AGENDA

Meeting Type:	SPECIAL
Date:	04/21/1997
	BUDGET RETREAT

City of Charlotte, City Clerk's Office

City of Charlotte
FY98 Budget Half-day Retreat

April 21, 1997
2:00 p.m. - 6:00 p.m.
Room 267

2 00 p m	March 18th Budget Retreat Follow-up	Curt Walton
2 10 p m	Requested Budget Changes from Departments	Curt Walton
2 45 p m	Police Budget Requests	Curt Walton Dennis Nowicki
3 30 p m	Compensation a City Employees b Mayor and Council c Retiree Insurance - Restructuring Government Report	Bill Wilder
4 30 p m	Capital Investment Program a Overview b 5-Year Transportation Plan	Curt Walton
5 15 p m	Transit Fares	Jim Humphrey
6 00 p m	Adjourn	

FY98 Budget Half-day Retreat
April 21, 1997

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FY98 and FY99 Requests for Change

When the Budget Development process began this past October, Businesses were given the following guidelines for developing their requests

- Maintain flat operating expenses
- Examine vacant positions for possible elimination
- Closely examine expenditures and reallocate resources before requesting an increase in budget

In addition, in November the Council's Budget Committee asked to receive information on the following questions

- What items have been *eliminated* from the City budget over the past five years that departments would recommend adding back? If there has been a negative impact of the reduction, how would you recommend it now be addressed (by adding staff, entering into a contract, reassessing citizen expectations, etc)?
- Where have service levels *slipped* over the past five years? What is the impact of this change (slippage) and how would you recommend it now be addressed?

The information contained in the following pages compiles the results of Businesses' responses to the guidelines and the Committee's request for information Requests for Change fall into the following general categories

- Service has/might "Slip"
- New/Expanded Services
- Equipment Replacements
- Reinstatement of Previous Resources (Position/Funding)
- Reductions Identified

Each request is being evaluated in the review process The Manager's recommendations concerning which changes to implement will be presented to Council on May 12, 1997

Priorities assigned to the Changes requested are as defined by individual Key and Support Businesses.

Summary Listing of Requests for Change to Current Level
By Department Total

BUSINESS	FY98 COST	FY99 COST
General Fund		
Police	$11 926 917	$10 160,506
Fire	$1 597,888	$1 022,477
Solid Waste	$277 599	$129 842
Transportation	$1 110 285	$716 376
Finance	($22 586)	($24,050)
Engineering and Property Management	$1 238 772	$1 366 800
Planning	$1 500	$1 500
Mayor & Council	$19 914	$20 000
Attorney	$64 800	$69 496
City Clerk	$14 000	$14 000
Corporate Communication	$87 130	$46 180
Customer Service	$18 600	$18 600
Non Departmental/Training	$28 000	$44 000
Business Support Services	$474 859	$406 151
Total General Fund	**$16,837,678**	**$13,991,878**
Other Funds		
CMUD	$464 725	$730 471
Neighborhood Development	$615 525	$615 525
Public Transit	$2 651 861	$3 550 984
Transportation - Powell Bill	$1 446 596	$1 137 896
Engineering - Storm Water	$382 311	$400 028
Aviation	($33 206)	$0
Total Other Funds	**$5,527,812**	**$6,434,904**
Total All Funds	**$22,365,490**	**$20,426,782**

