible before hand

From there it is a fairly straight forward process to calculate the cost/benefits and determine what the merits of such a capital improvement program are As I mentioned earlier, there will be a number of reports distributed A geographic information system data base with location of neighborhood improvements etc will be established and we will make ourselves available to Council as necessary Any questions?

Rousso There will be two neighborhoods that will have no improvements whatsover and two neighborhoods out of the eight will be targeted for your comparison Property values, appearances, job training, etc that is all part of your report How would you measure the increase in that two year period, percentages or numbers?

Campbell· The trick is to compare apples and apples So what we are going to try and do is place those benefits and put them into dollar values Probably my suspicion is that the main changes will come from changes in property values In that case we have a clear case of apples and apples

In the cost savings example, if we resurface a street with a material that requires less maintenance than is currently used, that represents a cost savings and a dollar value that is useful To the extent that it is possible to quantify, we will put somewhere in terms both the costs and the benefits There may be some benefits that are difficult to value for example, beautification

Scarborough: There is a valuation program developed for most of these neighborhoods through Success by Six programs and there is a professor at UNCC who is doing this with some of the same data Are you working with anyone with the same data at all? She has a lot of the same things we are talking about I would like for you to work with her because some of this has already been developed

Campbell: I don't know who that is At this stage, I am not working with someone who is already doing this I would appreciate knowing who that is

Scarborough: She is doing that for Success by Six and the City is a partner in that

Greene: Madam Manager, did we engage some folks at UNCC with reference to crime and so forth?

Syfert: Chief Nowicki has hired some folks at UNCC to do some surveying for us - measuring attitudes toward Police We are working with UNCC on a lot of different stuff All this is - is collecting some data to establish our measures

Greene: Did you say that payroll would benefit as a result of construction?

Campbell: No

Spencer: Under the cost savings link - it would seem that if crime decreases there will be fewer uses of police services therefore that cost would decrease We don't pay for social services - the County does But, if people get more self-reliant they will need social services less Is that correct?

Campbell: That is correct

Spencer· It is important to factor in County things too, w don t pay for those, but they may be an indicator of things changing as well

Greene: Taxpayers pay for it Neighborhoods get a lot of investment from all over - Sara is making reference to that Schools for example, the impact of magnet schools like Oaklawn, Bruns Avenue, Irwin, etc You are going to factor out those kinds of investments, right? Because some of the most impressive investments we make - we claim credit for but the City can't claim the credit for making those things happen

Campbell: That is the idea We need to choose our neighborhoods carefully

Rousso· Payroll and retail sales will your team of researchers have privy to sales tax reports for that area, etc ?

Campbell· Yes I believe so We have to be very careful about how the information is used

Rousso Any other questions?

Spencer: There are a lot of partnerships in neighborhoods where enormous resources are being poured in and will be there for a short period of time Will you know about these programs and will you be providing information on them

Campbell: To the extent that we will know about them That is the type of information we will want to know about

Greene Hopefully you will examine the neighborhoods and see the activities that are there The Presbyterian church over there and from Faith Moore Baptist are doing pre-school So you will do a survey, etc and find out what is going on?

Campbell. There will be that type of research conducted

Walton We will bring you this back with the four neighborhoods and will amend the proposal to include other public benefits the County benefits for example and have a funding recommendation for the first phase

Rousso Any other questions for Dr Campbell?

Walton The Municipal Service Districts Last month at the Budget Committee the question was asked if residential property could be excluded from the Uptown tax districts The answer is yes Council can amend these districts by resolution It will require a public hearing, due notice, etc The process itself will not be difficult if that is what you chose to do It is more difficult in two other areas First you could not choose to tax residents or properties differently We would have to go through the process of redrawing and excluding the residential properties We have some maps for you to look at

The residential properties are concentrated in First, Third and Fourth Ward, but there are some along Tryon Street (the Iveys Building and next door) that would be difficult to exclude

Reid: Are we really hitting on something that doesn't deserve a lot attention I think I saw $21,000 as the total collected

Wheeler. Its $152 Municipal District Two

Walton Its about $42,000 between the three that residential people pay

Reid· How much does a person in a $100,000 house pay?

Walton: People can be in at the most two districts and that would only be downtown People in Third and First Ward would only pay district one So they would only pay about $10

Wheeler: Where do you get $42,000 from?

Walton: That's the amount you get when you add up the three districts Its $21,000 they pay in district one and $152 and

Wheeler: That's not $42,000

Walton You are right

Reid Are we spending a lot of time redrawing district when there is not a lot of money involved?

Walton: I think the question that you need to as is, Is it a deterrent to a certain range of housing?

Reid $10 a year?

Walton: It would be a difficult thing to do

Rousso There are a lot of mom and pop businesses located throughout that are and I think there would be a lot of static if we made an exception for residential people and not for them Would this save these property owners a significant amount of money?

Walton· No Not a significant amount

Wheeler· $10 dollars?

Spencer· Are we talking about $10 year? My concern is less towards what is what happening this second than it is towards the people that will be moving in Are we creating a barrier? I think that when people of means move in that does not a barrier for them

Spencer: I have a friend that lives in the Ivey's building Does she live in one or two districts?

Walton: She lives in two districts That is the center

Spencer There is not going to be any houses downtown valued less than what - $60,000?
When you buy into the new Earle village stuff do you become a home owner? What are the prices on those units? Are those units going to go at $50,000 or a $100,000 What impact is that going to have on people

Walton I think the prices are mixed I have never heard a certain price Its a financial question I do not know that there is a financial reason to do that I you think that it is going to be a deterrent on the lower end of the housing market, then that would be the reason to it

Reid Another thing too, a $50,000 would only pay $5 00 We will spend that amount trying to redraw the districts I thought the answer in here was no anyway It said maybe

Syfert I think it is going to be almost impossible looking at that center district where you have very expensive houses It would be very difficult to make that hold up legally

Greene: I have never heard a neighbor complain about the Municipal Service District Tax Never After this discussion I made it a point to talk to Third, Fourth and First ward and Uptown There was no problem with it They looked down and scanned the future and saw some concern about the tax rate and the escalating values being caused by economic development in the uptown area When you connect this to our effort to talk with the chairs of the Finance Committee of the House and Senate to talk about getting tax relief for people on fixed incomes with rapidly decreasing property value caused bu public activity Look at bungalows in Third Ward that is with $60,000 If the Commission decides to reevaluate the bungalow, it is now worth $160,000 That is how rapidly property value is increasing due to the Panthers Looking at it in conjunction with our efforts to get the legislature to do something about it, they may say that they may see it as a show of good faith

Rousso. Do you mean the Commissioners?

Greene: I mean the City s attempt to exclude the residents from the tax district The legislature may see this as our way of showing good faith That is what I learned today, after talking to different people We have people that are constantly talking to our legislature to get tax relief for people on fixed income

Rousso Is that really talking about deferral of taxes

Greene Essentially yes That is all we think we have legally that will allow this to happen

Syfert: One of the things in NC law is that once you start making exceptions, you have to have a pretty good reason for doing it I think you can say that there is some concern for the future of uptown Mr Rousso brought up a good point There are several mom and pop businesses in the area There may be a home owner in a $400,000 home and a store owner in a $200 000 business and they are not excluded from the tax because they are a homeowner I think you get into difficulty The attorneys have said that you can get challenged in court for doing something like this

Walton all taxation of those districts

Greene When I first heard about, I asked who raised that issue

Spencer. I did

Greene· I know I was a little flippid about it I still do not have a strong reason for doing this I think we still need to keep it on the table as something that we need to look at as a possibility of giving relief to people on fixed incomes The legislatures have said they are looking at two options One exemption has to do with agricultural relief

Walton Farm land?

Greene Yes The other has to do with a simple deferral then it becomes an obligation on the state

Syfert: You are talking about it based on need Those areas are tied to need and income verses a class of structure

Greene: From my understand from lawyers, that is illegal That s the part that is unconstitutional

Syfert: that's the part that gets you into trouble by saying that we are drawing the boundaries to exclude residential areas regardless of the value of the property and the income

Greene We need to here from the people from the uptown

Spencer. I am the one who brought this up It was presented to me as a problem I am sure at it is a problem for some Under Municipal tax District three it says projected tax collection is $300,000 for non residential areas That will change won't it

Syfert That will change The Ivyes Condominiums, the new housing will change

Greene: also the new 25 story tower that will be going up will also cause that to change

Spencer: It almost seems better to continue to examine it?

Syfert: the reason it is brought up in the budget is if you want to do something about it, you need to start doing it now If you don t then we can continue to monitor as people move into the uptown

Greene· Didn't you do this when you were the Budget Director? Has anything changed that would cause us to not want to do this at this point

Syfert· The things that have changed is that the property value has gone up so much in this are When the first district was made, the idea was not to exclude the residential districts because they were considered a part of the area and would benefit from the investments from the tax

Greene That has happened

Rousso We have some representatives from the chamber I would like to hear from them

Clayton I think in terms of what we know As Pam mentioned, the residents saw the benefits of paying that tax At this point I do not think there will be any opposition to looking at it

Rousso Would the committee like to take any positive action on this item?

Wheeler: I would like to see it tabled and monitored

Reid Second

Rousso Lets's table it and bring it back at the next meeting

Scarborough No

Syfert I think we will just monitor it

Rousso: I move that we adjourn

Minutes

(Please place in Blue Half-day Retreat Notebook behind the last page (M-42) following the Minutes tab.)

The City Council of the City of Charlotte North Carolina convened for a Budget Retreat on Tuesday February 18 1997 at 2 25 p m in Room 267 of the Charlotte-Mecklenburg Government Center with Mayor Pro Tem Al Rousso presiding Councilmembers present were Nasif Majeed Ella Scarborough and Sara Spencer

ABSENT: Councilmembers Charlie Baker, Patrick Cannon Malachi Greene and Tim Sellers
ABSENT UNTIL NOTED Mayor McCrory Councilmember Mike Jackson, Don Reid and Lynn Wheeler

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Mayor Pro Tem Rousso called the meeting to order at 2 25 p m and asked the City Manager to give her opening remarks

City Manager, Pam Syfert, welcomed the Council to their first Budget Retreat and said if they had an opportunity to review the material in their notebooks they will agree that there is some excellent information contained in the notebook She said they hope to be able to discuss the issues which will be coming up in the two year budget at this retreat and as they talk about some of the specifics they want to relate them back to what the Council s policies are Another goal is to do more of the budget work up front This is the first year of the two-year budget and it is very important The more they can do up front the less they will have to do in May and June which hopefully will alleviate some of the problems they have experienced in the past of not having enough time to get familiar with the issues Ms Syfert said she hopes it will be a smooth process so they can all go on vacation in May and June because the Budget will all be put together

Ms Syfert introduced Curt Walton Budget and Evaluation Director who will lead the discussion regarding the capital budget

Curt Walton, Budget and Evaluation Director, pointed out the five budget goals for this budget process He said a decision was made at the Council Retreat recently to suspend Goal #3 and at the March 3 Budget Committee staff will bring back a re-worded goal of the 2015 Plan He said staff suggested they add Goal #6 because the County has decided to go ahead with the property re-evaluation, therefore staff will need to provide Council with a revenue neutral property re-evaluation goal that was discussed at their retreat He said they would do that at the March 3 Budget Committee meeting and then bring those two goals to the Council on March 18

Mr Walton referred to the schedule for the half-day Budget Retreats and pointed out the asterisk by the date of June 10 They may have a conflict with the County therefore they will be suggesting a calendar change at the March Budget meeting

Their goal with regards to the Budget Retreats is to involve Council more in the budget development process so when they get to the end of the retreats, after the budget is presented, they will have full knowledge of what is in the budget and will make some of these decisions together

Mr Walton went over the Capital Investment Plan Financial Policies shown on Page 6 of the notebook

Councilmember Jackson arrived at 2:32 p.m

CAPITAL INVESTMENT PLAN FINANCIAL POLICIES

Under the Capital Investment Plan Program Policies Mr Walton pointed out the four priorities Retrofit Existing Facilities, Replacement of Existing Facilities Expansion of Existing Facilities and New Facilities

Mr Rousso asked what is meant by Expansion of Existing Facilities, to which Mr Walton used the example of the old Law Enforcement Center For a number of years the expansion of the old LEC was in the CIP but they replaced the LEC rather than expanding the old one He said there

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are expansions in the CIP, such as the Police and Fire Training Academy, which they consider from time to time where they would fix or expand what they have

Mr Rousso asked if the Coliseum would be considered in that priority and Mr Walton said not traditionally

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CIP PROGRAM UPDATE - NEIGHBORHOOD IMPROVEMENTS

Stanley Watkins, Neighborhood Development, gave Council an update on the $32 million bond which was approved last November The proposed program was to make improvements to 18 neighborhoods with the City Within-A-City (CWAC) as well as neighborhoods in the suburban community He said much of the work has already been designed and they will be working with other City and State projects so they can make sure that when they go into a neighborhood they will be disrupting the environment only one time

Mr Jackson asked when the Council will know exactly where the dollars are spent in this program?

Mr Watkins said they have a detailed schedule about how much is proposed for each neighborhood He said for the eight neighborhoods which have been designed they can get that information to Council rather quickly

Mr Jackson asked in what period of time will this money be spent to which Mr Watkins said they are proposing it be spent over a five year period Most of the things proposed for construction are scheduled to be done in the next two years

Mr Rousso asked for explanation of the other state projects which Mr Watkins referred to

Mr Watkins said they have transportation projects which are being approved or they may have a rehabilitation project approved for that general area so they are trying to make sure they do everything in sync He said they do not want to tear up the street with one project and come back a year later and tear it up again with another project

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CIP PROGRAM UPDATE - TRANSPORTATION PROGRAM

Bill Finger, DOT gave Council an update on the Transportation Program He used a color coded map in his presentation and said everything they see on the map in red is funded in the Street Improvement Bonds which were approved in November They have hired a consultant to begin work on the intersection improvement projects

City Manager, Pam Syfert, asked Mr Finger if their estimates were pretty much on target with these projects?

Mr Finger said so far things are looking good The railroad bridge may be a little under estimated, but it may be that they over estimated the Colony Road project.

Mr Rousso said they talked about Internodal Surface Transportation Efficiency Act (ISTEA) for transit and said ISTEA has been in existence for quite sometime and is about to be phased out, so why have they waited so late to participate in this?

Mr Finger said they went for a transit earmark at the first ISTEA legislation and what is up now is a re-authorization of the ISTEA legislation and they are trying to get in on it this time This next bill will replace the ISTEA bill and it could for as much as seven years or as little as five years

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Mr Rousso asked if anything was being included in the budget for bike trails?

Mr Finger said the five year program included $250 000 per year for work on bikeway programs The State has already funded some of the bikeways they have in the University area.

Mr Jackson asked if they have identified the state highway projects?

Mr Finger said they have a list of those in the CIP and what this is the City s half of the sidewalk for those projects The state will build new sidewalks on their projects if the City will pay half

Councilmember Spencer asked Mr Finger to talk about sidewalks when the City is replacing them with asphalt versus concrete

Mr Finger said it is the property owner's responsibility to maintain the sidewalk in front of their property, it is not the City s responsibility and that is clear in the state law He said DOT will go out and look at the site and if the sidewalk is in poor condition they notify the property owner and tell them if they will provide the materials the City will provide the labor, either with City forces or contract who will come and replace the sidewalk Some people do not want but if they determine the sidewalk is in fact hazardous they will patch it with asphalt temporarily until they can work out something where the property owner will take the responsibility for what they are supposed to do

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CIP PROGRAM UPDATE - ENVIRONMENTAL

David Meachum, Engineering and Property Management, gave the report on the Environmental CIP Program The Environmental Program is in response to unfunded mandates by Federal and State Agencies The program is operated under Council's policy of spending the program dollars in a prudent way, not spending the program prematurely or faster than necessary The bond referendum in November of 1993 was for $27 million to fund four projects underground storage tanks, fire pits cleanup, York Road Landfill and Statesville Road landfill Mr Meachum said $12 7 million of those bonds have been issued leaving $14 3 million unissued

The underground storage tanks project balance is $6 7 million The project is on schedule and they have received approximately $673,196 from the State for reimbursement for tank work The work is scheduled for completion in December, 1998

Mr Meachum stated the old fire pits have been removed and the new pits have been in operation since 1995 With regards to the Statesville Road Landfill, there are three parks which are involved with this project. The entire area has been fenced for security and the surface debris has been removed He said they challenged the National Priority listing ranking with the site and as a result there is no further action on the Statesville Road Landfill It has been turned over to the State for their handling Mr Meachum said they are continuing the operation of three gas venting systems on the York Road Landfill and some periodic grading is done to keep ponds of water from forming They are also doing some assessment of the ground water and gas monitoring on that site

Mr Scarborough asked Mr Meachum if there are any warning signs at the York Road site to make sure people are aware of the methane gas She asked if anything extra had been done since the accident out there

Mr Meachum said they did a great deal of work following the accidental explosion to correct the problem and make sure no holes are developed

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CIP PROGRAM UPDATE - STORM WATER

Jeb Blackwell, Engineering, stated the stormwater program was begun in 1993 and almost immediately they accrued a large backlog of problems They realized the problems were larger than the fees therefore Council approved an increase in the stormwater fee The current residential fee is $3 13 He believes they will eliminated the backlog by the year 2002 The estimated expense for the next six years is about $41 million

Mayor McCrory arrived at 3:10 p.m.

Ms Scarborough asked if they had received any questions from churches with regards to paying the stormwater fee

Jim Schumacher, Assistant City Engineer, said they had some questions the first year but after they learned what it was and understood it there has not been an issue

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CIP PROGRAM UPDATE - WATER AND SEWER

Doug Bean, Director of Utilities, described the five year capital program which includes Davidson, Cornelius, Huntersville, Charlottte, Mint Hill, Matthews and Pineville as well as the unincorporated areas of the county In addition they have signed two regional agreements with Cabarrus and Union Countys The City's capital improvement program reflects expenditures for CMUD participating and providing facilities in those two areas which over the long term will open up areas for development as well as save money for the region as opposed to having separate facilities

Mr Bean said Charlotte-Mecklenburg has experienced a 39% increase in the maximum day over the past five years, which is the maximum amount pumped in any one day of the year The customers have also increased by about 5,000 per year which means CMUD has added population in terms of services, the size of all of Cabarrus County

Mr Bean said they have spent a lot of money on treatment facilities and are meeting all the treatment needs He feels they are in good shape with regards to treatment needs

Mr Bean said the North Mecklenburg Treatment plan is new and is expected to be in operation this summer This plant will be taking water out of Lake Normal and is an 18 million gpd plant There is a large expansion at the Franklin Plant and will have 132 million gpd He said when both these plans are operating they will have 174 million gpd of treated water available for the system He feels they have about 10 years of capacity which means they will need to start planning the next expansion in 3 to 4 yours because it takes that long

With regards to waste water it is a very similar story They have five waste water treatment plants, McDowell Creek Plant is under construction and are adding 3 million gpd or doubling the capacity They are also doubling the capacity at Mallard Creek Plant Irwin Creek and Sugar Creek Plants were just recently upgraded with capacity being added at Sugar Creek McAlpine Creek Plan is the big one with a 48 million gpd plant and is under construction to go to 64 million gpd He believes they also have this capacity up to 10 years, but need to watch the way populations projections are going

Ms Spencer asked if they are sending good quality water out of this county to our neighbors downstream, to which Mr Bean said yes

Mr Bean said in the area of treatment they have $73 million budgeted over the next five years Mallard Creek is under design and some of the money will go for that In the area of maintaining customer service they have about $83 million budgeted for existing customer service They have about $40 million for neighborhood rehabilitation

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Mr Majeed asked why they do not have an ongoing conservation program?

Mr Bean said conservation is one of the big issues they are going to have to start dealing with because they have been able to continue to expand the plants their capacity is not unlimited because it gets more difficult to take withdrawals out of the Catawba River He believes there will come a point in time when the Federal Government will say we cannot withdraw any more water out of the Catawba River He said that is not within the next 10 years, but a conservation programs takes years to change in people's mind the way they use water He said they need to think more about reuse of sewer water and if it is good enough quality when it comes out of the treatment plant and goes through filters they can use it for irregation purposes It could be used for golf courses lawns, trees and shrubs

Ms Scarborough asked about stormwater and could it be reused?

Mr Bean said they did not want stormwater because it is expensive to treat and they would have to triple the size of the plants if they took stormwater

Mr Bean said the other area where they are spending a lot of money is the new customer area They have a lot of demand for the street main extension program which says if someone is within 1000 feet of an existing water/sewer line, for residential purposes they will run the line to that person at no cost.

Mr Bean said the five year CIP is $310 million with service to new customers being the part that has the most expenditures

Councilmember Reid arrived at 3:34 p m.

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CIP PROGRAM UPDATE - AVIATION

Jerry Orr, Director of Aviation, stated the five year CIP Plan for Aviation is $310 million and about $75 million of that will provide the next runway, about$40 million will be reinvested in the airfield about $59 million will be reinvested in the terminal, $40 million for roads around the Airport $20 million for cargo facilities $10 million to acquire the remainder of the land identified in the 1987 Master Plan that is yet to be acquired, $63 million to acquire the land that is identified in the current Master Plan and about $13 million to complete the Part 150 program which is the home buyout and home insulation

Mr Orr said they have never used taxpayer s money to pay for any of the Aviation Program and pay for those things with airline rates and revenues generated at the Airport Federal and State grants and General Airport Revenue bonds, which are supported by the Airport revenue and are guaranteed by the airlines

Mr Rousso asked Mr Orr if he can foresee any additional airlines coming to Charlotte to which Mr Orr said they are looking at that all the time There is an airline which will be announced very shortly, but it is not a low cost airline

Mr Reid said he was aware of how very important USAir is to Charlotte however he does have a complaint which he can give a personal experience and has heard others talk about. He said he occasionally flies over to Chattanooga and back and it costs $610 unless he wants to drive to Greenville SC and catch the same plane that comes to Charlotte and goes to Chattanooga He can do that for $360 and he believes something is inherently wrong and unfair about that He asked why this happens

Mr Orr said it is the market place setting the fares

Mr Reid said he understands that but the market place is taking advantage of us

mpl

Mr Rousso asked if Value Jet would come back to Charlotte to which Mr Orr said Value Jet has indicated they woud like to come back to Charlotte and if they want to come he will take them

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NEIGHBORHOOD QUALITY OF LIFE INDEX

Stanley Watkins, Director of Neighborhood Development, stated they had gone through a process of looking at physical and social economic indicators in the neighborhoods and went through a classification process One of the problems they have had with City-With-in-A-City (CWAC) is that much of the information is based on the 1990 census and the census will not be taken again until the year 2000 The challenge is to find out if they are being successful in the neighborhoods The quality of life indicators was a way to find some indicators they could use to measure year to year to see if they were losing or wining in the neighborhoods Mr Watkins said they would get a preliminary report by March 3 and would have the final report on this by April 1 He believes this will give them a tool to measure year to year to see if their investments or the allocations of resources to the neighborhoods are working

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CAPITAL PROGRAM EVALUATION PROPOSAL, EXECUTIVE SUMMARY

Curt Walton, Director of Budget and Evaluation, gave Council some details of the proposal to evaluate the neighborhood improvement program He said the Citizens Advisory Group recommended the Council address the questions what is the business case for making investment decisions in Charlotte's neighborhoods what are the vital signs and does the capital investment pay for itself Mr Walton suggested they work with UNCC and contract with the Urban Institute to look at four neighborhoods Seversville and Sterling would be the test neighborhoods and Washington Heights and York Road would be their control neighborhoods They will compare those four neighborhoods, which have similar characteristics against each other to see what impact the capital public investment made He said they would test now then make the improvements and in two years test again to see what changed He said they hope to have this finished by the middle of this summer and in two years the summer of 1999, they would have the results

The cost of Phase I is $23,000 and this funding will come from the savings in the first half of the fiscal year from the multi family recycling collection contract Phase II will be $15,000 which would be an expense in two years

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QUESTIONS AND ANSWERS

Councilmember Majeed raised a question with regards to leasing the Police Helicopter

Curt Walton, Budget Director, stated the helicopter which the City owns is inoperable right now

Mr Majeed asked how many hours does it have on it to which Ann White answered 13,500 hours

Councilmember Reid asked what is the analysis for having a helicopter and said he would like to know how much of the helicopter use is riding and how much is specific mission work

Councilmember Wheeler asked about the total housing needs request and said everyone has the information broken down except the Housing Authority She would like to know what the request for capital needs of $10,527,268 cover

mpl

Councilmember Reid said he understood they had projected an 8% increase in the stormwater fee over the next several years

Mr Walton said they did for the remaining five years which will address the ten year original program and in the tenth year they will access the fee to determine the need

Mr Walton said their meeting on March 18 would be Financial Partner Day when they will review requests from all the agencies serving both the housing area and general fund Five of the groups will be coming to talk the Charlotte Convention and Visitors Bureau, Coliseum Authority Housing Authority, Housing Partnership and Arts and Science Counsel

Mr Reid asked about the Population Peer Group and said it seems to him Charlotte is larger than any City listed if population is what they are comparing with regards to transit

Mayor McCrory told the Council that Senator Loche Faircloth was in town on Sunday afternoon and he spent a couple hours with him and two members of staff and had a very productive meeting on ISTEA legislation He said Senator Faircloth looked out the window and observed the corridors and he was very supportive of preserving corridors He also said Senator Faircloth was asking for Charlotte s assistance to help Washington out He oversees a committee to assist the City of Washington and wants some examples of well run cities

The Mayor said he and Boyd Cauble had a very good meeting in Raleigh yesterday and had a very successful meeting with Brubaker and two of his appropriation chairmen

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ADJOURNMENT

[Motion was made by Councilmember Majeed seconded by Councilmember Scarborough]
[and carried unanimously to adjourn the meeting at 4 13 p m]

Brenda R Freeze City Clerk

Length of Meeting 1 Hour 48 Minutes
Minutes Completed March 4 1997

mpl

Council Budget Committee Meeting Minutes
April 7, 1997

Present·	City Council	Don Reid, Charles Baker, Sara Spencer, Ella Scarborough
	Budget & Evaluation	Curt Walton, Lisa Schumacher, Phil Cowherd, Tumiko Rucker
	City Manager's Office	Pam Syfert, Del Borgsdorf, Julie Burch Greg McGinnis
	Finance	Richard Martin
	Human Resources	Bill Wilder
	Neighborhood Development	Stanley Watkins
	Transportation	Jim Humphrey, Terry Lathrop Lynn Purnell
	Guests	Mark C Cramer, Counselor at Law, Karla Knotts, Anne Marie Howard, William Gean, Latco Enterprises Inc , Cory Humphrey, Intern Glenn Smith, Advisor Boys Scout Troop No 12 Nick Boy Scout
Absent	Al Rousso, Lynn Wheeler	
Time	3 30 p m - 5 10 p m	

Reid We have three topics today, User Fees, Transit Fares and the E-Z Rider Service We will begin Curt with you introduction of the user fees As I understand, we are not taking any action today Everything will be for information only Is that correct?

Walton That is correct All three of these will be on the April 21 or May 6 Half Day Retreat We will take any feedback that the committee gives us and format it for those two dates First is user fees I will only make a few brief comments and Lisa Schumacher can give more detail particularly on the meeting she had with the Chamber recently I do not want to oversimplify the user fee debate, but I want to point out the two things that I think are most important The first is who pays for the development and development costs in the City The current Council policy is that the developer pays 80% and the public pays 20% That policy has been in place since 1988 and that is one of the issues under debate here The other issue is whether we charge direct cost only or fully allocated cost The reason we recommend fully allocated costs is because those are the systems we are using for our competition process We are trying to avoid multiple costing processes One other point that I would make is that as we have gone through this process, we have made some mistakes I feel that we have gotten those worked out Lisa will be discussing the revenue that will be coming from those fees We have addressed the issue of how the fees are calculated and what the revenues will produce I will turn it over to Lisa

Schumacher I would like to spend some time going over the Q & A's that you have Tom Flynn and I met with the Chamber Land Use Committee on March 26 and had a good discussion These are the questions that they asked I wanted to share these with Council to let you know what their concerns were Let me back up to the March 3, Council Workshop where we first made the presentation Mr Reid asked about the planning fees We went back that week and realized that a mistake was made on several planning fees and those have been corrected The first

question that came out of the meeting with Chamber was also one of the same questions that came out of the workshop on March 3 That question was, how do today's fee revenues at 80% direct cost recovery compare to 80% of direct cost to FY98? When the question was raised about large increase in revenues we took a second look at the revenues and found out that the revenues were overstated by as much as a million in the study The first Q&A here does correct the revenue estimates If you compare today's revenues of million dollars from users fees land development, and fire inspection services to 80% direct cost recovery for FY98 that would be approximately $1 3 million in revenue That is a $300,000 increase At 80% recovery full cost, which is the City Manager s recommendation, the revenue projection is $1 6 million The other option at 60% recovery full cost the revenue projection is $1 2 million Those are the two corrections in the planning fees Another question that came out of the Chamber meeting was what percentage is fair I think that all sides were debated about who should bear how much of the cost If you look at the experts and what they say about fees, there is general consensus that there is high private benefit, whether it be the ultimate purchaser or owner of a building ads opposed to the public That is why we are recommending the 80%

Reid: That is for fully allocated cost?

Walton Right now it is direct cost

Schumacher The City Attorney has advised us that what ever recovery rate we choose it should be consistent It should not distinguish rates for different type services One specific question was rezoning That was not a good example with a lot of benefit for the public I called the planning commission to get information on that They said that processing rezoning requests are often considered customer service I did some highlights on these Q&A's Another question on page two was, why should we raise the user fees if we are concerned about being competitive? One of the three components of this study was to find the economic development impact of user fees We sought a national expert to advise us on that This question came up ten years ago when we did a user fee study We wanted national and local perspective on that question Expert Tom Tischler believes that we would be competitive even at 100% full cost recovery The user fees are so small at 1% or less of development cost that it does not sway location decisions He bases this on 25 years of experience in most states across the country Another question was why we compared ourselves to national cities rather than cities in our SMSA such as Salisbury, Monroe or Gastonia? The cities that we chose are cities that we benchmark for best practices and innovation We were looking for new ideas In the past, we have found that it was not helpful to compare ourselves with our SMSA cities because they do not have the complex urban development issues that we have Their fees are rarely more than a few hundred dollars and have no relation to providing the service It is just a number that has been used over the years The consultant pointed out in the study that Charlotte is much more sophisticated than other cities in understanding the cost of doing business in its approach to user fees The next thing that I would like to direct your attention to is the question, what does the typical commercial or residential project in Charlotte cost? There is an attachment that has three tables on it The top table shows a subdivision with 71 lots and it shows the percentage difference in fees from today's fees to the recommended fees is about 0 03 of a percent The bottom left is a commercial development it is about a 0 07 of a percent difference These are public costs, meaning the costs we were able to obtain as a matter of public record For example the price of land and building permits The bottom right is another commercial site and it shows the percentage difference at about 0 02 of a percent Another question was, how do we know our land development regulatory processes are efficient and effective? In the last four years the workload has increased in all areas of land development and fire services Our staff levels have either decreased or remained flat We have made a number of internal process improvements Some of these improvements are turn around time, and most recently the engineering department has entered into a contract with the County engineering department to review some of its plans Since then the City costs are less than the costs that were being created by private companies Customer satisfaction is high and the reviews are all consistent The City is always committed to continued improvement We are always looking for improvements and better ideas Lastly, there was a question on the impact of development fees on economic development There was some confusion about this at the workshop There was a bullet in which the consultant concluded that this would have very little impact on economic development decisions I referenced the people who were involved with the consultant They were Mr Tischler who met with Terry Orell and John Connaughton from the University and Martin Cramton of our staff and Del Borgsdorf Mr Tischler met with some local people and bounced some questions around to get their reaction Mr Orrell felt that he may have

been misrepresented His actual statement was to date when he shares fees with economic development prospects he is not aware of that as a hindrance to Charlotte being located or being considered favorably He did not know at what level these would have to be to for these to be a hindrance to a location decision Again we were quoting our economic development expert Mr Tischler and not Mr Orrell specifically Those were the highlights of the concerns and questions that we received

Walton There is a Public Hearing next Monday night at your regular Council Meeting on the user fee proposal and then Council will be making a decision on whether to make any changes in the upcoming budget

Reid: Curt what is the schedule of the new fees?

Schumacher: I sent those out the week following March 3

Reid They are not in the packet we received for this meeting?

Schumacher: No You will have it again in your agenda item next Monday night

Reid Are there any questions?

Spencer: I would like to know if Mark agrees with this? If not how do we reconcile that? What would the point of reconciliation be?

Reid Would you like to respond to that Mark?

Cramer I would like to We forwarded a memorandum to you today

Spencer We can not read this I am sorry, it is a really bad copy

Cramer We faxed it in, I do not know what happened to it We have some more copies of it We have a couple of issues The fundamental issue is what is the appropriate percentage allocation I would point out that of the cities that were surveyed, there were only two that were at 100% Indianapolis who we model ourselves after quite a bit is 60% of direct I do not have the figures on the others We do have problems with the numbers The numbers have changed dramatically in the last month I noticed that there have been efforts to correct these numbers and they may be right now We have a problem having confidence in the consultant's numbers When you have a million dollar mistake in terms of what was charged and what was not charged in fees that is a major error in calculations There were a number of other changes made in the numbers I would hope that they would go back and double check the numbers and make sure that they are correct now We do not know whether staff provided the numbers or whether the consultant got the numbers and made the mistake They are very significant errors in terms of what the impact is on the industry or what is exactly being charged in fees now It is a difference between a million dollars and two million dollars being charged Those are our primary questions We certainly believe that the public good is conserved through a lot of these regulations and approval processes The private sector also benefits from it However, what you have is a monopoly You need to be careful of when you are doing a straight pass through of cost You have a system where the private sector must come in and do a wide range of things in the community When you have a straight pass through of cost it is difficult to get a handle on those costs when the policy is to have pay whatever the cost is We would urge you to be careful when you are setting this kind of thing To an extent you have a large public component of it We think that creates a real incentive to keep it low and an incentive for the private sector to stay within a reasonable range We are suggesting that if we go to fully allocated costs, and we understand staff's position on that We agree if that is how the system works now with privatization studies and accounting systems We recommend that 50% of fully allocated cost would be a reasonable level and consistent with what the fees are now That is my rough calculations based on the figures in the Q&A's

Cramer: There were a series of meetings that the consultant held about a year ago

Reid I had a feeling that everyone agreed What did they agree on or was it like the Arts and Science Council where no one agreed on anything?

Cramer We agreed to meet with the consultant and talk about fees The talks were philosophical in nature The primary point of discussion was, who benefits from the fees that are charged? There was never a discussion of particular fee levels in the focus groups I think the industry felt that they were specifically higher in terms of the public benefit There is one aspect that the industry is concerned about That is the quality of service During these focus groups, there was a lot of talk about the quality of service A representative at one of these meeting said that if we could just get the service straightened out the fees would not hurt us so much There was not an agreement on the appropriate fee level

Reid Is there any response, Pam, Curt or Lisa?

Walton One thing is I do not know that the fees would be going up 60% The revenues that the user fees would generate would be going up 60% but the fees have not gone up in three years while the volume of work has increased One thing does not necessarily mean the other

Reid Isn't our biggest competition with surrounding counties versus Austin Texas How do we compare with Cabbarus Union and Gaston Counties in local development in housing?

Schumacher The cost is Mecklenburg County is one thing that drives the decision I have heard figures of $60,000 an acre versus $30,000 in surrounding counties That is one of the numbers in the developers equation In these discussions the developer said that they do pass the cost on to the buyer The consultant purposely did not put a list of fees in front of the focus group He wanted to keep it philosophical and not react to dollars He wanted to get reactions to things like service He wanted to find out if fees do make a difference in whether you do business in Mecklenburg County or elsewhere

Reid Is there any thing else? Where do we go from here Curt?

