



CHARLOTTE.

FY2017 RECOMMENDED BUDGET HIGHLIGHTS

Recommended Fiscal Year (FY) 2017 Operating Budget and FY2017-FY2021 Community Investment Plan
Structurally balanced and sustainable
Sufficient reserves to protect the City's triple-A bond rating
Enhances services and investments based on the Mayor and Council's policy priorities
Maintains current services and commitments
Fulfills the Mayor and Council's compensation philosophy for employees

General Fund

- \$636.2 million, 5.9% increase
- Public Safety
 - \$6.5 million in FY2017; \$7.8 million in FY2018
 - 75 in police personnel (50 sworn; 25 civilian)
 - 18 firefighters for a new ladder company in the Northlake area
 - 39% of the cost is absorbed by revenue growth and expenditure constraints
 - Tax rate increase of **less than ½-cent** (0.43¢) dedicated to pay 61% of the cost
- 41 new positions outside of public safety –all have external funding sources, many of which are funded fully or in part with fees to meet demand for development, by enterprise funds, or the Community Investment Plan

Revenue and Finance: Tax Rate and User Fee Cost Recovery

- Recommended 0.43¢ tax rate increase to help cover the previously mentioned public safety investments
 - Tax rate increase generates **\$4 million** and funds full-year cost of public safety resources in FY2018
 - **\$1.2 million in one-time funds** available in FY2017, unallocated
 - 80% of homeowners will have an impact of less than \$1 per month (95% of homeowners will have an impact of less than \$2 per month)
 - Will generate an estimated \$0.6 million in sales tax revenue in FY2018

Fund	FY2016	FY2017	Change from FY2016 to FY2017
General Fund	37.41¢	37.84¢	0.43¢
Debt Service	9.26¢	9.26¢	0.00¢
Pay-As-You-Go Capital	1.20¢	1.20¢	0.00¢
Total	47.87¢	48.30¢	0.43¢

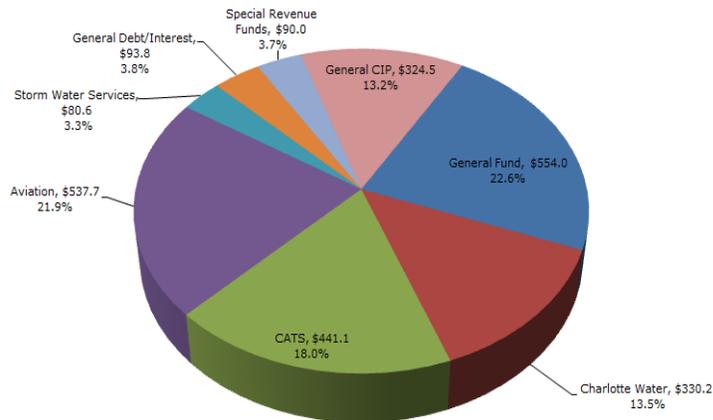
- The average General Fund subsidy of regulatory user fees decreased from 7.6% in FY2016 to a recommended 5.2% in FY2017, or an additional \$0.7 million being offset by fees
- The tax and fee impact to an average homeowner is outlined in the following chart:

City of Charlotte taxes & fees - 50th Percentile	Prior Year FY2016	Recommended FY2017	\$ Change	% Change
Property Taxes on \$141,100 home	\$675.45	\$681.51	\$6.07	0.9%
Solid Waste fee (Residential)	\$25.00	\$25.00	\$0.00	0.0%
Water & Sewer (Average user rate)	\$701.40	\$731.88	\$30.48	4.3%
Storm Water (Average user rate)	\$97.56	\$97.56	\$0.00	0.0%
Total Annual	\$1,499.41	\$1,535.95	\$36.55	2.4%
Total Monthly	\$124.95	\$128.00	\$3.05	2.4%



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FY2017 Recommended Budget Net of Transfers (\$2.45 Billion - \$ millions)



Compensation

- Public safety pay plan: steps between 2.5% - 5%, plus 1.5% market adjustment (\$5.6 million)
- New pay plan for hourly employees that creates a more clearly defined career path (\$1.6 million)
- Salary employees' increase based on performance and market level; merit pool based on 3% of payroll
- Starting pay \$13.58 per hour; exceeds the phased-in \$15 per hour goals of many other cities and states

Community Infrastructure Investment

- November 2016 bond referendum of \$218.4 million
- \$46.1 million in new capital investments, including:
 - South Park Comprehensive Neighborhood Improvement Program (\$10.0 million)
 - South Charlotte Connector for the Cross Charlotte Trail (\$3.0 million)
 - South End Pedestrian/Bicycle Connector (\$2.0 million)
 - Tree canopy partnership with TreesCharlotte (\$250,000) per year for four years

Enterprise Funds

- Charlotte Douglas International Airport
 - Lowest enplanement cost among large hub airports at \$1.43 (75.3% lower than the next closest American Airline hub airport)
 - Operating budget \$149.7 million, an increase of 3.4%
 - FY2017-FY2021 capital investment \$1.61 billion
- Charlotte Area Transit System (CATS)
 - No basic fare increase
 - Recommended as adopted by the Metropolitan Transit Committee (MTC)
 - Operating budget \$123.2 million, an increase of 3.5%
 - FY2017-FY2021 capital investment \$568.9 million
- Charlotte Water
 - Rate increase of \$2.54 per month (4.36%) for the typical user
 - Cost per gallon of water approximately 0.36¢
 - Operating budget \$135.3 million, an increase of 8.3%
 - FY2017-FY2021 capital investment \$655.2 million
- Storm Water Fund
 - No rate increase
 - Operating budget \$14.5 million, an increase of 5.2%
 - FY2017-FY2021 capital investment \$354.7 million