Draft 04/09/97

Draft 04/09/97

Summary Listing of Requests for Change to Current Level
By Department Priority

Priority	Business	FY98 Amount	FY99 Amount	Why	What
General Fund					
1	Police	$1 775 008	$1 809 821	Slip	Increase funding for current level for phone printing utilities, etc
2	Police	$894 070	$304 510	New	Add 40 Officer for Community Policing with COPS More grant offset (Grant includes $1 000,000 per year for 3 years)
3	Police	$1 000 000	$800 000	New	Install video cameras in all marked primary response vehicles over a two year period (Cost offset in both years by Federal Law Enforcement Block Grants and local match from Assets Forfeiture Funds and in FY98 by $100 000 in citizen donations)
4	Police	$260 250	$260 250	Replace	Replace 20 year old Helicopter with leased helicopter (Cost offset by salvage value for year 1 of $155 000 and warranty maintenance savings for year 1 of $60,036 and year 2 of $54 536)
5	Police	$89 346	$0	Replace	Replace Lake Patrol Boat
6	Police	$1 750 000	$2 000 000	New	Technology and Master Information System Plan
7	Police	$650 931	$669 969	New	Add 26 Telecommunicators to ensure minimum staffing
8	Police	$305 864	$316 744	Slippage	Add 8 Investigative Technicians for workload in Expeditor Unit
9	Police	$1 360 636	$900 345	Slippage	Add 16 Sergeants for current supervision
10	Police	$962 000	$860 000	Replace	Begin 5 year radio replacement program (analog to digital)

Summary Listing of Requests for Change to Current Level
By Department Priority

Priority	Business	FY98 Amount	FY99 Amount	Why	What
11	Police	$120 000	$120 000	Slippage	Additional funding to cover existing costs of premium pay for approx 120 Field Training Officers
12	Police	$160 069	$155 842	New	Add 2 LAN Support Technicians and 1 Sys Appl Spec IV in association with the expanded network
13	Police	$1 931 604	$1 337 118	New	Add 41 Officers for calls for service response
14	Police	$99 963	$95 656	New	Add 1 Officer and 2 Counselors for Domestic Violence workload
15	Police	$75 325	$61 120	Slip	Add a Chemist for Drug Lab workload
16	Police	$56 750	$32 737	New	Add a Special Events Coordinator for workload
17	Police	$65 183	$61 123	New	Add administrative staff for workload in Administrative Services Bureau
18	Police	$46 685	$48 552	New	Add 2 Property Control Clerks so Evidence Window can be open 24 hours per day
19	Police	$38 656	$39 989	New	Add a Police Investigator to Felony Investigations for workload
20	Police	$14 926	$24 422	Slip	Fund projected increases in costs for retaining UNCC staff assistance for technology and Planning/Analysis
21	Police	$134 018	$141 218	New	Add 4 Investigative Technicians for Crimes Against Property (Arson) Rape Investigation Domestic violence Missing Persons

Summary Listing of Requests for Change to Current Level
By Department Priority

Priority	Business	FY98 Amount	FY99 Amount	Why	What
22	Police	$135 633	$121 090	Replace	Pick up funding for Highway Interdiction and Traffic Safety (HITS) Unit to replace state grant which expires September 30 1997
Sub Total Police		**$11,926,917**	**$10,160,506**		
1	Fire	$171 748	$171 748	Slippage	Absences require deactivating companies from service when manpower falls below a certain level Funding is needed to ensure adequate staffing at all times
2	Fire	$159 789	$183 884	Slippage	The Fire Organizational Study has recommended adding staff to Fire Communications to ensure minimum dispatch staffing levels and enhanced supervision Fire recommends adding six positions in response to the recommendation
3	Fire	$192 758	$196 774	Reinstate	The Fire Organizational Study recommends adding Relief Battalion Chiefs These positions were eliminated in association with 1993 rightsizing The study recommends that no Battalion Chiefs be placed out of service at any time
4	Fire	$71 698	$48 754	New	Add a Public Information Officer as recommended by the Fire Organizational Study Duties are currently handled by utilizing a field position allocation
5	Fire	$94 241	$64 289	New	Add a Training Officer to supplement existing staff due to expanded staff service requirements and increased specialization