Walton There is a Public Hearing next Monday night and then it will be on your May 6 Council Budget retreat

Reid Thank you Lisa

Baker Before you go on to number two we have some students that have come in They are working on a merit badge and Mr Glenn Smith is their advisor What is the merit badge that you are working on?

Boy Scout Citizenship in the Community

Baker. What troop is this?

Boy Scout Troop 12

Baker Don if you would please explain to him briefly what it is we are doing

Reid It is good to have you Please introduce your self

Boy Scout I am Nick and I am working on my Citizenship in the Community merit badge

Reid· The Council is in the process and is trying to help the City Manager develop a budget for fiscal year 97-98 As a part of that we review various parts of the budget In doing so we have reports from the manager and staff on these various parts Today we are talking about user fees, transit fares and a part of transit that we are going to be talking about is the E-Z Rider Program This is basically a bus service that we offer to the inner city at very low prices

Syfert: We offer this service to City Within a City

Reid The first discussion was on user fees Staff has reviewed the fees and the fees have not been raised in the past three years This is their position on user fees and we are looking at it because we have improved our costing methods and procedures We now know exactly how much it costs to do something We want to charge these people what it costs Transit fares have not been raised in five or six years and it is always an issue of how much money to charge people for transit We are glad that you are here and hope that you will come back We also have another student here Stand up and introduce yourself

Cory Humphrey I am Cory Humphry and I am interning with Mr Reid

Reid: He has been coming to committee and Council meetings We will be doing a project as a part of his learning process Hopefully we will figure this project out someday or he will not graduate It is good to have both of you here The next area is transit fares We will hear from Jim Humphrey and Terry Lathrop on this issue I am not sure of the order

Humphrey I will introduce it and Terry will discuss it in greater detail I am proposing a 12 and a half percent increase in transit fares in each of the next two years That would raise the local fares from 80¢ to 90¢ in FY98 and from 90¢ to a $1 in FY99 I am also recommending comparable increases in the other fares including the monthly passes The reasons that I am recommending these increases are (1) We have not had a fare increase since 1992, (2) We have looked at the consumer price index (CPI) and wage index and feel that the customers have the ability to pay the higher fare, and (3) We have looked at our peer cities and most of them are charging on average $1 for the local fares We are suggesting that we raise the fares to $1 over the next two years On a long term note I feel we need to move to a system that has a more routine fare increase based on some index I am not sure whether it should be the CPI or wage index, but I do feel that we need to get more like the Water & Sewer rate where we routinely raise our fares based on some outside study We will be doing a fare study when the Five-Year plan is confirmed that will help us price the new hub service we are proposing We might incorporate that question in that study which will be complete this summer or fall With that Terry is going to make a short presentation and we will answer some questions

Lathrop Thank you The basic point is a fare increase The slide on the overhead is a simplified version of the handout in your packet Our staff is not immune to mistakes In that first line, that should be 12 and a half and the second line should be about 14 In any case, we have two options as Jim indicated One is to go to 90¢ the first year and the other is to go straight to a $1 That is a 25% not 20% increase the first year One standard for judging fare prices is to figure what the general use is If you figure that the typical rider uses the bus twice a day five days a week, which is probably an understatement and the fare is 90¢ for each ride then the weekly pass of $9 00 is reasonable For figuring the monthly pass that is 20 or 21 days X two that is 40 or 42 X nine is about $36 That is a little faster increase than the percentages over here The same idea is used over here using the cash prices as the basis and then figuring what the pass prices would be The FY96 figures show that we had over 11,850,000 passengers and the revenues from the fare box and cash revenues were just over $5 million The effect of each of these changes works out to be a loss of passengers ranging from the smallest change being about 450,000 to a large change at over a million The percentage changes are shown here For revenue we would gain slightly less than a $ half million and that goes up to slightly over a $1 million with the largest change The point about the relationship to the CPI and the average wage shows up on in this chart The lower line here is the pass price It started at 40¢ in 1977 when the City took over the service It was increased to 60¢ in 1982 and 70 in 1987 and to the current level in 1992 This shows a dollar change in 1997 This is the same fare standardized to one in 1977 so the rate of increase is shown here rather than the actual number The goal line is the CPI also standardized to a base of one in 1977 and carried forward The blue line is the average wage brought forward from 1977 We are on track with the average wage, but it seems to lag behind the CPI, which is a measure of inflation

Spencer Which one of those is the CPI?

Lathrop The CPI is the top line, the gold one The average wage is the green line One other piece of information that is not in your handout is a list of cities We tracked eight cities in the southeast with comparative size and general comparative services The average base fare there was a $1 05 The average monthly pass price was $37 50 against our $29 00 The average weekly pass price was $9 75 against our $8 00 or $7 00 We are behind our peer cities Those include Jacksonville, Orlando, Birmingham, Memphis and Nashville Are there any questions?

Spencer Every time you raise fares, there is also a corresponding dip in ridership is that correct?

Lathrop Yes, that is correct

Spencer Tell me what will happen after it dips

Lathrop· There is normally a rebound effect We have not gone back and examined all of that There are many factors involved that makes it hard to tell The general economy and the price of gas make it very difficult to do an ex-post analysis on it By and large though there is a short term loss and there is a recovery that brings you back to where you would have been without the loss

Spencer What sort of end fees are you trying to hitch the future fares to? When you talk about setting a standard way of doing it for every budget process Has all of that been worked out?

Lathrop Our general thought was to pick one of these two There are others The minimum wage is one, but that is sufficiently political that it would probably be better to use the CPI and average wage

Baker If you use the average wage instead the CPI would that mitigate to some extent the loss of passengers?

Lathrop I assume that it would over time I have not really looked at the different implications of the CPI and the average wage It gets you pretty much in line with the average wage but it is not enough to get us up to the CPI The rate of increase on an annual basis over a period of time gets to be fairly large There is a good discrepancy of maybe 3% on a year to year basis

Baker Another question is what portion of the ridership creates this decrease? Is it the lower income people or is it the higher income people? Which groups is hardest impacted by this?

Lathrop We have about 80% or 75% of the people that ride buses with no automobiles or no driver's license They are captive riders For us to take a hit a 450,000 to 500,000 with minimal increase here would cause one to think that we are hitting our captive riders as well as those that have some alternative

Spencer Every once in a while I have a student that does not come to class because there is no bus fare It probably does not matter to some of us that do not have to worry about living at that level Is there some remediating other than your passes? Is there anyplace for people go that can not afford transportation?

Baker Crisis Assistance Ministry

Spencer Do they pick that up?

Humphrey. I am not aware of anything There are student fares but there is an upper limit on the age

Spencer If that is true, that is appalling because we have students at CPCC that may be displaced from other employment or former homemakers going to school full time trying to enable themselves to get a job If we are tying it to age that really should not be

Humphrey We can try to answer that between now and the 21st I think we are going to be talking about this again

Spencer· That would really be something that we should look into to

Humphrey. That is not based on an ID It would be a simple policy change that would say that anyone who is a certified student at CPCC, UNCC or Queens could qualify

Reid. We want to welcome Ella Scarborough It is good to have you We are talking about transit fares There are two proposals I think Pam is going to make a recommendation on one of those

Syfert We are going through some discussions now about that

Reid They have been reviewing with us two things The possibility of tying fare increases to the CPI or average wage so that you would not be discussing it every year The other thing is an overall increase to bring us up to other cities

Scarborough. If you raised it 10¢ this year, it would come back to Council next year before you raised it another 10¢ would it not?

Reid: Yes

Scarborough I am not sure that I would support it I heard some of the issues that Sara raised and I would have some of the same issues We are asking people to get off of welfare and get jobs, but that is a double edged sword If a part of the county's welfare program to get people off of welfare is transportation and they are going to subsidize that fine, but if not then I have a problem with that We would be talking out of both sides of our mouths We are asking people, from the government perspective, to go out, gets jobs and get off of welfare in five years God knows that we want them off of welfare because if you look at our FICA checks we are saying that they have to come down However, we can not do that if we come along and make it too hard for them to afford transportation in their budget That is one of the things we are discussing in the Success by Six Program As we look at going to another neighborhood, we are also looking at transportation I have some reluctancy there as it comes to raising fares I hope that before this comes to Council we would have some indication as to what the County is going to do in the work force I certainly do not want us to have these folks without jobs because they can not afford the fares

Reid Jim do we have a policy that we would recover X percentages of the fares

Humphrey Yes

Reid Are we meeting that policy now?

Humphrey: No

Reid I think that should be a part of the information that you bring back to us to show us where we are and how we might compare I think we ought to compare the last two years with revenues versus costs so that we would be able to decide Terry those percentages are considerably off

Lathrop Each one is off by exactly the same factor because I divided by the right hand number instead of the left hand number

Reid I see For instance the weekly pass going from $7 to $10 is 40% not 30%

Lathrop. It is three on seven instead of three on eight

Reid: O K

Scarborough There was a question from some Duke employees about eight months ago The question related to people who get monthly passes They wanted to find out if there was anyway to get a discount for monthly passes? Do you remember that question Jim? The answer that came back was that we could not do that because we had no way of dong it

Humphrey Was that in the same idea of a group buying a high volume of tickets being able to get a discount For example if Duke Power bought 1000 tickets would they be able to get a discount?

Scarborough· Yes, that was the question

Humphrey I think we are looking into that

Lathrop We are doing that for large block sales

Scarborough What are large block sales?

Lathrop I have forgotten the details but it is something like 500 or 1000

Scarborough I remember where the question came from It came from the Hotel/Motel folk They wanted to know if they purchased the tickets if they could get a better discount on the fares because they are having difficulty getting people into the work force and getting them fares that are low enough

Lathrop: I do not remember anyone saying who it was I do remember them stressing the number of passes

Scarborough: I will have someone call one of you again because I do not remember the details It seems to me that it had a lot to do with the people that we are trying to get off welfare and we are not making t attractive enough to these hotel workers so they can get to work

Humphrey Yes Have them call us

Reid The significant thing to me is the amount that each rider is paying In the first instance it is less than 50¢ If you divide 11 8 million by 5 5 million it is about 49¢ Then if you go to the first 5 987 it only goes up a penny or two per person on the average People are not paying a $1 00 to ride the bus They are paying about 50¢ to ride the bus

Scarborough That depends on who you are averaging If you are averaging the Express Rider you would have a different average

Reid If you throw the Express Riders out then the others are paying even less

Humphrey No

Lathrop Don there are a lot of factors included in that fare We include boardings so that means transfers We do not charge for transfers So you are right, every time someone boards the bus we are hitting them for 50¢

Reid I want to know how many people actually ride the bus eliminating the transfers Can you tell that? That is a little misleading

Lathrop The only way we can get that is through an average Otherwise we have no way of knowing

Scarborough If I transfer am I paying more money?

Lathrop No

Reid O K are there any more questions? Thank you very much

Lathrop· I will fix those percentages and send you a clean copy

Reid· The next subject is the E-Z Rider Program and I think Lynn will discuss this

Humphrey· I will introduce this one as well As you said, Lynn is going to talk about the history, cost and revenue Three of the four routes we operate are meeting the Council standard of eight passengers per hour We are proposing to revise the route that is not meeting the productivity standard by reducing the hours of operation from 12 hours a day to 7 hours a day Lynn will make a short presentation and then we will answer any questions

Reid: Lynn before you get started, I want to introduce the guests that came in WE have Del Borgsdorf and the advisor for Boy Scout troop No 12

Advisor I am a guest of Mr Baker's

Baker: You were introduced as his advisor earlier

Reid: What is your name?

Smith: My name is Glenn Smith

Reid Who do you have with you?

Smith I have my son and daughter

Reid It is good to have you O K Lynn go ahead

Purnell When we began E-Z Rider we had a lot of discussion in 1993 There were a lot of groups that came forward especially in the City Within a City neighborhoods expressing that there was a real need for a type of transportation system that would give more direct service between residences and places like work, shopping or medical facilities Two groups that stood out in bringing this idea to us were the Success by Six Board that was meeting back in 1993 as well as the Amay James Task Force that was nurtured along by Johnny Wallace in Neighborhood Development We began the service in February 1994 and we began two services on each side of town One we call E-Z Rider West which has a hub at Amay James Neighborhood Center It serves mainly your Westside neighborhoods Some of its destinations are City View and Revolution Park which is a popular place in the summer time for people from the Westside especially middle school children who use E-Z Rider to access the park's pool Another destination is Kenilworth Commons, Jackson Park and Ponderosa Neighborhoods We really worked with the task force to come up with the routes We worked with the neighborhood leaders and Johnny Wallace to get these routes designed on that side of town E-Z Rider North we worked with Judy Mooney who was at the time at Johnson Memorial YMCA, Michael Houston and Sam Wall also worked with us quite a bit We are using two routes Some of the areas we are hitting over there are the Belmont and Alexander Centers We tried to connect them with neighborhood on that side of town Some of those are the Belmont neighborhoods and Piedmont Court Since that time we have expanded the service to other destinations like Presbyterian Hospital, Carolinas Medical and Central Piedmont Some of the areas that we would be serving would be Tryon Hills, DillHead Courts, etc As we work through this these two areas were mentioned to us frequently They are trying to get access to Johnson YMCA and the Plaza area for shopping As Charlotte Transit operated in the past people living on that side of town off of Graham Street had to ride the bus downtown wait for a connecting bus and then go back out Davidson Street to get to Johnson YMCA One of the reasons for E-Z rider was to provide direct service for people to get them to the places they needed to go In both cases we have service provided on an hourly basis beginning around 8 30 a m to 8 30 p m We have changed our hours some after meeting with neighborhood

leaders Initially we did not have service on Saturday, but not long after we started the service we started providing service from 10 00 a m to 4 00 p m on Saturday We have taken some of that service from week day service to provide it on Saturday When you look at the cost for E-Z Rider West for 1996 it was about $148,000 The cost of E-Z Rider North was around $163 000 We have had a fare of 25¢ We ran into some of the problems that we heard earlier where people did not have even a quarter We had tokens that the community service agencies were providing certain clients to get access to services, particularly at Johnson YMCA The passenger revenues over that period of time is roughly $7700

Scarborough Did the Johnson YMCA pay for the tokens or were they free?

Purnell They were free We have done some passenger surveys to get a sense of who uses E Z Rider This survey was done last summer about 3/4 of the people ride about 3-4 times a week so there is frequent use Half the people are going to and from medical facilities We got a response that a lot a people use it for grocery shopping who in the past used the taxi services We asked what they did before E-Z rider and lot of people indicated that they were using Charlotte Transit or they were walking When we started back in 1993 one question was, how are you going to measure the success of the program? We talked to other cities like Memphis and Raleigh which started a similar service We asked them about the ridership they were achieving and we arrived at a criteria of about eight passengers per hour This was based on the information that we received from these cities In 1993 Council adopted the eight passenger ridership and since then we have been using that standard Your handout had some ridership graphs for the past three years You will see that there has been a bit of fluctuation In the past year three of four routes are close to eight passengers an hour The E-Z Rider West Routes easily exceed that number One of the E-Z Rider North routes is almost there with seven passengers an hour We think it is within hailing distance of the standard We have a problem with one of the other E Z Rider North routes We've been working with the Johnson YMCA to increase ridership on that route We have changed it several times In 1995 we changed it to serve Central Piedmont, Carolinas Medical, Presbyterian as well as Sharon Acres and Midtown Square We did that on alternate trips and then we operated straight down Central avenue as we did in the past In 1996 we changed it back to the Carolinas Medical area trip We still have not been able to get ridership up to the standard Now we are right at 6 passengers an hour Our preliminary recommendations for E-Z Rider would be to evaluate the one E-Z Rider North route and work with the contractor that is operating that route right now Hopefully, we would be able to identify a low activity period We would then propose eliminating five hours of service a day Right now we are operating about 12 hours a day and we would reduce that to seven hours a day We feel that if we could eliminate some of the least productive service we can reach the standard while still providing beneficial service Another suggestion would be for the City to keep passenger fares Currently the contractor keeps that revenue Initially we proposed that the contractor would keep it to eliminate a fare box and administrative costs, but we have had to have fare boxes anyway Finally, as part of the Five-Year Plan we are looking at starting an E-Z Rider Northwest at the Beatties Ford / LaSalle Shopping Center That was one of the recommendations that we received We are in the process of soliciting bids from contractors for operating an E-Z Rider service

Reid Is that it?

Purnell That is it

Scarborough In the E-Z Rider North area did you work at all with Success by Six to get the ridership up?

Purnell Not specifically Ms Scarborough, we have been working with Michael Houston and Stan Wall and Judy when she was there We were hoping that they represented the services that go to the YMCA

Scarborough· Some of the feed back that I got from residents in the Davidson area was that it started was 8 30 a m and some of the parents needed it to take the children to school At the last Success by Six meeting that was pointed out They have to find other ways to get their children to school plus go to their mother's training at the YMCA I do not know how you will deal with that You may want to call Keva and ask him about it

Spencer I want to say that this is a wonderful program It is flexible because you have made it work I think it is like the concept of what we need to be doing with transit I say this for two reasons One reason is for people that are your captive riders and the other reason is to promote use of City transit The more it is viewed as being flexible to met peoples' needs, the more people will ride it So far I think you have succeeded I think you all should keep doing it

Syfert I think we ought to look at the outcome I think we ought to be looking at the eight person per hour ridership Putting in a service that is going to be just eight passengers an hour taking people grocery shopping is not going to have the outcome of what we are trying to do

Spencer I do not disagree with that, but because they are using the small vans where you can not save is on the driver's time I hope that the more we do this the more the number will increase

Syfert A way to look at this is as a model of what we are trying to do in the Five-Year plan The desired outcome is to get more people using transit I do not want us to say that the way we have been operating in the last three years is the only way we ought to look at it We ought to set higher standards

Scarborough The other thing is making sure these people know that they can ride these buses They see these buses and wonder if they can get on these buses Even in the uptown area people wonder if they can get on the bus

Spencer. That is because it does not say free

Scarborough You are right It does not say that In the Uptown area people in the workforce are supposed to be intelligent and know about the buses but we still do not know What are we doing to make sure that people know those buses are for them? I know the Success by Six people know because I hear the parents and nurses say how much they appreciate them How much do they know?

Syfert. That is the perennial problem Until we solve that we are not going to have the type of transit system that we want

Humphrey We are working on a marketing plan that I think will be talked about at a future meeting

Syfert: That is the problem How do you let people know the value of the bus service They need to know where it goes, how to get on it and how to ride it That is a challenge

Scarborough· Learning those schedules! There are days when I need to get down here from Duke Power and I do not want to drive, but I do not know what time the little bus is going to come by

Humphrey Every seven minutes

Reid: How do we know these numbers are correct on the passengers? Who is compiling these numbers? I want to know how many of these are frivolous rides I see the ridership going down in some areas instead of increasing It is costing us $4 25 every time someone gets on the bus I mean that is a consideration If these rides are frivolous then we can furnish a taxi cheaper than we can furnish a bus I think we need to analyze the thing I rode the bus No one had to tell me that the bus was coming through my neighborhood because I had to ride it Anyone that has to ride the bus knows the bus schedule Ella you do not have to ride it because you have a car I think it gets ridiculous trying to force people to do something that they do not want to do It has nothing to do with whether people need this or not I know some people do Is 49 000 correct? How many of them are children jumping on the bus and jumping off again frivolously to visit a friend That is $8 50 I do not know that there is anyway to analyze it or not

Scarborough You would say that those are frivolous rides, but I would say that those are necessary

Reid· I will let you define what is frivolous I am not trying to I wonder who is compiling the numbers and are they accurate? It may be 30,000 versus 49,000 I do not trust the numbers

Purnell The numbers are provided by the contractors They provide those for us each month Independently we have to travel on the system and check the number of people who get on and off We have to do that for Federal transit money There is an independent check I have seen the numbers and they are consistent they do not disprove, what we are getting from the contractors

Scarborough Very Good

Reid I have seen the numbers for the buses that Ella is talking about and they indicate hundreds of thousands of people are riding them, but as I ride around town I do not see people on them They are cute and pretty but I do not see any one riding them

Scarborough The uptown buses?

Reid Yes, you know the buses I am talking about

Scarborough One other thing, Mrs Copeland from Lakeview called me and wanted to know when we were going to put the bus back in Lakeview I remember when we took that bus out of the area because we had people doing bad things to the drivers There were gunshots and other things In fact I rode with the police officers to follow the buses Mrs Copeland says that now that a Success by Six program is going in Lakeview and also Judy Vinroot and others are doing things in that neighborhood Also Reverend Caldwell's church is doing some things in that neighborhood so they feel that they need that bus back So would some one please give her a call Her number is on the list for Lakeview

Reid Thank you Curt do we have anything else? Where is our next meeting?

Walton Room 267

Reid This meeting is adjourned

FY98 Budget Calendar

1997		February			1997	
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3 Council Budget Committee Meeting 3 30-5 00 p m Regular Monthly Workshop	4	5	6	7 Retreat Material Distributed	8
9	10 Council Meeting	11	12	13	14	15
16	17 Zoning Meeting	18 1/2 day Budget Retreat 2 00-6 00 p m (Room 267)	19	20	21	22
23	24 Council Meeting	25	26	27	28	

FY98 Budget Calendar

1997		March			1997	
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3 Council Budget Committee Meeting 3 30-5 00 p m Regular Monthly Workshop	4	5	6	7 Retreat Material Distributed	8 NLC Congressional City Conference March 8-11
9 NLC Congressional City Conference March 8-11	10	11	12	13	14	15
16	17 Zoning Meeting	18 1/2 day Budget Retreat 2 00-6 00 p m (Room 267)	19	20	21	22
23	24 Council Meeting	25	26	27	28 Easter Holiday	29
30 Easter	31					

FY98 Budget Calendar

1997		April			1997	
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3	4	5
6	7 Council Budget Committee Meeting 3 30-5 00 p m Regular Monthly Workshop	8	9	10	11 Retreat Material Distributed	12
13	14 Council Meeting	15	16	17	18	19
20	21 Zoning Meeting	22 1/2 day Budget Retreat 2 00-6 00 p m (Room 267)	23	24	25 Retreat Material Distributed	26
27	28 Council Meeting	29 InterCity-Visit - Jacksonville, Florida (April 29 May 1st)	30			

FY98 Budget Calendar

1997			May			1997
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
4	5 Council Budget Committee Meeting 3 30-5 00 p m Regular Monthly Workshop	6 1/2 day Budget Retreat 2 00-6 00 p m (Room 267)	7	8	9 Retreat Material Distributed	10
11	12	13 Staff Available 7 30-9 00 a m	14	15	16	17
18	19 Budget Presentation 4 00 p m Zoning Meeting	20 1/2 day Budget Retreat 2 00-6 00 p m (Room 267, Final Decisions - 5 or more votes)	21	22	23	24
25	26 Memorial Day Holiday	27 Town Hall Day Staff available 3 00-5 00 p m	28	29	30	31

FY98 Budget Calendar

1997		June			1997	
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2 Council Budget Committee Meeting 3 30 5 00 p m Regular Monthly Workshop	3	4	5	6 Retreat Material Distributed	7
8	9 Budget Public Hearing at Regular Council Meeting	10 Staff available 11 00 2 00 p m 1/2 day Budget Retreat 2 00 6 00 p m Straw Votes (Mtg Chamber, televised)	11	12	13	14
15	16 Rebroadcast of Straw Votes on Channel 16 Zoning Meeting	17 Staff available 3 00 5 00 p m	18 Rebroadcast of Straw Votes on Channel 16	19	20 Rebroadcast of Straw Votes on Channel 16	21
22	23 Budget Adoption at Council Meeting	24	25	26	27	28
29	30					

Monthly Half-Day Budget Retreat Topics

February 18, 1997

- Principles of the Process
- Capital Investment Program (except Pay-As-You-Go)
  - Neighborhood Reinvestment
  - Street Bonds
  - Storm Water
  - Water and Sewer
  - Aviation
- Capital Program Evaluation Proposal
- Municipal Service District Boundaries

March 18, 1997

- Financial Partners

General Fund	Arts and Science Council Victims Assistance Youth Involvement Council Sister Cities Children's Services Network Convention and Visitors Bureau Carolinas Partnership Charlotte Uptown Development Corporation
Coliseum Authority	Financial Status
Housing Fund	Housing Partnership Family Housing Services Crisis Assistance Bethlehem Gethsemene
Housing Authority	The City's relationship with the Authority Safe Neighborhoods Awareness Program (SNAP) Self-Sufficiency Programs

- Housing Capital Program
- Review of Current Service Levels
- New Funding Requests from City Departments

April 22, 1997

- Transit
  - Committee of 10 Recommendations
  - Service Levels
  - Transit Fares
  - Contracts
- General Fund
  - General Fund Revenues
  - General Fund Expenditures
  - Fire Organizational Study
  - Employee Compensation
  - Technology
  - Impact of the Solid Waste Competitive Bid
- Economic Development
- User Fee Report
- Draft Capital Improvement Program

May 6, 1997

- Competition Update
- Annexation Impact
- Questions and/or Issues still outstanding

May 19, 1997 (4:00 p.m. to 5:00 p.m.)

- Presentation of the Manager's Recommended Budget

May 20, 1997

- Questions and/or Issues still outstanding
- Identification of Budget Alternatives
- Preliminary Decisions (5 or more votes to get an item on the list)

June 10, 1997

- Review of June 9, 1997 Public Hearing Comments
- Outstanding Questions and Issues
- Straw Votes (6 or more votes for inclusion in Council's budget adoption agenda item)

Approved by the Council Budget Committee
January 6, 1997

FY98 Budget Calendar

Budget Committee Meetings
Mondays at 3 30 until 5:00 p.m.

January 6
February 3
March 3
April 7
May 5
June 2

1/2 Day Retreats
Tuesdays at 2:00 until 6:00 p.m.

February 18
March 18
April 22
May 6
May 20
June 10

Designated Staff Times
Tuesdays

May 13 (7 30-9 00 a m)
May 27 (3 00-5 00 p m)
June 10 (11 00-2 00 p m)
June 17 (3 00-5 00 p m)

Budget Presentation - May 19 (Monday at 4 00 p m)

Budget Public Hearing - June 9 (Monday at 7 00 p m)

Budget Adoption - June 23 (Monday at Council Meeting)

Approved at Council Workshop 12/2/96

FY98 Budget Calendar

1997		January			1997	
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1	2	3	4
5	6 Council Budget Committee Meeting 3 30 5 00 p m Regular Council Workshop	7	8	9	10	11
12	13 Council Meeting	14	15	16	17	18
19	20 Martin Luther King Holiday	21 Zoning Meeting	22	23	24	25
26	27 Council Meeting	28	29	30	31	

FY98 Budget Calendar

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29	30					

Mayor
Patrick McCrory

Mayor Pro Tem
Al Rousso

City Council
Charles Baker
Patrick D Cannon
Malachi Greene
Michael J Jackson
Nasif Rashad Majeed
Don D Reid
Ella Butler Scarborough
Tim Sellers
Sara Spencer
Lynn Wheeler

City Manager
Pamela A Syfert

CHARLOTTE.

FY98 & FY99 BUDGET

HALF DAY RETREATS

Mayor
Patrick McCrory

Mayor Pro Tem
Al Rousso

City Council
Charles Baker
Patrick D Cannon
Malachi Greene
Michael J Jackson
Nasif Rashad Majeed
Don D Reid
Ella Butler Scarborough
Tim Sellers
Sara Spencer
Lynn Wheeler

City Manager
Pamela A Syfert

CHARLOTTE.

FY98 Financial Partners

Financial Partners Companion Book

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Introduction

"Financial Partners" are agencies with which the City of Charlotte contracts to provide specific services The types of financial partners vary

- from agencies that are linked to special legislation, such as the Housing Authority and the Charlotte Convention and Visitors Bureau,
- to agencies that support key areas of focus for the City, such as the Charlotte-Mecklenburg Housing Partnership and Family Housing Services,
- to agencies like the Arts and Science Council and Sister Cities, which coordinate and contribute to activities that this community has determined to be important

Funding levels in the 1990's for these agencies have been anchored to the rates of increases of City departmental budgets This has led to a number of flat budgets for many of these financial partners and minimal increases for others The number of financial partners has decreased considerably over the past 10 years City Council phased out funding for a number of agencies during this period

Included in this book is an overview of the financial partners that City Council will be considering during this two-year budget process Considerable additional information is available on each of these agencies that can be placed in the Council Library or provided to Councilmembers upon request

This book does not include funding recommendations for FY98-FY99. Funding recommendations for the financial partners will be made as part of the City Manager's Recommended Budget that will be presented on May 12, 1997.

Overview
General Fund Financial Partners

Financial Partner	*Current funding*	*FY98 Funding request*	*FY99 Funding request*	*Current city funding request as percent of total program budget*
Arts & Science Council	$2,174,580	$2,174,580	$2,174,580**	19 6%
Victim Assistance (UFS)	$227,171	$268,483	$278,838	57%
Youth Involvement Council	$40,000	$40,000	$50,000	76 8%
Sister Cities	$23,000	$25,000	$25,000	46 9%
Children's Service Network	$50,000	$50,000	$50,000	31%
Convention & Visitors Bureau	$1,910,000	*	*	
Carolinas Partnership	$125,000	$100,000	$76,715	6%
New Requests				
Stop the Killing	n/a	$40,000	$40,000	56%
Latino/Hispanic Community	n/a	$150,030	$150,030	

*General Fund occupancy tax revenue

**Budget request is flat pending requests of Cultural Action Plan

Overview
Housing Fund Financial Partners

Financial Partner	*Supports which Council policy?**	*Current funding*	*FY98 Funding request*	*City funding as percent of total budget*	*Per unit cost*	*Units of production achieved***	*Customer Satisfac-tion Rating**	*Potential for competitive sourcing*	*UNCC FY96 Evaluation Excerpts ***
Housing Partnership ∘ Affordable housing	CWAC	$2 000,000	$2 000 000	27%	$38 476	44 units (9 rehabilitated, 35 acquired)	3 30	yes	**Affordable Housing** Clearly provided important services to Charlotte community Met only 1 of 4 quantifiable strategies"
∘ Home ownership counseling	CWAC	$142,747	$149 900	61%	$4,198	62 prepared for mortgage 34 purchased homes	3 04	yes	**Home ownership** 'Met or exceeded 3 out of 4 strategies unit cost/homebuyer increased 6% '
Family Housing Service Rental mortgage default counseling	CWAC	$308,088	$390 000	93%	$193	1,779 reported successful counseling ourcomes	2 97	Yes	"Met 6 of 9 objectives should work to improve customer service especially in area of following up on service commitments "
Crisis Assistance ∘ Energy Assistance Program	Consoli-dated Plan	$96,432	$106,075	3%	$105	929 clients served	3 76	no	Energy Assistance Met or exceeded all of its objectives
∘ Emergency Rent Program		$100,000	$200,000	3%	$163	613 clients served	3 76	no	Emergency Rent Assistance Met or exceeded all objectives long-term study of client outcomes would be useful minor problems with reporting system

Overview
Housing Fund Financial Partners (cont'd)

Financial Partner	*Supports which Council policy*	*Current funding*	*FY98 Funding request*	*City funding as percent of total budget*	*Per unit cost*	*Units of production achieved***	*Customer Satisfac-tion Rating**	*Potential for competitive sourcing*	*UNCC FY96 Evaluation Excerpts ***
Bethlehem Center ***After School Enrichment***	CWAC	$158,825	$189 013	65%	$662	266 children served	3 74	yes	Four goals completely satisfied, 2 goals partially satisfied, 2 goals not satisfied greater effor should be made in the future to test all students
Gethsemane ***After School Enrichment***	CWAC	$422,475	$455,215	75%	$893	448 children served	3 46	yes	Excellent record of achievement (6 out of 8 objectives met or exceeded 2 partially met) was able to reduce unit costs by 8 5% while maintaining staff to child ratio
YWCA Scattered Site ***After School Enrichment***	CWAC	$85,503	$117 587	21%	$321	260 children served	2 96	yes	Appears to have accomplished the majority of its objectives (10 objectives met, 1 partially met) all 5 sites provided the required services, but only 3 appear to have met contract's enrollment and participation requirements

Overview
Housing Fund Financial Partners (cont'd)

Financial Partner	*Supports which Council policy?**	*Current funding*	*FY98 Funding request*	*City funding as percent of total budget*	*Per unit cost*	*Units of production achieved***	*Customer Satisfac-tion Rating**	*Potential for competitive sourcing*	*UNCC FY96 Evaluation Excerpts **
St Paul Baptist ***After School Enrichment***	CWAC	$41,791	$42,883	100%	$1 045 (FY97)	40 children served (FY97)	not evaluated	yes	Program separted from Gethsemane Enrichment in FY96 and was not included in UNCC evaluation contract
Charlotte Mecklenburg Schools ***After School Enrichment***	CWAC	$150 000	$150,000	2%	$1,471 (FY97)	102 children served (FY97)	Not evaluated	yes	Not evaluated contract developed in FY97 and funded on a one-time basis
YMCA Success by Six ***Pre-School Intervention***	CWAC	$40,000	$45 000	15%	$1,739	23 families	3 00	yes	Many of the contract s objectives were achieved (5 objectives met, 1 partially met) adult educational opportunites and family participation objectives were exceeded information on Dillehay Courts participants funded under this contract not clearly separated from the larger program, creating ambiguity

Overview
Housing Authority Financial Partners

Financial Partner	*Supports Council policy?**	*Current funding*	*FY98 Funding request*	*City funding as percent of total budget*	*Per unit cost*	*Units of production achieved***	*Customer Satisfac-tion Rating**	*Potential for competitive outsourcing*	*UNCC FY96 Evaluation Excerpts **
SNAP ***Crime Prevention in Public Housing***	Community Safety	$157 596	$157 596	97%	$42	3 379 residents (total population of complexes)	2 98	no	58% of goals met a list of persons given to the evaluator as actually served included only 53 names two out of four police officers responding to an indpendent survey find the program unsatisfactory
Self Sufficiency ***Counseling and case management for public housing residents***	CWAC	$350 000	$402 040	100%	$1 054 $14 583	332 families 24 families became home owners	3 00	yes	Program assisted 19% more clients than stipulated in the contract but did not meet any other goals employability agency collaboration and crime prevention outcomes not documented achieved only 48% of homeownership goal cost/successful outcome increased a dramatic 64% critical comments outnumber positive comments 2 1

Overview
Neighborhood Development Financial Partners

Financial Partner	*Supports Council policy?**	*Current funding*	*FY98 Funding request*	*City funding as percent of total budget*	*Per unit cost*	*Units of production achieved***	*Customer Satisfac-tion Rating**	*Potential for competitive outsourcing*	*UNCC FY96 Evaluation Excerpts **
Child Care Resources *Day care placement for JTPA partcipants*	CWAC ECON	$272 564	$272 564	Not provided	$2 857 average	87 day care slots	3 83	yes	All objectives met or exceeded minimum administrative costs (4 2%) maintained
Employment Security Commission *Dislocated Workers Program*	CWAC ECON	$323 675	$355 246	100%	$3 394	121 placements	3 59	no	Program met all 7 objectives and exceeded goals in important areas record maintenance reporting follow up excellent administrataive costs reduced by 7% and unit costs 6% less than prior year
Senior Center *Job training & placement for persons aged 55 or older*	CWAC ECON	$26 649	$31 531	4%	$1 115	29 placements	3 58	yes	With the exception of one objective where there is ambiguity all performance objectives met program achieved a 13% unit cost reduction from previous year
Goodwill Industries *Job training & placement for disabled, economically disadvanted persons*	CWAC ECON	$40 000	$40 000	10%	$1 739	23 job placements	2 96	yes	Met all of the service objectives with one minor exception 4 out of 6 clients surveyed had critical comments suggesting some unresolved customer service issues

