
Council Priorities Discussion

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General Fund Update

Council Budget Workshop

March 16, 2016



Overview

- Update – General Fund Budget
 - Revenue Projections
 - Changes since January Retreat
 - Expenditure Projections
 - » Non-Discretionary Increases
 - » On-going Evaluation of Needs
- Council Priorities Discussion
 - Strategic Priorities Matrix
 - Focus Area Plan/Priorities Cross-Walk
 - Survey Findings

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General Fund Revenues

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FY2017 General Fund Revenue Projection

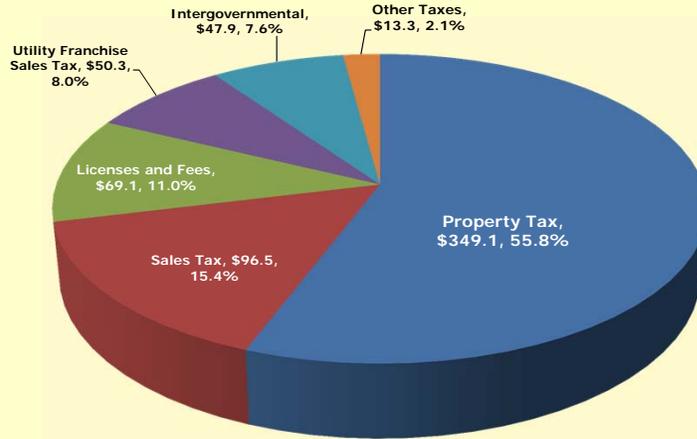
- Revenue growth assumptions (Three Primary General Fund sources unchanged from January)
 - Property Tax: Moderate growth
 - No additional information from County's Tax Assessor's Office
 - Sales Tax: 3.5% growth
 - Tracking in line with January projection
 - Utilities Franchise Sales Tax: 2.0% growth
 - Only one quarter of data for FY2016
 - Licenses and Fees
 - Minor increase since January, reflective of development activities
 - Intergovernmental
 - Minor increase since January due to completion of cost recovery plan
 - Other Taxes
 - Tracking in line with January projection

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General Fund Projected Revenues

FY2017 Projected General Fund Revenues - \$626.1m
\$ - millions



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General Fund Expenditures

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FY2016 Reductions

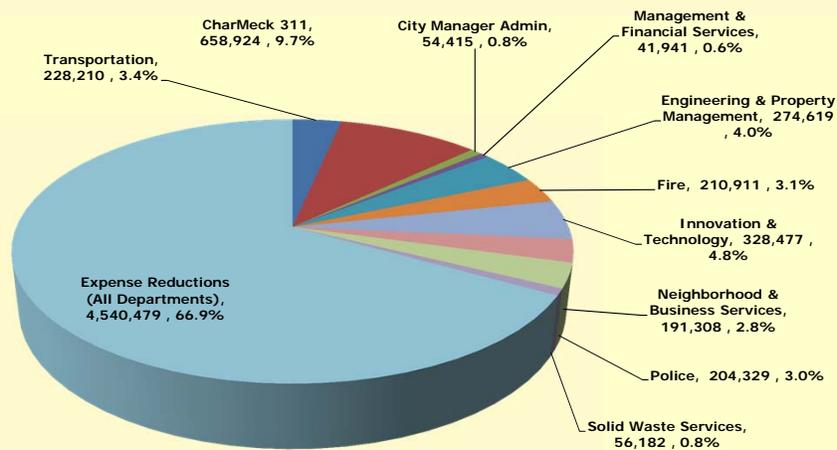
- \$6.7 million in total FY2016
 - Budget adjustments included reductions in City services and the elimination of 101.5 vacant positions
 - Examples include:
 - Reducing the contract for mowing in street rights-of-way
 - Closing CharMeck 311 on holidays and weekends (impacting the level of service and eliminating 11 positions)
 - Elimination of administrative positions in the City Manager’s Office, Engineering & Property Management, Planning, and Transportation

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FY2016 Reductions (\$6.7 Million)

FY2016 Service & Expense Reductions



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Budget Progression - Revenues

FY2016 (current year)

\$600.5m

FY2017 (estimate at Retreat)

\$623.9m

➤ \$23.4m growth or 3.9%

➤ \$626.1m (updated estimate)

➤ \$25.6m growth or 4.3%
\$2.2m growth since Retreat

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Budget Progression - Expenditures

