AGENDA

Meeting Type:	SPECIAL
Date:	06/01/1995
FY96 & FY97	BUDGET WORKSHOP

City of Charlotte, City Clerk's Office

City of Charlotte
FY96 & FY97 Budget Workshop
June 1st, 1995
Room CH14
5:00-8:00 p.m.

5·00-5 30 Key Business Budget Discussion and Questions
- Water and Sewer
- Municipal Service Districts
- Municipal Debt Service

5 30-6.30 Capital Investment Plan Review
- FY96-2000 Capital Investment Plan
- Community Infrastructure Review

6 30-8.00 Council Suggested Changes to Budget

City of Charlotte
FY96 & FY97 Budget Workshop
Handouts
June 1, 1995

Table of Contents

Questions and Answers from May 25th and May 30th Budget Workshops 141

Attachment #2 (Detail of Victims Assistance budget request) 149

Attachment #3 (Breakdown of funding sources of the Arts and Sciences Council) 152

Attachment # 4 (Arts and Sciences allocation to affiliates for next year) 153

Attachment #5 (Detail of the Family Housing Services budget request) 155

Attachment #6 (List of Current Transit Routes, Fares and Comparable Fares for the State and Region) 159

Attachment #7 (Map of the three Municipal Service Districts) . . . 161

Attachment #8 (Implemented Budget Reductions Report) 162

Attachment #9 (Workers Compensation Experience) 165

Attachment #10 (Loss Control Improvement Ad Hoc Team Summary Report) 166

Council Questions and Answers from May 25th and May 30th Budget Workshops

Q5. What can Airport revenues be used for?

Airport revenues cannot be used for any other purpose than "the capital or operating costs of the airport, the local airport system, or other local facilities which are owned or operated by the owner or operator of the airport and directly and substantially related to the actual air transportation of passengers or property "

The above is a requirement of federal law governing grants Our airport is subject to these requirements as a result of receiving federal grants

Q6. How do we compare nationally in crime per 1,000 population and officers per 1,000 population?

As of December 1993, the latest data available, among cities with population between 250,000-500,000, Charlotte

- ranked 9th in Index Crimes, with 117 67 per 1,000 population
  Rankings for 1991 and 1992 were 8th and 7th, respectively.

- ranked 17th in Sworn Officers with 2 2 per 1,000 population
  Rankings for 1991 and 1992 were 15th and 16th, respectively, with 2 1 officers per 1,000 population both of those years

Q7. How many job-training programs do we have and how much do they cost? How do we measure the results and what are the results? What is the justification for the $4 million Human Development program in the Neighborhood Development Key Business?

<u>City Job-Training Programs</u>
The City's job-training program, located in the Neighborhood Development Key Business/Human Development Division, serves about 650 individuals in year-round job training programs, 1,500 through public and private sector summer programs and 200 through the Dislocated Worker program The program is primarily funded with $2.7 million from the federal Job Training Partnership Act (JTPA), $1 million local General Fund money, and about $200,000 from the State

Performance Standards

In addition to the City's own Objectives Scorecard Program, the results of the program are measured by the JTPA grant's six performance standards These standards are measured by the State on a monthly basis. The City has received bonuses averaging about $40,000 in the past few years for achieving at least 4 of the performance standards The table below is for April 1995

Performance Standard	Goal	Actual
Youth Entered Employment Rate	53 75%	73 75%
Youth Employability Enhancement	24 50%	12 50%
Adult Welfare Weekly Earnings	61.10%	64 20%
Adult Welfare Job Retention Rate	$233 12	$258 17
Adult Weekly Earnings	54.39%	58.67%
Adult Job Retention Rate	$232 73	$238 49

The average wage for 133 adult and youth participants this year is $6 90 per hour, and is $10 01 per hour for the 91 Dislocated Worker participants

The Employment and Training Program has been renamed "Human Development" in the new Neighborhood Development Key Business This title change was arrived at to match the language in the City Within A City Strategic Plan regarding Human Development. The budget is $3 9 million The goal of the Human Development Division is to provide high school dropouts, welfare recipients, youth, disabled individuals, older individuals, and dislocated workers with the skills necessary to enter the labor force and maintain productive employment. Currently, 44% of the $3 9 million budget is contracted out to CPCC, Childcare Resources, and other agencies for services as follows Institutional Skills Training, On-the-Job Training, Dislocated Worker, Basic Education and Child Care

Q8. What is the detail of Victims Assistance budget request?

Please see Attachment #2

Q9. What was the contribution provided to the Men's Final Four in 1994 and from what sources?

The Men's Final Four requested $200,000 from the City of Charlotte. The request was referred to the Auditorium-Coliseum-Convention Center Authority who granted the request. Mecklenburg County also contributed $150,000 to the Men's Final Four.

The Women's Final Four Organizing Committee has requested $100,000 from both the City and County The Auditorium-Coliseum-Convention Center

Authority Board met on May 30th and heard the Women's Final Four Organizing Committee request The Board approved $100,000 for the Women's Final Four Organizing Committee Mecklenburg County has yet to decide the issue

Q10. What is breakdown of funding sources of the Arts and Sciences Council?

Please see Attachment #3

Q11. What are the CEO salaries of the arts agencies?

Please see Financial Partners handout from May 30th Restructuring Government Presentation

Q12. What is the Arts and Science allocation for next year to all of its affiliates?

Please see Attachment #4

Q13. What are the quantitative results of the Gethsemane and Bethlehem programs, including test scores?

The Gethsemane Enrichment Program uses the Metropolitan Achievement Test which is comparable to the California Achievement Test administered by the Charlotte-Mecklenburg School System The Metropolitan Achievement Test was recommended by the Charlotte-Mecklenburg Schools

The Gethsemane Program's FY95 test results show an improvement in reading and math skills of 9 months or 1 school year.

