AGENDA

Meeting Type:	WORKSHOP
Date:	02/01/1988

City of Charlotte, City Clerk's Office

MAYOR AND CITY COUUNCIL
WORKSHOP AGENDA
FEBRUARY 1, 1988

5:00 - 6:00 p.m.

I. Discussion of Independence Freeway Project

The objectives of this discussion are·

a. To allow the State to make a presentation of its construction plans and discuss citizen involvement.

b. To have Council make a decision on our intent to fund the acquisition of right-of-way on the north side of Independence from Pecan to Morningside.

c. To have Council discuss the high occupancy vehicle lanes.

6:00 - 6:20 p.m. Dinner

6:20 - 7:00 p.m.

II. Discussion of Means of Working with the County to Provide Additional City Funds for Transportation Needs

The objective of this discussion is to have Council discuss ideas.

7·00 p.m. -

III. Discussion of the Operating Budget

The objectives of this discussion are:

a. To provide a status report for the current year (FY88) operating budget.

b. To overview potential changes to be included in the FY89 operating budget.

c. To have Council discuss any budget related issues; i.e., the debt model.

US 74 FACT SHEET

o Independence Boulevard - 76,000 Vehicles Per Day

This is the most heavily-traveled and most congested non-freeway in North Carolina.

o Added to North Carolina Department of Transportation (NCDOT) Transportation Improvement Program (TIP) - 1974

Recommendations for improvements date back to 1960.

o Final Environmental Impact Statement (EIS) for Highway Project Approved by FHWA - 1982

The EIS began in 1975. All highway-only options were rejected. The Independence Corridor Freeway/Expressway/Busway was the preferred alternative.

o Urban Mass Transportation Administration (UMTA) requires transit Supplemental Environmental Impact Statement (SEIS) - 1984

Before considering funding part of the costs associated with the construction of the busway, UMTA required an SEIS to examine only the alternatives that could enhance mass transit. This was begun in 1985 with UMTA and NCDOT participating in the cost.

o Locally Preferred Alternative, Adopted by Council and Metropolitan Planning Organization (MPO) April '87, is Reversible HOV Facility

The 28-foot-exclusive reversible High Occupancy Vehicle (HOV) facility, approximately 3.7 miles, is the most feasible, most cost-effective, most productive alternative. The facility will improve the traffic capacity of the corridor, improve safety and improve the level of service. The HOV lane provides an incentive for car- and vanpools which leads to attainment of the City's 75-25% modal split goal for the Central Business District (CBD). Use of the facility initially will be restricted to vehicles carrying more than 2 people. As needed, the minimums will be raised.

o Grants Filed May '87

The City filed grant applications requesting UMTA/NCDOT participation in funding the estimated $17.6 million added costs of the transit facility. UMTA would fund $13.2 million, the NCDOT would fund $2.2 (12.5% , and the remaining $2.2 (12.5%) would come from local funds.

o Travel Time Savings for Commuters - $4.4 million

Without the reversible HOV, the average travel time between Idlewild and the Brookshire Freeway will be 18 minutes by car and 22 mirutes by bus The HOV will reduce those times to 10 minutes for autos and 8 minutes for buses. An UMTA formula translates these minutes into dollars, showing an annual savings of 1.3 million hours or $4.4 million.

o Transit Operating Deficit Will Be Reduced from $1.1 million to $.9 million.

Improved speed means more revenue bus-miles per driver-hour, less idling, better fuel economy, and results in an annual reduction in the operating deficit.

o HOV handles 11% of the vehicles, but 35% of the people

The EIS projects that by 2005, 35% of the peak-hour person-trips will be made in buses and carpools using the HOV lane. Experience in other cities has shown that eventually the HOV facility can carry more persons than the three inbound Freeway lanes.

o Air Quality Improvements

Along with operating deficit reductions and travel time savings, a less measurable but very important HOV benefit to our area is the anticipated improvement in carbon monoxide emissions.

o Road **Design Underway - Construction to Begin Late Summer '88**

NCDOT will let the contract for the 1st segment (Waterman to Eastway) in August. Absent UMTA funding, the grass median will be built. UMTA's subsequent approval will require reconstruction of segments already underway.

CDOT
MSS sgw
1/29/88

NOTES

City Council Workshop
February 1, 1988

Discussion of Transfer of City Functions and Activities to the County

Background

The objective of this discussion is to have Council discuss the suggestion that City functions or activities be assigned to the County to make City funds available for roads.