FY2016 (current year)

\$600.5m

FY2017 (estimate at Retreat)

\$619.6m

= \$19.1m increase or 3.2%

- *Public Safety and a 3% merit budget*
 - \$7.5m
- *Hourly pay plan conversion*
 - \$0.5m
- *7% increase in Health Insurance*
 - \$2.5m
- *Moderate increase -retirement contribution rate*
 - \$0.7m
- *Police Separation Allowance*
 - \$0.5m
- *General 1.5% increase in operating expenses*
 - \$2.2m

Confirmed increases since Retreat - \$6.0m

- Contract escalations
- Retirement contribution rate
- Utility costs

= \$25.1m increase or 4.2%

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Budget Progression – Net Difference (based on current estimates)

FY2017

- Revenues \$626.1m
 - Expenditures \$625.6m
- = \$ 0.5m

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Budget Progression - Expenditures

- Department Base Needs under review:
(Cost impact ranges from \$2.0m to \$11.3m or 0.3% to 1.8% above current year)
 - Overtime/Temporary Salaries
 - Other Contractual Services
 - Project Management
 - Building & Automotive Maintenance
 - Technology
- Non-General Fund requests
- Service Level Changes based on Council Priorities
- Unknowns

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FY2017 Post Retreat Non-General Fund Adjustments

Items submitted by General Fund Operating Departments - Funded Outside General Fund:

Department	Positions	Annual Amount
Engineering & Property Management	10	\$908,000
Charlotte Department of Transportation	1	\$102,331

** 100% funded through the existing General Community Investment Plan. Being considered to support planning and construction of capital projects in the 2014 and 2016 Bonds*

Department	Positions	Annual Amount
Engineering & Property Management	2	\$162,000
Charlotte Fire Department	2	\$187,405

** Would be 100% supported by additional User Fees pending completion of User Fee revenue estimates. Being considered to support Urban Forestry program and Fire Inspections*

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Council Priorities

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Workshop Discussion

- Goal: Council priorities in the budget context
 - To focus immediate work effort on those priorities deemed most critical
 - To check alignment with staff assessment
 - To guide budget deliberations

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Council Priorities - Process Update

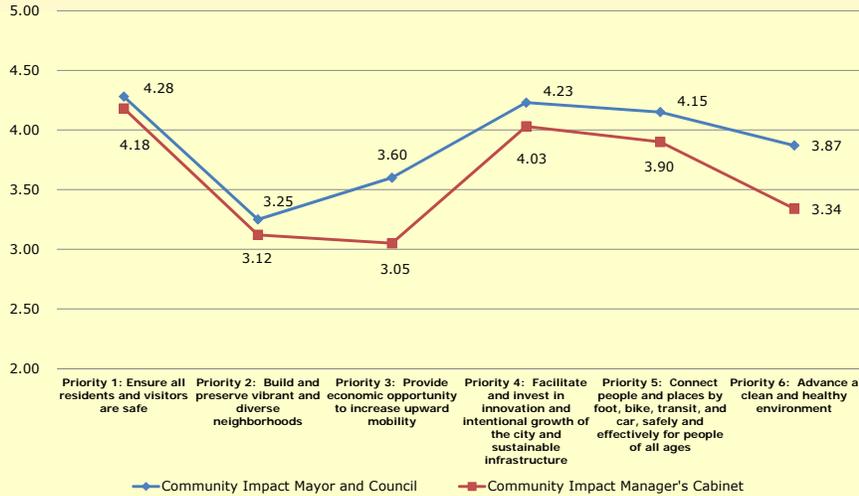
1. Updated draft matrix based on Council input
2. Added baseline funding information
3. Added FY2017 funding requests
4. Reviewed input from Executive Staff
 - Based on assessment criteria
5. Added Action Items, Outputs, & Intended Outcomes
6. Council Completed Survey

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Recap of Council Scoring Exercise

Comparing Priorities Average Score Per Priority



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Priorities Discussion Matrix