Bethlehem Enrichment Center uses the Comprehensive Test of Basic Skills published by McGraw-Hill who publishes many of the textbooks used by Charlotte-Mecklenburg Schools.

The Bethlehem Program's FY95 test results are·

- Elementary Reading - 5 months
- Elementary Math - 6 months
- Junior High Reading - 1 month
- Junior High Math - 17 months

We have advised both contractors that we will be working to develop a scope of services to reflect City Council's goals in this area The agencies will be asked to compete for services in FY97

Q14. What is the detail of the Family Housing Services budget request?

Please see Attachment #5.

Q15. Are there any alternatives to a Transit System fare increase? Also, what impact does a gradual fare increase have, such as 10¢ this year and 10¢ the following year? How do Charlotte's fares compare with other regional cities?

The impact of a two year implementation of the recommended 25% fare increase is to increase the projected Transportation Fund deficit $1 million by the year 2000, to a projected total deficit of $5 7 million

Another alternative is route reductions Current service standards could be used to decrease the FY96 operating budget.

Attachment #6 is a list of current routes with cost, revenue, and passengers per hour information. Also attached is a list of comparable fares for the State and the region.

Q16. What is the return to the City of generating an estimated $15 million locally from the Women's Final Four (Sales Tax, Occupancy, Food Tax, etc.)?

The Women's Final Four Organizing Committee has been requested to provide this information to Council

Q17. Can we develop an experimental job-training program that grants funds directly to businesses for job training rather than administering programs through the City?

Yes, Staff will work with the Private Industry Council and the Chamber of Commerce to expand the current On-the-Job-Training (OJT) program, which allows participants to learn occupational skills while working at private sector jobs Currently, employers receive reimbursement for training costs in the amount of 50% of wages during the training period A target of 10% will be set of the grant as a target for this effort.

Q18. Provide a map of the three Municipal Service Districts.

Please see Attachment #7.

Q19. What are the crime statistics for housing authority properties? How does their percentage of population compare to their percentage of the crime?

Charlotte Housing Authority population was 11,481 in March 1994, the most recent count date This equates to 2 7% of the City's population Crime statistics for 1994 show 5 6% of violent crimes and 2 3% of total crime (Part I Offenses) occurred on Housing Authority property

Q20. What is the Good Neighbors program?

The City's "Good Neighbor Program" is a $37,515 contract with the YMCA which funds a portion of the director and operating costs for the Wilmore Community Center and its activities. The contract is a part of the YMCA's larger, citywide Good Neighbor Program

Q21. What is the status of last year's Mike Jackson/Don Reid budget reduction list?

Please see Attachment #8

Q22. How much will the Third Ward (NFL stadium area) sidewalk repairs cost and how will we fund these repairs ?

Repair of 12,000 feet of "high priority" sidewalk is estimated at $450,000

If the goal is to complete the sidewalks when the stadium is open, funding would come from the sidewalk account If this is not the goal, repairs would be funded under the sidewalk repair program

Q23. How many neighborhood stop signs have we installed and at what cost?

- The City installed 144 multi-way stops, 116 under the Neighborhood Traffic Program We've installed 71 multi-way stops during the past 2 years
- There are 107 more intersections where multi-way stop petitions are pending
- Approximately $100,000 has been spent installing multi-way stops as part of the Neighborhood Traffic Control Program Average cost for a 4-approach multi-way stop location is $550, increasing to $2300 when a flasher is added

Q24. What is the ratio of civilian to sworn personnel in Police (current and three years ago)?

	Sworn (%)	Civilian (%)	Total (100%)
1993	978 (77%)	300 (23%)	1,278
1996	1,311 (79%)	345 (21%)	1,656

Q25. Are retirees' health insurance claims higher than active employees' claims?

Yes We have excellent participation by retirees in the Managed Care program and that program has helped slow the growth in retiree claims. The average monthly cost this year to date is slightly less than the average monthly cost in FY92 for retirees

When we began the Managed Care program in 1993, Council agreed to suspend any decision on a separate rating for retirees for three years until we had more experience with Managed Care That evaluation is due in 1996

Q26. Why did we only have 14% of the citizen survey respondents from North Charlotte?

According to MarketWise, the sample was representative of the population distribution within the city limits of the City of Charlotte. The sample, purchased from Survey Sampling, Inc., was drawn geographically and was proportional to the population density in each area The sample was drawn by working exchanges (first three digits in the phone number) within the City limits of Charlotte and cross checked against census population data to insure that the two were balanced. For this study, the objective was not to balance an equal number of respondents by geographic area, but rather to insure that the sample was representative of the geographic distribution of the population.

In terms of survey techniques, at least four attempts were made for each number in the sample before that number was abandoned Industry standard is three attempts Geographic area was defined by zip code

Q27. What proportion of persons boarding buses are paying $1 because they do not have $0.80, exact change?

We do not have any way of determining this number

Q28. What is our workers compensation experience?

Please see Attachment #9

Q29. What is being done City-wide to prevent losses?

Please see Attachment 10 - the Loss Prevention Ad Hoc Team Summary Report

Attachment 2

Utilization of City of Charlotte Funds in UFS Victim Assistance Program

1 **How does Victim Assistance utilize City funding?**

The Victim Assistance/Rape Crisis Program is service intensive and provides crisis intervention and support in utilizing the law enforcement and criminal justice systems for persons who are victims of violent crimes Its budget is, therefore, personnel intensive City of Charlotte funds are primarily used for compensation of personnel who work directly with citizens who are victims and is an important element in support of the City Council focus area of community safety

Victim Assistance Felony Unit

3 Master's level counselors who provide services to citizens who are victims of felonious crimes.

One counselor specializes in services to children/families where there has been child sexual abuse and have been referred by Charlotte-Mecklenburg Police Department

One counselor recruits, trains and supervises volunteer Rape Crisis Companions who provide 24-hour, 365 days per year response to rape/sexual assault victims at local hospital emergency rooms