During its January 25 meeting, Council requested that the City Manager look at some ways that this transfer may be accomplished. Council also requested that City staff discuss the issue with the County.

County Idea

The County Manager suggested that one approach to the issue is to structure a trade like the one made for the funding of Highway 51. If you recall, the agreement on Highway 51 was that the County contribute $3 million over three years toward the construction of the project. This was done by not charging the City its share of the costs incurred under the City/County Agreements for the Tax Collector and Tax Listing Offices.

The agreements provide for cost sharing arrangements for several different departments, administered either by the City of County.

The FY89 budget includes $1 million for payment to the County; in FY90, the budget will increase by $1 million with the end of the Highway 51 agreement.

City Ideas

1. For several years, the City Manager has identified the Neighborhood Centers Department as one most closely identified as a County function. Neighborhood Centers provides space and client intervention for social programs. The total budget is $1.1 million.

2. The City currently contributes $1.1 million to cultural and service organizations. The funding of these agencies has no unique link to City government. The following agencies receive City funds:

   Historic Properties
   Arts and Science Council
   Nature Museum
   Festival In The Park
   YWCA Scattered Site Programs
   Victim Assistance

Crisis Fuel Assistance
Army and Air National Guards
Citizens Safety Association
Carolinas' Carrousel
Youth Involvement Council

3. Several years ago, City staff reviewed the issue of the City providing a tax subsidy to the County. This tax subsidy could occur in instances that County-wide revenues derived from the property tax and other sources are spent on services provided only in unincorporated areas. These services provide no clear benefit to City residents. The County could provide a tax rebate to the City of those revenues supporting services provided only in the County, including police, fire and traffic engineering. The amount of a rebate could be negotiated.

NOTES

CITY COUNCIL WORKSHOP
February 1, 1988

FY88 STATUS
GENERAL FUND
REVENUES AND EXPENDITURES

CATEGORY	FY88 BUDGET	REVISED ESTIMATE	VARIANCE
FUND BALANCE AS OF JUNE 30, 1987:	$11.2 million		
REVENUES:			
PROPERTY TAX	$ 88,905,385	$ 92,960,620	$ 4,055,235
SALES TAX	19,625,000	18,512,000	(1,113,000)
INTANGIBLES TAX	4,855,000	5,029,508	174,508
OCCUPANCY TAX	1,160,875	1,160,875	0
MOTOR VEHICLE TAX	1,176,925	1,200,000	23,075
BEER AND WINE	1,472,701	1,573,005	100,304
ABC CONTRIBUTION	1,448,750	1,448,750	0
BUSINESS PRIVILEGE LICENSE	2,509,488	2,509,488	0
UTILITY FRANCHISE	14,740,946	14,370,000	(370,946)
ALL OTHER	13,643,210	14,672,345	1,209,135
FUND BALANCE	5,500,000	0	(5,500,000)
TOTAL	$155,038,280	$153,436,591	$ (1,601,689)
EXPENDITURES:			
PERSONAL SERVICES	$ 87,316,381	$ 84,425,435	$ 2,890,946
CONTRACTUALS	24,463,090	24,524,878	(61,788)
COMMODITIES	7,395,000	6,873,649	521,351
CAPITAL OUTLAY	8,165,630	7,981,073	184,557
DEPT. CHARGE	(8,182,867)	(8,171,933)	(10,934)
FRINGE BENEFITS	18,111,057	18,336,952	(255,895)
OTHER NON-DEPTS.	17,769,989	17,769,989	0
TOTAL	$155,038,280	$151,740,043	$ 3,298,237
PROJECTED FUND BALANCE AS OF JUNE 30, 1988:	$13.3 million		

CITY COUNCIL WORKSHOP
February 1, 1988

FY88 STATUS
REVENUES AND EXPENDITURES

Revenues Revenues are expected to exceed budget by approximately 2.6% or $3.8 million.

Property Tax - The revised estimate of property tax includes current year, prior year, state reimbursements and penalties. The revised total indicates an additional $4.1 million in revenue over the FY88 budget estimate. Of this amount, $3.3 million is due to increases in assessed valuation provided by the Tax Office and $400,000 is due to an actual collection rate of 98.5% as compared to 97.5% used in the budget.

