

AGENDA

Meeting Type:	SPECIAL
Date:	05/14/1996
	BUDGET WORKSHOP

City of Charlotte, City Clerk's Office

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FY97 Workshop Information
Handout on May 14th, 1996

OFFICE OF CITY CLERK

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May 1996

CITY COUNCIL CALENDAR

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
			1 3:30pm Restructuring Government Committee 4:15pm NCLM Regional Meeting	2 4:00pm Budget Presentation	3	4
	6	7	8	9	10	11
Chamber Inter-City Visit - St. Louis						
THURSDAY	13 12:00pm Agenda Briefing 3:30pm Council-Manager Relations Committee 5:00pm Council Meeting	14 5:00pm Budget Workshop	15	16 5:00pm Budget Workshop	17	18
	20 3:30pm ED/Planning Committee 5:00pm Zoning Meeting	21 5:00pm Budget Workshop	22	23 5:00pm Budget Workshop	24	25
	27 MEMORIAL DAY HOLIDAY	28 12:00pm Agenda Briefing 5:00pm Council Meeting	29	30 5:00pm Budget Workshop	31	

April

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

June

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

June 1990

CITY COUNCIL CALENDAR

SUNDAY MONDAY TUESDAY WEDNESDAY THURSDAY FRIDAY

SATURDAY

						1
2	3 3:30pm Restructuring Government Committee 5:00pm Workshop	4 5:00pm Budget Workshop (Optional)	5	6	7	8
9	10 12:00pm Agenda Briefing 5:00pm Council Meeting (Budget Adoption)	11	12	13	14	15
16	17 5:00pm Zoning Meeting	18 12:00pm City/ County/ School Board Luncheon	19	20	21	22
23	24 12:00pm Agenda Briefing 5:00pm Council Meeting	25	26	27	28	29
30						

May

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

July

S	M	T	W	T	F	S
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

5/2/1990

Requests for Additional Funding from the May 13, 1996 Council Meeting and Public Hearing

1. **Item:** Police and traffic services for the Billy Graham Crusade
Cost: \$115,000
Description: The local organizing committee for the Billy Graham Crusade this summer has requested that the City provide police and traffic services at City cost for each night of the Crusade.

2. **Item:** Police services for the NAACP National Convention
Cost: \$25,000
Description: The local organizing committee for the national NAACP convention this summer in Charlotte has requested that the City provide police services at City cost for the duration of the convention.

3. **Item:** United Family Services (Victim's Assistance)
Cost: \$15,430
Description: United Family Services is one of the City's financial partners whose funding was held flat for FY97. (The other financial partners are the Youth Involvement Council, Sister Cities, the Children's Services Network and the Arts and Science Council). An increase of \$15,430 is requested to supplement salaries of Counselors. An additional \$15,430 would increase United Family Services' budget from \$227,171 to \$242,601, a 6.8% increase.

The Community Safety Plan added one additional Counselor position in the Victim's Assistance Unit and increased the City's on-going contribution to United Family Services by \$5,000 for staff compensation adjustments.

4. **Item:** The Trolley
Cost: \$89,900
Description: Charlotte Trolley, Inc. requests the City provide partial funding for a six-month demonstration project. City funds are requested as follows:

Staging Platform	\$45,000
Police Officers as Crossing Guards	\$15,000
Promotion	\$20,000
Lease of Parking Spaces	\$ 2,400
City staff cost/consultants	\$ 7,500
Total	\$89,900

5. **Item:** Quicker Fire/MEDIC response in northwest Charlotte
Cost: Unknown
Description: Council will receive a report on Thursday, May 16th.

FY97 Budget Workshop Questions and Answers

Q1. What items are not included in the Manager's recommended FY97 Operating Budget or FY97-01 CIP that were requested by departments? (Councilmember Sellers)

A. In the operating budget, departments understand that the City has been operating under a no tax increase policy for several years. As a result, there have been few formal requests for additional resources since the early 1990's, especially requests for additional positions. In addition, FY97 is the second year of a two-year budget and significant changes are usually not made in departmental operations in the second year. The FY97 budget is of no exception in either respect; however, there are 2 primary areas in which additional resources generally are needed:

Technology. Despite the \$5 million recommended in the budget for General Fund departments and the \$3 million recommended specifically for the Police Master Information System Plan, the needs are greater than the recommended funding. In Police, an additional \$700,000 will be needed in FY97, plus about \$2.5 million over the next several years. The cost of technology needs outside of the Police Department is not yet known, but the cost of moving away from mainframe and toward network technology is significantly greater than the funding available in the FY97 budget.

Operating Expenses. Expenses for items such as utilities, supplies, training, postage and uniforms have not increased in six years, except in the Police Department through the Community Safety Plan. The increasing cost of commodities without a corresponding increase in funding has made it difficult to maintain service levels.

Financial stability for the Transit System remains an issue that has both operating and capital implications. System revenues and Transit fund balance will keep the current system operating for several more years, assuming no major system expansions. A long-term solution remains a top priority.