* Customer Satisfaction rate based on a 4 point scale Broadest applicable Council policy used however Council may have specific policies such as the Consolidated Plan for Housing which also cover these contract areas

** Information for FY96 program year unless otherwise noted Per unit costs based on totaly FY96 budget divided by FY96 units of service produced unless noted
Source FY96 Program Evaluations Urban Institute University of North Carolina at Charlotte February 1997

Overview
Indices of Accountability

Agency	*Human Resources Policies*	*Board of Directors*	*Financial Policies*	*Record Keeping Policies and Procedures*	*Federal Tax Returns/ Exemption*	*Approved Budget for FY97*	*Organization Chart*	*Conflict of Interest Policy*	*Salary Disclosure*
General Fund									
Arts & Science Council	✓	✓	✓	✓	✓	✓	✓	✓	✓
Victim Assistance	✓	✓	✓	✓	✓	✓	✓	✓	✓
Youth Involvement	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sister Cities	✓	✓	✓	✓	✓	✓	✓	✓	✓
Children's Services	✓	✓	✓	✓	✓	✓	✓	✓	✓
Convention & Visitors	✓	✓	✓	✓	✓	✓	✓	✓	✓
Carolinas Partnership	✓	✓	✓	✓	✓	✓	✓	✓	✓
New Requests									
Stop the Killing									✓
H/L Resource	✓	✓	✓	✓	n/a	n/a	✓	✓	✓

Overview
Indices of Accountability (cont'd)

Agency	*Human Resources Policies*	*Board of Directors*	*Financial Policies*	*Record Keeping Policies and Procedures*	*Federal Tax Returns/ Exemption*	*Approved Budget for FY97*	*Organization Chart*	*Conflict of Interest Policy*	*Salary Disclosure*
Housing Fund									
Housing Partnership	✓	✓	✓	✓	✓	✓	✓	✓	✓
Family Housing Services	✓	✓	✓	✓	✓	✓	✓	✓	✓
Crisis Assistance	✓	✓	✓	✓	✓	✓	✓		✓
Bethlehem Center	✓	✓	✓	✓	✓	✓	✓	✓	✓
Gethsemane	✓	✓	✓	✓	✓	✓	✓	*	✓
Housing Authority									
SNAP	✓	✓	✓	✓	✓	✓	✓	✓	✓
Self-Sufficiency	✓	✓	✓	✓	✓	✓	✓	✓	✓

*Policy being developed

Overview
Indices of Accountability (cont'd)

Agency	*Human Resources Policies*	*Board of Directors*	*Financial Policies*	*Record Keeping Policies and Procedures*	*Federal Tax Returns*	*Approved Budget for FY97*	*Organization Chart*	*Conflict of Interest Policy*	*Salary Disclosure*
Neighborhood Development									
Child Care Resources									
Employment Security	✓	✓	✓	✓	✓	✓	✓	*	✓
Senior Center	✓	✓	✓	✓	✓	✓	✓	✓	✓
Goodwill Industries	✓	✓	✓	✓	✓	✓	✓	✓	

*Policy being developed

Financial Partner - Arts & Science Council

I. *Financial Status*

Funding source	General Fund
FY97 Appropriation	$2,174,580

II. *Program Highlights/Status*

Through a competitive grants review process, ASC has convened volunteer panels and awarded grants in six categories Basic Operating Grants, Grassroots Grants , Artist Project Grants and three Arts Education Grants--Education Through the Arts, Arts in Education and Arts Education Performance Grants Three Arts Education Grant programs were effectively administered resulting in 45 grants to elementary, middle and high schools in all art forms

Approximately $8 1 million in grant awards have been confirmed with qualifying organizations

The '97 Cultural Action Plan is now underway under the direction of former mayor, Richard Vinroot This plan will examine all aspects of the cultural community and render its findings in Spring 1998 The plan will serve as a guide to ASC's operations and set its strategic priorities over the next five to seven years

The Public Art Program has completed several different projects The most notable of which have been the six murals at the new Convention Center In January 1997, the Public Art commission installed a Ben Long Fresco at the Law Enforcement Center

III. *Funding Request*

Funding source	General Fund
FY98 request	$2,174,580
FY99 request	$2,174,580

FY99 funding request is flat pending the results of the Cultural Action Plan finding

Proposed FY98 Program Objectives

I. Customer Service

- To increase the general public's awareness of art and science education as an important tool for advancing school curriculum
- To create interest and stimulate involvement in the development of Charlotte s third cultural plan
- To improve government officials' awareness of the cultural system
- In FY98, the Public Art Program will broaden it's public education programs

II. Financial Accountability

- In FY98, the Public Art Program will identify two new partnership projects
- To Surpass 1997 campaign goal of $4,835 million by raising $5,000,000
- To identify new funding sources for FY98 budget through grant writing
- Responsibly distribute over $8 5 million to advance the cultural life of the community
- To increase emphasis on education focus areas
- To Bring in $3 million to increase endowment holdings to $20 million

III. Internal Business Process

- To increase the public's involvement in ASC's grant review process
- To improve ASC's internal accounting mechanisms and reports
- To initiate the Cultural Education Collaborative's first administrative year
- To ensure that Board and staff representation at ASC and its Basic Operating Grant recipients will mirror the community's demographic composition

IV. Learning and Growth

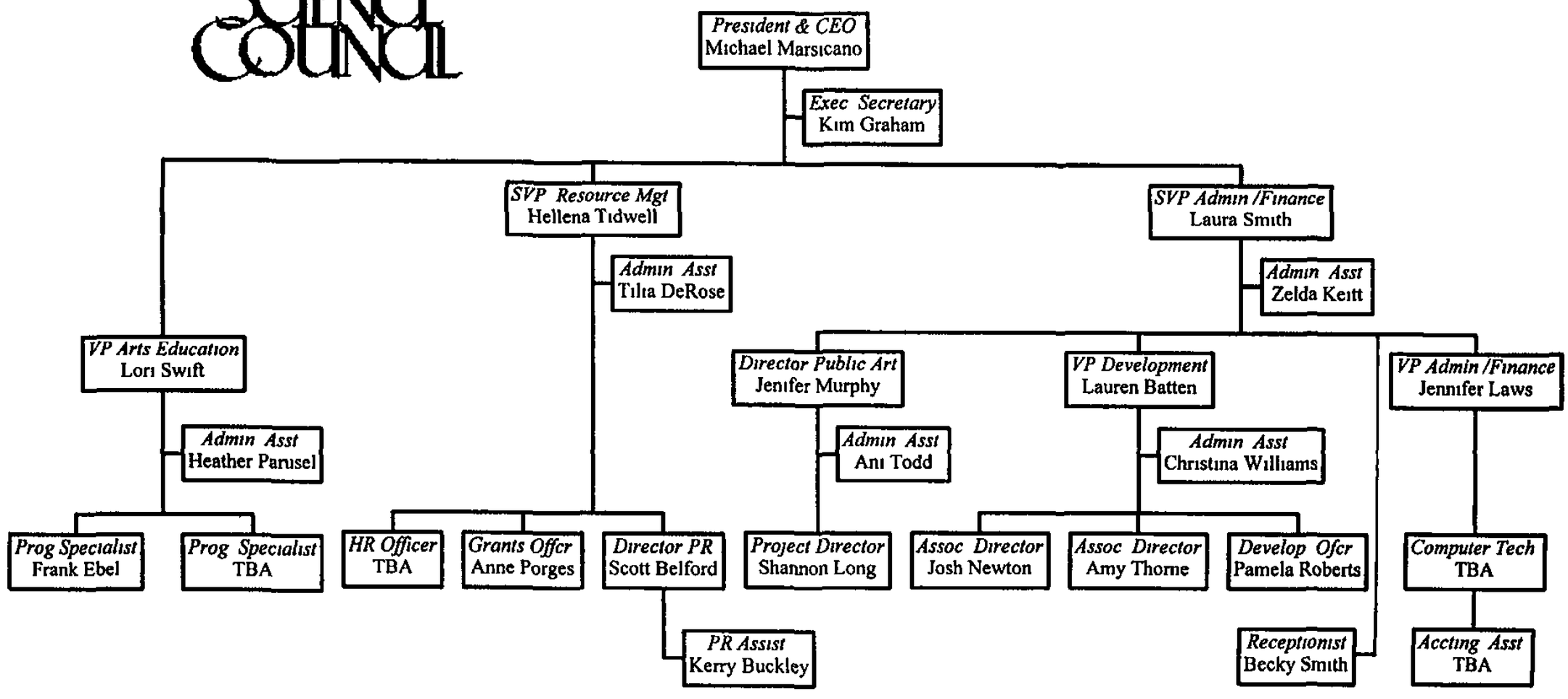
- To improve ASC staff's ability to efficiently produce accurate accounting reports
- To implement Phase I of ASC's technology grant program for its affiliates and the region
- Public Art will initiate a year long master planning effort

Salary Disclosure

Position	*Salary*
President/CEO	$127,500
Senior Vice President Admin /Financial	71,250
Vice President Arts Education	68,000
Senior Vice President Resource Management	63,250
Director, Public Art	54,200

Organizational Chart

ARTS & SCIENCE COUNCIL
ORGANIZATIONAL CHART



Financial Partner - Victim Assistance

I. *Financial Status*

Funding source	General Fund
FY97 Appropriation	$227,171

II. *Program Highlights/Status*

During the first five months of FY97, Victim Assistance has provided the following direct services to victims of crime

- Crisis intervention and counseling to 1010 victims of domestic violence
- Crisis intervention and counseling to 367 victims of felony crime
- Assistance to 249 victims of misdemeanor crime
- Hospital accompaniment and support for 40 victims of sexual assault
- Court preparation and accompaniment for 918 hearings
- Assistance with filing protective orders for 524 victims of domestic violence
- Provided counseling to 99 child victims of sexual assault
- Provided assistance with filing NC Victim compensation applications to 15 victims

Victim Assistance has facilitated twenty-six community education programs These programs included training of health department personnel as well as child protective service workers on the issues of domestic violence Training was also provide for police recruits, school personnel and students and college students

Victim Assistance is providing support groups for victims of sexual assault There is a support group for elementary school girls who have been victims of sexual assault and a group for adult rape victims

The Board of Directors for United Family Services is in the process of hiring a consultant to advise on the appropriate direction to take for fund development

III. *Funding Request*

Funding source	General Fund
FY98 request	$268,483
FY99 request	$278,838

Proposed FY98 Program Objectives

I. Customer Service

- To improve the safety of domestic violence victims by assisting 90% of clients who come into the office in making a safety plan and assisting 60% in filing for a protective order
- To raise awareness of violence prevention and victim sensitivity in the community through 80 community education events
- To reduce the symptoms of trauma in 75% of adult victims utilizing the counseling services
- To improve the human service and criminal justice system's response to victims in three areas through training and advocacy

II. Financial Accountability

- To increase funding of program services by 5% through federal, state or private grants in FY98
- To maximize the benefits from dollars spent by increasing use of volunteers by 10% in FY98

III. Internal Business Process

- To heighten understanding of program effectiveness by contacting 10% of clients six months after termination of their service at Victim Assistance to evaluate their situation
- To recruit and train a minimum of five persons to participate in a volunteer speaker's bureau

IV. Learning and Growth

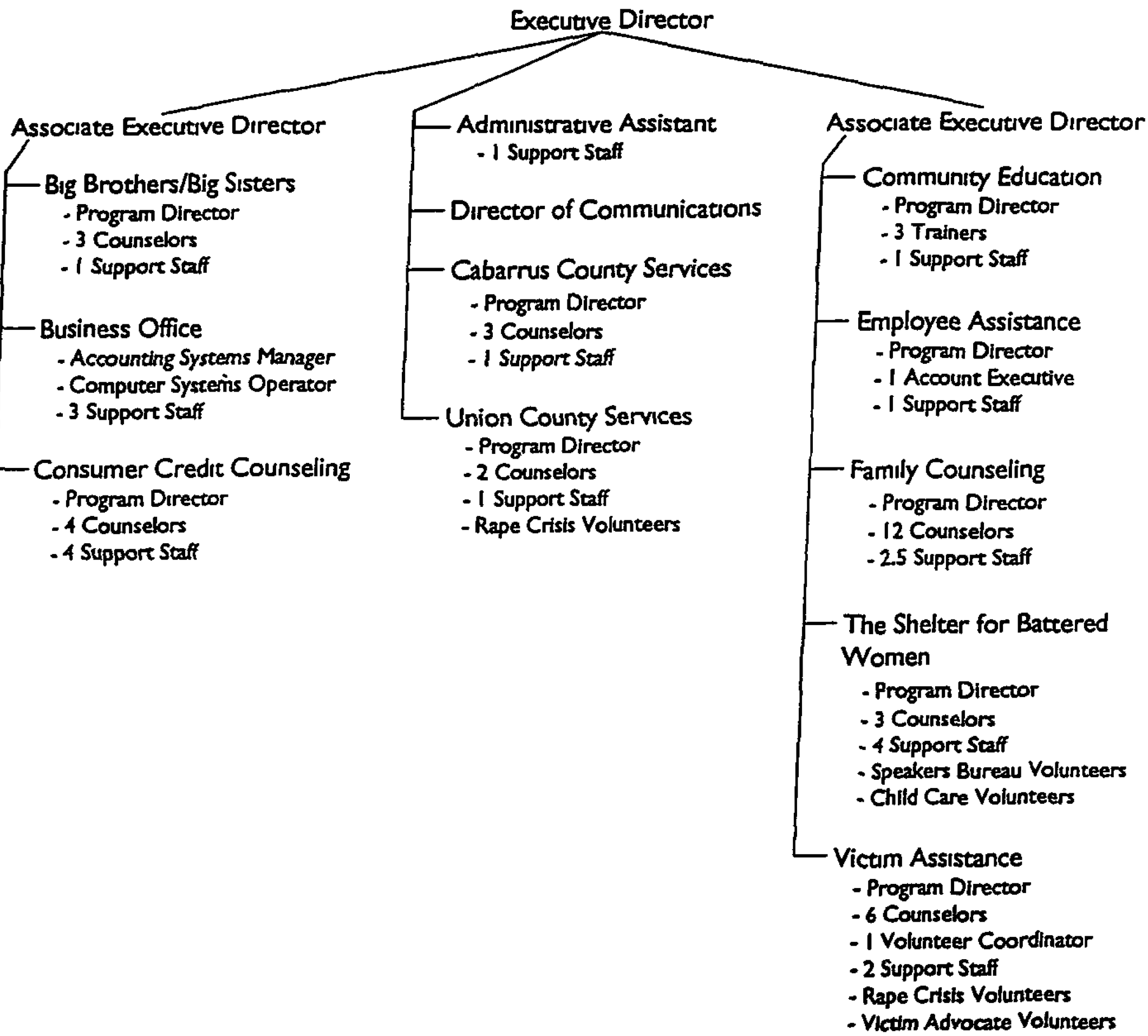
- To increase the knowledge of 80% of the counseling staff in effective, brief therapy techniques through training in FY98
- To increase measurable productivity by training the staff in understanding and utilizing the Client Information System reports

Salary Disclosure

Position	*Salary*
Executive Director	$88,974
Associate Executive Director	51,765
Associate Executive Director	49,607

Organizational Chart

United Family Services
Organizational Chart



Financial Partner - Youth Involvement Council

I. *Financial Status*

Funding source	General Fund
FY97 Appropriation	$40,000

II. *Program Highlights*

Ten YIC members coordinated the Cotswold Elementary School KIDSVOTE, a program in which volunteers assisted area youth as they participated in a mock-voting process

Youth Involvement Council has been asked to serve as the youth diversity awareness/conflict resolution component of a Community Empowerment pilot program tentatively called *Charlotte s Future A Youth Leadership Development Initiative* This will be a collaborative effort between YIC, other youth-serving agencies, Neighborhood Development and the Charlotte-Mecklenburg Police Department

Speak-Out for Diversity: The 1996 Youth Diversity Conference (October 1996)
Held at UNC-Charlotte, the conferencefeatured a workshop on the growing diversity of the Charlotte community conducted by a member of the City's Neighborhood Development Department and a series of workshops conducted by Youth Involvement Council members

- Total number of students as delegates 108
- Total number of school staff involved 9
- Total number of schools involved 23
- Number of YIC workshop facilitators 12
- Program effectiveness rating 9 3 (10 point)

Youth in Government Day
Scheduled for April 1997, this is an opportunity for area high school students to spend a day working alongside representatives of City and County government, law enforcement and the court system

III. *Funding Request*

Funding source	General Fund
FY98 request	$40,000
FY99 request	$50,000

Proposed FY98 Program Objectives

I. Customer Service

- To promote community safety through the UNITY (Uniting Neighborhoods by Involving and Training Youth) program
- To promote a positive relationship between local law enforcement and area teens by involving 50 diverse youth in a ride-along program with the Charlotte-Mecklenburg Police and Mecklenburg County Sheriff's Department
- To promote youth leadership and responsible citizenship
- To promote awareness and appreciation of diversity

II. Financial Accountability

- To increase allocation of overall agency fundraising efforts to YIC in FY98 by 10%
- To maximize overall agency productivity, as well as YIC program capacity by sustaining two part-time personnel with funds formerly allocated for one full-time position

III. Internal Business Process

- To increase the active membership of YIC and the total number of youth reached by YIC activities by 50% during FY98
- To increase number of programming partnerships from 26 (FY97) to 35 for FY98

IV. Learning and Growth

- To enhance program effectiveness by providing program development and public relations training to YIC coordinator at annual conference sponsored by agency's national office
- To increase use of our national office resources by 25% for agency board of directors development and planning, for overall agency and YIC program financial development
- To enhance program effectiveness by utilizing 10% of part-time program personnel for assistance in YIC program implementation

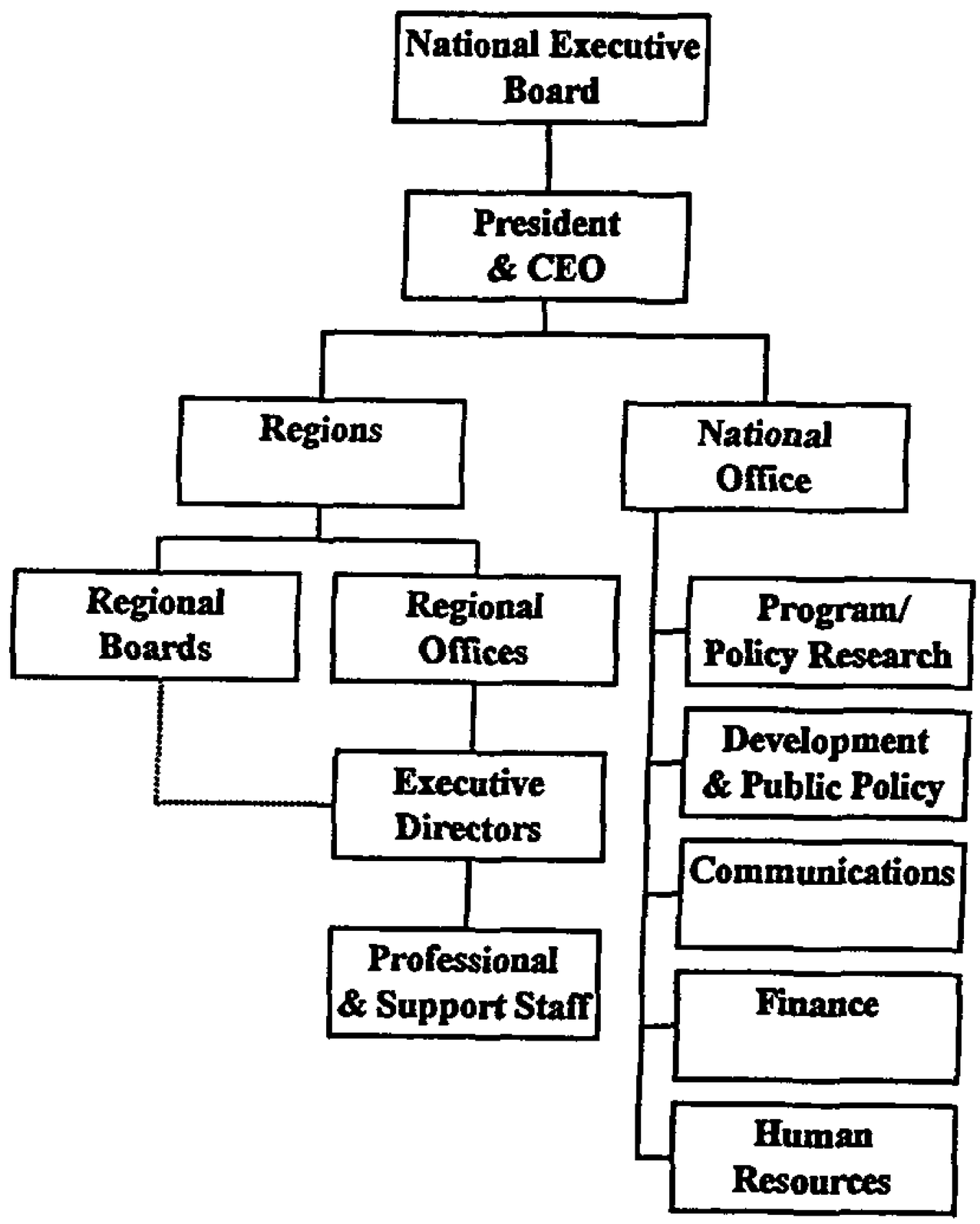
Salary Disclosure

Position	*Salary*
Executive Director	$45,143

This is the only staff position receiving over $30,000 in salary and benefits

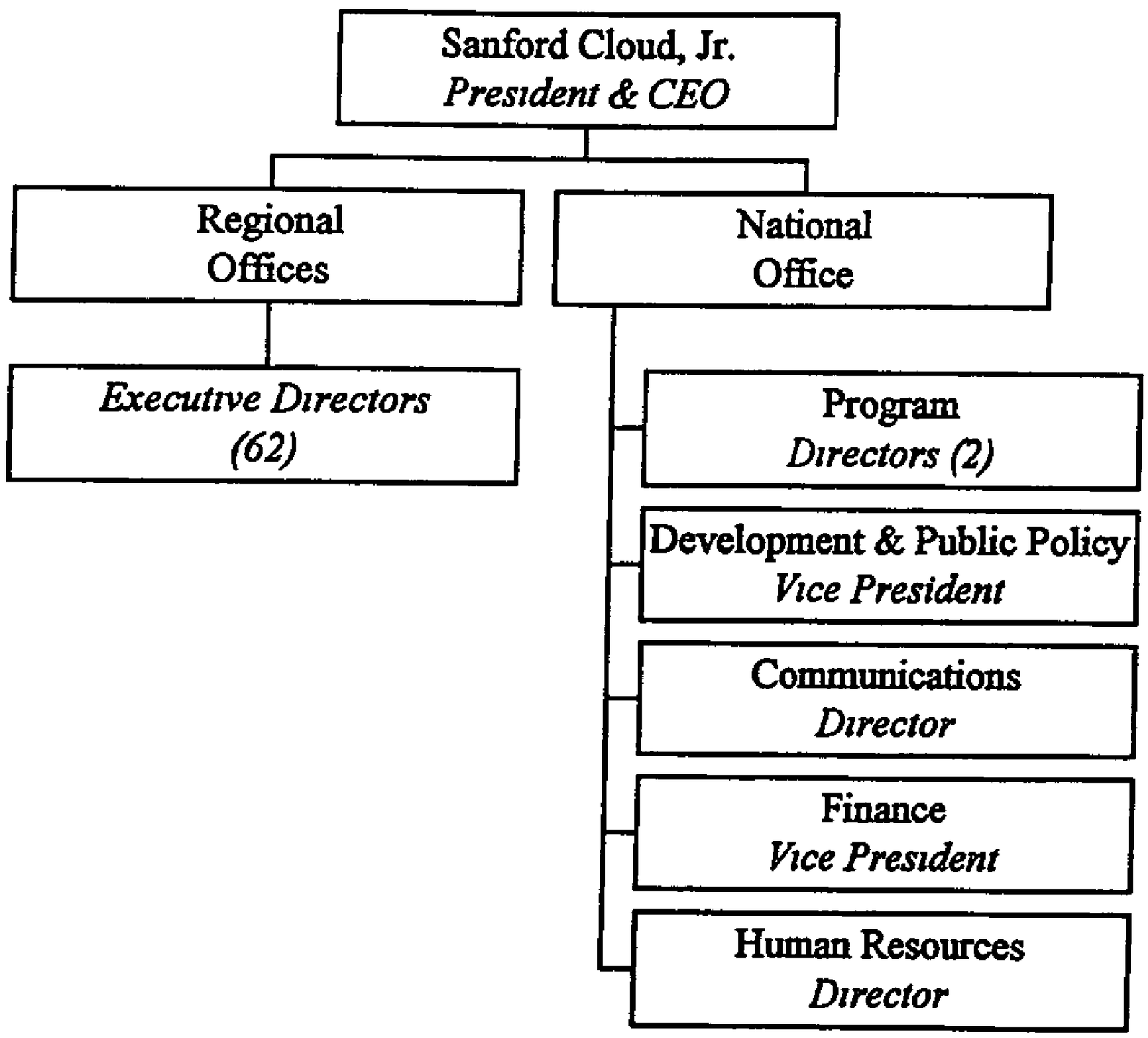
Organizational Chart

The National Conference



Organizational Chart

The National Conference
Direct Reports to the
President & CEO



Financial Partner - Sister Cities

I. *Financial Status*

Funding source	General Fund
FY97 Appropriation	$23,000

II. *Program Highlights/Status*

In Arequipa, Peru, plans were continued to assist with the construction of a Technical High School adjacent to the Charlotte Elementary School already constructed A first installment gift of $15,000 was presented by Chairman Jerry Melberg from the first fundraising efforts It is anticipated that Charlotte will contribute $100,000 of the $400,000 cost

Exchange visits in October included

- 20 high school students from Krefeld, Germany visiting Independence High School
- 19 students from area public high schools visiting China and living for the first time with host families in Baoding, China
- 10 senior level officials visited from Voronezh, Russia, worked with senior level staff and elected officials in Charlotte-Mecklenburg Government The delegation from Voronezh took supplies donated by Carolinas Medical Center to hospitals in the Voronezh region

Charlotte Sister Cities coordinated the third annual visit of ten Japanese officials Their professional program was "Dealing with Disasters Natural and Man-made" Wayne Broome, Emergency Management Director, was responsible for most of the planning and implementation which included a visit to McGuire Nuclear Power Plant

Planning work has begun for hosting the new phase of the United States Information Agency Grant Business for Russia, which will now be called Community Connections for Ukraine for 1997 Charlotte Sister Cities in connection with International House have received funds to conduct a series of Internships for Ukrainian business entrepreneurs The first group arrived in February 1997

III. *Funding Request*

Funding source	General Fund
FY98 request	$25,000
FY99 request	$30,000

Proposed FY98 Program Objectives

I. Customer Service

- To Maintain and provide a resource for information relating to Charlotte Sister Cities by answering 100% of inquiries
- To organize, promote and facilitate four cultural exchange visits from Charlotte to various sister cities

II. Financial Accountability

- To identify and submit one grant proposal for funding foreign exchange education programs each year

III. Internal Business Process

- To provide press releases for 100% of foreign delegation visits to Charlotte

IV. Learning and Growth

- To provide each intern, both domestic and foreign, with 20 hours of training to include computer software, answering inquiries and general office procedures
- To increase the efficiency of staff through better knowledge of computer software by attending training for database and word processing applications

Salary Disclosure

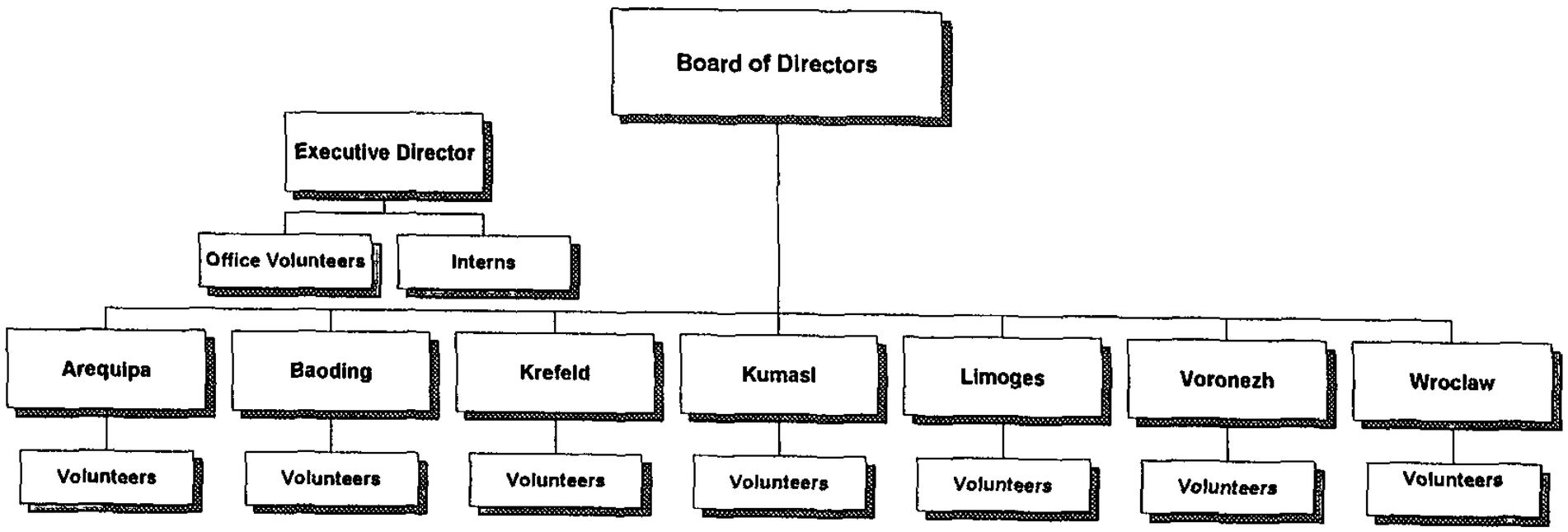
Position	*Salary*
Executive Director	$23,400

The only employee of Charlotte Sister Cities is the Executive Director Compensation is calculated as follows

30 hours per week x $15 x 52 weeks = $23,400

No benefits, incentive and/or bonuses are paid

CHARLOTTE SISTER CITIES



Financial Partner - Children's Services Network

I. *Financial Status*

Funding source	General Fund
FY97 Appropriation	$50,000

II. *Program Highlights/Status*

Children's Services Network (CSN) has undergone major changes in the organization One change was the downsizing of staff with the elimination of the position of Director of Information and Research Some of the work previously performed by this position has been assumed by the Executive Director Other responsibilities associated with the position will be outsourced in an effort to conserve resources

Another major initiative has been the redefinition of role and responsibility of CSN A strategic planning task force was convened and worked throughout the Summer

Children's Services Network has entered into a contract with the Urban Institute of UNC-Charlotte to publish the annual CSN report, "Report on the Future"

Children's Services Network efforts to coordinate common service initiatives include an Organizational Assessment accomplished through meeting with over 100 community leaders and coordinating a strategic planning task force A community forum

Children's Services Network received an "Honorable Mention" in the 1996-97 *Awards for Excellence in Community Collaboration for Children and Youth* sponsored by the National League of Cities and five other national organizations

The Executive Director has represented Charlotte in two national meetings at which she was a presenter

III. *Funding Request*

Funding source	General Fund
FY98 request	$50,000
FY99 request	$50,000

Proposed FY98 Program Objectives

1 To implement the Decision Support Database (DSD) in Charlotte-Mecklenburg
2 CSN will publish the fifth annual "Report on the Future" which tracks indicators of the well being of children in Charlotte-Mecklenburg
3 CSN will be involved in major children's issues planning initiatives

I. Customer Service

- To meet with key personnel in each of the sponsoring entities to explore opportunities for Decision Support Database application to ongoing work At least one DSD project will be developed and offered to each of the five sponsors
- To will hold three (3) information meetings for local public and private children's services providers to explain the DSD concept and service availability
- To provide a press release to local media announcing the implementation of the DSD
- To conduct a survey of 100% of sponsors and 25% of private children's services providers to determine what indicators are most useful to add to those already being tracked and alternative methods of reporting results
- To allow local data providers the opportunity to review the data and analysis prior to public release to ensure correctness of information
- To make available presentations concerning the findings of the Report to any group in the community with a minimum of six (6) presentations given by CSN staff of Board
- To be available to assist sponsoring entities with information, research and staff involvement as planning for children's services begins
- To offer information, research and personal involvement in children's issues planning efforts when invited to do so by private service providers

II. Financial Accountability

- To perform DSD services at least six (6) times during FY98
- To limit ongoing personnel costs by utilizing outsourced expertise to provide DSD services
- To outsource the research and publication associated with the Report to keep ongoing personnel costs low
- To publish 300 Reports and 500 Executive Summaries and distribute 75% by June 30, 1998
- To document all such activities and track the number of hours spent in these activities CSN will also track the number of initiatives declined It is expected that CSN will participate in at lease six (6) planning initiatives with 150 hours of staff time committed to such efforts

Proposed FY98 Program Objectives (cont'd)

III. Internal Business Process

- To determine the most efficient work processes for performing DSD services
- To integrate survey results into the development of the Report and use an innovative reporting methodology if indicated
- To develop a full presentation, complete with visual aids, to assist in informing the community about the findings
- To contribute to local planning initiatives CSN will focus collaboration, consensus building, prevention, searching for the most effective and efficient methods of service delivery and opportunities for additional resources added to Charlotte-Mecklenburg

IV. Learning and Growth

- To increase CSN staff and key personnel of sponsoring entities of how DSD applications might benefit each sponsor
- To increase the awareness of at least 30 private children's services providers of the DSD concept and the availability of service
- To be more sensitive to and aligned with the concerns of service providers while maintaining the integrity of the "Report on the Future"
- To monitor the number of hours spent in these activities and determine the priority of planning initiatives in which to be involved

Salary Disclosure

Position	*Salary*
Executive Director	$64,500

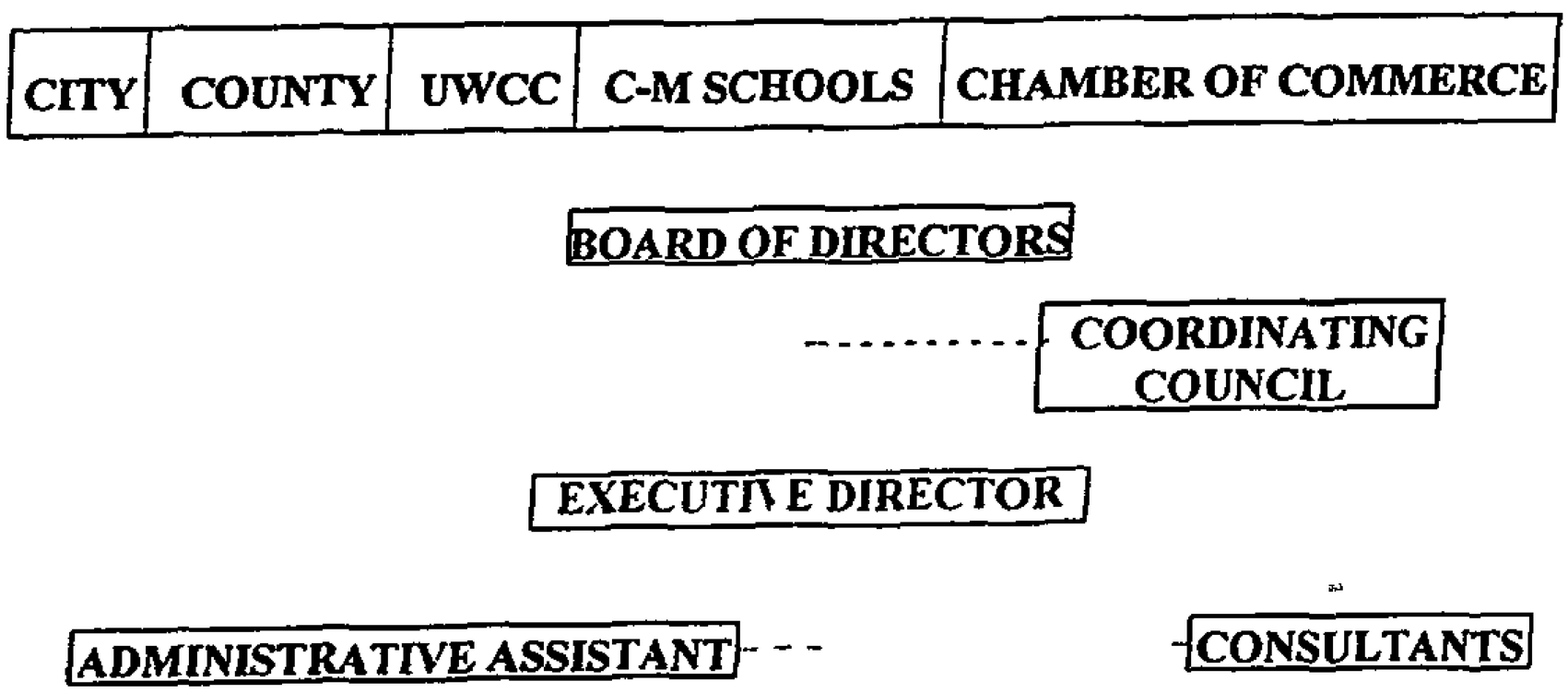
No other position over $30,000
All staff receive Health Coverage through the Chamber of Commerce Group Health Plan-Health Source