One counselor concentrates on felony victims and trains/supervises volunteers who respond to families of homicide victims when referred by Charlotte-Mecklenburg Police Department

1 Secretary who provides support services to professional staff and assists citizens, as needed, with filing for North Carolina Victim Compensation funds

Total Salaries	$ 87,006
Fringe Benefits	21,751
	$108,757

Victim Assistance Misdemeanor Unit

1 Supervisor and 3 master's level counselors who serve women/families where domestic violence has occurred

Two counselors work directly with victims in assisting them with utilizing the law enforcement system, obtaining protective orders and participating in the prosecutorial process

One counselor trains and supervises volunteer court advocates who prepare victims for court appearance and provide court accompaniment to facilitate follow-through on criminal charges

Total Salaries	$ 99,101
Fringe Benefits	24,492
	$123,593

Total City Funds Requested	$232,350

Note: All administrative costs, additional counseling staff, support services, equipment and furnishings, and insurance are funded by United Way of Central Carolinas with additional limited support from the North Carolina Council for Women and private contributions The felony unit, which was originally housed in the Law Enforcement Center, is currently in temporary facilities provided by Mecklenburg County, and the misdemeanor unit is in facilities provided by Mecklenburg County as an in-kind contribution

2. What has been the increase in victims served since 1991?

The number of clients and their families served since 1991 has increased from **1986** to **3001** or **44 percent**, an average of **14 percent per year** We anticipate a 12-14 percent increase in FY96 The largest percentage of increase has been in the area of domestic violence with a 104 percent increase in victims served since 1991

3. Is Victim Assistance funded by the Mecklenburg County?

We receive no funding from the County In addition to the City funding, we receive funding from United Way, a grant from the NC Department of Administration's Council for Women, and contributions from the public

Funding for FY95 consisted of the following

City of Charlotte	$227,171
United Way	103,116
NC Council for Women grant	20 000
Victims of Crime Act (VOCA) grant	6,272
Other grants and contributions	42,893
	$399,452

Our VOCA funding ended in October, 1994, due to a policy of the N C Department Crime Control and Public Safety that a program who has received a two year grant is not eligible for additional funding

AM/ym
5/26/95

ARTS AND SCIENCE COUNCIL
FY95, FY96, and FY97
ITEMIZED BUDGETS

	FY95 YEAR END PROJECTIONS	FY96 PROPOSED BUDGET	FY97 PROPOSED BUDGET
INCOME			
UNRESTRICTED			
1 Annual Fund Drive	3 527 923	3 870 000	4 050 000
2 Less Uncollectibles	(141 500)	(147,000)	(153 900)
3 City of Charlotte	2 081,244	2 081,244	2,081 244
4 Mecklenburg County	1 285 000	1 285 000	1 285,000
5 NC Arts Council	105 398	105,391	105 391
6 Interest Income	101 650	111 650	111 650
7 General Endowment Earnings	35 000	100,000	105,000
8 SUBTOTAL	6,994,715	7,406,285	7 584,385
RESTRICTED-ARTS EDUCATION			
9 NEA/Young Audiences	145 000	145 000	145 000
10 City of Charlotte	45 000	45 000	45 000
11 Mecklenburg County	45 000	45 000	45 000
12 NC Arts Council	10 000	0	0
13 Charlotte-Meck Schools	250 000	250 000	250,000
14 Corporate/Foundation	90 000	50,000	50,000
15 Arts Education Endow Earnings	85,000	85,000	100,000
16 SUBTOTAL	670 000	620 000	635 000
RESTRICTED-OTHER			
17 First Night Revenues	110 000	110 000	110 000
18 Public Art	48,336	48,336	48 336
19 Corporate Sponsor	50,000	18,000	18 000
20 Morton s Benefit	15,000	0	0
21 Corporate Lunch Sponsors	15,000	15,000	15 000
22 CAST Revenue	500	500	500
23 NC Arts Council	6 500	6,500	6 500
24 Restricted Endowment Earnings	35,000	27,000	27,000
25 Miscellaneous	7,000	7,000	7,000
26 Marketing Income	19,600	0	0
27 SUBTOTAL	306 936	232 336	232,336
28 GRAND TOTAL INCOME	7 971,651	8,258 621	8 451 721

Attachment 4

Organization	Recommended Basic Operating Grant - FY96
Afro-American Children's Theatre	$39,200
Afro-American Cultural Center	$245,000
Carolina Raptor	$37,000
Charlotte Children's Choir	$17,500
Charlotte Choral Society	$20,000
Charlotte Repertory Orchestra	$10,000
Charlotte Repertory Theatre	$218,000
Charlotte Symphony	$1,390,000
Children's Theatre	$150,000
Community School of the Arts	$154,000
Discovery Place	$850,000
innovative Theatre	$13,720
The Light Factory	$75,000
Mint Museum of Art	$1,500,000
North Carolina Blumenthal Performing Arts Center	$319,000
North Carolina Dance Theatre	$215,000
Opera Carolina	$490,000
Spirit Square	$340,000
Restricted Grant (Development of a collaborative support mechanism for the Afro-American Children's Theatre & innovative Theatre)	$25,000
Basic Operating Grant Total	**$6,178,420**

Attachment 5

FAMILY HOUSING SERVICES, INC.

PROPOSED BUDGET

FOR

FISCAL YEAR 1995 - 1996

NOTE: PROPOSAL REQUESTED THE SUBMISSION OF SAME LEVEL BUDGET FOR THIS FISCAL YEAR. FAMILY HOUSING SERVICES BUDGET REQUEST FOR THIS FISCAL YEAR IS $329,160.00.