Begins on page 4 of materials

1. Ensure all residents and visitors are safe				
Description	Baseline	Funding Request Under Review	Output	Intended Outcome
A. Increase CPD resources in programs where additional staff can have the greatest impact on crime.	\$227M FY2016 Budget 2,309 Positions	\$17.5M total request • \$15.6M annual operating expenses o 125 additional sworn positions - 63 sworn positions in FY2017 - 62 sworn positions in FY2018 o 77 additional civilian positions - 42 in civilian positions FY2017 - 35 civilian positions in FY2018 • \$1.9M in one-time capital expenses	3% Reduction in the number of reported Part One UCR Crimes and 3% Reduction in UCR crime rates per 100,000 population Answer 90% of 911 calls in ≤10 seconds Improved response times to calls for CPD service Analyze 90% of DNA evidence in 10 working days and 90% of non-DNA evidence within 5 working days	Improved resident perception of safety Reduction in loss of life, property damage, and injury from fire Increased diversion rates for the Juvenile Justice and Criminal Justice System Enhanced level of resident trust in Police and Fire services
B. Ensure that the Charlotte Fire Department can meet response standards by adding companies based on analysis to target resources to have the greatest impact.	\$113M FY2016 Budget 1,167 Positions	Ladder 28: \$2.8M total request • 18 additional sworn positions • \$1.9M annual operating expenses • \$0.9M in one-time capital expenses Engine 65: \$2.4M total request • 18 additional sworn positions • \$1.8M annual operating expenses • \$0.6M in one-time capital	Improved Fire response times in the corridors surrounding Northlake Mall and Eastland Mall Property acquired for the future site of the Clanton Road/I-77 fire station Property acquired for the future site of the Selwyn Avenue/Colony fire station	

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General Fund FY2017 Strategic Policy Objective Funding Request

Priority Area	Request Description	Total Requested	One-Time Expenses	On-going Expenses	Number of Positions
1. A	Additional Sworn and Civilian Positions	\$6,709,199	\$998,814	\$5,710,385	63 Sworn 43 Civilian
1. B	Ladder 28	\$2,806,377	\$899,782	\$1,906,595	18 Sworn
1. B	Engine 65	\$2,414,952	\$582,562	\$1,832,390	18 Sworn
2. A	HouseCharlotte Workforce Expansion	\$459,825	N/A	\$459,825	1
2. A	Housing Program Resources	\$959,933	\$44,000	\$915,933	2
2. A	Code Enforcement Expansion	\$474,079	\$80,000	\$394,079	5
3. C	CharlotteBusinessResources.com Resources	\$77,000	\$77,000	N/A	N/A
3. C	Disparity Study Resources	\$350,000	\$350,000	N/A	N/A
4. D	Gartner Study Implementation	\$639,000	\$589,000	\$50,000	
4. G	Business Corridor Revitalization Resources	\$83,015	N/A	\$83,015	1
4. G	Business Grant Resources	\$225,000	N/A	\$225,000	N/A
6. B	Additional Resources for Sustainability Office	\$156,124	N/A	\$156,124	2
TOTAL		\$15,354,504	\$3,621,158	\$11,733,346	153

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Public Safety Phasing Options

Police

Additional Sworn and Civilian Positions

Fiscal Year	Positions
FY2017	63 Sworn 43 Civilian
FY2018	62 Sworn 37 Civilian
Total Phased Approach	125 Sworn 80 Civilian

Fire

Fiscal Year	Request	Positions
FY2017	Ladder 28	18 Sworn
FY2018	Engine 65	18 Sworn
Total Phased Approach		36 Sworn

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FY2017-2021 General CIP Strategic Policy Objective Funding Request

Priority Area	Request Description	Total Requested
1. B	Clanton/I-77 Infill Station	\$6.5m
1. B	Selwyn/Colony Infill Station	\$10.6m
1. D	Increased purchase costs for South Division Office	\$0.6m
2. C	Additional CNIP Area in South Charlotte	\$10.0m
4. G	Economic Development in Business Corridors	\$2.7m
5. A & D	Cross-Charlotte Trail Extension	\$3.0m
5. A & D	South-End Pedestrian/Bicycle Connector	\$2.0m
5. A & D	Neighborhood Transportation Program (Bikeways)	\$5.0m
5. C	Design and Construction of the Charlotte Gateway Station*	\$30.0m
6. E	Increased Tree Plantings	\$3.1m
6. E	Trees Charlotte Endowment Contribution	\$1.0m
TOTAL		\$74.5m

*Design and Construction of Gateway Station will be funded in the General Community Investment Plan

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Next Steps

- Use priorities to frame key budget deliberations and guidance for development of City Manager's Recommended Budget
- March 21st Council Budget Committee
- April 6th Council Budget Workshop
- Review/further refine document with the Focus Area Cabinets

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