All employees participate in a 403(b) retirement program

There is not incentive or bonus pay

Organizational Chart

ORGANIZATIONAL CHART



Financial Partner - Convention & Visitors Bureau

I. *Financial Status*

Funding source	General Fund
FY97 Appropriation	$1,910,000

II. *Program Highlights/Status*

Charlotte Convention & Visitors Bureau (CCVB) has produced a new trade advertising creative featuring the positioning theme of "Team Charlotte The Power of Working Together"

The positioning statement of "Team Charlotte The Power of Working Together" will emphasize Charlotte's viability as a southeaster destination The CCVB has developed an inclusive CD-ROM to promote Charlotte It has been mailed to 1,800 key clients and prospects

The CCVB successfully won the bid to host the annual meeting of the National Tour Association (NTA) conference in 2003 NTA is one of the most important industry events in the domestic tour market

CCVB has hosted 11 media/travel writers and the estimated print dollar value exposure tracked-to-date totals $341,000 for the travel tourism industry

III. *Funding Request*

Funding source	General Fund
FY98 request	*
FY99 request	*

* The funding level for CCVB is equivalent to the Occupancy Tax revenue received in the General Fund plus $35,000 for the grants program CCVB administers Revenue estimates will not be available until late March

Proposed FY98 Program Objectives

I. Customer Service

- To create business opportunities, visibility and education for members
- To deliver service value for price to group business decision makers
- To deliver product satisfaction to individual visitors

II. Financial Accountability

- To increase sales/room/food tax revenue to the City
- To generate financially successful meetings/convention attendance
- To increase local business to all area business
- To maximize staff output within budget parameters

III. Internal Business Process

- To sell the destination need period room nights
- To distribute information to targeted markets
- To enhance dialogue with Government & Hospitality industry
- To service and solicit new members

IV. Learning and Growth

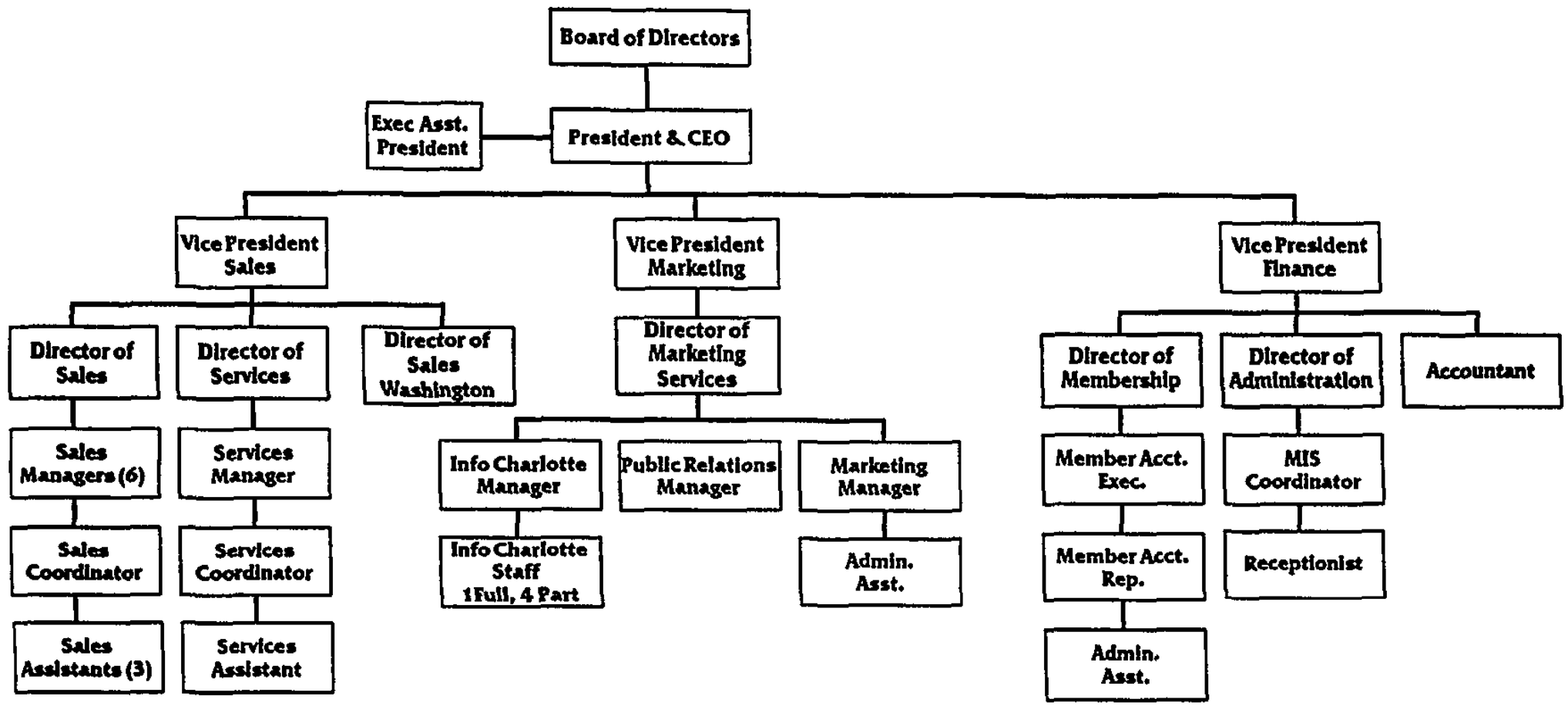
- To increase staff's maketplace knowledge
- To set goals and goal-based performance appraisals
- To gain staff focus and work priority
- To improve internal operating efficiencies

Salary Disclosure

Position	*Salary*
President & CEO	$139,252
Vice President, Convention	92,906
Vice President, Financial Affairs	91,468
Director Sales Washington, DC	73,736
Vice President, Marketing Public Relations	66,119

Salary reflects bonuses, pension and insurance

Charlotte Convention & Visitors Bureau, Inc.
FY 1997 Organizational Chart



Financial Partner - Carolinas Partnership

I. *Financial Status*

Funding source	General Fund
FY97 Appropriation	$125,000

II. *Program Highlights/Status*

Carolinas Partnership's marketing efforts have included the following

- generated 716 prospect leads for the region
- conducted five trade missions associated with the new trade show exhibit booth
- conducted three international trade missions
- finalized the new multimedia presentation system for the regional database
- developed an Internet site for the Charlotte Region
- started the Charlotte Region Film Division, six feature films were shot in the region generating more than 85 million in revenue

Additionally, the Partnership is coordinating the process for 40 active Charlotte Region projects, The Partnership has worked with a number of companies locating to our region this year including Corning, LVD, Synteen, Coltec and Polar Plastics

III. *Funding Request*

Funding source	General Fund
FY98 request	$100,000
FY99 request	$76,715

Proposed FY98 Program Objectives

I Customer Service

- To provide one-stop shopping for national and international prospects
- To communicate regularly and consistently with investors
- To assist member counties as they attempt to make their programs more competitive

*II **Financial Accountability***

- To invest 70-75% of each investment dollar into programs
- To maintain a lean staff

*III **Internal Business Process***

- To continue to identify and generate quality prospect leads for member counties

*IV **Learning and Growth***

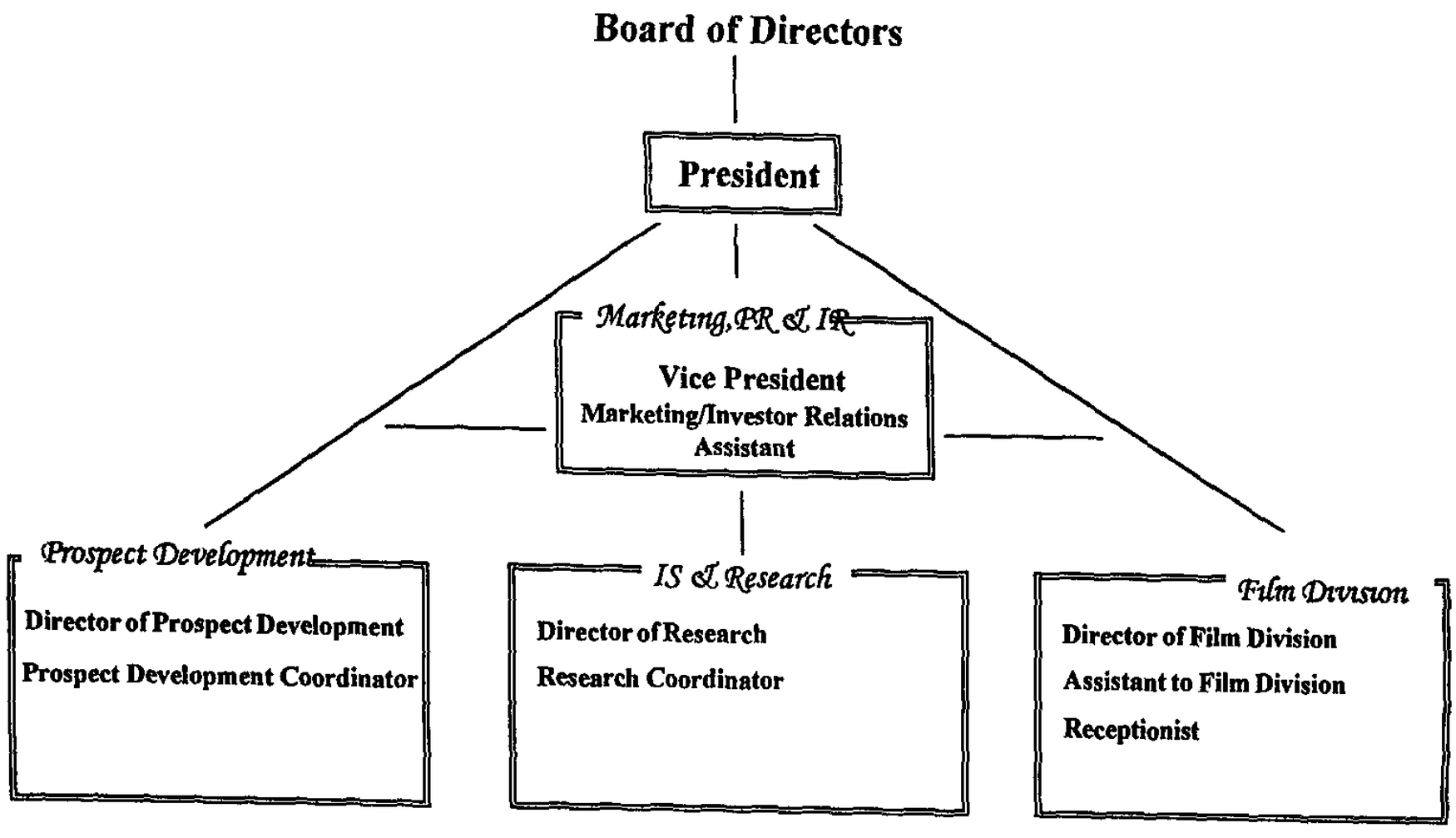
- To provide timely training (and cross training) for employees
- To provide training in the use of the new multi-media system to all employees

Salary Disclosure

Position	*Salary*
President	$116,000
Vice President	71,000
Director of Prospect Development	69,000
Director of Research	35,000

In addition to salary, each of these employees receives health insureance and the opportunity to participate in the Partnership's retirement plan

Carolinas Partnership Organizational Chart



New Request - Stop the Killing

I. *Financial Status*

Funding source	General Fund
FY97 Appropriation	$0

II. *Program Highlights/Status*

New funding request for FY98 No program highlights or status available

The Stop the Killing Crusade is a community-based organization with the sole purpose of fighting drug-related crime in predominantly African-American communities in the Charlotte-Mecklenburg area

III. *Funding Request*

Funding source	General Fund
FY98 request	$40,000
FY99 request	$40,000

Proposed FY98 Program Objectives

I *Customer Service*

Information unavailable

II *Financial Accountability*

Information unavailable

III *Internal Business Process*

Information unavailable

IV *Learning and Growth*

Information unavailable

Salary Disclosure

There are no positions that exceed $30,000 a year

Organizational Chart

Organizational chart was not provided with funding request

New Request - Latino/Hispanic Resource Center

I. *Financial Status*

Funding source	General Fund
FY97 Appropriation	$153,050

II. *Program Highlights/Status*

The primary goals of the Hispanic/Latino Community Resource Center are to provide Social Education and Wellness Programs to Hispanic/Latino persons in the Charlotte-Mecklenburg area The purpose of the Hispanic/Latino Community Resource Center is to focus on and provide services for several areas of need health and human service initiatives, community and economic development projects, human resources development, leadership skills development, parenting and at-risk children and youth intervention, community capacity building initiatives, affordable housing and job development issues and services and social and cultural enrichment activities

Since the initiation of our programming efforts, we have attempted to highlight the need for increased access to wellness and prevention services for the Hispanic/Latino Community Beginning with our first event, our organization has sponsored 21 community events and has served over 1700 Hispanic/Latinos Consistent with our objectives, the events focused on creating impact and outcomes by informing, educating and providing services to the Hispanic/Latino community in the following areas Health, Safety, Economic Self Sufficiency, Education, Housing, Government, Law and Social Services

In October 1996, a public Health Fair was held at Eastway Church of God which served 660 people From July 1996 through December 1996, monthly Women's Mammography Clinics were held at the Health Department (an annual total of 198 women were served during these clinics) In June 1996, 100 men received rubella immunization at a local Hispanic owned grocery store Our organization also sponsored Child Immunization Campaigns at various sites during the months of July, August and October 1996, for which a total of 250+ children were served

III. *Funding Request*

Funding source	General Fund
FY98 request	$153,050
FY99 request	$153,050

Proposed FY98 Program Objectives

I. *Customer Service*

Since H/LCRC is a service delivery agency, customer service is of utmost importance Since we provide specific services to a specific population, those services must be culturally congruent with the population we serve Our program objectives that address program impact for customer service are to hire bilingual staff and create programming with a holistic approach to community wellness We can measure the effectiveness of customer service as improved access to areas previously identified as barriers, customer satisfaction reflected in surveys, questionnaires and needs assessments and appropriate referrals that focus on a holistic approach

II. *Financial Accountability*

The H/LCRC is committed to staying within our budget and providing cost effective services to the City and services that empower residents to access appropriate resources in the areas of prevention and wellness We will measure the effectiveness through a continuous quality improvement plan which includes rationales for any variance from the planned budget and study the change in utilization of City services after our programs are implemented through the H/LCRC centralized site

III. *Internal Business Processes*

The H/LCRC intends to address internal business processes by establishing a program evaluation system This system will include a detailed single outcome that measures the impact on the community of the implementation of the H/LCRC's centralized site

IV. *Learning and Growth*

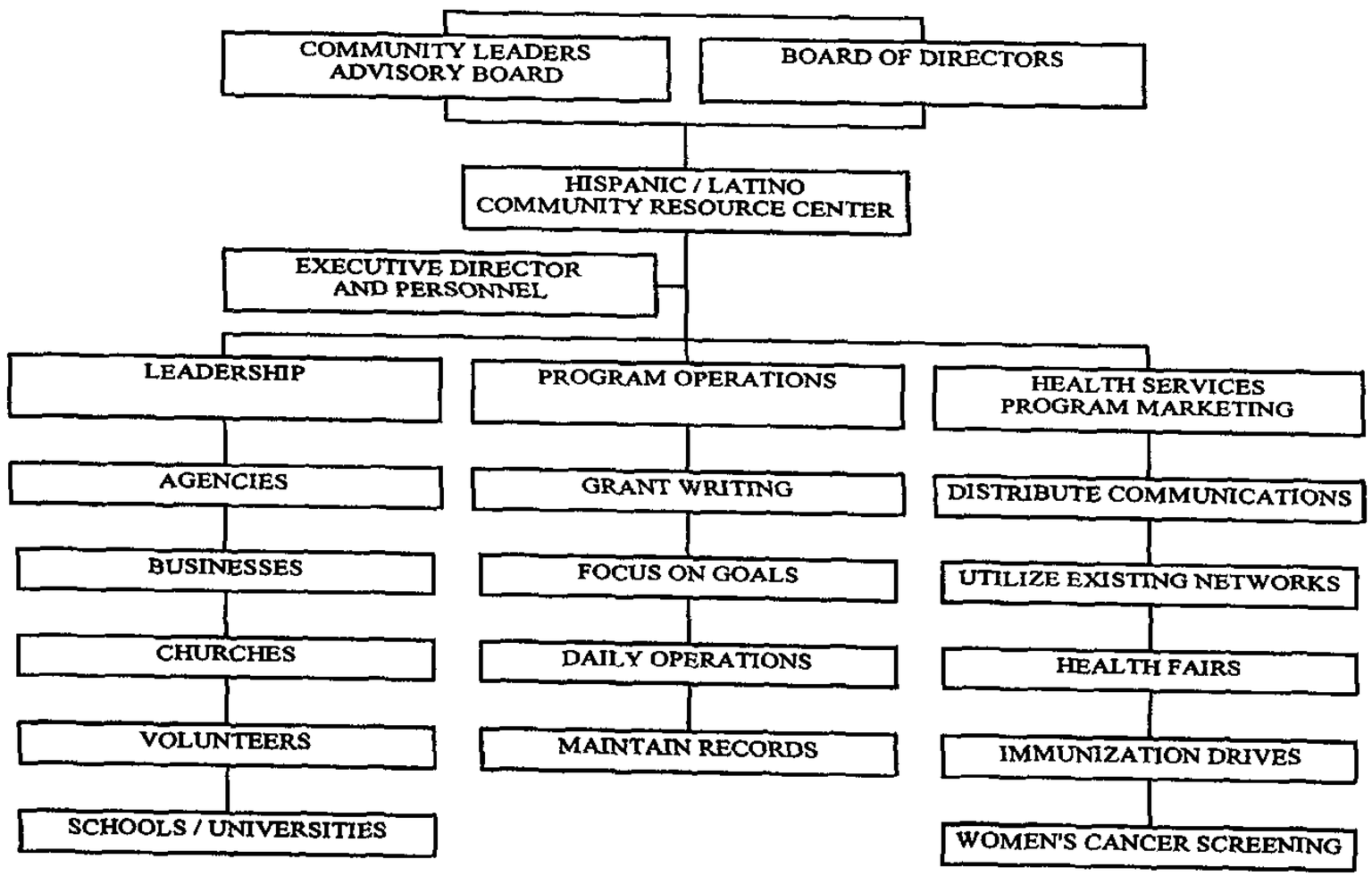
The H/LCRC recognizes the need for empowering its employees to provide better service delivery through continuing education and training This organization values life-long learning and career development by its employees and by the persons who receive our services Our objective that addresses program impact for learning and growth is to support and encourage staff continuing education, to include in-services and sponsorship for at least one conference/seminar/workshop provided outside our agency We can measure the attainment of our objective by demonstrating that staff has attended mandatory in-services and at a minimum one outside conference/seminar/workshop in a year

Salary Disclosure

Position	*Salary*
Executive Director	$35,000
Administrative Assistant/Secretary	23,000
Receptionist	18,000

HISPANIC / LATINO COMMUNITY RESOURCE CENTER

ORGANIZATIONAL CHART



Financial Partner - Housing Partnership
Affordable Housing

I. *Financial Status*

Funding source	Innovative Housing, CDBG, HOME	
FY97 Appropriation	$2,000,000	
Current funding is as follows	$1,240,000	CDBG
	$260,000	HOME Grant
	$500,000	Innovative Housing (Pay-As-You Go Tax Fund)

II. *Program Highlights/Status*

During the first 7 months of FY97, City funds were used for property acquisition, rehabilitation and second mortgages in the CWAC neighborhoods of Genesis Park and Seversville Thirty-five houses were rehabilitated in Genesis Park, bids were issued for the rehabilitation of 16 houses in Seversville and rehabilitation of 2 houses in Lakewood is underway Four houses were sold and 7 were under contract

A loan commitment of $200,000 was approved for the Northwest Corridor CDC for rehabilitation of 23 units on Dundeen Court Rehabilitation work was completed on Pleasant View, a 45-unit apartment complex, and a 55-unit townhouse development, Cheshire Chase, was built On 2/18/97 the CMHP Board approved a $900,000 loan to NationsBank CDC for the affordable housing component of a mixed income rental housing project in First Ward

III. *Funding Request*

Funding source	Innovative Housing only (CMHP request)
FY98 request	$2,000,000
FY99 request	$2,100,000

Proposed FY98 Program Objectives

I. Customer Service

- Acquire 20 lots or houses for the production of units at an average cost of $5,000 per lot and $18,000 per house
- Construct new or renovate 40 units such that cost per square foot is comparable to industry standards as found in RS Means Remodeling/Construction Cost Guide for Charlotte
- Sell or lease 30 houses, leveraging City funds at an average of 3 private dollars to on City dollar

II. Financial Accountability

See cost and leveraging measures above

III. Internal Business Process

- Assist in affordable housing activities in Charlotte by
  - ♦continuing the HOPE 3 contracts,
  - ♦working with the Enterprise Foundation and the Charlotte Neighborhood Fund,
  - ♦assisting the community development corporations and neighborhood associations in their housing efforts and
  - ♦leveraging City funds with other financial partners

IV. Learning and Growth

Salary Disclosure

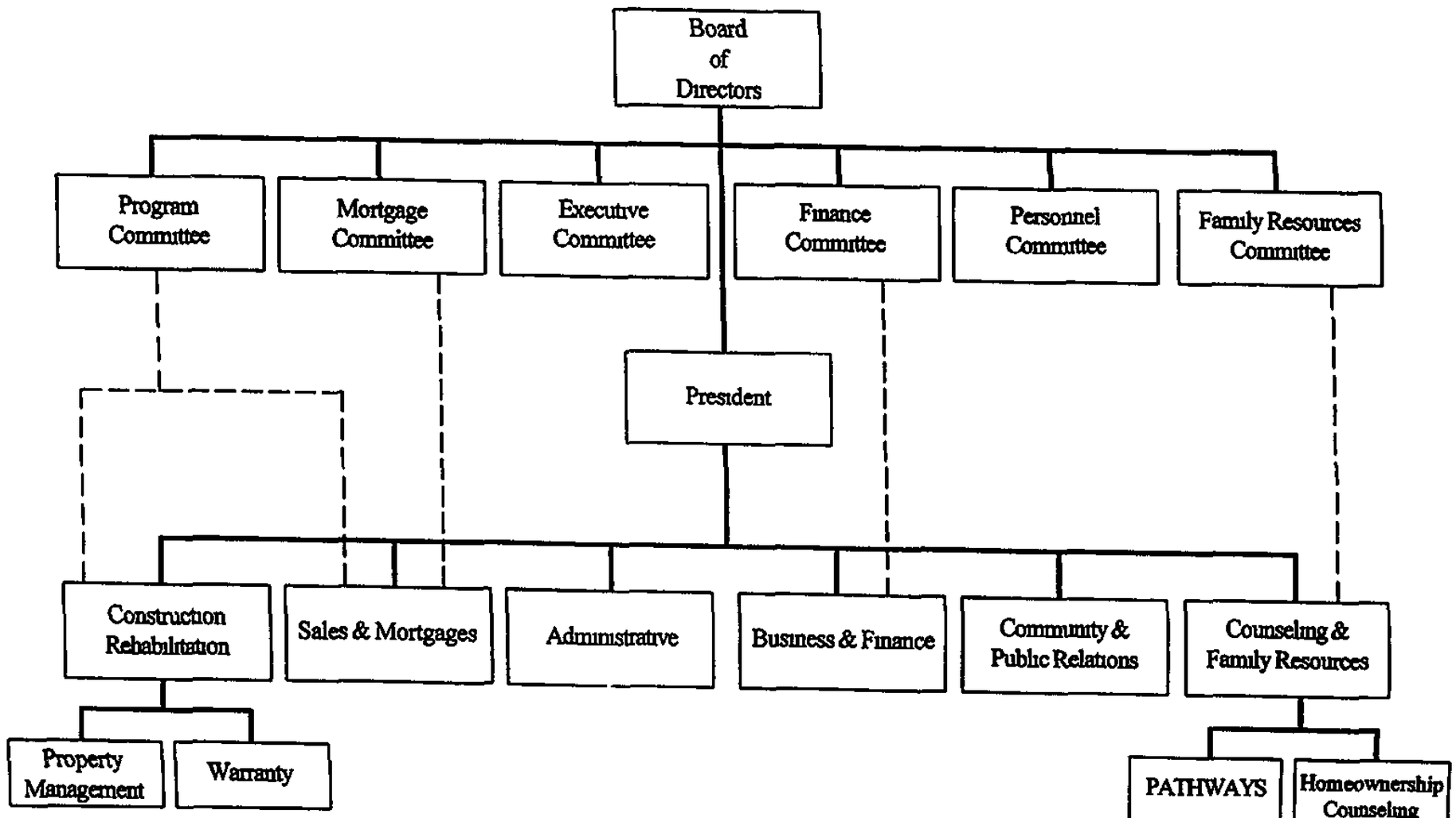
Charlotte-Mecklenburg Housing Partnership

Position	***Salary***
President	$78,800
Vice President Construction	50,979
Vice President Sales	46,875
Vice President Counseling & Family Services	46,542
Vice President Administration	35,250

Organizational Chart

Charlotte·Mecklenburg
Housing Partnership

Organizational Chart



Financial Partner - Housing Partnership
Pre-Purchase Home Counseling

I. Financial Status

Funding source	Innovative Housing Fund
FY97 Appropriation	$142,747

II. Program Highlights/Status

The purpose of CMHP's Home ownership Program is to prepare families for home purchase by providing counseling and pre-purchase classes The program generally serves families who earn less than 80% of Charlotte's median income, the majority of whom both come from and purchase in CWAC neighborhoods It also serves a few families earning 80-115% of the median income as part of its efforts to bring economic diversity to targeted CWAC neighborhoods

During the first 7 months of FY97, CMHP's Home ownership Counseling Program prepared 40 eligible applicants for a mortgage toward a goal of 60 for the program year Non-City funds were used to provide technical assistance to community development corporations (CDCs) working in CWAC areas such as Belmont, Grier Heights, Reid Park, Northwest Corridor and Lakewood These CDCs were assisted in forming Home buyer Clubs which focus on families who are more than 2 years away from purchase

III. Funding Request

Funding source	Innovative Housing
FY98 request	$149,900
FY99 request	$157,400

Proposed FY98 Program Objectives

I. Customer Service

- Prepare 60 eligible applicants for a mortgage

II. Financial Accountability

- Continue leveraging City funds with other sources to increase level of services

III. Internal Business Process

- Provide that 90% of eligible CMHP home buyers complete core curriculum
- Continue the development of the homeowner education collaborative

IV. Learning and Growth

- Increase the quality of pre-purchase counseling by providing at least one related training opportunity for 80% of the Home ownership Program staff

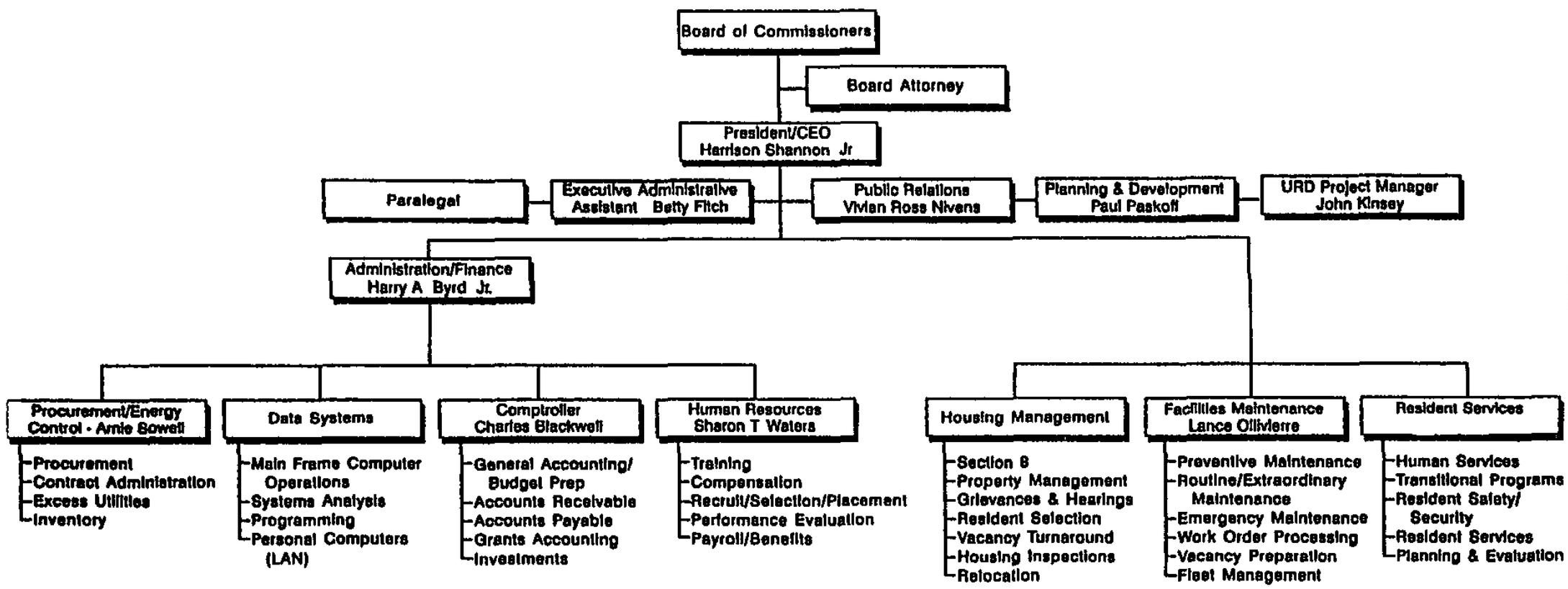
Salary Disclosure

Family Housing Services

Position	*Salary*
Executive Director	$40,950
Senior Counseling Manager	30,975

Benefits are extended to all employees at the same level Retirement is based upon salary level and length of employment.