FAMILY HOUSING SERVICES, INC
City of Charlotte Contract Budget
For Fiscal Year 1995 - 1996
(July 1 1995 thru June 30, 1996)

Obj Code	Object Title and Explanation	Total Budget 1995 - 1996	City of Charlotte	FHS Administrative
	PERSONAL SERVICES			
011	Salaries & Wages			
	1 Exec Dir @3,412 x 12 = $40,950 x 87% =$35,627	$40,950 00	$35,627 00	$ 5,323 00
	1 Fisc Off @ $1,838 x 12 = $22,050 x 87% =$19,184	$22,050 00	$19,184 00	$ 2,866 00
	1 Exec Sec /Reports Clerk @ $1,899 x 12 = $22,785 x 87% = $19,823.	$22,785 00	$19,823 00	$ 2,962 00
	1 Secretary/Receptionist @ $1,628 x 12 = $19,530 x 87% = $16,991	$19,530.00	$16,991 00	$ 2,539 00
	1 Sr Counseling Manager @ $2,581 x 12 = $30,975 x 87% = $26,948	$30,975 00	$26,948 00	$ 4,027 00
	1 Counselor II @ $1,531 x 12 = $18,375	$18,375 00	$18,375 00	-0-
	1 Counselor II @ $1,619 x 12 = $19,426	$19,426 00	$19,426 00	-0-
	1 Counselor II @ $1,619 x 12 = $19,426.	$19,426 00	$19,426 00	-0-
	1 Counselor II @ $1,575 x 12 = $18,900	$18 900 00	$18,900 00	-0-
	1 Counselor II @ $1,575 x 12 = $18,900	$18,900 00	$18,900 00	-0-
	1 Counselor II @ $1,575 x 12 = $18,900	$18,900 00	$18,900 00	-0-

085	Social Security Tax 5 Employees - $118,573 x 7 65% x 87% =$7,892	$ 9,071 00	$ 7,892 00	$ 1,179 00
	6 Employees - $113,927 x 7 65% = $8,715	$ 8,715 00	$ 8,715 00	-0-
086	Employee Insurance Prem 5 Employees x $210 x 12 Mo x 87% = $10,962	$12,620 00	$10,962 00	$ 1,658 00
	6 Employees x $210 x 12 Mo = $15,120	$15 120 00	$15,120 00	-0-
089	Unemployment Insurance 5 Employees x $13,100 x 07% = $46 x 87% = $40	$ 46 00	$ 40 00	$ 6 00
	6 Employees x $13,100 x 07% = $55	$ 55 00	$ 55 00	-0-
087	Employee Retirement Prog 6 Employees = $3,200	$ 3,200 00	$ 3,200.00	-0-
	5 Employees @ $3,800 x 87% = $3,306	$ 3,800 00	$ 3,306.00	$ 494 00
	TOTAL PERSONAL SERVICES	$302,844 00	$281,790.00	$21,054 00
	CONTRACTUAL SERVICES			
111	Telephone - $650 Mo x 12 = $7,800	$ 7,800 00	$ 7,800 00	-0-
113	Postage -$300 Mo x 12 =$3,600 x 87% =$3,132	$ 3,600 00	$ 3,132 00	$ 468 00
146	Automobile & Other Allowances - $325 x 12 =$3,900 x 87%= $3,393	$ 3,900 00	$ 3,393 00	$ 507 00
151	Maintenance & Repair of Equipment, Copier Main- tenance Agreement @ $1,000 Per Year, Mainten- ance to Office Machines $1,600 ($2,600 x 87% = $2,262)	$ 2,600 00	$2,262 00	$ 338 00

171	Professional Fees - Accounting & Auditing, Annual Performance Audit @ $2,200 x 87% = $1,914	$ 2,200 00	$ 1,914 00	$ 286 00
199	Other Miscellaneous Services Board & Committee Meetings - $1,000 x 87% = $870	$ 1,000 00	$ 870 00	$ 130 00
611	Agency Insurance Premiums Fidelity Bond - $500 00, Special Multi-Peril Package Policy -$700 00, Risk Management Fee - $120 00, $1,320 x 87% = $1,148 00	$ 1,320 00	$ 1,148 00	$ 172 00
615	Workers Compensation = $2,000 x 87% = $1,740	$ 2,000 00	$ 1,740 00	$ 260 00
	TOTAL CONTRACTUAL SERVICES	$24,420 00	$22,259 00	$ 2,161 00
	COMMODITIES			
271	Office Supplies - @ $386 83 Mo x 12 Mo = $4,642 x 87% =$4,039	$ 4,642 00	$ 4,039 00	$ 603 00
	TOTAL COMMODITIES	$ 4,642 00	$ 4,039 00	$ 603 00
	TOTAL BUDGET	$331,906 00	$308,088 00	$23,818 00

Attachment 6

SERVICE	NET ANNUAL COST	ANNUAL PASSENGERS/ RIDERSHIP	HOUR
Neighborhood Service			
EZ Rider North	$170,000	$54,000	8
EZ Rider West	$155,000	$50,000	8
UNCC/University City	$132,000	$60,000	8
Commuter			
Rock Hill Commute Ride	$ 35,000	$44,000	19
Gastonia Commute Ride	$ 50,000	$32,000	14
Concord/Kannapolis Commute Ride	$ 50,000	$32,000	14
Shuttle			
Uptown Circuit	$ 50,000	$77,000	15
Crosstowns			
#29 UNCC - SouthPark	$330,000	$75,000	10
#30 Westside Crosstown	$185,000	$46,000	12
#31 Southside Crosstown	$130,000	$36,000	12
Job Access Routes			
Westinghouse Connection	$ 50,000	$13,000	10
Carowinds Connection	$ 12,000	$ 4,000	10