Sales Tax - The one percent sales tax that has been dedicated to the General Fund since 1969 and is returned to the City based on point of collection, has averaged a 14.3% increase per year (1983-1986). However, FY87 showed only a 6.7% increase and it now appears that growth will be approximately 7% in FY88. The original budget estimated included a 12.2% increase and therefore a $1.1 million shortfall is expected.

Utility Franchise Tax - This tax is paid by local utility companies and is based on gross sales within the City. Growth in these revenues, therefore are impacted by general economic growth as well as annexation. Because rate increases by the Utility companies have been reduced, growth in revenue is reduced by approximately 0.4 million over FY88 budget estimates.

Other Revenues - All other revenues are expected to be collected at or slightly above the projected levels. These revenues include Intangibles Tax, Occupancy Tax, Beer and Wine, Business Privilege licenses, and Motor Vehicle Tax.

Expenditures Expenditures are projected to be below budget by approximately 2%, for a savings of $3.3 million.

Personal Services - Approximately 3% vacancy rate has been experienced during the first six months. Employee Benefits, specifically FICA and retirement are running slightly higher than projected.

Contractuals - A slight deficit in this category is expected. The major overrun in expected in Operations - Sanitation due to a late payment of FY87 landfill charges in FY88.

Commodities - A significant savings in commodities is expected primarily due to significant savings in the cost of gasoline and diesel fuel.

Capital Outlay - Capital Outlay is projected to run close to actual budget figures with a few items coming in less than budget.

CITY OF CHARLOTTE
GENERAL FUND REVENUES
1987-88 Fiscal Year

	Actual 86-87	Budget Estimate 87-88	Revised Budget Estimate 87-88	Percent of Total	Budget to Revised Budget Difference 87-88
Property Tax/Includes prior year/penalties	$ 82,760,068	$ 88,905,385	$ 92,960,620	60.6	$ 4,055,235
Sales Tax	17,369,003	19,625,000	18,512,000	12.1	(1,113,000)
Utility Franchise Tax	13,236,351	14,740,946	14,370,000	9.4	(370,946)
Intangible Tax	4,023,159	4,855,000	5,029,508	3.3	174,508
Beer and Wine	1,530,015	1,472,701	1,573,005	1.0	100,304
Alcoholic Beverage Control Contribution	1,448,750	1,448,750	1,448,750	0.9	-0-
Business Privilege Licenses	2,345,504	2,509,488	2,509,488	1.6	-0-
Occupancy Tax	1,083,093	1,160,875	1,160,875	0.7	-0-
Motor Vehicle Licenses	4,450,843	1,176,925	1,200,000	0.8	23,075
Sub-Total	$128,246,786	$135,895,070	$138,764,246	90.4	$ 2,869,176
All Other Revenue	16,703,367	13,710,856	14,672,345	9.6	961,489
TOTAL GENERAL FUND	$144,950,153	$149,605,926	$153,436,591	100.0	$ 3,830,665

CITY COUNCIL WORKSHOP
FEBRUARY 1, 1988

FY 88 STATUS
EXPENDITURES

DEPARTMENT	FY88 BUDGET	SIX MONTH ACTUAL	FY 88 REVISED ESTIMATE	% OF BUDGET	FY87 ACTUAL % OF BUDGET
MAYOR AND COUNCIL	503,797	233,709	447,099	88.7%	96.9%
CITY MANAGER	774,214	354,788	762,468	98.5%	88.7%
CITY CLERK	222,518	92,258	216,851	97.5%	88.8%
CITY ATTORNEY	755,001	425,174	748,758	99.2%	84.2%
PUBLIC SERVICE/INFO	549,899	176,705	466,911	84.9%	99.9%
ECONOMIC DEVELOPMENT	108,360	9,575	59,432	54.8%	N/A
BUDGET	660,528	266,214	654,257	99.1%	91.0%
COMMUNITY RELATIONS	493,011	207,120	391,793	79.5%	98.0%
NEIGHBORHOOD CTRS	1,122,558	498,584	1,098,641	97.9%	92.0%
PURCHASING	645,987	314,641	650,580	100.7%	97.4%
PLANNING	2,198,925	955,156	1,913,162	87.0%	91.6%
MIS	5,202,673	1,681,074	4,910,371	94.4%	95.0%
PERSONNEL	1,461,268	634,109	1,431,391	98.0%	100.0%
FINANCE	6,106,088	2,574,389	5,942,206	97.3%	97.9%
POLICE	31,053,559	15,307,887	29,894,044	96.3%	96.0%
FIRE	24,153,167	11,634,852	23,561,362	97.5%	99.7%
TRANSPORTATION	5,637,397	2,766,607	5,587,552	99.1%	99.1%
GENERAL SERVICES	4,791,505	2,442,377	4,538,833	94.7%	96.7%
ENGINEERING	4,100,285	2,106,962	3,959,828	96.6%	97.6%
OPERATIONS	21,259,729	11,616,147	21,456,755	100.9%	98.0%
PARKS AND RECREATION	11,248,825	5,248,087	10,550,600	93.8%	94.1%
MINT MUSEUM	1,310,613	597,958	1,300,609	99.2%	100.0%
NON-DEPTALS.	35,881,046		36,106,941	100.6%	
TOTAL	155,038,280		151,740,073	97.9%	

