

## Get answers to frequently asked budget questions

How can the City build arenas for a basketball team but not fire stations? If the City hasn't raised property taxes since 1987, why have my property taxes increased? These are just two among a long list of questions that are often posed to City Council and staff.

Of course, they become more frequent during the shaping of the City's Fiscal Year 2007 Operating Budget and the 2007-2011 Capital Budget. To provide some clarity, the following are a few frequently asked questions. They provide insight on a range of topics from tax rate to economic investments. For the full list of questions, visit [citybudget.charmeck.org](http://citybudget.charmeck.org) and click on "FAQ."

### How are City services funded?

The City has two major general revenue sources: the property tax and the sales tax.

### What are the current City and County property tax rates?

The property tax rates are:

- City: 42.0¢ per \$100 property value (FY06 actual)
- County: 83.68¢ per \$100 property value (FY06 actual)

Note: The County tax for residents of the unincorporated area (includes tax to pay for police service) is \$1.0136 (FY06 actual).

### If the City hasn't raised taxes since 1987, why do my property taxes increase?

Two reasons: First, Mecklenburg County has raised its property tax rate three times just in the past five years and nine times since 1987. The tax bill property owners get shows the total amount of the property tax owed - both City and County.

Second, if the value of your property has increased significantly, your taxes went up when your property was revalued EVEN THOUGH the City Council rolled back the tax rate to make the tax impact neutral for City residents. What does that mean? Basically, the City tax rate is reduced by the same amount the new valuation generates in revenue.

For example, the property revaluation process in 2003 resulted in growth of the City's assessed valuation, which was estimated to grow by more than \$9 billion. Prior to revaluation, the City's tax rate had been 46.7¢. After revaluation, the rate was decreased 10%, to 42¢, to make sure the City wasn't taking in more revenue than it had before the changes. If your property value grew by more than the average, your taxes did increase.

### How is there money to build an arena and the NASCAR Hall of Fame but not provide adequate police, road improvements, and other basic services?

Tourism and entertainment facilities are funded from different, restricted revenue streams than regular City services. So while police and fire service, garbage collection and other basic services are paid for primarily through property and sales taxes, the Arena and NASCAR Hall of Fame are being paid for from taxes people pay on rooms when they stay in one of our hotels/motels. By state law, hotel/motel tax money can only be spent on entertainment and tourism projects. We invest in these facilities in order to attract economic investments, visitors and new businesses that help grow the tax base and lessen the burden on Charlotte residents.

For more information on the budget process or to review the City Manager's budget recommendations, visit [citybudget.charmeck.org](http://citybudget.charmeck.org).

## Conserve water, protect lake levels for demanding summer

Do your part in conserving water. Minor changes in your daily routine can have a major impact in protecting our lake levels for the coming high demand summer months.

### Reduce non-essential water use by:

- Limiting lawn and landscape water use to no more than two days a week.
- Limiting water applied to one inch per week, including rainfall.
- Watering before sunrise or after sunset to maximize water efficiency and minimize evaporation.
- Limit residential vehicle washing.
- Deferring non-essential household uses to evening hours (dishwashers, washing machines).



Limit lawn and landscape water use to no more than two days a week.

Due to a yearlong rainfall deficit and current storage flow conditions in the Catawba River, Charlotte-Mecklenburg Utilities reminds customers across Mecklenburg County to conserve water. "We can't control the weather, but by encouraging our customers to voluntarily conserve now, we hope to reduce demand and protect the lake levels enough that mandatory water restrictions won't be necessary," said Maeneen Klein, Utilities Water Conservation Coordinator.

Additional information and water conservation tips are available at [www.cmutilities.com](http://www.cmutilities.com).

## Northeast Corridor Light Rail Project

*It's Your Community. It's Your Decision.*

Light rail is coming and Charlotte Area Transit System (CATS) wants you onboard for the project's design. Please join them for a presentation of the proposed alignments and station locations that were presented to the Metropolitan Transit Commission.

### June 5, 2006

Sugaw Creek Presbyterian Church  
101 Sugar Creek Rd.  
Fellowship Hall  
6:00 pm

### June 6, 2006

University Place Hilton Hotel  
8629 JM Keynes Drive  
Fountain View Room  
6:00 pm

This is your opportunity to get involved and help make decisions that will affect the future of your community. Please plan to attend.

For more information, contact (704) 336-RIDE or visit [www.ridetransit.org](http://www.ridetransit.org)



### Straight from the Source.

Tune into this weekly news show with host Suzette Rhee as she provides you the latest on City government happenings and issues.



Suzette Rhee

Thursdays • 5:30 p.m.