CHA Functional Chart



Financial Partner - Family Housing Services

I. *Financial Status*

Funding source	Innovative Housing
FY97 Appropriation	$308,088

II. *Program Highlights/Status*

Family Housing Services provides comprehensive housing counseling aimed at empowering families and individuals in ways that enhance the quality of their lives and lead to increased self-sufficiency Services to families included preventing eviction from rental housing, preventing mortgage foreclosure, providing educational housing counseling sessions in budgeting, money management and home maintenance, and providing housing referral

During the first 7 months of FY97, Family Housing Services reports providing rental delinquency counseling to 339 families toward an annual goal of 650 clients Of these, 87% were CWAC residents, 100% had incomes below 80% of median and 98% were saved from eviction Some 355 clients were provided with mortgage default counseling, exceeding the annual goal of 250 Ninety-eight percent of these potential foreclosures were prevented and 96 6% of clients were still current on their mortgages three months after the counseling took place

III. *Funding Request*

Funding source	Innovative Housing
FY98 request	$390,000
FY99 request	$411,000

Proposed FY98 Program Objectives

I. Customer Service

- Provide rental delinquency counseling to 500 families earning 80% or less of the City's median income with priority to CWAC residents, preventing rental eviction for not less than 65% of the tenants assisted

- Provide mortgage default counseling for 400 persons earning 80% or less of the City's median income with priority to CWAC residents, preventing foreclosure for not less than 82% of those counseled

II. Financial Accountability

III. Internal Business Process

- Prepare at least 133 people for the City's unit-based rent subsidy program and assist families in identifying housing units as available

- Ensure that at least 65% of clients successfully assisted in preventing eviction pay their rent on time for the three months following the rental delinquency counseling

- Ensure that at least 90% of clients successfully provided mortgage default counseling pay their mortgage on time for three months following the mortgage default counseling

IV. Learning and Growth

Salary Disclosure

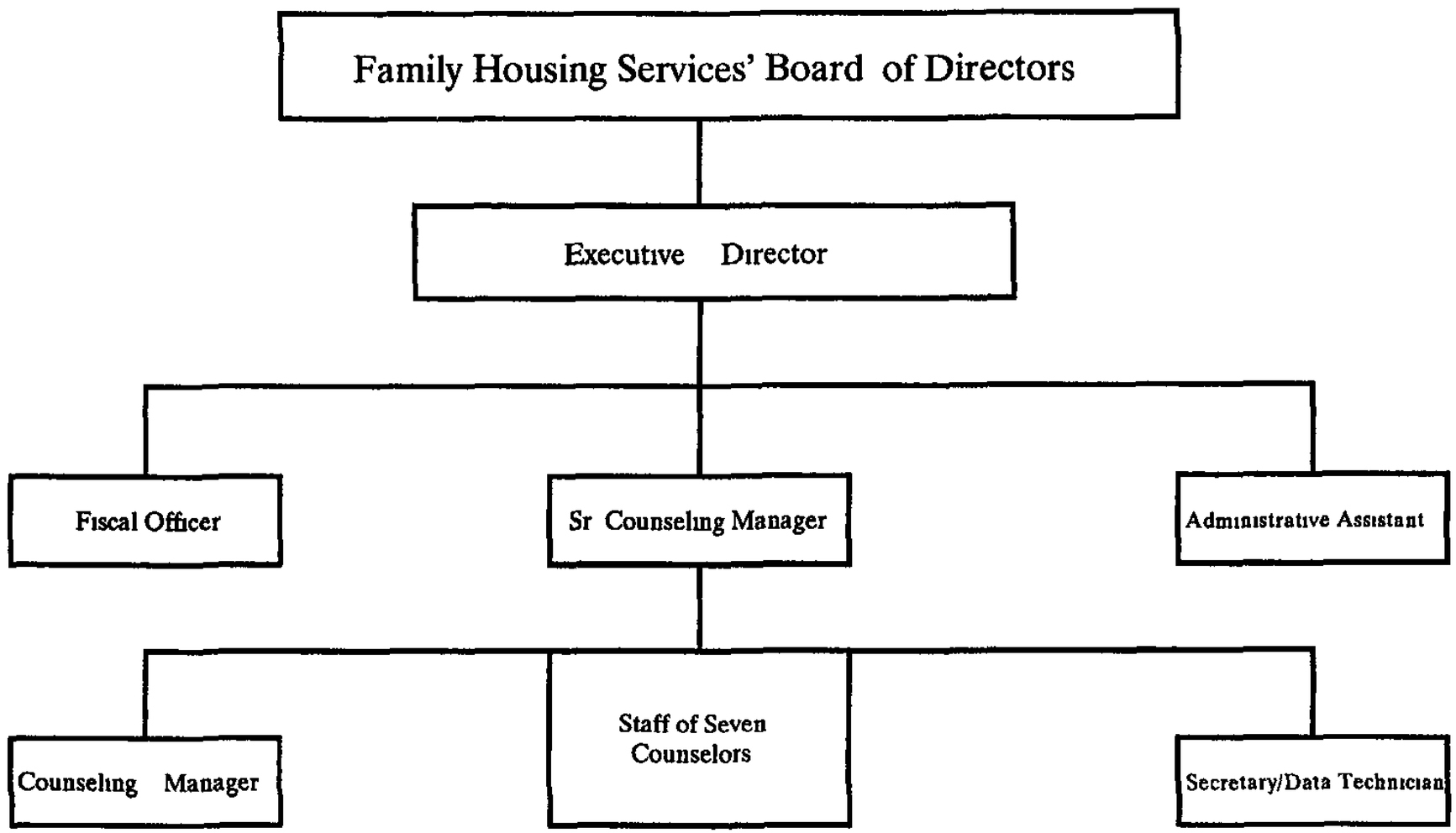
Family Housing Services

Position	*Salary*
Executive Director	$40,950
Senior Counseling Manager	30,975

Benefits are extended to all employees at the same level Retirement is based upon salary level and length of employment

Organizational Chart

FAMILY HOUSING SERVICES, INC. ORGANIZATIONAL CHART



revised 1/97

Financial Partner - Crisis Assistance

I. *Financial Status*

Funding source	Innovative Housing
FY97 Appropriations	
Emergency Rent Assistance	$100,000
Energy Assistance	$96,432

II. *Program Highlights/Status*

Emergency Rent Assistance

This program prevents eviction through payment of rent to landlords for households in emergency situations From July 1, 1996 through January 31, 1997, Crisis Assistance reports assisting and preventing eviction of 767 CWAC households through this program

Energy Assistance

Under this program, City funds are used to help low-income families by restoring or preventing the cut off of their heating sources in winter Funds are also used to restore water service From July 1, 1996 through January 31, 1997, Crisis assisted 794 households with energy assistance and 293 households with water service assistance

III. *Funding Request*

Funding source	Innovative Housing
Emergency Rent Assistance	
FY98 request	$200,000
FY99 request	$205,000
Energy Assistance	
FY98 request	$106,075
FY99 request	$116,682

Proposed FY98 Program Objectives

(Objectives proposed by the agency were the same for both the Emergency Rent Assistance and Energy Assistance programs)

I. Customer Service

- Conduct a survey in 1998 to assess client service Seek input on ways to reduce the wait for clients and improve service in any other way possible

II. Financial Accountability

- Maintain reputation for exceptional financial accountability by undergoing a series of audits, incorporating any recommended changes, and training staff and volunteers in any changes

III. Internal Business Process

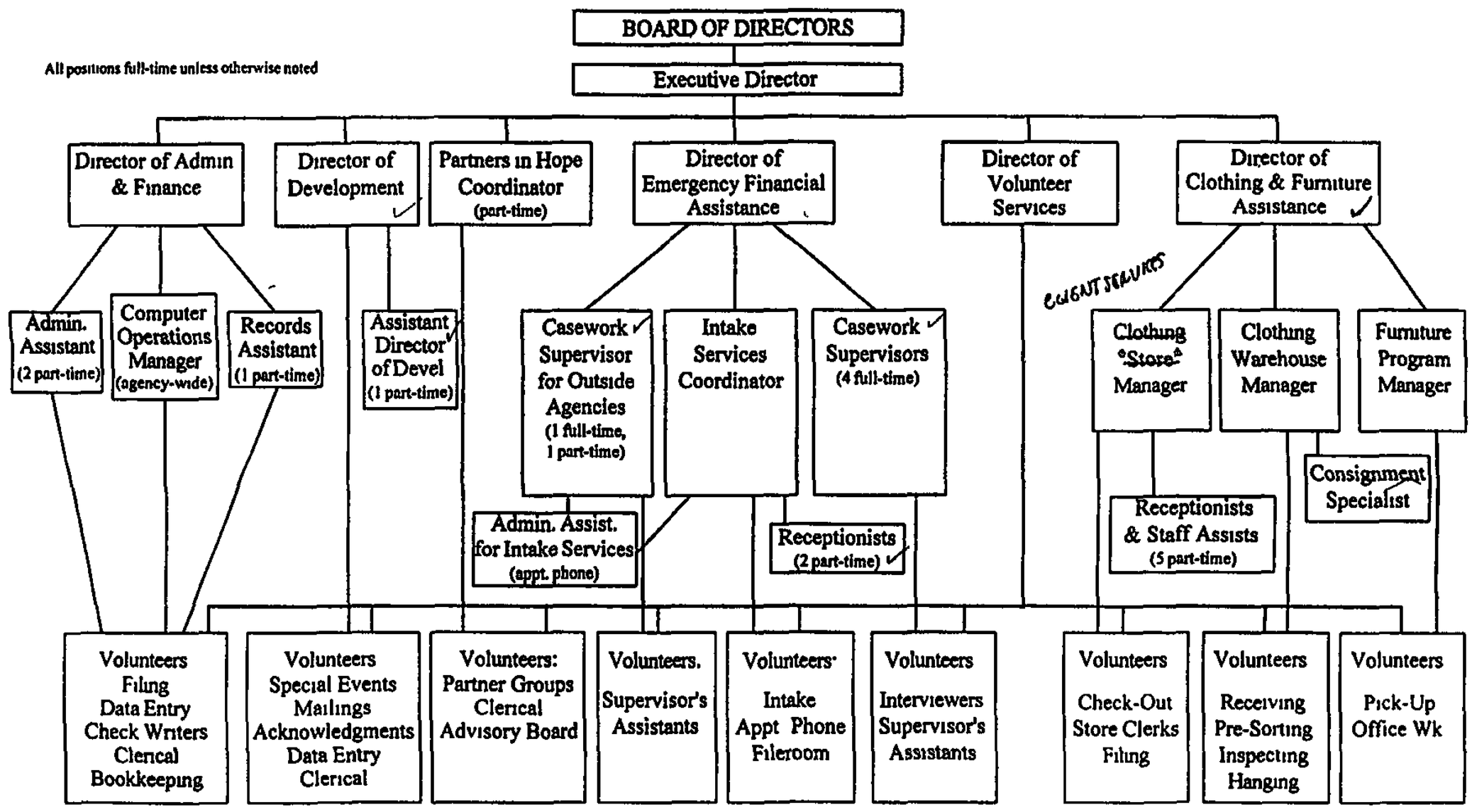
- Periodically review internal business processes as a means of continuing effective operations, making use of volunteers with business acumen

IV. Learning and Growth

- Continue strategic planning process begun in 1997 with special attention to continuous improvement of all parts of the agency

Organizational Chart

Crisis Assistance Ministry Organizational Chart



Financial Partner - Bethlehem Center

I. *Financial Status*

Funding source	Community Development Block Grant (CDBG)
FY97 Appropriation	$158,825

II. *Program Highlights/Status*

Bethlehem Center provides after school enrichment for elementary, junior and senior high students There are currently 101 students enrolled in the school year program and 124 children participated in the summer program

Bethlehem Center students have been involved with Mecklenburg County's 4-H Extension programs and have been recognized for their efforts and achievements in these programs The youth participated in cooking and nutrition workshops, self-esteem workshops, and a gardening project on Lake Norman The youth were also involved in Bethlehem Center-sponsored camps which included swimming, biking, pottery making, canoeing, crafts, nature walks, group discussions and workshops

The Center established a partnership with the Discovery Place Science Club for students in 2nd-6th grades that included hands-on science experiments, overnight camp and field trips to Latta Plantation and the Lazy 5 Ranch in Mooresville The Center also partnered with the Afro-American Cultural Center to expose youth to enrichment activities that included visual arts, drama, storytelling, African dance and drums Bethlehem Center again worked with the Children's Defense Fund to establish a Freedom School in Charlotte The reading component has been a big success with the students

Parents were actively involved in the program serving as tutors, participating in parent workshops, dinners, parent meetings, awards and recognition programs and community sponsored activities

III. *Funding Request*

Funding source	CDBG
FY98 request	$189,013
FY99 request	$189,013

Proposed FY98 Program Objectives

I. Customer Service

- Develop a school-year program of instruction that will raise the average achievement level in reading and math for students in grades 2-12 by 3 months
- Structure the program so as to maintain 80% of students enrolled in the elementary program and 60% of students enrolled in the Jr /Sr program
- Provide varied cultural enrichment experiences as an integral part of the program of instruction
- Continue a Bethlehem Center-developed jobs availability program that identifies local businesses that need the services of teenagers eligible for employment and community service employment at Bethlehem Center

II. Financial Accountability

- Identify and attempt to secure other funding for the purpose of continuing the program and to supplement funds needed to meet additional needs of participants and their families

III. Internal Business Process

- Coordinate at least 3 community activities during the contract period with neighborhood police and other resource people, students and parents

IV. Learning and Growth

Recruit and train 10 volunteers (parents, teens and other concerned adults) to provide 1 to 1 tutoring in reading and math for 2 hours on a weekly basis

Conduct parent workshops/training monthly with 25% of heads of household participating

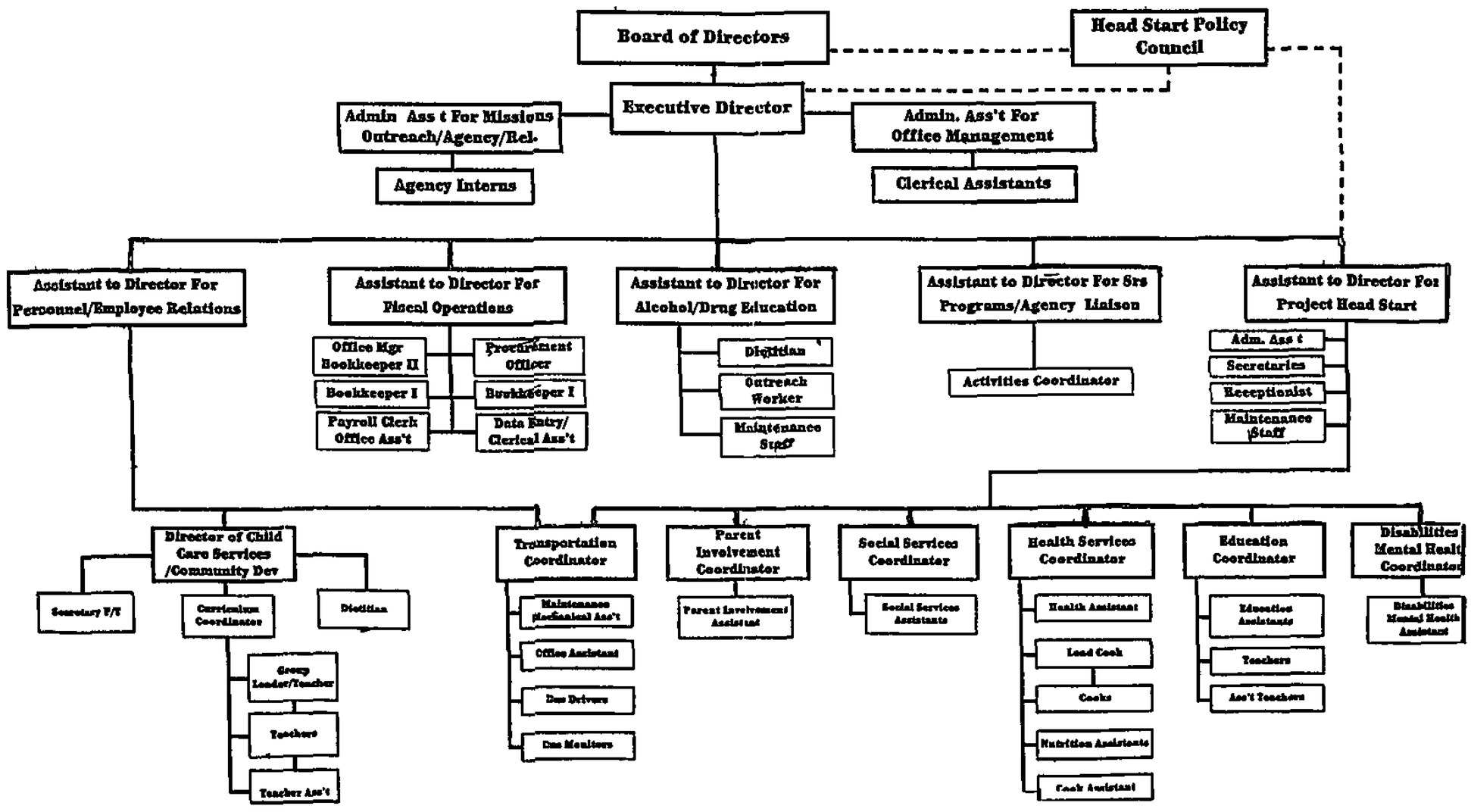
Salary Disclosure

Bethlehem Center - After School Enrichment

Position	***Salary***
Executive Director	$48,342
Head Start Program Director	38,662
Employee Relations Director	32,975
Head Start Education Coordinator	33,154

Organizational Chart

BETHLEHEM CENTER CHARLOTTE



Financial Partner - Gethsemane Enrichment Program

I. *Financial Status*

Funding source	CDBG
FY97 Appropriation	$442,475

II. *Program Highlights/Status*

The Gethsemane Enrichment Program provides after school enrichment for students in grades K-12 Currently there are 442 students enrolled in the program, and 442 children participated in the summer program

During the first 7 months of FY97, students achieved new levels of reading awareness and competency through the acquisition of library cards and recorded totals of more than 3,000 hours of reading time Gethsemane Enrichment Program also focused on the reading initiative created by Charlotte-Mecklenburg Schools by hiring a reading tutor at each site Students achieving below reading level competencies on reading tests and by teacher observation were pulled for supplemental reading instruction Math skills were reinforced by the administration of simple "tutor-made tests" and the incorporation of math "manipulatives" Another achievement of note is the maintenance of student tracking portfolios

Gethsemane Enrichment Program coordinated 10 workshops for parents These workshops included information on Work First, and sought to motivate parents to become involved in the program by volunteering at a site, job training, and conflict resolutions The program currently has 25 parent volunteers

III. *Funding Request*

Funding source	CDBG
FY98 request	$455,215
FY99 request	$469,349

Proposed FY98 Program Objectives

I. *Customer Service*

- Reinforce the basic reading, math, oral and written communication and computer skills of program participants
- Develop and implement artistic, cultural, and recreational activities for students and (when possible) for parents
- Provide opportunities for parents of participants to improve their basic skills in reading, math, communication and computer technology
- Provide counseling and academic support to students with special needs

II. *Financial Accountability*

- Develop a fund raising program to match 2% of City funds granted
- Decrease the cost of workshops by 5% by increasing the use of in-kind services

III. *Internal Business Process*

- Increase awareness and usage of services provided among current parent users by 5%
- Increase number of grade levels in the usage and awareness of computer skills
- Increase volunteer services by 25% by increasing community awareness of program services, *i.e* , media, public speaking

IV. *Learning and Growth*

- Increase performance of 50% of the administrative staff through their participation in management training, computer skills, record keeping, tax and other workshops
- Increase in-service workshops by 5% that address new trends in improving overall-all student academic performance to 75% of the part-time instructional staff

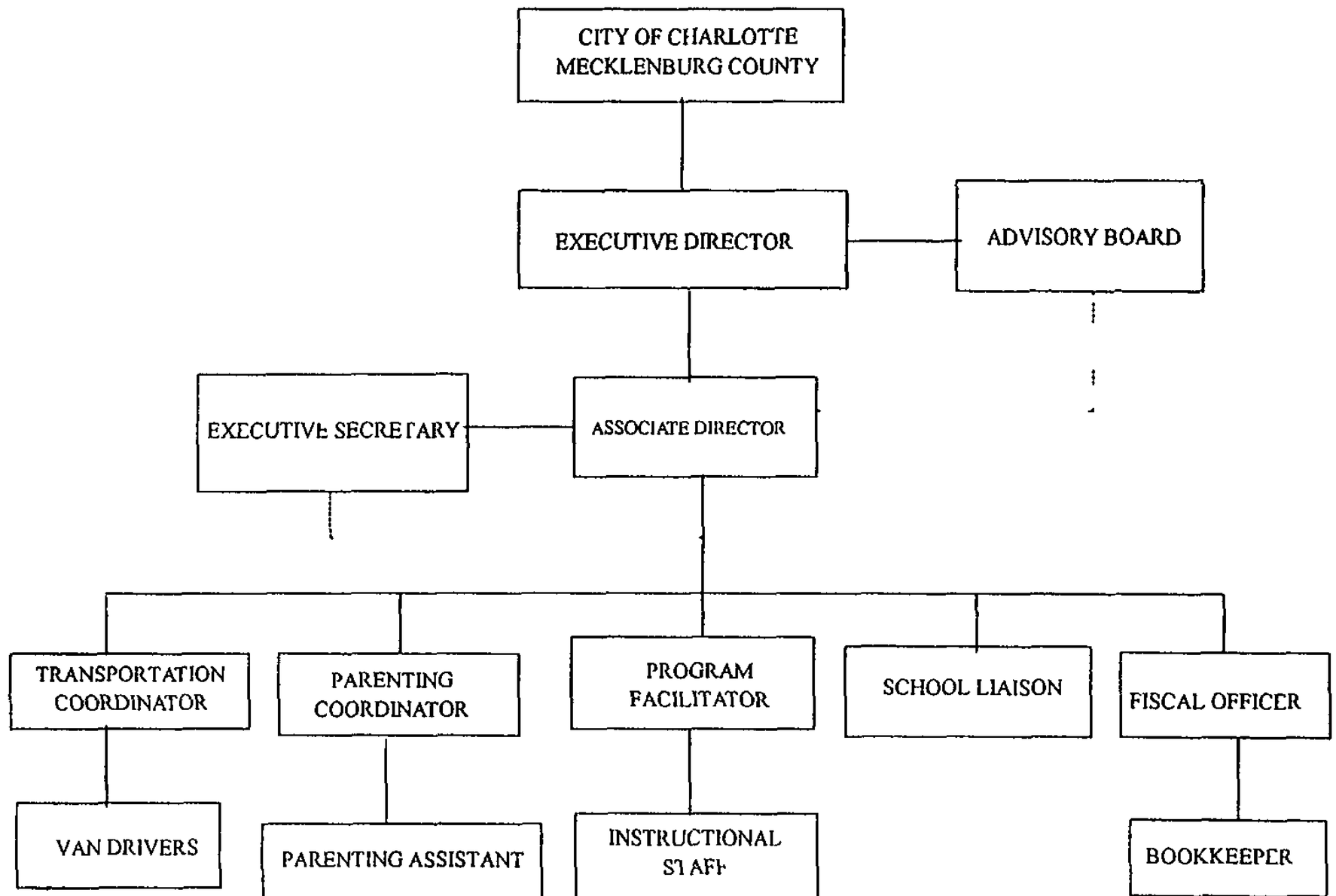
Salary Disclosure

Gethsemane - After School Enrichment

Executive Director earns $13,000

Organizational Chart

GETHSEMANE ENRICHMENT PROGRAM



Financial Partner - Charlotte Housing Authority
Self-Sufficiency Program

I. Financial Status

Funding source	Innovative Housing
FY97 Appropriation	$350,000

II. Program Highlights/Status

The purpose of CHA's Family Self Sufficiency (FSS) program is to help public housing residents break the cycle of poverty and dependency and become economically self-sufficient The program seeks to ensure that public housing is only a temporary resource for residents, and that they have the job and life skills necessary to move up and out of assisted housing

During the first 7 months of FY97, 25 families served under the program have moved out of public housing, 15 to become homeowners and 10 to enter the private rental market The annual target is 50 families leaving public housing for Home ownership All 25 families were graduates of either the Gateway or Stepping Stone programs

III. Funding Request

Funding source	Innovative Housing
FY98 request	$402,040
FY99 request	$402,040

Proposed FY98 Program Objectives

I. Customer Service

- At least 80% of all FSS participants will make at least one significant step towards self-sufficiency each year Such steps will include obtaining or upgrading employment, completing job training or an educational goal, cleaning up bad credit or establishing savings

- At least 50 FSS participants will achieve self sufficiency by becoming independent of any public assistance and leaving public housing for home ownership or the private rental market

II. Financial Accountability

- All requests for funds from the City of Charlotte are for services or purchases rendered under the contract Grant funds requested are not more than immediate disbursement needs for this program Appropriate documentation is available to support all costs and is based on CHA accounting system and records

III. Internal Business Process

- The following internal reports and processes will be maintained
  - Monthly reports on caseload by Case Managers
  - Quarterly assessments of clients progress
  - Supervisory case file audit
  - Monthly Case Manager meetings

IV. Learning and Growth

- Provide technical and team building training for 100% of the Family Self Sufficiency staff

Financial Partner - Charlotte Housing Authority
Safe Neighborhoods Awareness Program

I. Financial Status

Funding source	Innovative Housing
FY97 Appropriation	$157,596

II. Program Highlights/Status

The purpose of the Safe Neighborhoods Awareness Program (SNAP) is to prevent crime in public housing communities and to assist in the investigation and prosecution of crimes committed in public housing communities During the first 7 months of FY97, SNAP investigated all major crimes committed in CHA communities, assisted residents who were crime victims and implemented Community Watch programs in three additional communities

In the two target sites with the highest levels of crime (Piedmont Courts and Boulevard Homes), SNAP reports that its programs resulted in a 13% decrease in crime during the six-month period from July 1, 1996 - December 31, 1996 compared to the first six months of the year (January 1, 1996 - June 30, 1996) This was accomplished through an increase in convictions, terminations and bans that would not have happened otherwise Crimes included, but were not limited to, rape, homicide and auto theft

SNAP coordinators conducted workshops that dealt with domestic violence, AIDS, crime prevention, substance abuse prevention, teen pregnancy prevention, fire safety, and lease clarification In addition, coordinators conducted fire drills on a regular basis in the high rises and monitored the elderly buildings on check days to keep residents from being robbed by non-residents who prey on them when their checks come

III. Funding Request

Funding source	Innovative Housing
FY98 request	$157,596
FY99 request	$157,596

Proposed FY98 Program Objectives

I. *Customer Service*

- Prevent crime in public housing communities by
  - a) Maintaining block captain and floor captain programs in each SNAP target site, with 50% of the blocks and 75% of floors respectively being represented,
  - b) Attending 90% of the regular monthly meetings of the residents' organizations,
  - c) Developing or arranging a minimum of 60 crime prevention programs for residents, and
  - d) Reducing the number criminal offenses committed in the target communities by 5% or more each year

- Aggressively assist in the investigation and prosecution of crimes committed in public housing communities by
  - a) Contacting 85% of the residents who have been victimized in the program sites to offer services,
  - b) Based on police reports received, documenting and transmitting the outcomes of follow-up assistance provided to victims and witnesses in at least 80% of cases,
  - c) Meeting weekly with police officers assigned to each community, and
  - d) Developing and administering a customer satisfaction survey to the community police officers and receiving a satisfaction rating of at least 80%

- Determine customer perception of and satisfaction with SNAP services by
  - a) Developing and administering a customer satisfaction survey to at least 50% of SNAP residents
  - b) Establishing a central number that SNAP residents can use to call and report crimes or get information on programs

II. *Financial Accountability*

- All requests for funds from the City of Charlotte are for services or purchases rendered under the contract Grant funds requested are not more than immediate disbursement needs for this program Appropriate documentation is available to support all costs and is based on CHA accounting system and records

III. *Internal Business Process*

- Maintain a data base from which reports on the achievement of specific contract objectives can be developed

Proposed FY98 Program Objectives (cont'd)

IV. Learning and Growth

- Provide SNAP coordinators with the necessary tools to facilitate and enhance their roles in the community by
  - a) Providing at least 50% of SNAP staff with training in victim assistance advocacy
  - b) Providing at least 50% of SNAP staff with training in conducting investigations

Salary Disclosure

CHA Self-Sufficiency

Position	***Salary***
Lead Case Manager	$36,263
Case Manager (2)	23,806
Case Manager	27,275
Case Manager	24,841
Case Manager	23,869

CHA SNAP

Position	***Salary***
Investigator	$25,289
SNAP On-Site Coordinator	21,162
SNAP On-Site Coordinator	20,914
SNAP On-Site Coordinator (2)	20,362

Neither the Executive Director nor the Director of Resident Services receives compensation from the City of Charlotte's Family Self Sufficiency Grant

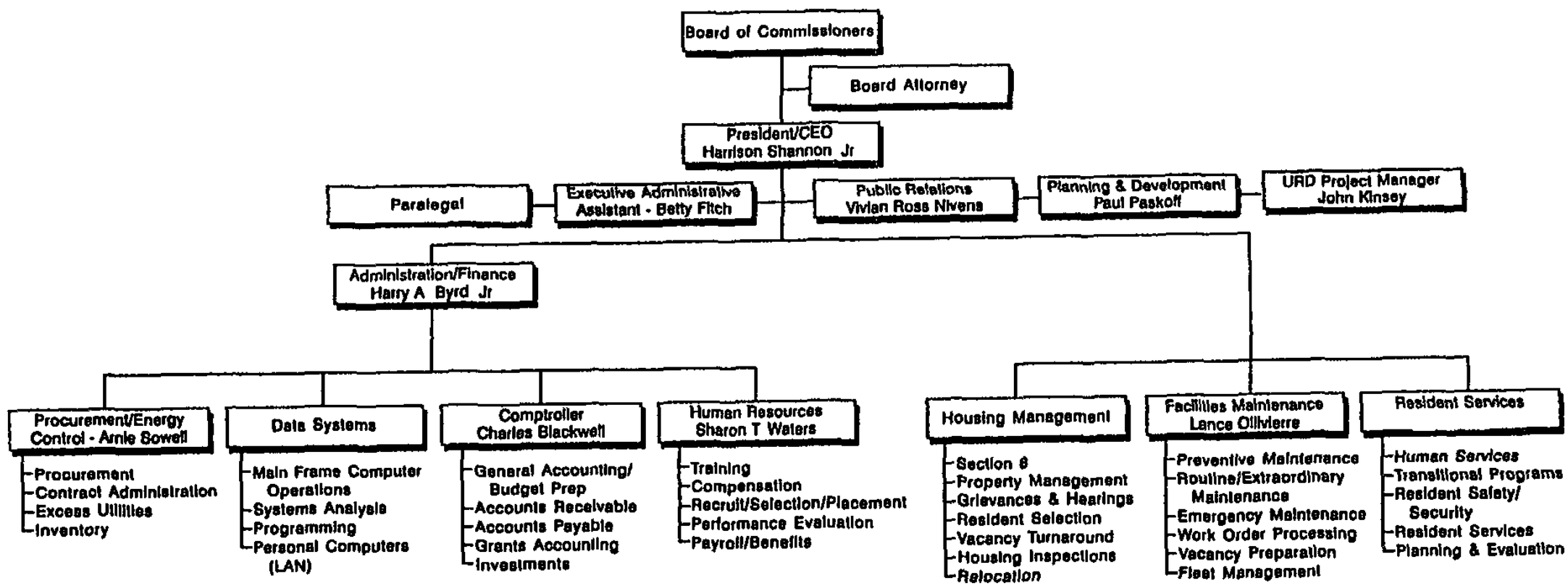
Employee fringe benefits including health, dental, life and retirement are charged at 23% of salary

There are no incentives or bonus pay plans for CHA employees

In addition, pursuant to Section 307, Part II of the Consolidated Annual Contributions Contract, the Charlotte Housing Authority hereby certifies that all administrative salaries are comparable to local public practice, base on a comparability study dated 1994

Organizational Chart

CHA Functional Chart



Financial Partner - Employment Security Commission

I. *Financial Status*

Funding source	Job Training Partnership Act (JTPA) Funds
FY97 Appropriation	$323,675

II. *Program Highlights/Status*

City funds provide retraining and readjustment services to dislocated workers in Mecklenburg County Services include on-the-job training, individual referral, basic skills, job search, job counseling, bilingual and support services

During the first 7 months of FY97, retraining and readjustment services have been provided to 255 individuals (146% of the project goal) Sixty participants have been placed in jobs paying an average of $10/hour The program is targeted to achieve 120 placements by June 30, 1997

III. *Funding Request*

Funding source	JTPA Funds
FY98 request	$354,519
FY99 request	To be determined

Proposed FY98 Program Objectives

I. *Customer Service*

- Raise the academic level of dislocated workers by enrolling 85 dislocated workers in short-term or two-year, degree curriculum Provide on-the-job training to 6 dislocated workers
- Re-employ dislocated workers in a demand occupation that will pay an average wage of $8 50/hour plus benefits
- Teach job search skills and provide labor market information to 185 dislocated workers

II. *Financial Accountability*

- Maximize program dollars spent by projecting an average cost per participant of $1,916

III. *Internal Business Process*

- Conduct monthly on-site monitoring reviews by the internal Workforce Development Unit and regional staff
- Expand use of grant resources through community outreach and collaboration with the Charlotte Job Link Center and other human service partners

IV. *Learning and Growth*

- Provide staff training in a variety of computer applications Provide a two-day intensive training program at the beginning of the program year in customer satisfaction, employer relations, marketing, fiscal accountability, case management and other topics

Salary Disclosure

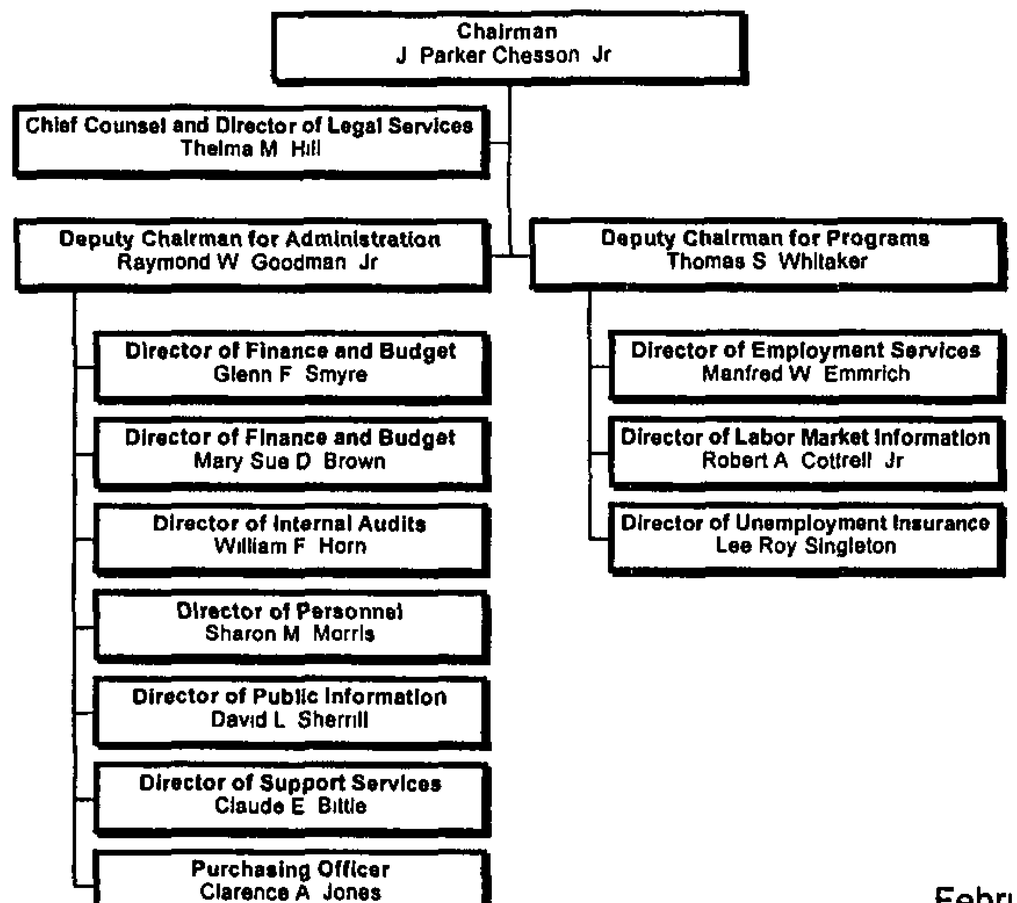
Employment Security Commission - Dislocated Worker Program

Position	*Salary*
WDU Manager	$57,264
WDU Coordinator	40,500
Budget Analyst	35,928
Accountant I	42,384
Accounting Technician	25,188

Organizational Chart

EMPLOYMENT SECURITY COMMISSION OF NORTH CAROLINA

ORGANIZATIONAL CHART



February, 1997

Financial Partner - Senior Centers

I. *Financial Status*

Funding source	JTPA and General Fund
FY97 Appropriation	$30,000

II. *Program Highlights/Status*

The purpose of this program is to provide economically disadvantaged residents of Mecklenburg County aged 55 and older with employability skills training, job development, job placement and case management

This program was staffed in September 1996 Since that time, 20 applications were taken and 18 clients were determined to be eligible Of the 18, six have been placed in employment at an average wage of $6 55 per hour, 10 are in the process of securing employment and 2 have dropped out of the program One job fair was held in October 1997 and another is planned for March 1997

III. *Funding Request*

Funding source	JTPA, General Fund (agency request)
FY98 request	$35,000
FY99 request	To be determined

Proposed FY98 Program Objectives

I. *Customer Service*

- Recruit and enroll a maximum of 33 Title IIA eligible individuals in the JTPA program
  Place at least 80% in unsubsidized employment at an average wage rate of $6 59 per hour

II. *Financial Accountability*

- Continue to have an outside audit performed annually

III. *Internal Business Process*

- Develop and implement reciprocal usage of services between the Senior Aide Title V Program for low income adults (age 55+) and the JTPA Older Worker clients Dual enroll all eligible seniors (Title V workers receive the minimum wage through the federal grant, unlike JTPA clients who are offered no stipend while being trained)

IV. *Learning and Growth*

- Enroll 50% of JTPA Older Workers in classes with the Senior Center's SeniorNet Computer Learning Center