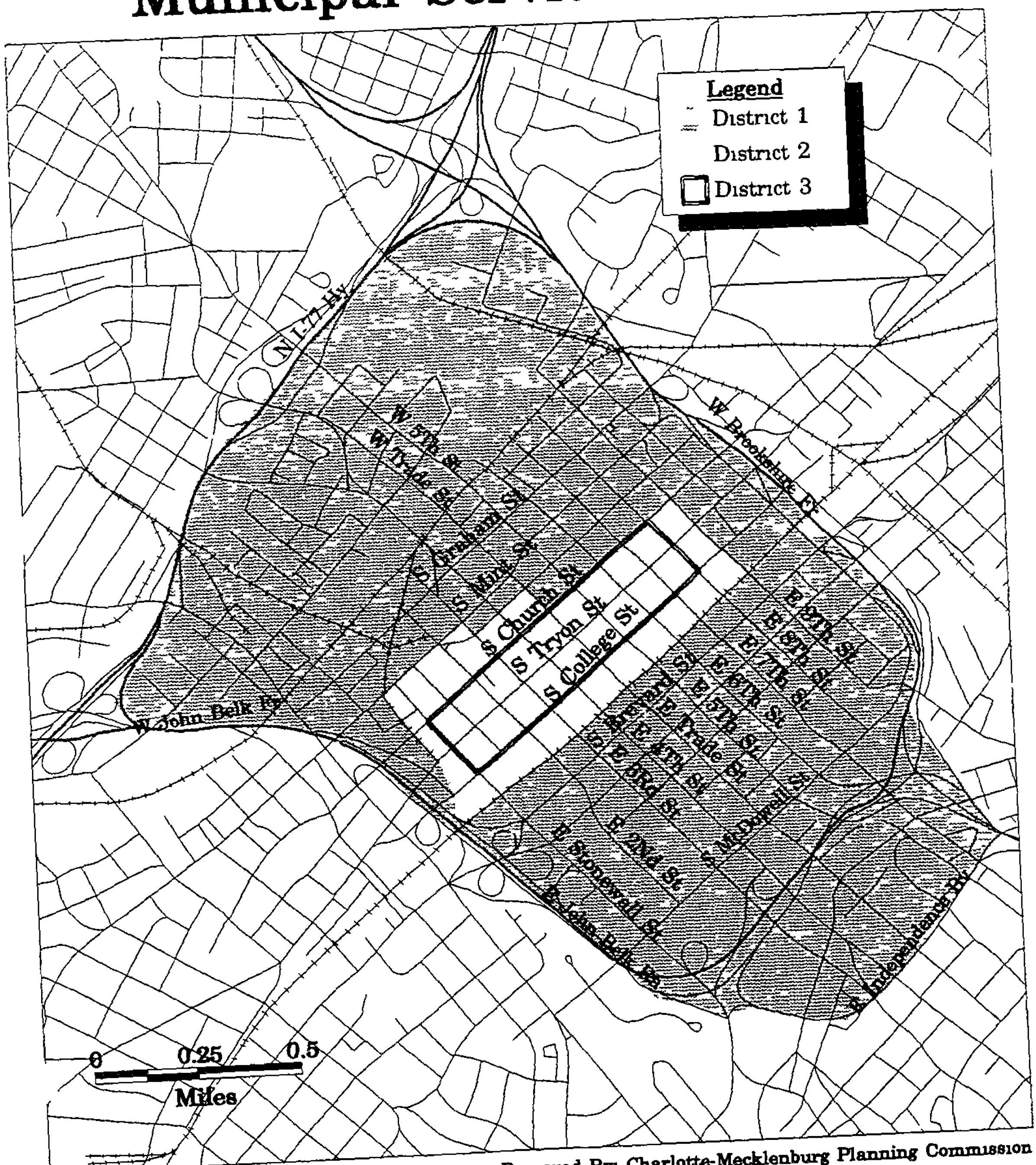
PASSENGERS/ SERVICE (cont.)	ANNUAL NET COST	ANNUAL RIDERSHIP	HOUR
Express			
#41X Pineville Express	$ 56,000	$15,000	11
#62X Rea Road Express	$ 60,000	$18,000	11
#65X Matthews Express	$ 87,000	$30,000	12
#66X Sharon Road Express	$ 60,000	$20,000	13

BASE FARES: COMPARABLE CITIES

RICHMOND	$1.25
NASHVILLE	$1 15
NORFOLK	$1 10
MEMPHIS	$1.10
TAMPA	$1 00
CHARLOTTE	$0 80
BIRMINGHAM	$0 80
LOUISVILLE	$0 75
JACKSONVILLE	$0 60
DURHAM	$0.60
GREENSBORO	$0 70
RALEIGH	$0 50
WINSTON SALEM	$0 75

Attachment 7

City of Charlotte: Municipal Service Districts



Prepared By Charlotte-Mecklenburg Planning Commission

msd/may 1995

Attachment 8

City of Charlotte

Budget and Evaluation

Implemented Budget Reductions Report

May 30, 1995

As part of a restructuring government discussion, Council requested a report on last year's (FY95) budget reduction list. This list was initially prepared by Mike Jackson and Don Reid

Attached is a status report on Implemented Budget Reductions. The original list is also attached.

Almost all of the ideas are either implemented or in some stage of implementation

Implemented Budget Reductions

Item	Savings/Revenue	Notes
Transit Fare Increase	$700,000	New fares proposed September 1, 1995 ($ 80 to $1 and $1 15 to $1 50)
Increase Employee Parking	$25,000	Monthly rates were increased $5 (from $15 to $20) in FY95 Issue paper on rate policy is available
Eliminate School Crossing Guard	$172,800	Up for competition in FY96
Eliminate Community Harmony Program	$235,028	Implemented in Community Relations Committee Action Plan
Reduce Urban Forestry Staff	$53,071	Two tree trimmer positions eliminated in FY95 budget
Reduce Landscape Management	$185,559	Eight positions eliminated in FY96 budget
Reduce Public Information/Printing Services		Print Shop becomes privatized effective July 1, 1995
Privatize Equipment Services Parts Inventory		Up for competition in FY96
Reduce Cost of Office Supplies		In March 1994 Council awarded the low bid for one year office supply contract to Sunbelt Office and Data Suppliers for $233,433
Eliminate management interns	$55,000	Implemented in FY95 budget