Summary Listing of Requests for Change to Current Level
By Department Priority

Priority	Business	FY98 Amount	FY99 Amount	Why	What
6	Fire	$89 307	$66 552	New	Add a full time Health and Safety Officer to ensure that all aspects of Firefighter safety are optimized Duties are currently performed part time by Logistics staff
7	Fire	$48 289	$49 801	New	Add Telecommunicator III as recommended by the Fire Organization Study
8	Fire	$41 000	$0	New	Add funding to purchase additional portable radios and ensure adequate spare radios
9	Fire	$40 430	$42 047	Replace	Begin 5 year radio replacement plan
10	Fire	$430 000	$0	Replace	Replace Fire CAD System
11	Fire	$60 669	$60 669	Replace	Increase funding for replacement and maintenance of specialized equipment for use in rescue operations
12	Fire	$30 000	$0	New	Convert all computer telephone lines to a connectionless Data System
13	Fire	$26 363	$26 363	Replace	Maintenance and repair of Self Contained Breathing Apparatus (SCBA)
14	Fire	$34 116	$34 116	Replace	Repair and replace physical fitness equipment in fire stations
15	Fire	$77 480	$77 480	Replace	Replace computer hardware and software
16	Fire	$30 000	$0	New	Conduct job analysis for Captain and Battalion Chief
Sub Total Fire		**$1,597,888**	**$1,022,477**		

Summary Listing of Requests for Change to Current Level
By Department Priority

Priority	Business	FY98 Amount	FY99 Amount	Why	What
1	Solid Waste	$277 599	$129 842	New	Costs for landscape maintenance of I-277 Loop - Phase I
Sub Total Solid Waste		**$277,599**	**$129,842**		
1	Transportation	$56 789	$56 789	Slippage	Provide funding to cover increased maintenance costs for railroad crossing protection devices
2	Transportation	$49 060	$50 120	Slippage	Provide two positions to eliminate the backlog of Signal Detector Loop Installation/Repair
3	Transportation	$360 647	$0	Slippage	Upgrade existing 400 MHZ radio system to 800 MHZ
4	Transportation	$49 500	$51 480	Slippage	Provide funding for Road/Intersection Hazard surveying which was previously accomplished with JTPA funded personnel
5	Transportation	$15 600	$16 224	Slippage	Provide funding for contractual data entry work associated with the accident analysis system to handle backlog
6	Transportation	$150 426	$153 450	Slippage	Provide resources to remedy backlog of sidewalk requests (See Powell Bill Priority 1 for remainder of funding for this request)
7	Transportation	$27 500	$10 000	Slippage	Increase funding to provide for the Aerial Photography Pilot Program
8	Transportation	$343 200	$320 750	Slippage	Provide funding for upgrade and replacement of obsolete or malfunctioning computer equipment and for computer equipment and network training

Summary Listing of Requests for Change to Current Level
By Department Priority

Priority	Business	FY98 Amount	FY99 Amount	Why	What
9	Transportation	$57 563	$57 563	Slippage	Provide funding to cover increased cost of fuel to maintain current level of service in street maintenance
Sub Total Transportation		**$1,110,285**	**$716,376**		
1	Finance	($22 586)	($24 050)	Reduction	Cost and Position reductions of one Office Assistant and one Customer Service Assistant position due to process improvements and increased efficiencies
Sub Total Finance		**($22,586)**	**($24,050)**		

Summary Listing of Requests for Change to Current Level
By Department Priority

Priority	Business	FY98 Amount	FY99 Amount	Why	What
Engineering and Property Management (EPM)					
1	EPM	$131 000	$141 400	New	Costs for landscape maintenance and building maintenance for new facilities (including Adam Service Center New Fire Stations new medians/roadway projects)
2	EPM Landscape Mgt	($21 607)	$0	Reduction	Seven position reductions due to outsourcing landscape maintenance for Police and Fire training Academy
3	EPM-Landscape Mgt	($41 321)	$0	Reduction	Four position reductions due to outsourcing landscape maintenance for Grounds Maintenance Phase II
4	EPM-Building Maint	$70 000	$70 000	New	Cost for maintaining new facilities that will become operational (Discovery Place Parking Deck and Educational/Operations Building)
5	EPM	$2 600	$2 600	New	Funding for Service Contract for mailroom postage machine
6	EPM	$80 000	$83 600	Slippage	Increase overtime funding to match recent experience to keep up with Capital Program implementation
7	EPM Land Dev	$24 000	$24 000	Slippage	Additional funding for increased expenses for auto allowances due to inflation and additional personnel
8	EPM-Building Maint	$27 500	$27 500	New	Additional security for City Hall
9	EPM-Building Maint	$200 000	$200 000	New	Additional cost for operating expenses for maintaining facilities