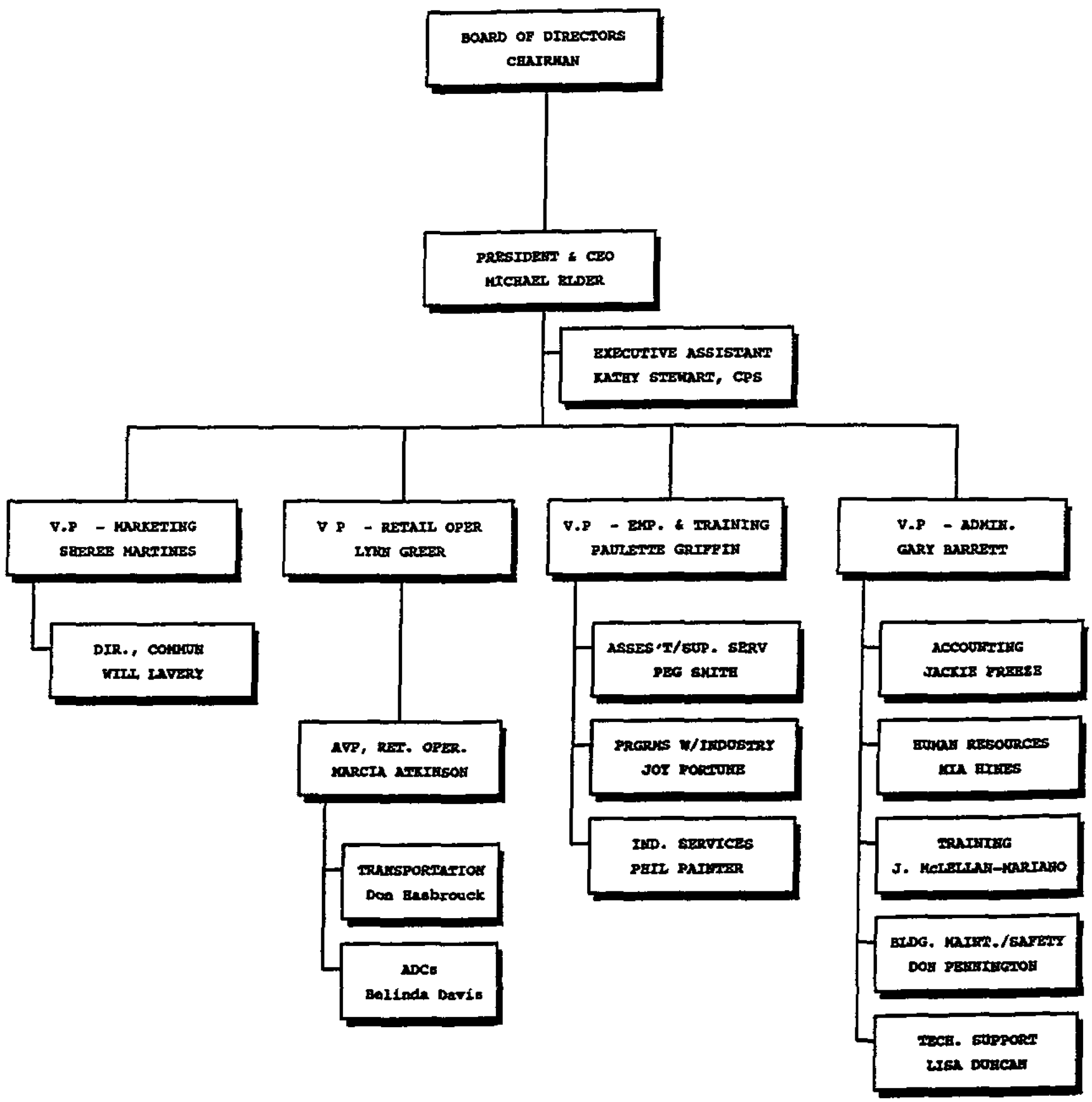
Salary Disclosure

Charlotte-Mecklenburg Senior Centers - Older Worker Program

Position	***Salary***
Executive Director	$71,370
Assistant Director	37,016
Administrative Assistant	33,338
Director of RSVP	31,152

Organizational Chart

GOODWILL INDUSTRIES - CHARLOTTE, NC
CORPORATE MANAGEMENT STRUCTURE



REV. 2/97

Financial Partner - Goodwill Industries

I. *Financial Status*

Funding source	JTPA Funds
FY97 Appropriation	$40,000

II. *Program Highlights/Status*

This program assists disabled, economically disadvantaged individuals in gaining employment and independence through individualized employment and training services

During the first 7 months of FY97, Goodwill did in-depth screening of 106 persons and enrolled 10 participants in the program Of these, six were placed in jobs The program is targeted to achieve 24 placements by year end

III. *Funding Request*

Funding source	JTPA Funds
FY98 request	$40,000
FY99 request	$43,000

Proposed FY98 Program Objectives

I. Customer Service

- Screen 110 applicants for eligibility and enroll 33 participants
- Place 25, or 76%, of participants in jobs
- Achieve an average wage rate of $6 00 per hour for those job placed

II. Financial Accountability

III. Internal Business Process

- Achieve an 80% customer satisfaction rate

IV. Learning and Growth

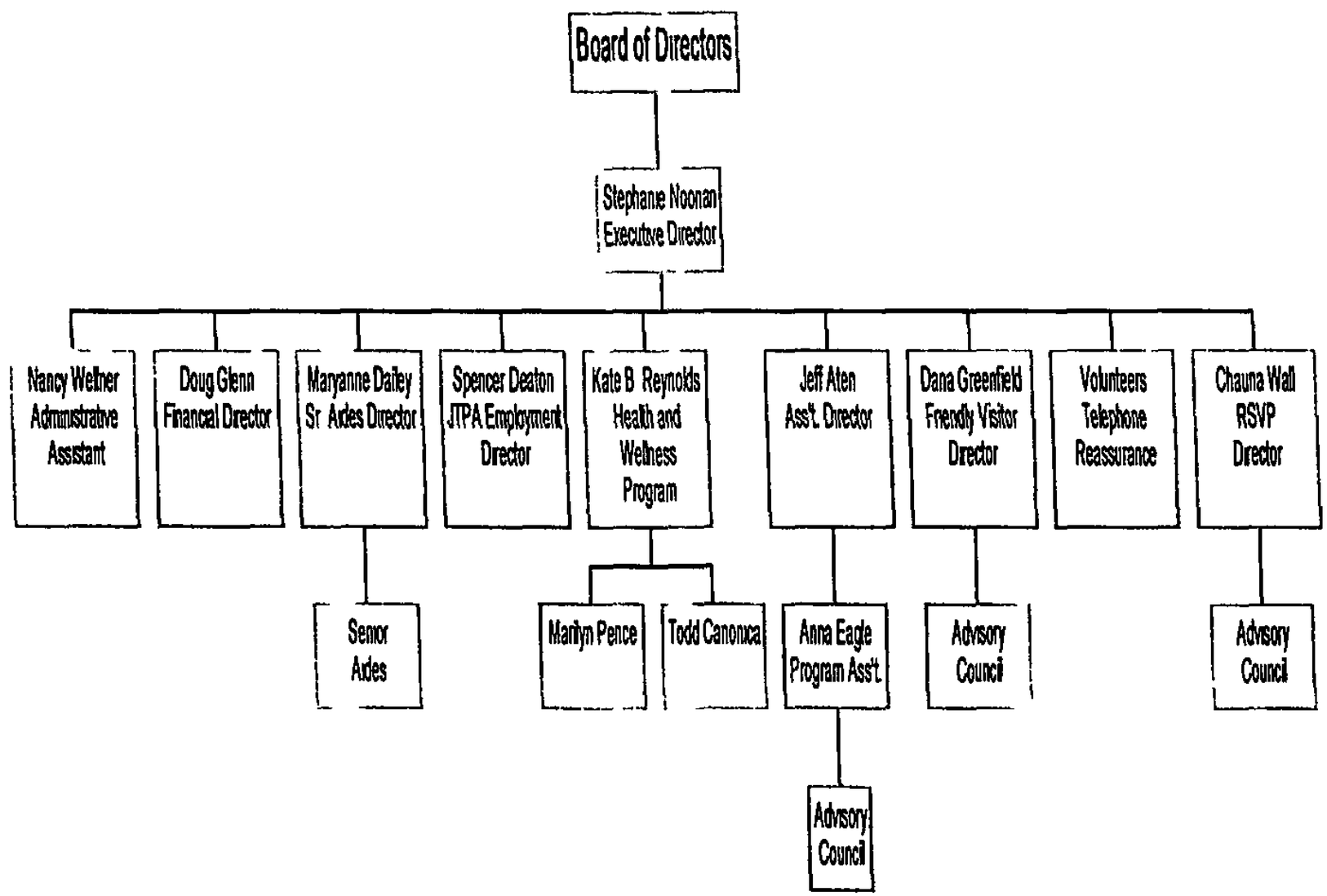
Salary Disclosure

Goodwill Industries

None of staff charged to the City grant make over $30,000

Organizational Chart

CHARLOTTE-MECKLENBURG SENIOR CENTERS, INC.



Financial Partner - Child Care Resources

I. *Financial Status*

Funding source	JTPA, General Funds
FY97 Appropriation	$272,564

II. *Program Highlights/Status*

Child Care Resources is contracted to assist participants of City- and JTPA-funded employment and training programs in finding day care for their children The administrative fee is based on the number of children placed each month In FY96, 87 day care slots were funded at an average cost per child of $2,857 The administrative fee was 4 2%

Information on program achievements for the first 7 months of FY97 was not provided by the agency for the purpose of this request

III. *Funding Request*

Funding source	JTPA, General Funds
FY98 request	$272,564
FY99 request	To be determined

Proposed FY98 Program Objectives

The agency did not propose specific contract objectives for FY98 but deferred these to the City As stated in the funding request, "All Child Care Referral and Placement Program decisions, including funding levels and eligibility, are the responsibility of City of Charlotte staff"

Salary Disclosure

Child Care Resources did not submit information requested

Organizational Chart

Child Care Resources did not submit information requested

Financial Partner - YWCA Scattered Sites

I. *Financial Status*

Funding source	Innovative Housing
FY97 Appropriation	$83,503

II. *Program Highlights*

The YWCA provides an after school program for children ages 5-13 years in 5 scattered site public housing communities During the first 7 months of FY97, the 5 City-funded centers served 113 children in summer camp and a total of 120 children in the after school program Fifteen percent of objectives were exceeded, 35% were met and 50% are still in progress YWCA projects that 100% of its goals will be achieved or surpassed by the end of the fiscal year

The YWCA also administers the "Support our Students" or SOS Program, which provides after school programming for middle school children from CWAC communities During the first 7 months of FY97, YWCA reports that academic performance improved in at least 60% of children served by the SOS program All students have met at least two of their four personal goals that were set within this time frame The SOS program has expanded to include more children within the CWAC communities, creating a safe haven for children Each site provides a well-rounded comprehensive after school program for children considered "at-risk" or latch-key children Site staff, students, and parents have received training in positive discipline/conflict resolution programs, curriculum and other relative training to enhance the mission of SOS

III. *Funding Request*

Funding source	Innovative Housing
FY98 request	$117,589
FY99 request	$118,236

Proposed FY98 Program Objectives

I. Customer Service

- Increase school performance
- Increase parent/community resident use of program resource and educational services
- Conduct parent advisory council meetings at each site
- Provide daily educational support activities, *I.e* , tutoring, computer, reading, educational games, and homework
- Meet with each child's teacher, informing them of the child's participation in the program and asking about special needs
- Provide computer access to participants throughout the year
- Plan/implement community service activities quarterly Activities may include community cleanups, recycling activities and nursing home partnerships

II. Financial Accountability

- Improve planning of program expenditures

III. Internal Business Process

- Implement a computerized message system
- Increase volunteer assistance at each site
- Coordinate community activities for each site with community police, students and parents
- Survey each child's parents and teachers for annual assessment of individual programs

IV. Learning and Growth

- Provide computer workshops
- Provide child and youth workshops

Salary Disclosure

YWCA - Scattered Sites

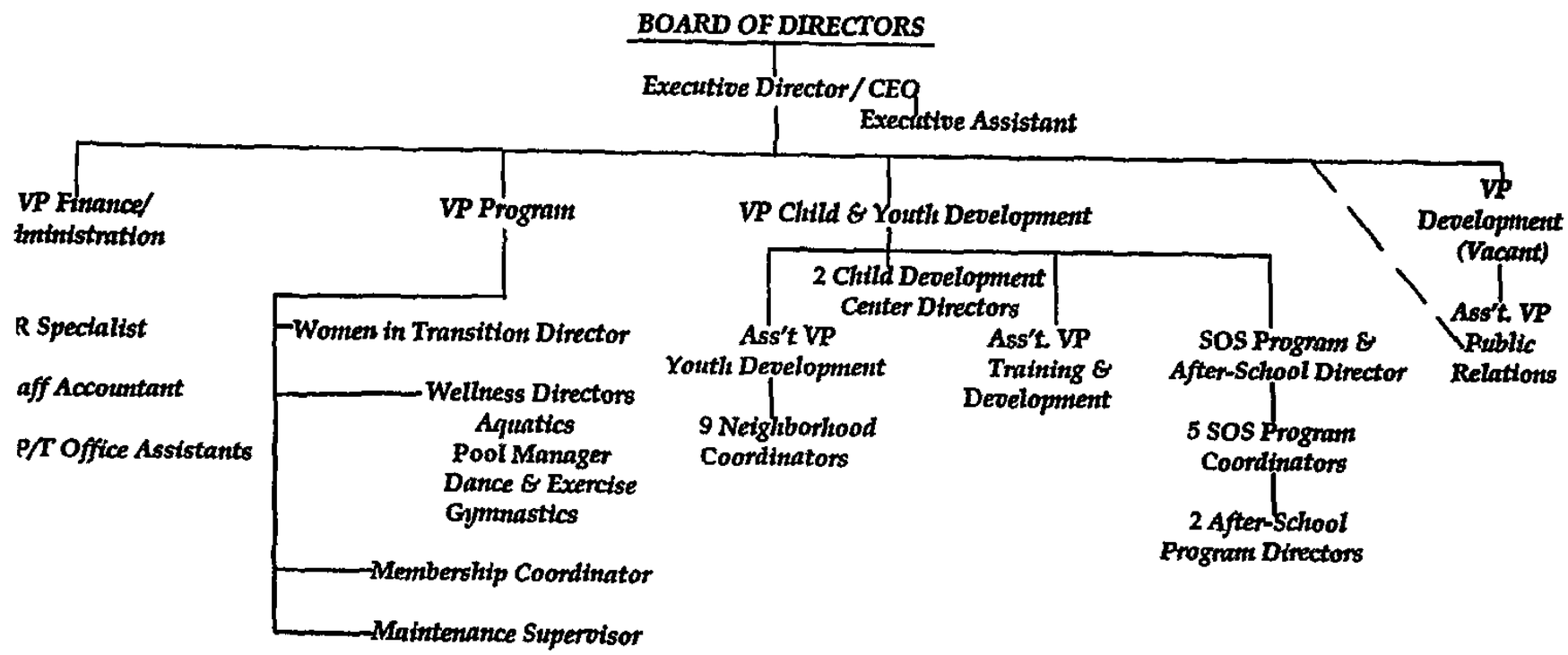
Position	***Salary***
Executive Director	$77,164
Vice President, Child & Youth Development	52,387
Vice President Programs	39,948
Vice President Finance	37,720
Uptown Day Care Director	36,258

Salary includes benefits

Organizational Chart

YWCA of the C ıtral Carolinas

Organizational Structure



ll Wellness Directors supervise part-time instructors.
ll Child Development Center Directors supervise teachers & cooks.
ll Neighborhood Center, After-School and SOS Directors supervise assistants and other associated staff.
aintenance Supervisor supervises maintenance staff.

pproximately 80 full-time employees and 100 part-time employees, including substitutes

eadquarters - 3420 Park Road which houses: Administrative Offices
Women In Transition Program
Wellness Facilities
Park Road After-School Program & Summer Camp

Additional programs and summer camp locations located in Mecklenburg & Union counties

ATTACHMENT J

Financial Partner - YMCA Success By Six

I. *Financial Status*

Funding source	Innovative Housing
FY97 Appropriation	$40,000

II. *Program Highlights/Status*

The Success By Six program provides pre-school enrichment and family support to households in the North Charlotte area During the first 7 months of FY97, Success by Six staff conducted a Summer Enrichment Program for the Belmont Community youth ages three to four Thirty-one Success By Six children participated Ninety-nine families were served in the 3rd quarter of calendar 1996

The Success By Six team conducted and sponsored the "Megaskills" workshops for Success By Six parents Twenty-six parents graduated from the class after having attended three out of ten classes

The Success By Six Half-Day Preschool opened on September 9 for the 1996-1997 school year Dial-R testing of these students occurred on the first day of school

The Community Development Partnership was a collaborative partner in the 1996 Neighborhood Symposium on September 21, 1996

III. *Funding Request*

Funding source	Innovative Housing
FY98 request	$45,000
FY99 request	$47,250

Proposed FY98 Program Objectives

I. Customer Service

- With parents, develop a plan of action for each preschool child including services and activities needed to facilitate the child's learning readiness
- Provide family with books, educational materials as needed through lending library
- Arrange for children to receive immunizations on schedule
- Identify and recruit 30 families with children 0-6 meeting Success By 6 criteria
- Assist 40 parents in developing goals for self and child
- Identify and assist women in getting prenatal care early in their pregnancies
- Encourage parents to participate in educational programs, to complete job training programs and participate in parent education programs

II. Financial Accountability

- Continuing working with various organizations to receive in-kind products and services
- Explore options for funding training of staff (*I.e* , scholarships, in-kind) before accessing program budgets

III. Internal Business Process

- Provide follow-up on child action plan during home visits
- Track children in program 6 months or more as they progress through school
- Diagnose the progress of each child/family with home observation instrument, Denver, and Dial R
- Maintain a system level forum for coordination of services in the target communities

IV. Learning and Growth

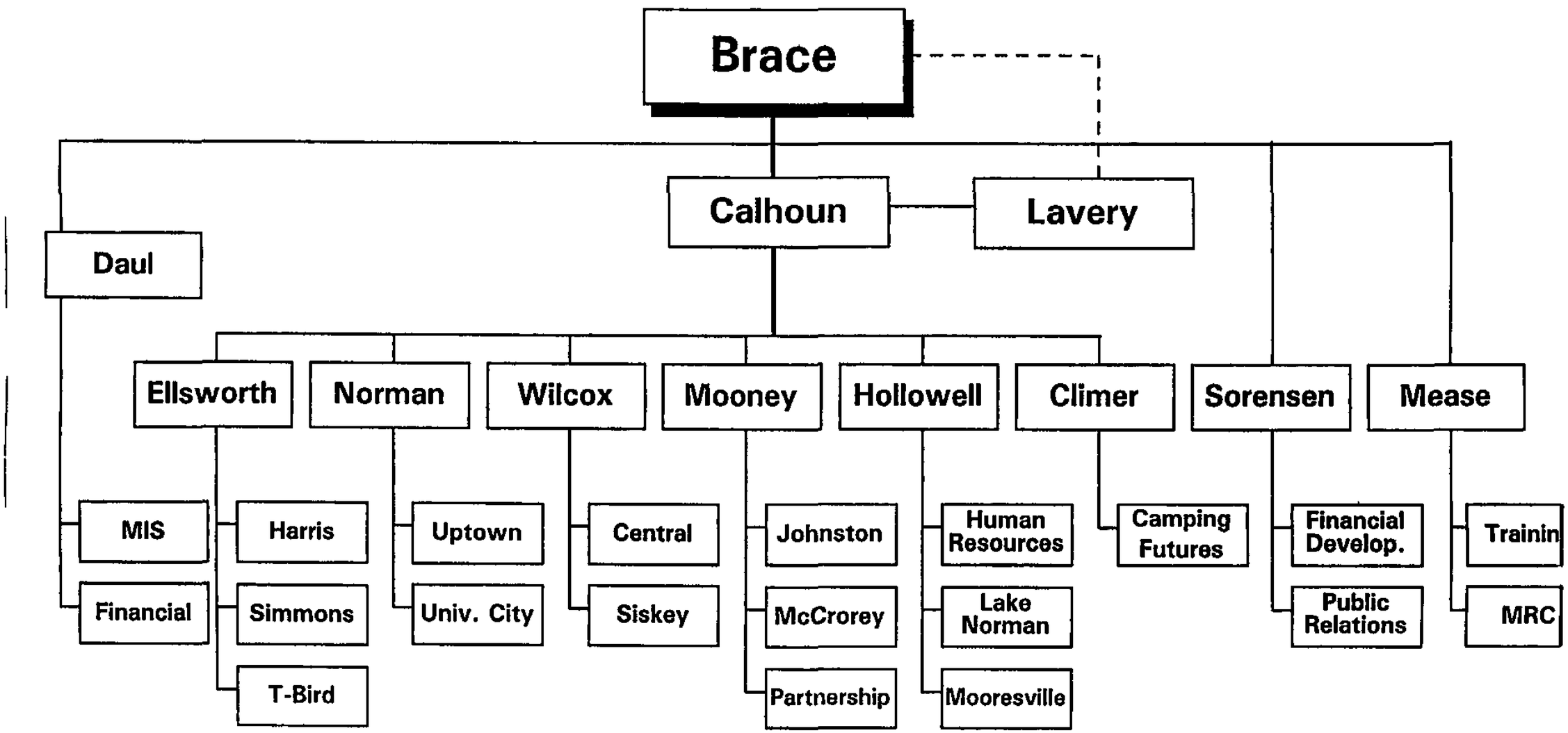
- Offer opportunities for residents to gain employment at the Johnston YMCA

Salary Disclosure

Success by Six

Position	***Salary***
Managing Supervisor	$49,282
Director	34,567

1997 Organizational Chart



Financial Partner - St. Paul Baptist Church

I. *Financial Status*

Funding source	CDBG
FY97 Appropriation	$41,791

II. *Program Highlights/Status*

The St Paul Enrichment Program has enrolled 40 children in grades K-6 in after school programming during FY97 The children were exposed to their cultural heritage through a very successful program involving movement interwoven with historical vignettes provided by Portraits of Color Additionally, socialization skills were taught through outings to local restaurants and recreational facilities

III. *Funding Request*

Funding source	CDBG
FY98 request	$42,883
FY99 request	$45,000

Proposed FY98 Program Objectives

I. Customer Service

- Provide a basic academic and enrichment program for 48 school-age youth, grades K-6, through an innovative after school program for low/moderate income youth and their parents
- Provide varied cultural and recreational experiences as integral parts of the program of instruction
- Coordinate at least three activities during the contract period with the Neighborhood Police, students and parents in order to provide a) community awareness, b) survival skills, c) recreational and cultural activities
- Conduct the program in such a manner that the retention rate of the youth is at least 75%

II. Financial Accountability

- Identify and attempt to secure other funding for the purpose of continuing the program
- Continue working with various organizations to receive in-kind products and services

III. Internal Business Process

- Improve planning of program expenditures

IV. Learning and Growth

- Provide child and youth workshops
- Increase awareness and use of services provided among parents by 5%

Salary Disclosure

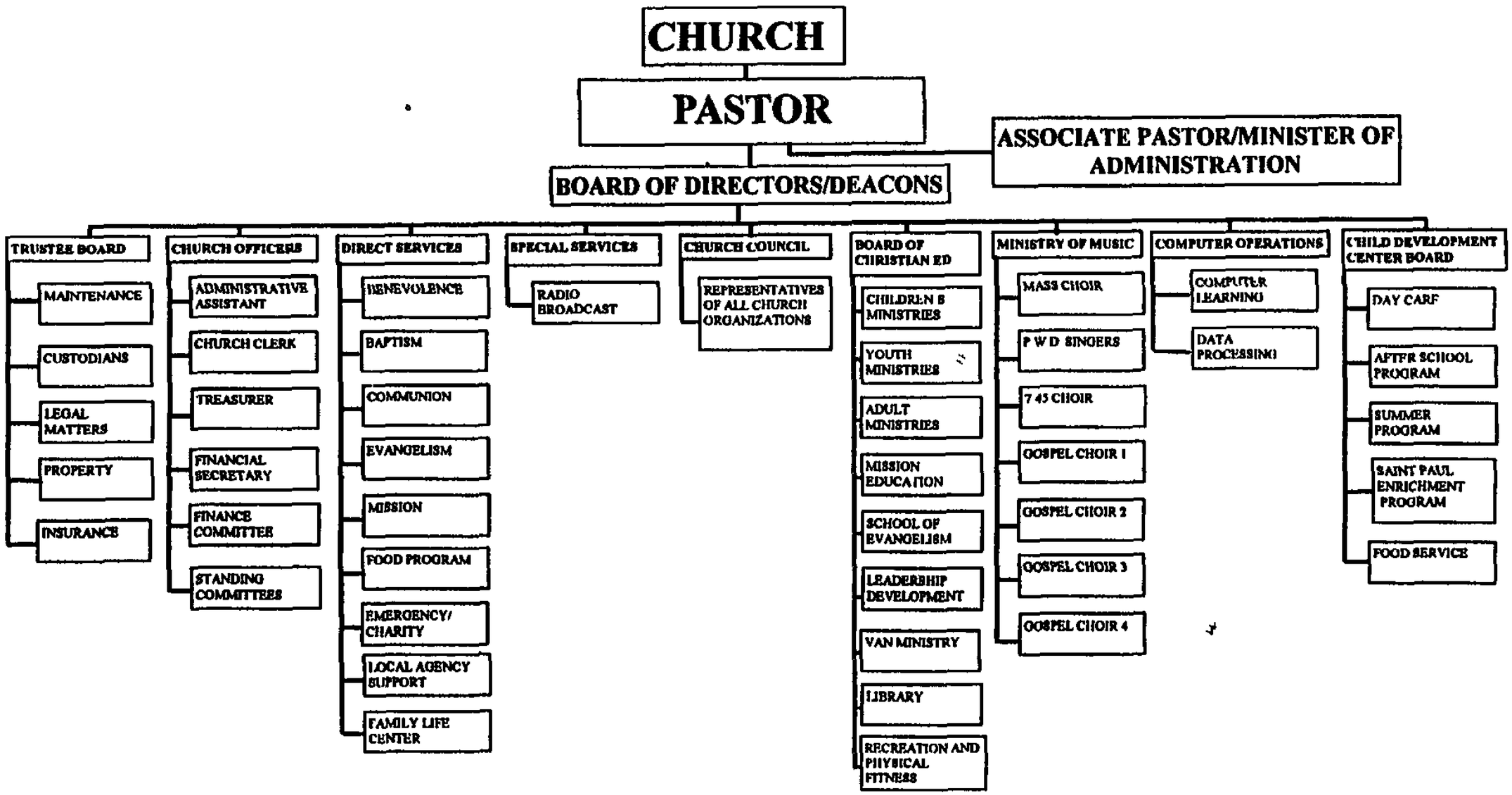
St Paul Baptist - After School Enrichment

Executive Director earns $7,622

Organizational Chart

Structural and Organizational Chart of the SAINT PAUL BAPTIST CHURCH

10/15/95



Financial Partner - Charlotte Mecklenburg Schools After School Enrichment Program

I. *Financial Status*

Funding source	CDBG
FY97 Appropriation	$150,000

II. *Program Highlights/Status*

Under this contract which originated in FY97, City funds are used to purchase after school program services for 102 children from low- and moderate-income families who live in the CWAC area Funds provide a subsidy for eligible families, who must in turn pay a nominal weekly fee and arrange for transportation bringing their children home from the program Services were provided at 14 elementary school After School Education Program sites

Children participating in the program are tested at the beginning of the school year and at year end to measure improvement in academic progress The contract also requires CMS to provide academic grading results to other City-funded after school programs to help establish benchmarks for evaluation of academic outcomes under the various programs CMS also provides training to other City-funded after school program staff under the City contract as part of a larger collaborative effort

III. *Funding Request*

Funding source	CDBG
FY98 request	$150,000
FY99 request	$150,000

Proposed FY98 Program Objectives

I. Customer Service

- Provide educational enrichment to at-risk school age children and quality child care for parents as part of the City Within a City Strategic Plan goal of increasing educational, training, and employment opportunities for CWAC residents,
- Decrease the rate of crime committed by youth by involving them in constructive, safe, well-supervised after school programming,
- Promote self-sufficiency by providing a variety of community awareness, crime prevention, cultural, social and recreational activities designed to strengthen the basic academic and social skills of the youth, preparing them to make a positive contribution to their community,
- Measure the academic achievement of participating children by comparing prior and current end of grade test results

II. Financial Accountability

III. Internal Business Process

IV. Learning and Growth

Salary Disclosure

Charlotte-Mecklenburg Schools - After School Enrichment

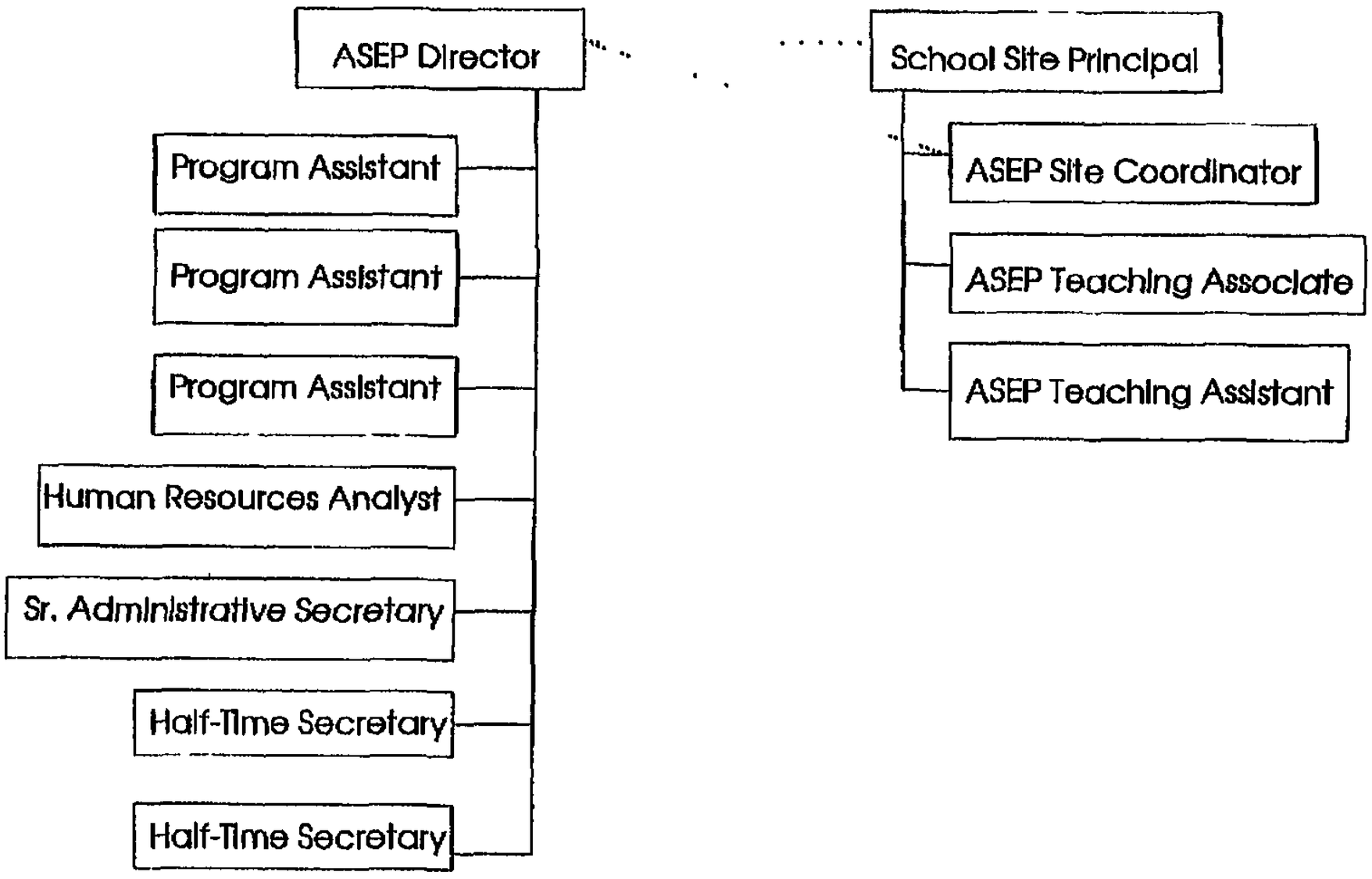
Position	***Salary***
ASEP Director	$53,684
ASEP Program Assistant	33,924
ASEP Program Assistant	33,259
ASEP Program Assistant	32,614
HR Employment Analyst	39,270

In addition to these salaries, benefits include employer-paid FICA of 7 65%, retirement of 10 83% and insurance (healt, dental and life) at an annual cost of $1932

Organizational Chart

CHARLOTTE-MECKLENBURG SCHOOLS

AFTER SCHOOL ENRICHMENT PROGRAM ORGANIZATIONAL CHART



ARTS & SCIENCE COUNCIL
1996-97 BOG GRANTS COMMITTEE

1/9/97

Name	Phone
Palermo, James - Chair Executive Vice President NationsBank Corporation NC1-007-49-01 100 North Tryon Street Charlotte, NC 28255	386-8081
Beatty, Robert Vice President of Human Resources Hoechst Celanese Corporation P O Box 32414 Charlotte, NC 28232	554-3993
Dillashaw, Gay Broker/Realtor Allen Tate Real Estate Company 6618 Fairview Road Charlotte, NC 28210	364-6400
Eisenhauer, Clint Vice President, Communications Sea-Land Service, Inc 6000 Carnegie Boulevard Charlotte, NC 28209	571-2005
Greer, Charles Partner Greer & Walker 227 W Trade Street, Suite 1400 Charlotte, NC 28202	377-0239
Jones, Tom V President and CEO Urban Ventures, LLC P O Box 7768 Charlotte, NC 28241	588-2433
Nelson, Anna Spangler General Partner Wakefield Group P O Box 36329 Charlotte, NC 28236	372-0355

Noel, B E
Noel Fine Art Acquisitions
311 Settlers Lane
Charlotte, NC 28202 — 334-3799

Norwood, Marianne Battistone
President
S/D/F Educational Projects, Inc
2633 Richardson Drive
Charlotte, NC 28211 — 362-1230

also S/D/F Educational Projects, Inc
220 East 65th Street, #17H
New York, NY 10021 — (212) 319-8354

Patterson, Kevin
IBM AS/400 Product Manager
IBM Corporation, Building 101
1001 W T Harris Boulevard
Charlotte, NC 28262-8563 — 595-3247

Smith, Shannon G
Bowles Hollowell Conner & Company
227 West Trade St , Suite 2400
Charlotte, NC 28202 — 348-1017

Todd, T Michael
Todd Hefferon & Hefferon
130 Cameron Brown Building
301 S McDowell Street
Charlotte, NC 28204 — 343-9700

STAFF SUPPORT

Tidwell, Hellena H
Senior Vice President, Resource Management
Arts & Science Council
227 W Trade Street, Suite 250
Charlotte, NC 28202 — 372-9667

Porges, Anne
Grants Officer
Arts & Science Council
227 W Trade Street, Suite 250
Charlotte, NC 28202 — 372-9667

ARTS & SCIENCE COUNCIL
1997-98 Basic Operating Grant Program

(4/9/97)

Meeting Date ***Friday, May 2, 1997 - 8:00 a.m. - 6:00 p.m.***
Organizations Afro-American Children's Theatre, Charlotte Repertory Orchestra, Charlotte Children's Choir, Innovative Theatre

DEVELOPING ORGANIZATIONS PANEL

T Michael Todd, Chair — 343-9700
Todd, Parham, Harris & Dixon
301 South McDowell Street
Charlotte, NC 28204-2622

Barbara Atwater — 399 9703
University Park North/NCNO
3201 Cricketeer Drive
Charlotte, NC 28216

Becky Carney — 846-4059
County Commissioner
8706 Peyton Randolph Road
Charlotte, NC 28277

Michael Case, Director of Education — 333-1435
Metrolina AIDS Project
P O Box 32662
Charlotte, NC 28232

Sidney Doobrow — 371-8668
Mass Mustual Life Insurance Co
230 South Tryon St , #1400
Charlotte, NC 28202

Horace Fishback — 892-6358
345 Jib Court
Davidson, NC 28036-7100

Sondra Hines — 519-0540
Belnavis & Associates
3400 S Tryon Street, Suite J
Charlotte, NC 28217

Tommy V Jones — 588-2433
President and CEO
Urban Ventures, LLC
P O Box 77608
Charlotte, NC 28241

Edwin Maddrey — 372-0862
3305 226 Eastover Ridge Drive
Charlotte, NC 28211

Juliana L MaGill, Marketing Associate — 348-1038
Bowles Hollowell Conner & Company
227 West Trade Street, Ste 2400
Charlotte, NC 28202

Beth Wentz — 525 9536
Omega Performance Corporation
5435 Seventy Seven Center Drive
Charlotte, NC 28217

ARTS & SCIENCE COUNCIL
1997-98 Basic Operating Grant Program

(4/21/97)

Meeting Date ***Wednesday, April 30, 1997 - 8:00 a.m. - 6:00 p.m.***
Organizations Carolina Raptor Center The Light Factory
Discovery Place Mint Museum