Refinance City Fair Parking Deck	$325,491	Change incorporated in FY95 budget
Use Coliseum/Convention Authority Fund Balance to help retire debt	$1,000,000	Change proposed in FY96 budget.
Change police car replacement to every 3 years instead of every 2 years	$150,000	Replacement cycle averages 30 months Schedule of replacement is based on mileage and condition, not age
Eliminate Legal Aid Contract	$84,000	Change incorporated in FY95 budget
Reduce Cultural Arts Contribution	$217,458	Ten percent reduction proposed in FY97 budget
Reduce general operating expenses 1%	$425,000	Implemented in FY95 budget
Slow issuance of environmental bonds		FY96 Budget includes transfer of one quarter cent from General Fund to Debt Service Fund to issue bonds as needed
Privatize payroll		Up for competition in FY96.
Computer systems		Through consolidation of the City's mainframe operations with the County's mainframe operations, 5 positions will be transferred to the County and 1 position eliminated Some of the savings will be offset by the payment to the County for the services they will provide
Garbage Collection		To be privatized fall of 1995
Light Rail Right-of-Way		This project is scheduled for an appropriation in FY96 only

Attachment 9

City of Charlotte Workers' Compensation Experience Modifiers August, 1994	
KEY BUSINESS	**EXPERIENCE MODIFIER**
FIRE	0 35
NEIGHBORHOOD DEVELOPMENT	0 57
FINANCE	0 63
ENGINEERING AND PROPERTY MANAGEMENT	0 63
BUDGET AND EVALUATION	0 69
PLANNING	0 69
POLICE	0 78
HUMAN RESOURCES	0 80
BUSINESS SUPPORT SERVICES	0 84
CDOT	0 95
CMUD	1 02
AVIATION	1 17
SOLID WASTE SERVICES	1 24

An experience modifier of 1 00 is considered to be average for that operation An experience modifier below 1 00 can be viewed as a percentage of the average (i e Fire's experience modifier is 35 or 35 percent of average or 65% better than average for an organization of similar size and exposure) Conversely, an experience modifier above 1 00 can be viewed as a percentage worse than average

EXECUTIVE SUMMARY

On August 24, 1994, the City of Charlotte, Senior Management and Key Business Executives participated in a brainstorming session to determine a strategy for reducing the frequency and severity of fortuitous loss throughout the City's operations. At the direction of the leadership team, a Loss Control Improvement Ad Hoc Team was chartered to further develop and carry-out the ideas discussed on August 24, 1994.

The Team included the following members: **Team Leader** -- Dan Pliszka, Risk Management Division, **Team Members** -- Patricia Lamb, Utilities Department; Ben Stacy, Charlotte Department of Transportation, Robert Tutterow, Fire Department; Lucille Weathers, Solid Waste Services, Doug Boggs, Aviation Department; Captain, Kevin Wittman, Police Department; Captain, Dennis McCrary, Police Department; **Team Facilitator** -- Benny Aldridge, Engineering and Property Management; and **Team Resource** -- Henry Simmons, Risk Management Division.

On September 1, 1994 the team was officially chartered with Wendell White, City Manager and Pam Syfert, Deputy City Manager as team sponsors. September 26, 1994, the Loss Control Improvement Ad Hoc Team held their first meeting. The meeting was conducted by Mary Zychowski of Cornelius and Associates. The all day meeting was an opportunity for all team members to be introduced to the teamwork concept and to begin focusing on the tasks necessary to successfully complete the team charter. Unlike most teams, the Loss Control Improvement Ad Hoc Team did not experience the normal stages of Forming, Storming, Norming and Performing. Rather, the Team jumped the first two phases and began Norming and Performing from the first day. This accomplishment can be attributed to the high level of support from City Management as well as the guidance provided by Cornelius and Associates.

Subsequent to the September 26, 1994 meeting, the team met on a weekly basis for two hours per session. Each meeting was pre-planned with a specific agendas and goals The representatives from each of "Big Six" Departments (Aviation, CMUD, CDOT, Fire, Solid Waste Services, and Police) reviewed the historical losses related to Workers' Compensation, Auto and General Liability. Other meetings covered such topics as: Benchmarks and Measures, OSHA Violation and Coordination, A Progress Review with Cornelius and Associates, and several meetings to prepare and polish the presentation for the Key Business Executives.

Throughout the tenure of the Loss Control Improvement Ad Hoc Team a recurring theme of "Building an Umbrella" over the City to protect it from losses arose time and time again. The team decided to use the umbrella theme to describe the process of building the protection required for revitalizing the safety/loss control process. You will see in the following recommendations, ten immediate actions that will have a significant impact on reducing the frequency and severity of fortuitous loss. The ten recommendations are summarized as follows:

1 **Common Causes** -- A significant opportunity exists for all Key Businesses to learn from the fortunate and unfortunate experiences of their peers A forum must be developed whereby Key Businesses can share information on losses and what actions have been used to prevent such incidents/accidents from recurring This action will allow all Key Business Units to take pro-active measures to prevent or minimize losses before they occur

2 **Risk Management Information Systems (RMIS)** -- The team recognized a strong need for current and relevant information regarding losses and loss history. In addition to developing benchmark measures for use by each Key Business, the Team discussed standardizing information while developing methods to expedite reporting in order to continue examining loss trends. In the end, better management of the loss information will be a key tool that can be used to compare and contrast the effect of the implementation of other loss control measures

3. **Defensive Driving** -- One of the leading causes of fortuitous loss has been the cost of automobile liability and the associated property damage. The team discussed a number of different actions that would help reduce the cost of automobile liability and property damage. The most significant action that can be taken is to develop a driver training program that will provide employees with the tools that will assist them in avoiding accident situations. The team is recommending that a low-speed driving range be developed on land that City purchased for this purpose a number of years ago. Duke Power recently implemented a similar program to what is being proposed and reduced their losses by nearly 85%. If the City could experience a similar experience, perhaps 50% this recommendation could save up to $500,000 per year.