CITY COUNCIL WORKSHOP
February 1, 1988

FUND BALANCE ANALYSIS
GENERAL FUND
ESTIMATED JUNE 30, 1988
(in thousands)

o Undesignated Fund Balance - June 30, 1987			$11,247
Less: Designated to Capital Improvement Program (Delta Road):		$3,000	
FY89 Budget Appropriations:		2,500	(5,500)
Plus: Excess Revenues Over Expenditures:			
Excess Revenues Over Expenditures (excluding transfers for Capital Improvement Program:	$1,600		
FY88 Appropriations from Fund Balance:	8,982		
FY88 Transfers for Capital Improvement Program:	(3,447)		
	$7,135		
Temporary Loan Repayment from Capital Improvement Program (Storm Drainage):		400	7,535
o Estimated Undesignated Fund Balance - June 30, 1988			$13,282

CITY COUNCIL WORKSHOP
February 1, 1988

FY89 PRELIMINARY BUDGET OVERVIEW

HIGHLIGHTS

- o General Fund Totals $163,228,536

- o Maintains Tax Rate of 62.75 cents per $100 valuation

- o Adds 22 positions described on following pages

  - 11 in Police
  - 3 in Fire
  - 1 each in Transportation, Planning, Radio, MIS, Finance, Purchasing
  - 2 in Water/Sewer

- o Includes an estimate for pay plan adjustment

CITY COUNCIL WORKSHOP
February 1, 1988

FY89 BUDGET

DEPARTMENT	FY88 Budget	FY89 Budget	PERCENT CHANGE
Mayor and Council	503,797	508,365	0.9%
City Manager	774,214	789,929	2.0%
City Clerk	222,518	218,253	-1.9%
City Attorney	755,001	755,882	0.1%
Public Service/Info	549,899	565,882	2.8%
Economic Development	108,360	125,610	15.9%
Budget	660,528	672,100	1.8%
Community Relations	493,011	477,272	-3.2%
Neighborhood Centers	1,122,558	1,106,436	-1.4%
Purchasing	645,987	684,908	6.0%
Planning	2,198,925	1,961,344	-10.8%
MIS	5,202,673	4,915,732	-5.5%
Personnel	1,461,268	1,431,384	-2.0%
Finance	6,106,088	5,959,741	-2.4%
Police	31,053,559	31,785,068	2.4%
Fire	24,153,167	24,073,705	-0.3%
Transportation	5,637,397	5,701,673	1.1%
General Services	4,791,505	4,791,343	0.0%
Engineering	4,100,285	3,867,578	-5.7%
Operations	21,259,729	21,995,300	3.5%
Parks & Recreation	11,248,825	11,272,116	0.2%
Mint Museum	1,310,613	1,306,385	-0.3%
Employee Related Fringes	18,111,057	18,816,718	3.9%
Cultural and Agencies	1,282,094	1,264,292	-1.4%
Contribution to Other Funds	4,954,621	6,465,870	30.1%
Other	11,533,274	11,971,922	3.8%
Pay Plan	0	4,660,000	-
TOTAL	155,038,280	163,228,536	5.3%