EXHIBITIONS PANEL

Gay Dillashaw, Chair 364-6400
Broker/Realtor
Allen Tate Company
6618 Fairview Road
Charlotte, NC 28210

Claude R Alexander, Pastor 392-1681
University Park Baptist Church
2348 Keller Avenue
Charlotte, NC 28216

Carole Clark 364-8267
1527 Ferncliff Road
Charlotte, NC 28211

Clinton Eisenhauer 571 2005
Sea Land Service, Inc
6000 Carnegie Boulevard
Charlotte, NC 28209

Gerald Farrow, Research Fellow 554 3127
Hoechst Celanese Corporation
4149 Sharon Commons Lnae
Charlotte, NC 28210-6518

Paula Fraher 388-3183
NationsBank Corporation
NC1-007 1801
100 North Tryon Street
Charlotte, NC 28255

Linda Kroff 364-3620
1311 Greylyn Drive
Charlotte, NC 28226

Kevin M O'Hara 364-3120
Vice President, Corporate Planning
Piedmont Natural Gas
1915 Rexford Road, P O Box 33068
Charlotte, NC 28233

Kevin Patterson 595-3247
IBM Corporation
8501 IBM Drive
Charlotte, NC 28262 8563

ARTS & SCIENCE COUNCIL
1997-98 Basic Operating Grant Program

(4/11/97)

Meeting Date ***Monday, April 28, 1997 - 8:00 a.m. - 6:00 p.m.***
Organizations Afro-American Cultural Center
Community School of the Arts
NC Blumenthal Performing Arts Center

MULTIDISCIPLINARY PANEL

Anna Spangler Nelson, Chair General Partner Wakefield Group P O Box 36329 Charlotte, NC 28236	372-0355
Tracy D Boyce (Ms) Vice President, Corporate Affairs NationsBank 100 N Tryon Street, 18th Floor Charlotte, NC 28232	386 5476
David Ferebee 4600 Sharon View Road Charlotte, NC 28226	366-7699
Lisa Harper Graham Assistant City Attorney City of Charlotte 600 East Fourth Street Charlotte, NC 28202	336 2254
Lewis Guignard 6828 Woodland Circle Charlotte, NC 28216	1596 6323
Stephen D Hope Moore & Van Allen 100 N Tryon Street, 47th Floor Charlotte, NC 28202-4003	331-1000
Teri Licari 8204 Bar Harbor Lane Charlotte, NC 28210	553-2544
Curt Walton Budget and Evaluation Office City of Charlotte 600 East Fourth Street Charlotte, NC 28202	336 5019

ARTS & SCIENCE COUNCIL
1997-98 Basic Operating Grant Program

(4/21/97)

Meeting Date ***Thursday, April 24, 1997 - 8:00 a.m. - 6:00 p.m.***
Organizations Charlotte Choral Society NC Dance Theatre
Charlotte Symphony Orchestra Opera Carolina

MUSIC/DANCE PANEL

Marianne Battistone Norwood, Chair 362-1230
President
S/D/F Educational Projects, Inc
2633 Richardson Drive, #6C
Charlotte, NC 28211

or -
S/D/F Educational Proj , Inc
220 East 65th St , #17H (212) 319-8354
New York, NY 10021

T Rodney Autrey 523-2230
Freedman White Architects
8001 Arrowridge Boulevard
Charlotte, NC 28273

J Edward Capps 553-3150
Vice President, Human Resources
J A Jones Construction Company
J A Jones Drive
Charlotte, NC 28287

Charles T Greer 377 0239
Greer & Walker, LLP
227 West Trade Street, Suite 1450
Charlotte, NC 28202

Ben Hutto, Director of Music 333-0378
Christ Church
1412 Providence Road
Charlotte, NC 28207

Thomas Moore, President 371-4077
Thomas Moore Enterprises, Inc
3710 Monroe Road, Ste #2
Charlotte, NC 28205

B E Noel 334-3799
311 Settlers Lane
Charlotte, NC 28202

Stuart B Weiser (910) 725-1035
Executive Director
Winston-Salem Symphony
610 Coliseum Drive
Winston-Salem, NC 27106

ARTS & SCIENCE COUNCIL
1997-98 Basic Operating Grant Program

(4/22/97)

Meeting Date ***Tuesday, April 22, 1997 - 8:00 a.m. - 6:00 p.m.***
Organizations Actor's Theatre, Children's Theatre, Charlotte Repertory Theatre, Theatre Charlotte

THEATER PANEL

Shannon G Smith, Chair — 348-1017
Director
Bowles Hollowell Conner & Company
227 W Trade Street, Suite 2400
Charlotte, NC 28202

Robert J Beatty — 554-3993
Hoechst Celanese Corporation
P O Box 32414
Charlotte, NC 28232

Daniel M Boye — 892-2394
P O Box 361
Davidson, NC 28036

Augusta M Brown — 372-7170
United Way of Central Carolinas
301 South Brevard Street
Charlotte, NC 28202

Louis A Custrini — 544-6997
10210 Calloway Drive
Charlotte, NC 28277

Ms Deborah L Dean — 849-8070
1807 Whispering Forest Drive, #304
Charlotte, NC 28270

John C McIlwee, Director of Theatre — (919) 515-2405
Thompson Theatre, Box 7305
North Carolina State University
Raleigh, NC 27695 7305

Wanda Reeves — 336-2108
Finance Department
Mecklenburg County
P O Box 34486
Charlotte, NC 28234

Dale P Seley (Rev) — 366-9100
Associate Pastor
Carmel Baptist Church
2101 Carmel Road
Charlotte, NC 28226

Courtney White — 333-1435
Director of Volunteer Services
Metrolina AIDS Project
P O Box 32662
Charlotte, NC 28232

ARTS & SCIENCE COUNCIL
1997-98 BASIC OPERATING GRANT

Application Time Line

January 22 4 00 p m	-	***Pre-application Workshop*** required for Affiliates planning to submit applications for 1997-98 Application materials to be distributed at this time Panelists confirmed
February 5	-	***Letters of Intent*** due to ASC
January 23 to April 1	-	***Site Visits*** All site visits must be completed by April 1 Each grant panel will meet at the affiliate sites (time to be determined) for a preliminary review session prior to formal presentations
March 14	-	***APPLICATION DEADLINE.*** **ALL APPLICATIONS ARE DUE AT THE ASC OFFICES BY 12 NOON ON MARCH 14. APPLICATIONS RECEIVED AFTER THIS TIME WILL NOT BE REVIEWED IN THIS FUNDING CYCLE**
April 10	-	***BOG Committee Orientation***
April 10 & 11	-	***BOG Panels Orientation***
April 22 to May 2	-	***Grant Panels*** will work as subcommittees of the Grants Committee Each panel will meet one day to hear formal presentations by Affiliates Panels will complete deliberations and forward their recommendations to the Basic Operating Grants Committee at the conclusion of these meetings Tuesday, April 22, 8 00-6 00 p m - Theater Panel Thursday, April 24, 8 00-6 00 p m - Music Dance Panel Monday, April 28, 8 00-6 00 p m - Multidisciplinary Panel Wednesday, April 30, 8 00-6 00 p m - Exhibitions Panel Friday, May 2, 8 00-6 00 p m - Developing Organizations Pan
May 8	-	***Basic Operating Grants Committee*** will finalize the recommendations for specific grant awards to be submitted for approval to the ASC Board
May 28	-	***The ASC Board*** will receive the recommendations of the Basic Operating Grants Committee
May 30	-	***Organizations*** approved to receive Basic Operating Grants for FY97-98 will be notified in writing of their awards
July 1, 1997 to June 30, 1998	-	***Grant Period***

ARTS & SCIENCE COUNCIL
1997-98 BASIC OPERATING GRANT
Organizational Evaluation - Rating Sheet
APRIL, 1997

ORGANIZATION _____ PANELIST _____

I. EDUCATIONAL MERIT AND PROGRAM EXCELLENCE

_____
0-35

A Programs have high merit in children's education
  1 Programs develop skills through curriculum-based instruction
  2 Programs expand knowledge of and appreciation for arts and sciences
  3 Programs stress creativity as tool to animate curriculum

B Programming excellence
  1 Artistically/scientifically sound program
  2 Unique, non-duplicative programming
  3 Consistently well-planned/executed programs
  4 Programs are designed to demonstrate an increase in audience attendance and participation by all cultures in our community
  5 Artists, instructors and participants reflect the multicultural community

II FISCAL ACCOUNTABILITY

_____
0-25

A Sound, systematic approach to budgeting
B Organization has realized projections of stated financial goals
C ASC support is proportionate to other income sources
D Financial plan to eliminate cash deficits and build operating cash reserves
E Reasonable projections to increase revenue

III. CULTURAL DIVERSITY

_____
0-20

A Broad-based, diverse board with minority representation proportionate to community composition
B Minorities in senior staff positions
C Board approved strategic plan to increase minority participation in all aspects of program operations--board, staff, volunteers, artists and program participants
D Ongoing programming reflects multicultural, cross-cultural heritage

IV ORGANIZATIONAL MANAGEMENT

_____
0-20

A Sound rotational policy for board membership which ensures culturally diverse representation
B Effective, professional staff
C Board approved strategic, financial and marketing plans with on-going review process
D Commitment to and proven success in collaborative ventures with other cultural groups across disciplines, multicultural orientations, counties (region), etc

TOTAL SCORE _____

1 = Lowest **35 = Highest**

Maximum Score 100

1997-98
ARTS & SCIENCE COUNCIL CHARLOTTE/MECKLENBURG, INC. BASIC OPERATING GRANT (BOG) APPLICATION - *FORM B*

I. APPLICANT

Name of Organization _____ Fed Tax Exempt # _____

Mailing Address _____ Street _____

_____ Zip _____ _____ Zip _____

Board President _____ Executive Director _____

Phone _____ Phone _____

Treasurer _____ Phone _____

Person Completing Application _____ Daytime Phone _____

II. REQUEST

1997-98 Need Based Request **$** _____ = _____**% +/- ov/un 1996-97 BOG**
(Optimal Increase for Expansion) _____**% of Proposed '98 Budget**

1997-98 5% Adjusted Base Request **$** _____ = **95 % of 1996-97 BOG Award**
(see Schedule C) _____***% of Proposed '98 Budget***

1997-98 Proposed '98 Budget **$** _____ = _____**% +/- ov/un 1996-97 Budget**

1996-97 Total BOG Award $ _____ = _____ % +/- ov/un 1995-96 BOG

1996-97 BOG Award as % of Budget _____ % = _____ % +/- ov/un 1995-96

1996-97 Total Budget $ _____ = _____ % +/- ov/un 1995-96 Budget

---

1995-96 Total BOG Award $ _____ = _____ % +/- ov/un 1994-95 BOG

1995-96 BOG Award as % of Budget _____ % = _____ % +/- ov/un 1994-95

1995-96 Total Budget $ _____ = _____ % +/- ov/un 1994-95 Budget

III. BACKGROUND

A When was your organization founded? _____

B Briefly state the mission and purpose of your organization

1997-98 Basic Operating Grant Application - Form B

Affiliate _____

IV. STATISTICAL INFORMATION

A. Participation

	Perform		Exhibit		Classes/Wkshp		Special Events		Outreach		Total
	#	Attend	#	Attend	#	Attend	#	Attend	#	Attend	Attendance
Actual FY94-95											
Actual FY95-96											
Est FY96-97											
Proj FY97-98											

Museums & Galleries (only) Average Daily Attendance FY 95-96 _____ FY 96-97_____

B. Cultural Diversity

	Board		Staff		Volunteers		Performers		Audience	
	FY96	FY97	FY96	FY97	FY96	FY97	FY96	FY97	FY96	FY97
TOTAL										
Asian American										
%										
African American										
%										
Hispanic										
%										
Native American										
%										
White										
%										
Adult Men										
Adult Women										
Youth in School										
Other Youth										
Sr Citizen (65+)										
Other (specify)										

1997-98 Basic Operating Grant Application - Form B

Affiliate _____

IV. STATISTICAL INFORMATION

C. Geographical Distribution 1996-97

	Meck		Cabarrus		Gaston		Iredell		Lancaster		Lincoln		Union		York	
	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#
Members																
Attendees																
Subscribers																

V. CULTURAL ACTION PLAN PRIORITIES

A Children s Educational Programming

Describe the children's educational program planned in 1997-98 for both school-based and non-school-based activities What changes are anticipated for implementation? Include in-school programs, school field trips, etc

B Cultural Diversity

Discuss the organization's progress toward achieving its stated cultural diversity goals by fiscal year end 1997 What new initiatives are planned in 1997-98 to ensure inclusiveness of all community segments in total programming operations?

1997-98 Basic Operating Grant Application - Form B

Affiliate _____

C Institutional Stability

ASC has executed an across the board adjustment of 5% in all FY97 BOG awards This might affect FY98 awards as follows

1 A flat award will mean an FY98 grant of 5% less than the FY97 actual BOG

2 An FY98 award equal to the FY97 actual BOG will represent a 5% increase

3 An FY98 award greater than the FY97 award will represent a significant increase

In the space below, please indicate the impact on specific line items 1) if awarded a 5% increase over the 95% adjusted FY97 BOG award level AND 2) if awarded an increase based upon need

1 5% increase = $ _____ over adjusted FY97 BOG

Line Item	Amount	Program Impact
a	$	
b	$	
c	$	
d	$	
e	$	
f	$	

2 Need based increase = _____ % or $ _____ over adjusted FY97 BOG

Line Item	Amount	Program Impact
a	$	
b	$	
c	$	
d	$	
e	$	
f	$	

1997-98 Basic Operating Grant Application - Form B

Affiliate _____

VI. PROGRAM IMPLEMENTATION

A What were your primary goals in 1996-97? Please evaluate your progress toward achieving these goals Provide a brief explanation of unmet or abandoned goals

B. On the following two pages, please provide the Grants Committee an overview of the proposed program for 1997-98. It is important that you address the following questions in your presentation:

1 What is the real impact of the ASC Basic Operating Grant on the organization's operations?

2 Which existing programs or activities will be discontinued in 1997-98? Why?

3 What are the primary program goals to be achieved in 1997-98? Are these goals consistent with the organization's strategic or long-range plan?

4 Please describe the new and/or expanded program thrusts for 1997-98

5 What special, one-time events are planned in 1997-98 (benefits, galas, major concerts or exhibitions, etc)?

6 Do you plan a staff reorganization in 1997-98? If so, what impact will the reorganization have upon the organization's planned program and/or management capability?

7 Please explain any unusual or special considerations unique to your organization that the Grants Committee should understand when considering your 1997-98 grant

1997-98 Basic Operating Grant Application - Form B

Affiliate_____

VI. C. PROGRAM IMPLEMENTATION, 1997-98:

1997-98 Basic Operating Grant Application - Form B

Affiliate_____

VI. C. PROGRAM IMPLEMENTATION, 1997-98 (continued):

1997-98 Basic Operating Grant Application - Form B

Affiliate_____

VII. PROGRAM CONSIDERATIONS

In your opinion, will any of the proposed 1997-98 programs cause community concern in view of the Public Funding Task Force recommendations? If yes, 1) please describe the program, exhibition, etc , and 2) please outline your plans for community education/awareness Your plan should address the four primary elements of a sound community education plan (see Public Funding Task Force Report, Nov 6, 1996) a Policies and procedures for community relations, b Community outreach and communications plan, c Communications with elected officials and representatives of key constituent groups, and d Media strategy plan You may attach one (1) additional page, if needed **A response which exceeds these two (2) pages will be eliminated from the Grants Panels' packets.**

VIII. Certification

This is to certify that this proposal and attachments were reviewed and approved by the Board of Directors or the

Executive Committee of _____ at their meeting held on _____
Affiliate *Date*

By_____ _____
Chairperson *Executive Director*

Date _____ Date _____

1997-98 BASIC OPERATING GRANT APPLICATION -- FINANCIAL INFORMATION

AFFILIATE DATE

	(A) Actual FY96	(B) Budget FY97	(C) Proposed FY98 5% Adj Base	(D) % +/- FY97	(E) Proposed FY98 Need Based	(F) % +/- FY97	(G) Projected Bdgt FY99
INCOME							
BOG Award							
ASC Other							
Earned							
Contributed							
Government							
Other Income							
TOTAL INCOME							
EXPENSES							
Personnel							
Administrative							
Maintenance/Security							
Program (Permanent)							
Contracted Fees							
PR/Development							
Fringe Benefits							
Other Personnel Costs							
TOTAL PERSONNEL							
Program Costs							
Production/Technical							
Exhibition							
Education/Workshops							
Production Supplies							
Royalties							
Other Production Costs							
TOTAL PROGRAM							
Facility Costs							
Space Rental							
Utilities							
Telephone							
Insurance							
Maintenance							
Security							
Landscaping/Grounds							
Other Misc Facility							
TOTAL FACILITY							
Other Admin							
Advertising/Promotions							
Printing/Postage/Copying							
Bookkeeping/Auditing							
Conferences/Conventions							
Dues/Publications							
Office Supplies							
Local Travel							
Other Admin Costs							
TOTAL ADMIN							
TOTAL EXPENSES							
NET INC/EXP							
BEG FUND BAL							
TRANS +/- OPER							
END FUND BAL							

1997-98 BASIC OPERATING GRANT APPLICATION -- INCOME DETAIL

AFFILIATE _____ DATE _____

	Actual FY96	Budget FY97	Proposed FY98 5% Adj Base	% of FY98 Bdgt	Proposed FY98 Need Based	% of FY98 Bdgt	Projected Bdgt FY99
BOG Award							
ASC Other							
Total ASC Support							
EARNED INCOME							
Ticket Sales							
Performance/exhibit fees							
Rentals							
Special Events							
Workshops/class tuition							
Advertising							
Interest/Endowment Inc.							
Other (specify below)							
Total Earned Income							
CONTRIBUTED INCOME							
Patronage							
Memberships							
Foundations							
Corporations							
Special Events							
Auxiliaries (net)							
Other (specify below)							
Total Contributed							
GOVERNMENT INCOME							
(NOT THROUGH ASC)							
City of Charlotte							
County of Mecklenburg							
State							
NC Arts Council							
Other							
Other (specify below)							
Total Government							
TOTAL INCOME				**100%**		**100%**	

1997-98 Basic Operating Grant Application - Form B

Affiliate _____

CHART OF ACCOUNTS
(One line explanation of each line item)

1997-98 Basic Operating Grant Application - Form B

Affiliate _____

FACILITY UTILIZATION

	ACTUAL	BUDGET	PROPOSED	PROPOSED
FACILITY EXPENSE	FY96	FY97	FY98 5% Adj. Base	FY98 Need Based
Space - Rental				
1 Office				
2 Rehearsal				
a PAC				
b Other				
3 Box Office				
a PAC				
b Other				
4 Performance				
a PAC				
b Other (specify below)				
5 Education/Outreach				
6. TOTAL SPACE RENTAL				
7 Utilities				
8 Telephone				
9 Insurance				
10 Maintenance				
11 Security				
12 Landscaping/Grounds				
13 Other Misc Facility Costs				
a PAC				
b				
c				
d				
14. TOTAL FACILITY COSTS				

1997-98 Basic Operating Grant Application - Form B

Affiliate _____

STATEMENT OF RESERVES AND ENDOWMENT

	ACTUAL	ACTUAL	PROJECTED	PROJECTED
	FY95	FY96	FY97	FY98
CASH RESERVES				
Unrestricted Funds				
Restricted Funds				
TOTAL ENDOWMENT				
Unrestricted Funds				
Restricted Funds				
Other Funds				
1)				
2)				
3)				
4)				
5)				
TOTAL ALL FUNDS				

NARRATIVE:

1 Does your organization currently have a cumulative deficit? If so, what is the total amount? Describe the deficit reduction plan (Attach one (1) copy of the plan, if not on file at ASC)

2 Does your organization have operating cash reserves and/or an endowment fund? If so, what are the total amounts? What portions are restricted to specific purpose(s)? What portions are Board-designated for unrestricted purposes?

3 If your organization currently has no operating reserves or less than the suggested minimum industry standards of 3-6 months operating reserves, what specific plans are in place to build an operating reserve?

1997-98 Basic Operating Grant Application - Form B

Affiliate _____

TICKET REVENUE RECAP

	Actual 1995			Actual 1996			Projected 1997			Projected 1998		
Tickets	#	Price	Total	#	Price	Total	#	Price	Total	#	Price	Total
SEASON												
Adult												
Student												
Sr Citizen												
Family												
Group Sales												
Corporate												
Complim'try												
Other												
TOTALS												
SINGLE												
Adult												
Student												
Sr Citizen												
Family												
Group Sales												
Corporate												
Complim'try												
Other												
TOTALS												

1997-98 BASIC OPERATING GRANT - Form B
CASH FLOW INFORMATION

Affiliate _____ Date _____

CASH FLOW 7/1/97 - 6/30/98 (Please use need based FY98 budget)

	July	August	September	October	November	December	January	February	March	April	May	June	Total
INCOME													
1 ASC													
2 Earned													
3 Contributed													
4 Gov t (Not th/ ASC)													
5 TOTAL INC													
EXPENSES													
6 Total Personnel													
7 Total Program													
8 Total Facility													
9 Total Other Admin													
10 TOTAL EXP													
Beginning Cash													
Operating Cash Flow													
Lines 6-10													
Ending Cash													
Operating Reserve													
Transfer to/from oper													
Ending Reserves													

1997-98 Basic Operating Grant Application - Form B

Affiliate _____

STATEMENT OF IN-KIND CONTRIBUTIONS

1996-97			Projected 1997-98		
	SERVICES/	ESTIMATED		SERVICES/	ESTIMATED
SOURCE	GOODS	VALUE	SOURCE	GOODS	VALUE
Example ABC,Inc	Printing (Posters)	$500			
TOTAL $			TOTAL $		

MEMORANDUM

TO· Charlotte City Council
Mecklenburg County Board of Commissioners
ASC Board of Directors

FROM. Public Funding Task Force

THROUGH· Michael Marsicano, ASC President

DATE November 6, 1996

RE Public Funding Task Force Deliberations

BACKGROUND

In June of 1996, the Arts & Science Council (ASC) pledged to appoint a task force of citizens to examine public funding for the arts and sciences in the wake of *Angels in America* In August of 1996, Mr William Simms, President of Transamerica Reinsurance, and Dr John Kuykendall, President of Davidson College, agreed to co-chair the Task Force of 27 individuals drawn from the diverse citizenry of Charlotte and Mecklenburg County During the months of September, October, and November 1996, the Task Force met on six separate occasions for a total of 12 hours

INTRODUCTION

Despite diverse opinions on specific matters, all members of the Task Force are strongly in agreement that public funding for the arts and sciences enables gifted and creative members of our community to share their talent in a way which both expands our horizons and deepens the wellsprings of our common humanity The arts and sciences are indeed windows to the human spirit, and our exposure to their best expressions, both classical and contemporary, enriches our lives individually and as a community. While there are occasions upon which people of good will differ as to the value of specific artistic and scientific works, we should all be grateful for the ways in which creative expressions of talented people enable us to enjoy and appreciate life more fully

227 West Trade Street • Suite [illegible] • Charlotte NC 28202 • Telephone 704 372 [illegible] • Facsimile 704 372 8210

The following report represents the collective judgment of the Task Force which has been meeting to discuss the issues surrounding public funding We have experienced both joyful and painful moments in our deliberations, but we are all committed to establishing a strong foundation for public funding of the arts and sciences in our community We ask for your thoughtful consideration of our findings, which are divided into four categories. Mutual Respect, Legal, Community Standards, and Process

DECLARATION OF FINDINGS

Mutual Respect

- Task force members believe that our great community supports the value and dignity of each individual citizen Accordingly public funding of the arts and sciences must affirm the dignity of the individual and respect the right to self-expression

- Guiding principles of democracy are dignity respect, inclusion, and tolerance of all and for all No group of citizens should be entitled to deprive or harm another group of citizens

- Throughout history, the arts, the sciences and religious beliefs have intersected, and they continue to do so today Religious preferences are deeply rooted in the people of Charlotte and Mecklenburg County While the majority of our citizens may be informed by the Bible, public funding of the arts and sciences calls for a healthy respect for those who may be informed by something else

- Some cultural programming is controversial and may distress some individuals It is appropriate for citizens to disagree strongly on the merits of cultural programs as long as they tolerate and respect one another All individuals have the right and responsibility to voice their objections in a manner that does not ridicule or belittle others Confrontation can be avoided if concerted efforts are made to approach the community in search of common ground Cultural institutions that receive public funding are strongly encouraged to develop an understanding of the differing views that exist within our community and to consider these views in making programmatic decisions

- Public funding decisions in the arts and sciences will not violate the civil rights of an individual or a group, or violate the guidelines of the Arts & Science Council, nor shall they violate the four categories of guiding principles that constitute this declaration (Mutual Respect, Legal, Community Standards, and Process)

Legal

- As American citizens, the Task Force acknowledges the United States Constitution as the supreme law of the land Cultural institutions receiving public dollars must inspire public confidence by abiding by the law In the City of Charlotte and Mecklenburg County, the legal tests for public funding of the arts and sciences are the laws and Constitution of North Carolina and the laws and Constitution of the United States of America While many laws, statutes, and ordinances may guide public funding discussions, the whole range of law, be it common law or statutory law, is encompassed by the constitutional test

Community Standards

- The arts, sciences, and humanities reflect the high place accorded by the citizens of Charlotte and Mecklenburg County to our rich cultural heritage and to the fostering of mutual respect for the diverse beliefs and values of all persons and groups Believing that state and federal constitutions provide broad parameters of community standards, it is not necessary to define such standards Personal standards are not community standards, and uses of public funds cannot be limited to the preference of a majority The Task Force believes that community standards are upheld by a process of allocating public funds that assures maximum diversity on volunteer citizen panels

Process

- There is no better way to determine artistic and scientific opportunities and constraints than through a process that involves groups of citizens giving their best judgments toward inherently subjective decisions Local citizen groups are the best source for making decisions about public arts and science funding The collective judgments of the numerous volunteer citizen panels at the Arts & Science Council is equally as advantageous and representative as that of the City Council and the Board of County Commissioners

- The Arts & Science Council should assure the City Council, the Board of County Commissioners, and the citizens at large that volunteer citizen panels are as representative and inclusive as is practicable Volunteer citizen panels must be drawn from the diversity of the Charlotte community beyond the traditional notions of race, religion, and gender, professional expertise must be balanced by ordinary citizens who can bring to the table common-sense concerns and wisdom Public sponsorship of the arts and sciences requires representation in decision-making from the broadest spectrum of the community Also, the Arts & Science Council should embrace citizens who have disagreed with past funding decisions as much as it embraces those who have supported those decisions

- The Arts & Science Council should establish a comprehensive program of public education regarding and public access to, the guidelines and procedures for the allocation of public dollars An active approach to the dissemination of information is favored over a passive approach Nomination forms for service on volunteer citizen panels must be disseminated as widely as possible Citizens must have maximum access to timelines for grant application availability and grant application deadlines

- The general public should understand that the allocation of City and County dollars to the Arts & Science Council is not 'blank-check' funding To the contrary, the Arts & Science Council has orchestrated a rigorous and accountable review process of cultural institutions in selected areas For example, in the areas of fiscal responsibility, organizational management and board diversification cultural institutions are under great scrutiny, they clearly understand the consequences of operating out of concert with these policies

- The Arts & Science Council grant application review process is designed to support high-quality programs Cultural institutions report on the results of their program menu for the year recently completed, as well as their program plans for the year ahead The package of programs is considered as a body of artworks and reviewed for balance, diversity, educational merit, excellence, public participation and community outreach While potentially controversial performances or exhibitions have a place in the vast network of cultural programs in our community, these presentations must be handled with great care and respect

- The City and County governments should continue their ongoing assessment and review of arts and science funding on a systematic basis

CONCLUSION

With endorsement by general consensus, the Task Force submits this memorandum to the Charlotte City Council, the Mecklenburg County Board of Commissioners, and the Arts & Science Council Board of Directors The Task Force respectfully requests the submission of this document into public record by both elected bodies The Arts & Science Council Board of Directors is asked to take the appropriate actions that weave these findings into policies, guidelines, and practices

Thank you for your thoughtful consideration.

MM/kg

Attachment (List of Task Force Members)

CITIZENS' TASK FORCE

The Reverend Claude Alexander
Minister
University Park Baptist Church
2348 Keller Avenue
Charlotte, NC 28216

Ms Judith Allen
Executive Director
NC Blumenthal Performing Arts Center
130 N Tryon St.
Charlotte, NC 28202

The Reverend Harold Bales
United Methodist Center
PO Box 18005
Charlotte, NC 28218

Rabbi James Bennett
Temple Beth El
5101 Providence Rd
Charlotte, NC 28226

Ms Anna Brock
1250 Windy Hill Lane
Matthews, NC 28105

The Reverend Joseph Chambers
Paw Creek Ministries
5110 Tuckaseegee Rd.
Charlotte, NC 28208

Father James Devereux
St Peter's Catholic Church
507 S Tryon St
Charlotte, NC 28202

Mr Bruce Evans
Director, Mint Museum of Art
2730 Randolph Rd.
Charlotte, NC 28207

Mr David Ferebee
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Charlotte, NC 28226

Ms Jill Flynn
Director of OD Services
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President
Davidson College
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Davidson, NC 28036

Mr Bob Lilien
Vice President & Tax Counsel
Tax Department PBO54
Duke Power
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Charlotte, NC 28242-0001

Mr Albert Moehring
Executive Director
Charlotte Philharmonic Orchestra
P O Box 470987
Charlotte, NC 28247

Ms B E Noel
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Charlotte, NC 28202

Ms Teddy Heard Orr
7106 Ramsgate Road
Charlotte, NC 28270

Ms Cyndee Patterson
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Charlotte, NC 28209

Ms Sally Robinson
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The Reverend Dale Seley
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Carmel Baptist Church
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Ms Geraldine Sumter
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Mr Steve Umberger
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Charlotte Repertory Theatre
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The Reverend Randy Votsch
Minister
Metropolitan Community Church
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Charlotte, NC 28205

The Reverend John Walsh
Pastor
Myers Park Baptist Church
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Ms Debbie Ware
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Charlotte, NC 28223

<u>ASC Staff Support</u>
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Arts & Science Council
227 West Trade St., Ste 250
Charlotte, NC 28202

<u>Professional Facilitator</u>
Mr Frank Joseph
19219 Captains Watch Rd
Cornelius, NC 28031

CHARLOTTE.

May 2, 1997

Mr Gerald G Fox, Manager
Mecklenburg County
600 E Fourth Street
Charlotte, North Carolina 28202

Dear Jerry

I would like to address three issues with you about which I have concern funding for police services, first responder and animal control

Police Services

In reference to your letter of April 15, 1997, my FY98 budget will include revenue from Mecklenburg County for police services equal to 7 6% of the Charlotte-Mecklenburg Police Department I will inform Council that I believe 9 21% is the revenue due from Mecklenburg County per the 1995 agreement, and that the City will pursue receipt of these funds through another process

My position is based on the following

1 We have operated under this agreement for two years with the State Street Aid distributions being the source of population for Charlotte, Mint Hill and the unincorporated area of Mecklenburg County In each year the population estimates were as of the previous October The FY98 interpretation is the same as in prior years and the population equals 9 21%

2 Contrary to your statements in our discussions, your March 13 1995 memorandum that defines population as that projected by "the State Street Aid typically available each October, as of the previous July" directly relates to this agreement There was less than two months between this memorandum and the declining population agreement, meaning that the source of population relative to police services was clearly the State Street Aid estimates I have seen nothing from the County that refutes this or establishes that any other population estimates have ever been used or even referenced

Attached is information, all of which is from Mecklenburg County, that shows that the original population estimate, upon which the 9 6% beginning point was anchored, looked backward, rather than forward The attached copy of your May 9, 1995 memorandum and the spreadsheets from your Finance and Budget Departments confirm that the first year's population estimate for FY96 was based on prior year information The course of dealing with this agreement indicates no projecting forward of population, but rather a looking back to prior years

3 You refer to the exclusion of annexation as "illogical" and "inconsistent with the intent of the agreement", however, the agreement was structured this way primarily because of your decision in 1993 that annexations have no relevance to the funding of police services It was then that you refused to include incoming annexation areas for the City in the assessed valuations that determined our share of Police Tax Equity It is illogical and inconsistent to refuse to project forward for annexation at one time and to insist on projecting forward at another, particularly as it relates to the same service

Had we structured a declining population agreement that projected forward rather than backward for population estimates, we would have begun the agreement at a point different from 9 6%, which was the unincorporated population as of that *previous* July

First Responder

Until April 30, we were unable to get an answer on what the City will be reimbursed in FY98 for First Responder services Our compensation for this service has been artificially low for years The FY98 budget request is an accurate reflection of the costs of the program and represents a $600,000 increase The County says we must get an answer from the agency The agency says we must get an answer from Mecklenburg County

Jay Fitch has cited several contractual references to First Responder funding The City was not even made aware that contracts affecting the City were in place Communication and consideration have been poor

First Responder calls represent well over half the runs the Fire Department makes each year The Fire Department's annual budget is more than $42 million $1 million in compensation for that level of service should be unquestioned The City will assess whether it wishes to continue subsidizing the County's MEDIC program Perhaps the value of first responder cannot be measured until the impact on Medic's response times can be measured without first responder service Perhaps, we should also add Medic's consolidation into the Fire Department back to the Functional Consolidation list

Animal Control

Your proposal on Animal Control funding is unacceptable I understand our staffs have discussed renegotiation of the Animal Control funding formula I supported looking at the formula, just as I supported discontinuation of the discussions pending resolution of the police services dispute I support renegotiation with the following two concerns in mind

1) There is a base level of service associated with animal control that is health related and should be provided equally to all residents of the County at Mecklenburg County's expense,

2) Animal Control costs are driven more by the animal population than by the human population Animals that contribute greatly to the problems, such as rabid wild animals, have no relationship to the county's population

Therefore, your proposal to pay 16% of the animal control budget in FY98, based on the non-Charlotte population of Mecklenburg County, is unacceptable It is unfair for you to provide these services to other municipalities and to the unincorporated area with no consideration of the City of Charlotte If you feel that the cost of the service exceeds the value the unincorporated and small town areas receive, then I have no objection to Mecklenburg County providing its own animal control services

My concern, Jerry, is that Mecklenburg County is balancing its General Fund budget on the City's back, particularly when you include items such as doubling our storm water fee It seems to get lost sometimes that the City of Charlotte is part of Mecklenburg County and is, therefore, entitled to the same respect and privileges shown to the rest of the county when it comes to service delivery

I will brief City Council on these issues at their budget retreat on May 6, 1997

Sincerely,

Pamela A Syfert
City Manager

c Mac McCarley, City Attorney
Leadership Team

MAY 10 1995

MECKLENBURG COUNTY
Office of the County Manager

MEMORANDUM

TO: O. Wendell White, City Manager

FROM: Gerald G. Fox, County Manager

DATE: May 9, 1995

SUBJECT: Police Services Costs and Tax Equity FY96

We have reviewed your Police Tax Equity proposal of May 8, 1995 transmitted through Mayor Vinroot to Chairman Schrader to me. I generally agree with the proposal and rationale

In our analysis of the actual increase in Police Department budget from FY95 to FY96, we have established a 2.68% increase and therefore, have increased FY96 revenue by that % above FY95 (excluding reallocation of sales and intangible taxes) You will note from the attached that revenue to Charlotte would, therefore, increase by $958,496 when a tax equity rate of 9.91¢ is used with 98 4% collection rate. I will, therefore, recommend to the Board of County Commissioners that $36,704,931 be budgeted for cost of Police Services and Tax Equity for Charlotte with another $7,436,000 estimated sales tax and intangible tax reallocation for a total of $44,140,931.