4. **Sewer Back-up Policy** -- A number of years ago the City Council approved and implemented a policy whereby the Charlotte-Mecklenburg Utility Department would pay for damages caused by sewer back-ups regardless of the cause and without regard to the establishment of legal liability. This is the only type loss that the City routinely pays without consideration of legal liability. The team is working on developing a summary of these losses and will present several alternatives for consideration by City Council.

5. **Workers' Compensation** -- Although only a very small portion of City employees are injured on the job or make a claim for workers' compensation benefits as the result of work related injuries, the cost of such claims/injuries are significant. The team has begun working on several programs that will assist in controlling costs. Some of those programs include: Modified Duty Return to Work Programs, Benchmarks, Establishing and Maintaining Supervisory Responsibility and Accountability, Improved Training, Eliminating Entitlement Mentalities, Employee Counselling and Monitoring for Repeat Offenders.

6. **Training** -- The prevention of many of the most frequent and severe losses can be directly traced to the amount of time spent training supervisors and their employees how to perform their jobs safely and efficiently. Safety must become a part of the efficiency drive that we are pursuing in each Key Business.

Performing a job safely is performing a job efficiently When a job is performed as it should there will not be accidents and the resulting delays associated with investigation, repairing property damage and increased personnel costs

7. **Awareness** -- As simple as it may seem, just making employees aware of safety through various methods is a fundamental of any basic safety system There are a multitude of simple actions that can enhance the awareness of safety Raising the level of awareness is not much more than common sense, but can assist in significantly reducing the rate and cost of losses.

8. **Policy Procedures and Guidelines** -- The basis of a solid safety/loss control program is a foundation on policy, procedures and guidelines that ensure consistency, but allow significant flexibility to meet the needs of each business unit The City currently has policies and procedures in place that need significant revision to reflect the on-going change in culture and the recent changes in organizational structure. The overall "umbrella" policies should serve as a guideline for each Key Business to develop policies that are specific to their operations. These policies will be vital to the continuation of reducing losses.

9. **Customer Service** -- Although losses represent a negative connotation to customer service, how the City reacts when a loss does occur is extremely important to the resolution of the loss. The Team examined many examples of both positive and negative reactions to loss situations and strongly agreed that the City must develop better mechanisms for approaching how we respond to claims for loss, settle claims for loss and respond to emergency situations and the media.

10. **Next Steps** -- In order to continue the momentum of the Loss Control Improvement Ad Hoc Team, the team recommends that a standing team be established to carry-out and oversee the implementation of the ten recommendations. Further, it is recommended that each key business implement a safety team that can serve as an interface with the standing team As part of their charge the standing team will be responsible for providing regular progress reports to the Key Business Executives and the Leadership Team.

The Loss Control Improvement Ad Hoc Team should be commended for the level of effort they produced in carrying out the team's charter. As mentioned earlier, the forming, storming, norming and performing stages of team development were not evident with this team and may likely be attributed to the level of dedication and concern for the topic by each team member. Additionally, the team facilitator and team resource were invaluable in completing the charge. Many thanks go to the team and the sponsors for their support and suggestions throughout the life of the team.

NON-SYSTEM RESIDENTIAL STREET PROGRAM
FRANKLIN PARK AREA

ISSUE

The lots and public rights-of-way in Franklin Park were platted in the early 1950's The subdivision ordinance was not in effect at that time so the subdivider was not required to post a bond or construct the roads to city standards. Portions of Springs Drive, Foxwood Road, and Bon Rea Road that had existing houses were paved by the City in 1984 when the area was annexed. In the past two years, home construction in Franklin Park has increased due to the availability of water and sewer Requests/inquiries about street paving have also increased Attached is a map summarizing the status of residential development and street paving in the Franklin Park area Due to the soil types in the Franklin Park area, the street paving could require extensive undercut and/or geotextile fabric, grading, rock removal, and drainage structures That type of work is beyond the scope of work typically done by Street Maintenance forces These projects would have to be bid to outside contractors. The estimated cost to contract out the paving of each of the non-maintained streets is:

• Foxwood Road (remaining 375 feet):	$150,000
• Arboretum View (1900 foot segment):	$200,000
• Springs Drive (1100 foot segment):	$150,000
TOTAL	$500,000

This is well beyond the means of the current $50,000 annual amount budgeted for street paving city-wide under this program We are currently aware of six other non-maintained streets where development may occur totaling almost 5000 feet Assuming no soil or drainage problems, the material cost could be as much as $200,000

ALTERNATIVES

- Approve one-time appropriations of up to $350,000 from the Powell Bill Account fund balance and up to $150,000 from the Stormwater Account to complete street paving in the Franklin Park area. Continue to fund the program at $50,000 annually.

- Increase or eliminate the existing $50,000 annual limit and allow paving as Powell Bill funding permits Necessary drainage structures should be paid from the Stormwater Account as needed.

BACKGROUND

In May, 1992, City Council amended the policy concerning the eligibility requirements for non-maintained rights-of-way to qualify for paving and maintenance by City forces The original policy required that there be two occupied homes at the time of annexation Anyone building a home after annexation would have to upgrade the street as part of the cost associated with building their home. The amended policy states that a non-maintained right-of-way with occupied homes can be eligible any time after annexation. Thus, any currently non-maintained right-of-way with platted lots established prior to the enactment of the subdivision ordinance (1959) is eligible for paving under the program. In contrast, property owners that have subdivided land, since enactment of the subdivision ordinance, are responsible for constructing streets to certain minimum standards before the City will accept those streets for maintenance The cost for this street construction is borne initially by the developer but is passed on ultimately to the homeowner.