CITY COUNCIL WORKSHOP
February 1, 1988

FY89 PRELIMINARY BUDGET OVERVIEW

SERVICE LEVEL INCREASES INCLUDED IN FY89 BUDGET		FY89 COST
GENERAL SERVICES	One Electronics Technician for radio repairs	$21,722
MINT MUSEUM	One Permanent Part-Time Laborer for third shift to clean floors now cleaned by contract	$6,534
TRANSPORTATION	One Traffic Engineer for high accident location analysis	$34,797
PLANNING	One Planner for Park Design	$16,510
FINANCE	One Cashier for Revenue Division	$13,121
POLICE	Five Positions for ninth patrol district, per productivity study	$190,000
	Two Officers for Fraud Investigations	$47,090
	Formation of one additional Canine Team: 2 officers and 2 dogs, with training costs included	$100,024
	Two additional Police Officers to expand Vice/Narcotics	$52,463
MIS	One position to coordinate City's Records Management Program	$24,646
	Automated Mapping Workstation	$50,000
	Microfilm equipment for record centralization	$25,000
	Channel to Channel Adapter linking City and County computers in new City/County office building	$10,075

SERVICE LEVEL INCREASES INCLUDED IN FY89 BUDGET		FY89 COST
MIS (continued)	22 Microcomputers, Software, DISOS in support of further automation of City departments	$237,660
	8 mainframe terminals and 3 printers to replace manual practices with automated processes	$14,125
	2 word processing display stations and 1 printer	$9,480
	Data Query Mainframe Enhancements to enable users to perform on-line functions rather than using programming staff	$24,360
PURCHASING	One Storekeeper Position for Materials Management Warehouse; equipment and shelving	$61,455
FIRE	Three Firefighters to increase manning levels on Ladder 4 company	$57,546
PERSONNEL	One Permanent Part-time position to perform data entry and verification for Position Control, Labor Relations, and Lost Time/ Health and Safety data	$10,468
WATER/SEWER	One Construction Inspector to implement and enforce the cross-connection control program	$25,000
	Meter Reader and Temporary Water Technician for increased turn-on/turn-off orders	$7,308
	Contract for land application of sludge	$529,501

CITY COUNCIL WORKSHOP
February 1, 1988

FY89 PRELIMINARY BUDGET OVERVIEW

SERVICE LEVEL CHANGES APPROVED OR UNDER REVIEW BY COUNCIL NOT IN FY89 BUDGET		FY89 COST
PARKS & RECREATION	2 Additional Positions to enforce the Tree Ordinance	$64,266
SANITATION	4 Additional Administrative Positions	$86,500
	Implementation of the City-wide recycling program	Not Yet Determined
FINANCE	Include IRMA as Division of Finance	$0
PLANNING	Airport Planner Position	$33,948
POLICE	Meter Checker for Fourth Ward Residential Parking Plan	$14,351
ENGINEERING TRANSPORTATION PLANNING PARKS & RECREATION	Impact of 1987 Transportation Bond Issue	Not Available
WATER/SEWER	Add Industrial Waste Inspector to reduce deficiencies in Industrial Pre-Treatment Program	$32,447

CITY COUNCIL WORKSHOP
February 1, 1988

FY89 PRELIMINARY BUDGET OVERVIEW

SERVICE LEVEL CHANGES REQUESTED BY DEPARTMENTS		FY89 COST
PLANNING	Planner I and Administrative Officer position to provide support Art Commission	$21,272
	Drafting Technician I to update base maps and zoning maps	$15,483
	Equipment and software to generate planning reports through desktop publishing	$11,650
	Office Assistant IV and Word Processer	$14,706
FINANCE	Equipment for Revenue Division: 9 video-data terminals and 3 printers	$13,834
POLICE	Drug Abuse Resistance and Education Program in conjunction with Mecklenburg County Schools	$487,876
WATER/SEWER	Make land application of sludge one of the permanent disposal solutions; make temporary administrative Officer II permanent	$105,900
TRANSPORTATION	Increase hours of Permanent Part-time Traffic Counter for kiosk (transit mall information boards) and schedule rack maintenance	$4,042

SERVICE LEVEL CHANGES REQUESTED BY DEPARTMENTS (continued)		FY89 COST
PARKS & RECREATION	Add Marketing Specialist for recreation program	$30,828
	Upgrade Right-of-Way mowing frequency and add Interstate Highway Right-of-Way maintenance	$452,566
PURCHASING	Add an Investment Recovery Specialist for disposal of recycled materials	$32,630
	Two additional vehicles and two additional positions for the Centralized Storeroom/Materials Management and Distribution Center	$100,613

NOTES