- We will agree to a flat percentage of 9.60 of the Charlotte-Mecklenburg Police Department's budget on the cost of police services for the unincorporated areas for FY96.

- This flat percentage will be decreased every two years by 2% to account for annexations

- If a disparity of more than 15% exists between the ratio of the population in the unincorporated area to the total population served by the Charlotte-Mecklenburg Police Department (currently Charlotte, Mint Hill and the unincorporated area) and the rate for the current year as discounted by the declining rate agreement, the agreement could be reopened and amended **Example the population served in FY96 is 46,423/450,717 + 15,396 + 46,423 = 9.06%.** The current year flat percentage is 9 60%. Therefore there is a disparity of 54% or about 6%

PEOPLE • PRIDE • PROGRESS

600 East Fourth Street • P O Box 31787 • Charlotte, North Carolina 28231 • (704) 336-2472

u:\home\binfoda\fy96\taxeq5 wk1 09-May-95

DETERMINATION OF UNINCORPORATED AREA COST FOR POLICE SERVICES FOR FY96

Net CMPD cost - FY96	$79,561,408	(re-verified 5/9/95)
Net CMPD cost - FY95	$77,484,474	(re-verified 5/9/95)
Pct Growth In Budget	2 680%	Rounded to 2 68%

Revenue To City Of Charlotte - FY95

Unincorp Elective Svc Cost	$7 463,326
Countywide Service Cost	3,263,934
Mint Hill Elective Svc Cost	640 477
Charlotte Tax Equity Rev	24,378,698
Total	$35,746,435

Revenue Inc for FY96 @ 2 68% $958,004

JURISDICTION	POPULATION	PCT
Uunincorp	46,423	9 1%
Charlotte	450 717	87 9%
Mint Hill	15 396	3 0%
Totals	512,536	100 0%

DETERMINATION OF POLICE SERVICE COST TO UNINCORPORATED AREAS - FY96

Percent of CMPD Budget	9 60%
Cost To Unincorp Areas	$7,637,895

Mecklenburg County North Carolina

Minor pop jan 94, 423

	1992 Pop	1992 % Pop	1992 % of Levy	1992 % of Levy Adjusted	1993 Pop	1993 % Pop	1993 % of Levy	1993 % of Levy Adjusted
Mecklenburg	536 403	53.24781	70.46603	64.51914	547,982	52.21164	71.66361	65 16969
Charlotte	429,099	42.59593	28.02748	33.55627	450,717	42 94424	26 71890	32.66476
Cornelius	2,765	0.27448	0.30249	0.33912	4 977	0 47421	0.26547	0.34400
Davidson	4,332	0 43003	0 11403	0 15996	4 461	0 42504	0 11230	0 16159
Huntersville	4 113	0 40829	0 15967	0 18429	6 728	0.64104	0.35285	0 43138
Matthews	15,576	1.54620	0.42977	0.67409	16,131	1.53696	0.42482	0.68038
Mint Hill	11,923	1 18358	0.25357	0.25357	15,390	1 46693	0.21524	0.21524
Pineville	3 160	0.31369	0.24696	0.31356	3 146	0.29994	0.24691	0.33296
	1,007,371	100.00000	100.00000	100.00000	1,049,540	100 00000	100.00000	100 00000

Sales Tax Distribution
Quarter Ended 12/31/93

	Actual Dist.	Pol Eqty Distrib	Pop Distribution	Difference
Mecklenburg	19,296,939	17,668,399	14,581 775	(3 086,624)
Charlotte	7,675,253	9 189,297	11,664 784	2 475 486
Cornelius	82,836	92,867	75 165	(17 702)
Davidson	31,227	43,805	117,783	73,958
Huntersville	43 725	50 467	111,809	61,342
Matthews	117,691	184,598	423 424	238,826
Mint Hill	69 439	69 439	324 119	254,680
Pineville	87,629	85,868	85,903	35
	27,384 741	27,384 741	27,384 741	0
	27,384 741			

Quarter Ended 3/30/94

	Actual Dist.	Pol Eqty Distrib	Pop Distribution	Difference
Mecklenburg	18,301,833	16 757,273	13,829,820	(2,927 453)
Charlotte	7,279 454	8 715 423	11,063,253	2,347,830
Cornelius	78,564	88 078	71,289	(16 789)
Davidson	29,617	41,546	111,690	70 144
Huntersville	41 470	47,865	106,043	58 179
Matthews	111,622	175,078	401,589	226,510
Mint Hill	65,859	65,859	307,405	241,546
Pineville	64 142	81 440	81,473	33
	25,972,561	25,972,561	25,972,561	0
	25,972,561			

Quarter Ended 6/30/94

	Actual Dist.	Pol Eqty Distrib	Pop Distribution	Difference
Mecklenburg	20,667,349	18 794,568	15,057,539	(3 737,029)
Charlotte	7 705,579	9 420,331	12,384,875	2,964,544
Cornelius	76,560	99,208	136 759	37,551
Davidson	32,387	46,602	122,580	75,978
Huntersville	101 760	124,408	184,873	60 466
Matthews	122,516	196,218	443,250	247 033
Mint Hill	62,074	62,074	423,054	360,980
Pineville	71,207	96 024	86,501	(9,523)
	28,839 431	28,839 431	28,839 431	0
	28,839 431			

Quarter Ended 9/30/94

	Actual Dist.	Pol Eqty Distrib	Pop Distribution	Difference
Mecklenburg	19,200 993	17 461,067	13 989,201	(3,471,866)
Charlotte	7 158,865	8 751 955	11,506 164	2,754,209
Cornelius	71 128	92 169	127,056	34,887
Davidson	30,089	43,295	113,883	70,588
Huntersville	94,540	115,581	171 756	56 175
Matthews	113,823	182,296	411,801	229,505
Mint Hill	57,670	57,670	393 038	335,368
Pineville	66 155	89,211	80,364	(8,847)
	26 793,263	26 793 263	26 793,263	0
	26 793,263			

Total Sales Tax for Mecklenburg for the Periods

Actual Dist.	77 467 114	Pol Eqty Distrib	70,681,327
Pol Eqty Distrib	70,681,327	Pop Distribution	57 458,335
	(6 785 787)		(13,222,992)

Intangibles Tax (Aug 1994)

	Actual Dist.	Pol Eqty Distrib	Difference
Mecklenburg	12 108,590	10 990 416	(1 118 174)
Charlotte	4 482,514	5,508 724	1 026,211
Cornelius	44,859	58,013	13 154
Davidson	18 972	27,251	8,279
Huntersville	59,616	72 750	13 134
Matthews	71 775	114 743	42,968
Mint Hill	36,377	36,377	0
Pineville	41 723	56 151	14 429
	16,864 425	16,864 425	(0)

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Director's Report

The 1996 Fiscal Year was a year of achievement for Charlotte-Mecklenburg Utilities Uppermost on our list was successfully competing against the private sector for operation of our Vest water and Irwin wastewater treatment plants In competing against seven other national and international companies and winning Charlotte-Mecklenburg Utilities set a national precedent But more importantly this achievement created a process of evaluation and optimization which has proved invaluable for Utilities and one which has sparked interest and attention from across the globe

Much of this report is devoted to the issue of competition and to our accomplishments surrounding it But that should not overshadow what remains Utilities greatest strengths providing a safe and sufficient supply of drinking water at reasonable rates 24 hours-a-day, 365 days-a-year and doing so while protecting our environment and natural resources These are our constant goals and ones which we continually strive to attain

Consistently surpassing these goal would not be possible without the daily work of our nearly 600 employees Their devotion to providing uninterrupted quality service is what helps us thrive It s what enables us to keep pace with the rapid growth of Charlotte and Mecklenburg County Without reliable and affordable water and sewer service, Charlotte would not boast of a new NFL stadium or of four new schools under construction or of a double digit increase in commercial development Charlotte-Mecklenburg Utilities is, without a doubt one of Charlotte s most viable economic development tools

Even with recent modest increases Charlotte-Mecklenburg Utilities rates remain among the lowest in the region state and in comparison with peer cities throughout the southeast

Such accomplishments are only possible through constant evaluation of internal processes investment in highly efficient technologies and with the input and efforts of a dedicated and knowledgable workforce

So to our employees I say thank you for the commitment and energy you ve expended in helping to build this year of achievements And to our customers I say that we are proud to be serving you Be confident that we will continueto seek ways to operate as efficiently and effectively as possible

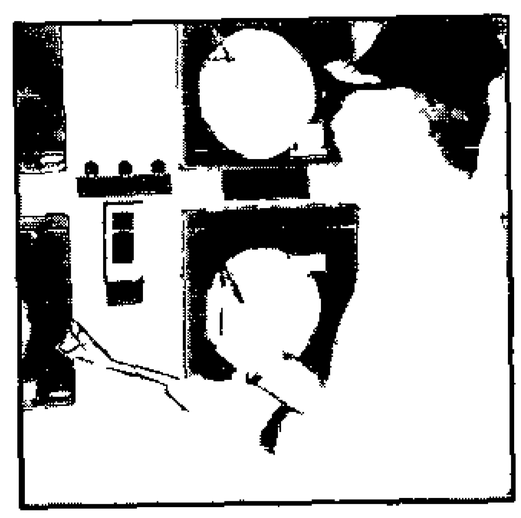
Setting new standards and breaking new ground have always been standard practice for Charlotte-Mecklenburg Utilities but never more so than in the 1996 fiscal year Faced with private sector interest in operating two of its seven treatment facilities the utility embarked on a major effort to enhance competitiveness and efficiency and in the process established a new benchmark for public sector operation

Privatization and competition are not uncommon concepts to city departments In fact the City of Charlotte has engaged several private firms to provide services that previously were the function of the public sector In submitting a bid to continue operations of its Irwin Creek wastewater treatment and Vest water treatment plants however Charlotte-Mecklenburg Utilities redefined the process of competition In being awarded the contract with a nearly $1 4 million gap between itself and the next lowest bidder the utility set a national precedent

The ten-month process that culminated in submission of the winning bid proved as important as the outcome In preparing the bid, Utilities created a team of employees and consultants which took a hard look at issues such as personnel management operations maintenance and costs Given the freedom to ' think outside of the box, the team effectively redefined the way the plants are operated while boosting expected productivity and reducing costs in the process The resulting bid was one that projected a $4 million reduction in costs over the five-year life of the contract in addition to enhanced productivity

Utilities has participated in numerous other competitive bid processes for smaller operations as well All total Utilities has been the successful bidder on six of the seven competitions in which it has participated

This entire process of competing against the private sector -- and doing so successfully -- has garnered considerable national and international attention Staff members have been the featured presenter at a variety of workshops seminars and conferences while utility representatives from across the nation (Nashville Tenn Sarasota Fla Phoenix Ariz San Diego and Huntington Beach Calif Minneapolis and St Paul Minn) and around the globe (Grand Cayman Islands Republic of Slovakia Poland and Korea) have visited or sought information on Utilities experience



Clearly the steps taken by Charlotte-Mecklenburg Utilities have blazed a new trail for municipal utility organizations everywhere The precedent-setting action has taken the industry by storm and has thrust Utilities to the forefront of the growing global trend

Major Initiatives ... Future Planning

With Mecklenburg County s rapid growth rate planning and building for the future is a task that is challenging at best Charlotte-Mecklenburg Utilities has met the challenge head on and boasts of several efforts aimed at ensuring a sufficient water supply at the best rates possible well into the next century

• The 1996 fiscal year saw the groundwork laid for a major re-engineering effort within all divisions at Utilities An essential part of the competition effort the re-engineering process has proved invaluable in non-competitive areas as well Unlike many companies which use re-engineering as a scapegoat for downsizing Utilities examined every method of operation as though viewing it for the first time Truly focusing on the process the utility identified strategies for optimizing efficiencies and enhancing effectiveness

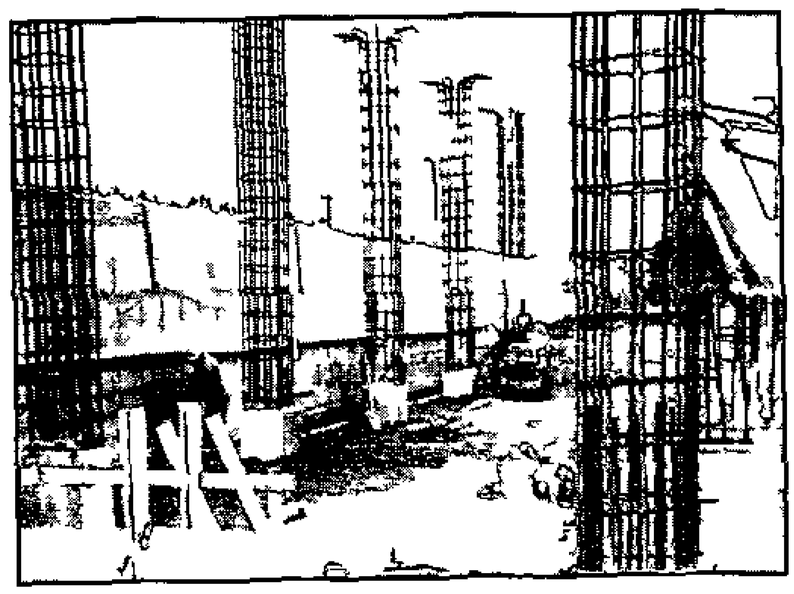
Results include the implementation of new project management strategies new cost accounting methods and an examination of the appropriate balance between in-house and consultant-provided services, among others

The best example of the re-engineering process in action can be seen in the optimization effort being employed at the four non-competing wastewater plants Using the same process employed at Irwin Creek plant in preparing its competition bid but yielding different strategies at each of the four plants management and plant staff expect to realize a savings of more than $2 million in operations over the course of the next fiscal year

• Utilities Capital Improvement Plan (CIP) uses as its foundation several city and county master planning studies as well as population and economic development projections and citizen input The resulting projects are designed to accommodate ten years of growth

Instrumental in this plan during the 1996 fiscal year was the continued construction on the North Mecklenburg Water Treatment Plant, the beginning of the expansion to the Franklin Water Treatment Plant and the start of construction on an upgrade to the McDowell Creek Wastewater Treatment Plant

When completed the McDowell plant will feature state-of-the-art ultraviolet disinfection of effluent Already treated in accordance with the tightest standards in the state, this upgrade will further reduce the level of pollutant, particularly nutrients discharged Utilities voluntary sought this level of treatment, in keeping with its



missions to provide the safest water supply possible and to protect the environment

• Through a number of regional agreements with neighboring water and sewer services providers Utilities has overcome the political boundaries which otherwise create redundancies in service provision Through a sharing of resources with Cabarrus County for example Utilities has eliminated the need for an additional wastewater treatment plant while Cabarrus County has reduced its pipeline and lift station requirement

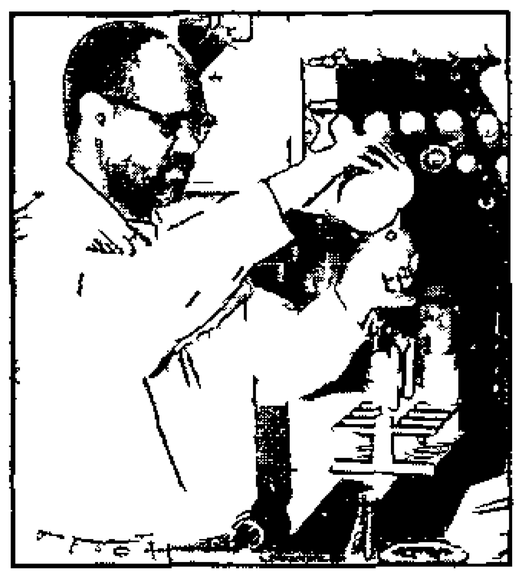
Through facility connections with utility providers in Concord and Union County a back-up water supply has been created in the event an emergency limits the amount of water available through normal channels Discussions with Stanley Cabarrus and Union counties have resulted in a feasibility study exploring the potential for a common wastewater treatment plant

These types of agreements along with ongoing exploration of other potential alliances expand Utilities ability to meet the growing need for water and sewer services with minimal facility construction

Water Treatment

In addition to the successful bid for retaining operation of the Vest Water Treatment Plant the Water Treatment division boasts of several major accomplishments during the 1996 fiscal year

• The bulk of the construction work on the new North Mecklenburg Water Treatment Plant occurred during the year In addition to treating 18 million gallons of water daily (mgd) when complete this plant also will provide for water intake from Lake Norman to supplement the Catawba River Pump Station s intake from Mountain Island Lake Highly automated the plant will supply water to the northern part of Mecklenburg County and is easily expandable to meet future needs



• Construction work began on a 36 mgd expansion to the Franklin Water Treatment Plant during this fiscal year The expansion slated for completion in November 1997 will make Franklin the largest water treatment plant in the state Unique to this project is the inexpensive design costs of 76¢ per gallon, due to employee involvement in the design process

• A variety of infrastructure repairs and upgrades also helped enhance productivity throughout the year These include the rehabilitation of the Craig Ave and Hickory Grove elevated storage tanks the installation of a belt press to treat alum residuals participation in water sampling at various locations within Charlotte s *City Within a City* boundaries and the start of design work on a project to increase Catawba River Pumping Station s pumping capacity

• Reauthorization of the Safe Drinking Water Act (SDWA) provides the Water Treatment division with more flexibility in water analysis and opportunities for smarter use of testing dollars The Charlotte-Mecklenburg Utilities proved instrumental in helping establish new guidelines by helping assemble various baseline data required by the Environmental Protection Agency (EPA) in determining forthcoming SDWA regulations

In addition the Water Treatment division has established its own standards of quality which have proved to be even more stringent than those of the EPA In some cases the division has even set standards where EPA guidelines are non-existent For example monitoring of raw water intake which is not required by the EPA enables Utilities to evaluate the quality of water before treatment and adjust the process accordingly

All such efforts have but one common goal -- to ensure a safe and sufficient supply of drinking water

Water Distribution

The Water Distribution team while engaged daily in the challenging task of ensuring an ample water supply is pumped through the county s 2 600 miles of pipe cites several major accomplishments in fiscal year 1996

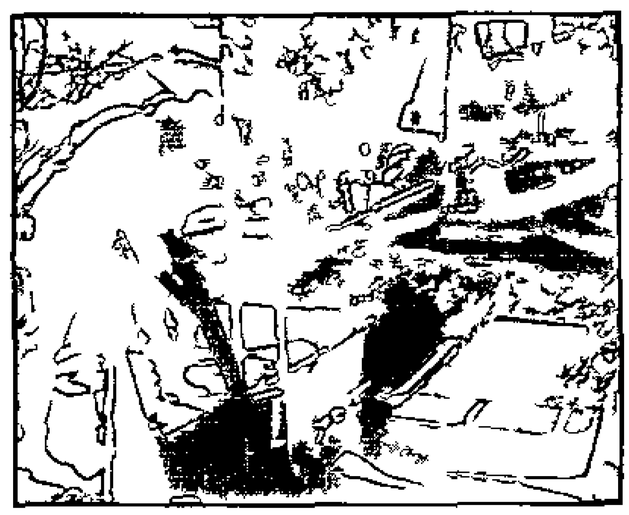
• When a 24-inch water main running along Independence Blvd ruptured in mid-March flooding the major thoroughfare and causing massive erosion of the earth leading to an off-ramp Utilities water distribution team bolted into action The entire division embraced the project and focused on making the repairs as quickly and efficiently as possible As a result of the experience and expertise within the department the repairs were made and the problem corrected with minimal interruption to water service and to traffic even though the break occurred at the height of the afternoon rush-hour Aided by members of the Wastewater Collection team the division considers its response to this crisis top-notch

• Not all of Water Distribution s work is in response to crises thanks in large part to constant evaluation and maintenance of the distribution system One of the new developments in this continual maintenance program during fiscal year 1996 was the establishment of a second valve operations crew With more than 23 000 water valves in the system, many 80 to 90 years old the second crew was greatly needed in order to maintain efficient operation And because efforts at keeping personnel to a minimum is a constant priority the members of this second crew came from existing labor resources

• A second development in the maintenance and care of the system was the creation of a water main rehabilitation program This cross-functional team worked to identify problem areas within the system provided funding recommendations and coordinated the cleaning and relining or replacement of nearly 30 000 linear feet of water pipe In addition to increasing the efficient operation of the system this program helps minimize customer service problems and allows for greater productivity by Water Distribution team members

• Competition efforts have impacted nearly every division within Utilities and the Water Distribution team is no exception In a contest against a major national competitor the team was awarded the contract for locating water lines Under this contract the team identifies water line locations for other utility companies, cable and telephone companies, construction companies and developers Begun in May, work under this contract proceeded under budget for the first quarter of operations rounding out the fiscal year on a positive note

The Wastewater Collection division was the first of the Charlotte-Mecklenburg Utilities divisions to enter into competition with the private sector Without the benefit of any previous experience or even recommended procedures the Wastewater Collection team successfully created the request for proposals developed the bid process and submitted the winning bid for right of way maintenance -- all



during the fiscal year 1996

In addition to pioneering the process which later provided the starting point for refining the process in the nationally recognized Vest water treatment and Irwin Creek wastewater treatment plants bid the Wastewater Collection team completed the project seven days ahead of schedule and $8 000 under budget

Several other notable accomplishments occurred during the fiscal year 1996

• An overall 30% reduction in the number of sewer overflows was the result of an aggressive preventative maintenance program of sewer line cleaning Modeled after a similar practice in Los Angeles the program assigns severity codes to troublesome sewer lines throughout the county based on a computerized history of maintenance records The wastewater collection team then attacks those lines rated most severe first

• The development of a new confined space rescue system has garnered national attention for both Charlotte-Mecklenburg Utilities and for Wastewater Collection team member Bert Gallaher who designed the system which he modeled after personal experience in rock-climbing The system design trademarked and being sold commercially allows for rescue without use of a tripod an ideal development given that many manholes are located in fields or woods where use of a tripod is impractical The system design also allows for successful rescue by two-man crews and offers the possibility for a single individual to extract himself under certain conditions The Wastewater Collection team pilot tested the system currently being adopted by other city departments as well

• Two joint efforts with the University of North Carolina at Charlotte (UNCC) helped gauge Utilities success in the areas of protecting stream water quality and budgeting for operations The first project, an Environmental Protection Agency (EPA) study on

sewer overflows and their impact on stream water quality involved Wastewater Collection in monitoring and recording discharge from sewage spills

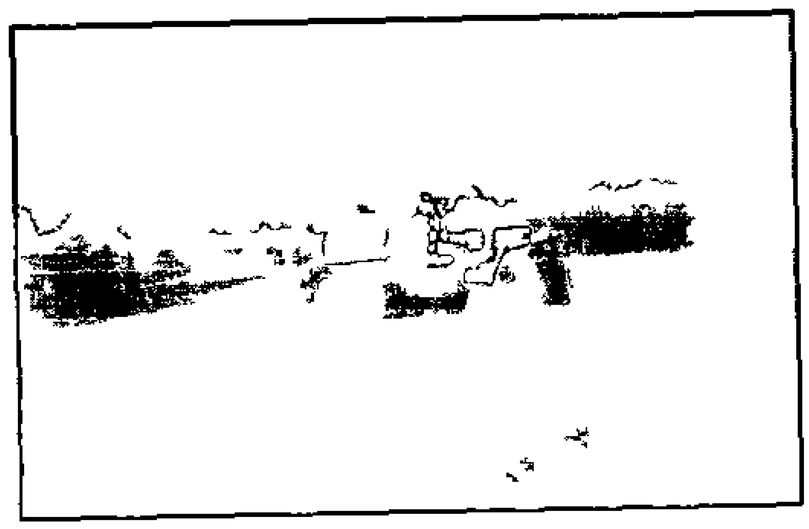
The second more complex, study involved the gathering of statistical data from 21 cities nationwide including Charlotte Titled *Benchmarking 95* the published study ranked the 21 participating cities on their efficiency in all aspects of wastewater collection operations Charlotte-Mecklenburg Utilities scored particularly high on its effective use of limited funds and resources

• Contributions to research also included the team s participation in statewide study conducted by North Carolina State University Aimed at developing a damage prevention system for excavation equipment the study hopes to help minimize damage to cable power and telephone lines as well as water and sewer pipe during construction The resulting reduction in liability costs should be significant

Wastewater Treatment

The successful bid for operation of the Irwin Creek Wastewater Treatment Plant marks the crowning achievement of the Wastewater Treatment division for the 1996 fiscal year However, several other notable highlights deserve mention

• Construction was completed on upgrades to the Irwin Creek and Sugar Creek wastewater treatment plants The Sugar Creek project



also included a treatment capacity expansion from 15 mgd to 20 mgd Design work on the expansion of the McAlpine Creek treatment process was completed When construction is finished it will have increased from a treatment capacity of 48 mgd to 64 mgd Finally construction was started on an expansion and upgrade of the McDowell Creek Wastewater Treatment Plant

• A study of odor causes was completed at McAlpine Creek Residuals Management Facility identifying 15 sources of problem-causing odor As a result of the study, solutions were proposed and have been incorporated into the plant's expansion plans

A similar study was begun at Sugar Creek Wastewater Treatment Plant The study process utilized focus groups of area residents and business representatives helping Utilities to establish a positive new relationship with citizens living and working near the plant

• In the area of residuals management fiscal year 1996 saw nine years of work come to fruition with the construction of the McAlpine Creek Residuals Management Facility The project began with the awarding of a $9 million Environmental Protection Agency (EPA) Innovative Technology Grant in 1985 Nine years later with completion of the construction Charlotte-Mecklenburg Utilities has in place a facility capable of producing three types of residuals output biosolids for use in land application compost and a lime-stabilized biolsolids

The liming agent and the compost both will be marketed through a third-party vendor thus limiting expense to Utilities while ensuring bulk purchase of the product Operation of the facility was put out to competitive bid and once again Utilities was the successful bidder A three-year contract for operations begins in fiscal year 1997

Completion of the facility puts into place a three-pronged plan long-held by the Residuals Management team to help manage wastewater and water treatment solids

System Protection

The System Protection Division set its goals and objectives for the year using the results of a recently completed study of area industries as a guideline As a result, the majority of the division s accomplishments during fiscal year 1996 address areas of concern identified in the study

• Several study areas pointed to a need for improvement in the relationships among Utilities industries and the Chamber of Commerce Steps have been taken to strengthen these ties and to foster a better rapport among all parties A tangible result of this effort is a 50% increase in the number of industries in compliance with discharge regulations

• In order to strengthen the division s internal structure and to improve the skill level of employees several steps were taken including the naming of a new division manager

In addition two training programs were developed One program addresses team-building and was conducted over th epast year The other training program is a technical program aimed at enhancing employees skills and knowledge and to train them as compliance specialists The program which was designed using input from existing compliance specialists is a progressive one which will be added to and revised continually in order to keep up-to-date with industry and regulatory changes and operations specific to the pretreatment program

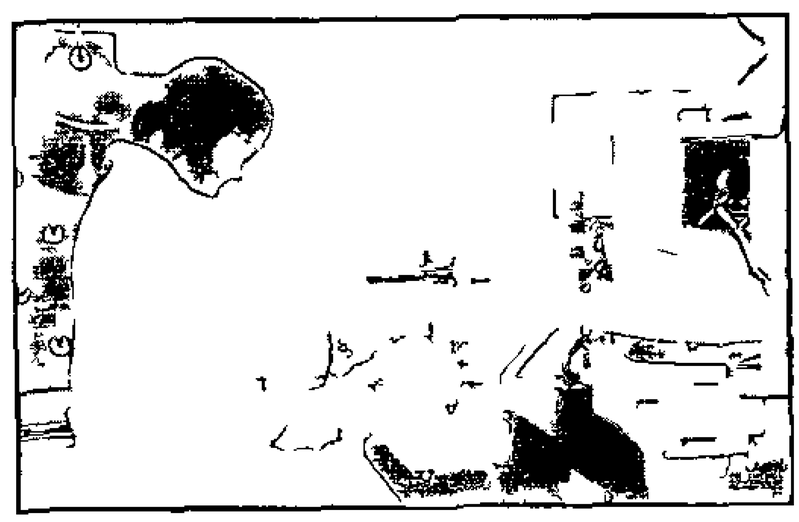
• A streamlining of internal activities also increased productivity resulting in a reduction of time it takes for data review and permit renewals and development The result is a two-week turnaround time which represents an improvement of more than 750% over the prior backlog of four to six months

• Other highlights include the start of a rewrite of the pretreatment data management system active participation by members the backflow prevention section in the American Backflow Prevention Association and involvement of backflow prevention members in the NC AWWA/WEF pipe and meter school

Laboratories

The Laboratory Division noted several major achievements during the 1996 fiscal year

• An overall consolidation effort saw the laboratory operations at the Irwin Creek Sugar Creek McDowell Creek and Mallard Creek wastewater treatment plants incorporated into the lab operation at the McAlpine Creek Residuals Management Facility The



consolidation included a streamlining and transfer of laboratory personnel and merger with the system protection laboratory operations

The consolidation prompted a higher efficiency in laboratory operations as a result of a reduction in chemical use and the elimination of duplicate equipment and analyses and certification fees In addition analysis capabilities increased resulting in reduced outsourced work A similar effort was begun for water treatment laboratory operations as well

• The Division participated in a study assessing trace element concentrations in municipal treatment plant discharges within North Carolina Conducted by the Urban Consortium of the Water Resources Research Institute of North Carolina the study is conducted in two phases Phase I included the study of Cadmium Cyanide and Mercury in wastewater treatment plant discharge and was completed during the fiscal year

Phase II which focuses on methods of sample handling and analysis was begun It will result in the evaluation of alternative methodology The overall purpose of the study is to determine if the analytical results which are reported for Cadmium Cyanide and Mercury are caused by inappropriate handling procedures or if the results accurately reflect the element concentrations

• As part of the overall Irwin Creek Wastewater Treatment Plant contract operations under competition laboratory services costs were reviewed Services began being rendered under contract specifications with billing being submitted on a monthly basis

Engineering

Keeping up with Mecklenburg County s rapid growth proves a challenging task for Utilities Engineering division However meeting those challenges provided for many of the division s notable accomplishments in fiscal year 1996

• The water main rehabilitation team established a five-year program to address the water quality needs of the city s older neighborhoods through rehabilitation or replacement of aging water mains Emphasis was given to matching problem areas with Community Development projects in order to minimize disruption to neighborhoods during construction Projects completed in the 1996 fiscal year include the replacement of 4 000 linear feet of pipe in the Dinglewood community replacement of 10 700 feet of pipe out of a planned total of 20 000 feet in the Seversville neighborhood completion of the design for improvements to the Lakewood neighborhood and replacement of 2-inch galvanized mains on 21 small projects totaling more than 11 500 feet

• The process of issuing permits for all water and sewer extensions became the responsibility of Utilities in fiscal year 1996 This marked a major change in the permitting process and was instrumental in reducing the time in which permits were issued The previous process called for permit numbers to be issued by the state usually in a 4-8 week time frame Under self-permitting Utilities has been effectively completing the same process in 2-3 days average IN fiscal year 1996 the first full year under the process 232 water permits and 271 sewer permits were issued

• After more than six years in development construction began on the Six Mile Creek sewer project This $15 million project which includes two pump stations and several miles of sewer line helped set the stage for city annexation of area in the southernmost part of Mecklenburg County The project also is anticipated to prompt significant growth in the area with several projects including the development at Ballantyne already scheduled

• Work also continued on building the water and sewer systems serving Matthews and Mint Hill This work funded through the sale of general bonds by the two communities includes the purchase and upgrade of several private systems In some cases the work marks the culmination of several years of design and development efforts

WATER AND SEWER FUND COMPARATIVE BALANCE SHEETS

JUNE 30 1996 AND 1995 (In Thousands)	1996	1995
ASSETS:		
Current assets-		
Cash and cash equivalents	$ 223 882	$ 96 846
Accounts receivable, net of allowance for uncollectibles	16 218	13,745
Other receivables	2 540	1 828
Due from other governmental agencies	3 178	3,406
Inventories	1 371	949
Total current assets	247,189	116 774
Restricted cash and cash equivalents	1 179	881
Deferred charges	1 354	1 262
Fixed assets-		
Land	16 149	16 142
Buildings	5 545	5 545
Water and sewer systems	921 241	751 674
Machinery and equipment	7 735	6 655
Construction in progress	101 618	147 714
Total fixed assets	1 052 288	927 730
Less accumulated depreciation	214 391	193 068
Total fixed assets, net	837 897	734 662
Total assets	**$ 1,087,619**	**$ 853,579**
LIABILITIES AND FUND EQUITY.		
LIABILITIES-		
Current liabilities		
Accounts payable	$ 19 272	$ 19 175
Deposits and retainage payable	4 448	4 811
Accrued interest payable	8 612	6 809
Current maturities of long-term debt	21 542	16 954
Total current liabilities	53 874	47 749
Long-term liabilities		
General obligation bonds payable	474 545	306 674
Other financing agreements	14 764	5 450
Refundable water and sewer construction deposits	6 377	7 295
Compensated absences payable	1 460	1 442
Arbitrage payable	218	59
Total long-term liabilities	497 364	320 920
Total liabilities	551 238	368,669
FUND EQUITY-		
Contributed capital and retained earnings June 30, 1973	41 142	41 142
Subsequent to June 30 1973		
Contributed capital	343 912	310 040
Retained earnings	151 327	133 728
Total fund equity	536 381	484 910
Total liabilities and fund equity	**$ 1,087,619**	**$ 853,579**

Water Treatment

Water treatment capacity	120 mgd
Raw water storage capacity (reservoirs)	350 mg
Treated water storage capacity	61 7 mg
Average daily water consumption	80 9 mg
Highest usage in FY96 (May 24)	124 1 mg
Lowest usage in FY96 (December 24)	55 8 mg

Water Distribution

Water main maintained per employee	20 65 miles
Number of metered service connections	157 000
Smallest water pipe size	2' diameter
Largest water pipe size	54" diameter

Wastewater Collection

Sewer line maintained per employee	32 5
Number of sewer connections	136,000
Smallest sewer pipe size	8' diameter
Largest sewer pipe size	78' diameter
Average growth in system per year	300 000 feet

Wastewater Treatment/Residuals Management

Daily wastewater treatment capacity	92 mg
Total bioslids produced in FY96	9 624 dry tons
Number of sites receiving biosolids through land application	48

Offices and Facilities

Administrative Offices	5100 Brookshire Blvd 704/399-2221
Catawba River Pump Station	12548 Pump Station Rd 704/399-2331
Engineering Division	5100 Brookshire Blvd 704/399-2221
Meter Reading Section	2035 Patton Ave 704/336-2564
System Protection Division	5100 Brookshire Blvd 704/399-2221
Wastewater Collection Division	4100 W Tyvola Rd 704/357-6064
Wastewater Treatment Division	5100 Brookshire Blvd 704/399-2221
Water Distribution Division	2035 Patton Ave 704/336-2564
Water Treatment Division	5200 Brookshire Blvd 704/399-2426
Water Treatment Plants	
Franklin WTP (96 mgd)	5200 Brookshire Blvd 704/399-2426
North Mecklenburg WTP (18 mgd)	7950 Babe Stilwell Farm Rd 704/948-7581
Vest WTP (24 mgd)	820 Beatties Ford Rd 704/336-2100
Wastewater Treatment Plants	
Irwin Creek WWTP (15 mgd)	4000 Westmont Dr 704/357-1344
Mallard Creek WWTP (6 mgd)	12400 Hwy 29 N 704/547-0680
McAlpine Creek WWTP (48 mgd)	Hwy 521 S, Pineville 704/542-0736
McDowell Creek WWTP (3 5 mgd)	4901 Neck Rd , Huntersville 704/875-6443
Sugar Creek WWTP (20 mgd)	5301 Closeburn Rd 704/553-2124

Charlotte-Mecklenburg Utilities
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704/399-2221

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