Summary Listing of Requests for Change to Current Level
By Department Priority

Priority	Business	FY98 Amount	FY99 Amount	Why	What
10	EPM	$36 500	$36 500	Slippage	Additional funding for the Children s Theater operating expenses
11	EPM	$51 000	$55 000	Slippage	Additional funding for Performing Arts Center operating expenses
12	EPM-Building Maint	$15 500	$15 500	Slippage	Additional cost for operating expenses for the Mint Museum
13	EPM-Building Maint	$1 600	$1 600	Slippage	Additional cost for operating expenses for the Afro American Cultural Center
14	EPM-Landscape Mgt	$85 000	$85 000	Reinstate	Street tree replacement program **(Estimate $10,000 revenue from insurance recovery)**
15	EPM-Landscape Mgt	$50 000	$75 000	Slippage	Renovate existing median projects that have aged or have been damaged (Contract and City force)
16	EPM-Landscape Mgt	$442 000	$464 100	New	Costs for landscape maintenance of I-277 Loop - Phase I
17	EPM-Landscape Mgt	$35 000	$35 000	Slippage	Conduct an inventory of all street trees for targeted management of trees (Contract)
18	EPM - Real Estate	$50 000	$50 000	Slippage	Provide additional funds for increased focus on Asset Management Program
Sub Total EPM		**$1,238,772**	**$1,366,800**		

Summary Listing of Requests for Change to Current Level
By Department Priority

Priority	Business	FY98 Amount	FY99 Amount	Why	What
1	Planning	$1 500	$1 500	New	Increase postage printing and publishing for new Historic Districts
Sub Total Planning		**$1,500**	**$1,500**		
1	Mayor & Council	$15 000	$15 000	New	Funding is needed for Protocol Services contract (50% funded by Mecklenburg County)
2	Mayor & Council	$4 914	$5 000	Slippage	Provide additional funding to maintain dues and subscriptions at current levels
Sub Total Mayor Council		**$19,914**	**$20,000**		
1	Attorney	$7 000	$7 100	Slippage	Provide funding for increased costs for dues subscriptions and license fees to maintain current level of service
2	Attorney	$19 001	$19 001	Slippage	Provide funding for temporary paralegal services
3	Attorney	$38 799	$43 395	Slippage	Provide additional funding for increased hours of two part-time attorneys
Sub Total City Attorney		**$64,800**	**$69,496**		
1	City Clerk	$14 000	$14 000	New	Funding is needed to provide scanning of Minutes books Over two years (with funding at $14 000 per year) it is projected that 18 years worth of minutes could be scanned
Sub Total City Clerk		**$14,000**	**$14,000**		

Summary Listing of Requests for Change to Current Level
By Department Priority

Priority	Business	FY98 Amount	FY99 Amount	Why	What
1	Corp Communication	$22 380	$22 380	New	Provide funding for maintenance supplies training and promotion of the WINGS Internet program
2	Corp Communication	$49 750	$8 800	Slippage	Provide funding for additional equipment capacity requirements for the Call Charlotte and Charlotte Fast Fax programs
3	Corp Communication	$15 000	$15 000	Slippage	Provide funding for increased printing and publishing costs associated with the A to Z Publication
Sub Total Corp Comm		**$87,130**	**$46,180**		
1	Customer Service	$10 000	$10 000	Avoid Slippage	Increase funding for temporary salaries to accommodate increased calls for service
2	Customer Service	$3 500	$3 500	Avoid Slippage	Increase funding for contractual answering service to accommodate increased after hours usage
3	Customer Service	$5 100	$5 100	Avoid Slippage	Increase funding for annual maintenance of the Automated Call Distribution (ACD) system
Sub Total Customer Serv		**$18,600**	**$18,600**		
1	Non-Dept /Training	$28 000	$44 000	New	Provide funding to send two teams of managers to Community Management School sponsored by First Union
Sub Total Non Dept		**$28,000**	**$44,000**		