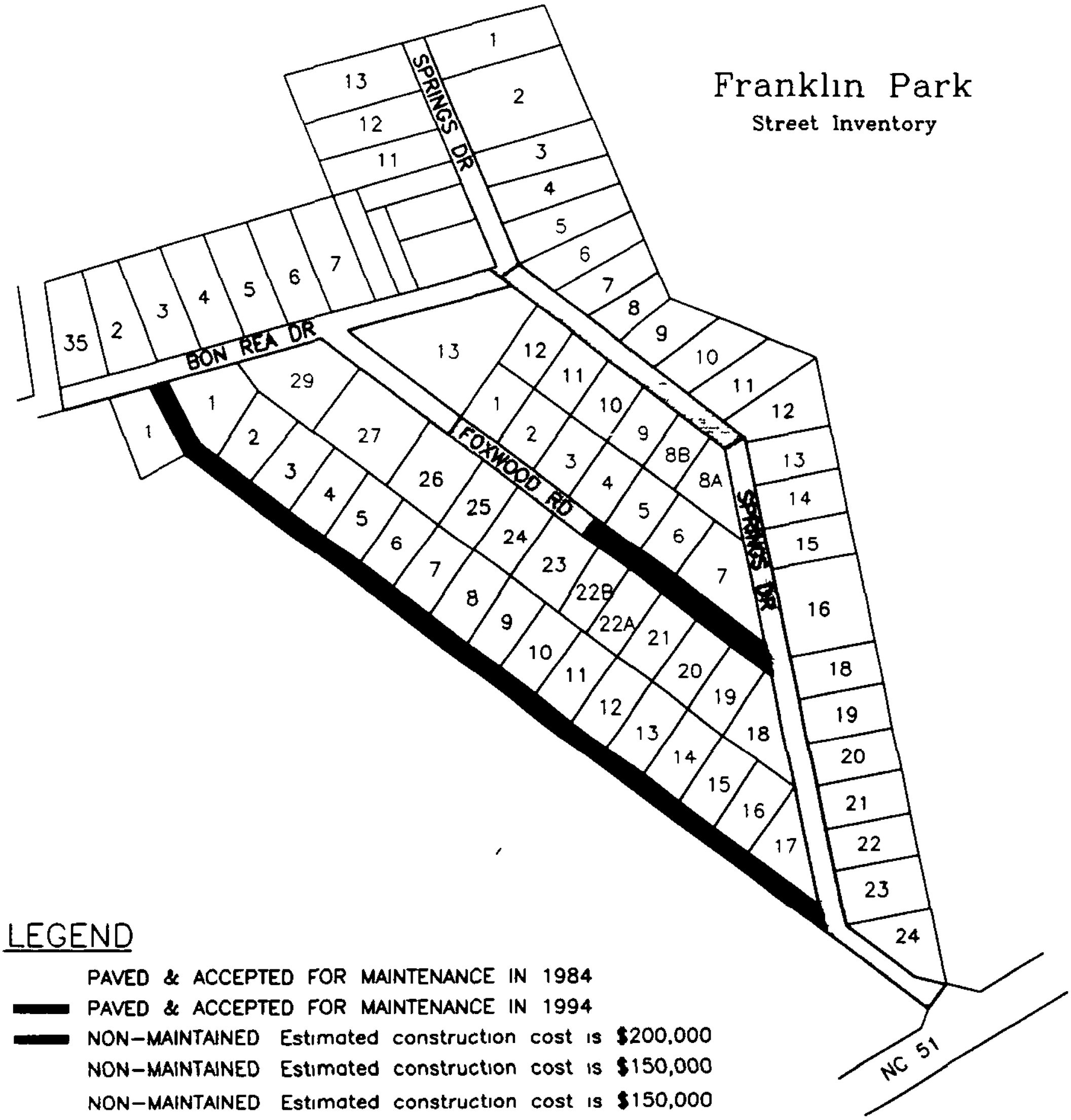
The potential cost impacts of the amended policy are now being felt A developer is currently constructing houses on lots in Franklin Park, a 79-lot subdivision located north of NC 51 near the Arboretum. The lots were platted in the 1950's prior to the Subdivision Ordinance When there are occupied homes on the lots, the streets will qualify for paving and maintenance by the City. The developer and potential homeowners know this and the City has no leverage to have them construct the street improvements at their cost. The developer, by strategically selecting the lots to develop initially, can make all the non-maintained rights-of-way eligible for paving with all costs borne by the City

The Non-System Residential Street Program is currently funded at $50,000 per year for materials Since the streets are paved by Street maintenance forces, the labor cost is absorbed The current funding of $50,000 covers the materials cost to pave about 1000 to 2000 feet (0 2 to 0 3 miles) of gravel and dirt streets city-wide. We have not yet encountered soil conditions on previous projects like those in the Franklin Park area that increase the project costs. When the $50,000 allocation is depleted, paving stop until the next fiscal year unless more funds are identified.

Although we are more accustomed to working with individual homeowners of existing houses under the Non-System Residential Street Program, CDOT has been cooperating with the builders in the area (i e.; Premier Homes and Sunbelt Homes) as best we could in anticipation that the houses under construction will soon be occupied by citizens who will request their street be paved under the Non-System Residential Street Program. However, we have not promised to consider streets eligible for paving until there were occupied homes.

Franklin Park

Street Inventory



LEGEND

- PAVED & ACCEPTED FOR MAINTENANCE IN 1984
- PAVED & ACCEPTED FOR MAINTENANCE IN 1994
- NON-MAINTAINED Estimated construction cost is $200,000
- NON-MAINTAINED Estimated construction cost is $150,000
- NON-MAINTAINED Estimated construction cost is $150,000
- VACANT LOT
- OCCUPIED HOME
- HOME UNDER CONSTRUCTION

N

NOT TO SCALE
5/30/95