Unfunded capital needs are identified in the *Capital Program Briefing Document*. They include: the Housing Authority Comprehensive Modernization Plan, selected Neighborhood Capital Improvements, Area Plan Capital Improvements, State roads, several Aviation and Water/Sewer projects, and improvements in the First Ward, North Tryon and Midtown plans. The largest area of unfunded requests is in Facility Investments, particularly improvements to City and cultural facilities, a firearms range, Fire/Police Training Academy expansion, and *technology and communications* equipment for the government channel, the telephone system and radio communications.

**City of Charlotte
FY97 Budget Workshop Agenda**

**May 21st, 1996
Room 267 at 5:00 p.m.**

The objectives of this meeting are . . .

To provide an overview of the Manager's recommended operating budget and to review the major changes within it from last year's resolution.

- | | |
|--|--------------|
| 1. Opening Comments 5:00 | Vi Alexander |
| DINNER BREAK | |
| 2. Review of the Executive Summary 5:10 | Vi Alexander |
| 3. General Fund Revenue Changes 5:40
Police Tax Equity
Solid Waste Fee | Curt Walton |
| 4. Technology 6:30 | Dave Cooke |
| 5. Employee Compensation 7:00 | Bill Wilder |

Meeting Preparation Materials

- ▶ Preliminary FY97 Operating Plan - Executive Summary
- ▶ Pay Plan
- ▶ Technology Memo from Dave Cooke on May 16th

Budget staff is available to discuss the budget at your convenience, please call 336-2306.

**City of Charlotte
FY97 Budget Workshop Agenda**

**May 23rd, 1996
Room CH14 at 5:00 p.m.**

The objectives of this meeting are . . .

To continue review of the Manager's recommended operating budget and to begin preliminary changes to the operating and capital budgets.

1. Opening Comments - 5:00 Vi Alexander

DINNER BREAK

2. CMUD Competition: 5:15 Doug Bean
 Impact of Vest/Irwin Bid on the FY97 Budget

3. Remaining Operating Budget Questions 6:00 Staff Resource: Vi Alexander

4. List Changes to the Staff Resource: Vi Alexander
 Manager's Recommended Budget 6:30

Meeting Preparation Materials

- ▶ Preliminary FY97 Operating Plan
- ▶ Preliminary FY97-01 Capital Investment Plan
- ▶ Budget Deliberation Principles and Process (FY97 Budget Workshop Information Handout page 2)

Budget staff is available to discuss the budget at your convenience, please call 336-2306.

May 14, 1996 Budget Workshop - Council Questions

1. Why is Neighborhood Reinvestment being proposed for funding at the level of \$32 million? What are the specific recommendations? (Mike Jackson)
Budget Staff Coordinator: Phil Cowherd
Key Businesses: Neighborhood Development; Planning
2. Why is the Seventh Street Boulevard Median project a high priority? (Don Reid)
Budget Staff Coordinator: Nancy Elliott
Key Business: Neighborhood Development
3. What is included in the recommended budget for the Success by Six program? (Ella Scarborough)
Budget Staff Coordinator: Curt Walton
Key Business: Neighborhood Development
4. The *Capital Needs Summary* states there are \$114.3 million in road needs over the next ten years. Why does the proposed budget only include \$66 million for roads? (Lynn Wheeler)
Budget Staff Coordinator: Phil Cowherd
Key Business: Transportation
5. What is the status of implementing the 2015 Transportation Plan? (Don Reid)
Budget Staff Coordinator: Phil Cowherd
Key Business: Transportation
6. How does Charlotte compare with other cities in terms of coordinated traffic signal systems? (Don Reid)
Budget Staff Coordinator: Ann White
Key Business: Transportation
7. What is the cost and the service impact for providing the City of Atlanta with buses for the Olympics (Don Reid) ?
Budget Staff Coordinator: Ann White
Key Business: Transportation
8. What is the impact of increasing transit fares? At what point can fares go up without hurting ridership? (Mike Jackson)
Budget Staff Coordinator: Ann White
Key Business: Transportation

May 14, 1996 Budget Workshop - Council Questions Continued

9. Are there any recommended changes in the E-Z Rider program? (Ella Scarborough)
What is the justification for the E-Z Rider program? (Don Reid)
Budget Staff Coordinator: Ann White
Key Business: Transportation


10. Why was the Stonewall Street Bridge torn down? (Don Reid)
Budget Staff Coordinator: Phil Cowherd
Key Business: Transportation

11. How much in debt service does the ¾¢ from Storm Water generate in debt capacity?
(Lynn Wheeler)
Budget Staff Coordinator: Curt Walton
Key Business: Finance



CAPITAL FINANCE PLAN OVERVIEW

May 14, 1996





Major Financial Policies Reviewed:

■ Transit

- Dedication - growth of sales and auto tax
- Increase farebox revenues

■ Stormwater

- Reduced/delete General Fund Contribution

■ Leverage Funds for Bonds

- Redirect Pay-As-You-Go
 - Gas Tax
- 



Major Financial Policies Reviewed: (Continued)

- **General Fund**
 - Maintain fund balance at 10%

- **User Fees**
 - Recover at 100%



Revenue Committee (Nationsbank) Charge:

Phase I

“Assess City’s capacity for additional Capital Investment”


- Confirmed the \$11 million existing debt capacity as presented at Council retreat



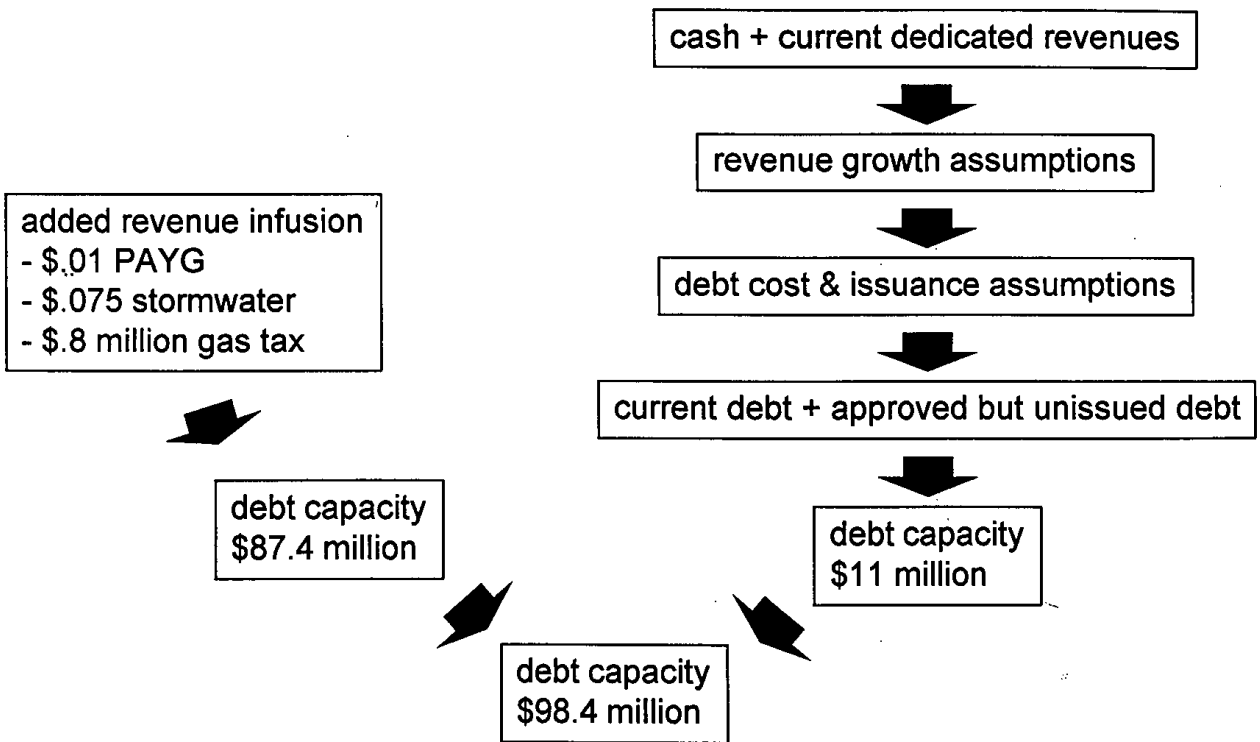
Revenue Committee (Nationsbank) Charge:

Phase II

“Evaluate and recommend sources of revenue to create additional debt capacity for Capital Investment Plan (CIP) needs”

- Stormwater - establish as true enterprise
 - no subsidy
 - Leverage current funds
 - Gas Tax
 - Pay-As-You-Go
 - Fund Balance(s)
- 

Debt Model FY97 - 2001

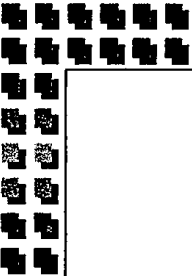




Based on Revenue Committee Recommendations:

Millions

Existing debt capacity	\$ 11.000
Additional debt capacity	87.375
Subtotal	<u>98.375</u>
Cash contributions:	
Asset management	10.400
General Fund fund balance	10.200
Pay-as-you-go fund balance	4.000
Total	<u><u>\$122.975</u></u>



Capital Improvement Program

Fiscal Years 1997-2001

FY	Fund Balance	Percent of Debt
1995	\$31.6	89.6%
1996	\$33.7	89.9%
1997	\$35.7	88.3%
1998	\$35.3	82.6%
1999	\$34.3	76.7%
2000	\$32.0	68.9%
2001	\$29.3	63.3%
2002	\$27.3	58.4%
2003	\$25.3	53.7%
2004	\$23.5	50.1%
2005	\$22.9	69.2%