Summary Listing of Requests for Change to Current Level
By Department Priority

Priority	Business	FY98 Amount	FY99 Amount	Why	What
1	Business Support	$72 000	$72 000	New	Funding for CMPD Headquarters Radio Maintenance Annual Agreement
2	Business Support	$0	$85 000	New	Funding for Hardware/Software maintenance for infrastructure upgrade
3	Business Support	$53 025	$93 627	New	Funding for operational expense for tower in eastern Mecklenburg County
4	Business Support	$59 000	$59 000	Slippage	Funding for computer small parts replacement
5	Business Support	$150 000	$30 000	New	Funding for new project management system
6	Business Support	$18 674	$18 674	Replace	Funding for the purchase of replacement hydraulic lifts
7	Business Support	$30 000	$30 000	New	Funding for training of IT employees in new technologies (relational data base/Oracle)
8	Business Support	$13 500	$0	Replace	Funding for the purchase of replacement desktop computers for Administration
9	Business Support	$2 500	$2 500	Replace	Funding for the purchase of two replacement desktop computers for MWBD
10	Business Support	$73 600	$13 600	Slippage	Funding for expansion of Network Dial In/Out Service
11	Business Support	$2 560	$1 750	New	Funding for additional travel expenses for Radio Engineer
Sub Total BSS		**$474,859**	**$406,151**		
Total General Fund		**$16,837,678**	**$13,991,878**		

Summary Listing of Requests for Change to Current Level
By Department Priority

Priority	Business	FY98 Amount	FY99 Amount	Why	What
Other Funds					
1	CMUD	$310 000	$310 000	Slippage	The Water Distribution and Wastewater Collection budgets assumes the performance of some work in association with the CIP Workload is such that staff cannot accommodate the CIP work The budget needs to be increased to accommodate the routine non-CIP related work CIP work will be performed under contract
2	CMUD	$157 300	$127 300	New	The new Safe Drinking Water Act requires a public education program for safe drinking water and a June 1996 EPA rule requires special testing at all water treatment plants to develop criteria for future regulations Additional funding is needed to establish the SDWA regulations and to perform the EPA required testing
3	CMUD	$434 674	$434 674	Slippage	Additional funding is needed to cover the increased cost of utility cut repair from Street Maintenance
4	CMUD	$317 514	$565 972	New	Expansion of the Franklin Water Treatment plant expansion of Catawba Pumping Station and construction of five new Lift Stations will all be completed during FY98 Also CMUD will begin operating two additional package treatment plants associated with the regional agreement with the Water and Sewer Authority of Cabarrus County Additional funding is necessary to operate these expanded and additional facilities
5	CMUD	$264 351	$266 050	Slippage	Additional funding is needed for solids handling at the water treatment plants

Summary Listing of Requests for Change to Current Level
By Department Priority

Priority	Business	FY98 Amount	FY99 Amount	Why	What
6	CMUD	$155 843	$0	New	Expansion of the McDowell Creek Wastewater Treatment plant Additional funding is necessary to operate the expanded facility
7	CMUD	$98 912	$141 008	New	Additional funding is needed for long term monitoring of treatment levels at the wastewater treatment plants
8	CMUD	$40 000	$40 000	New	Additional funding is needed for landfill services for Sugar Creek Wastewater Treatment Plant
9	CMUD	$750 000	$750 000	Slippage	Request additional funds to establish a Technology Improvement Program to upgrade and replace existing technology using a planned strategic approach throughout the department **(will be funded from annual operating savings/fund balance No impact on rates)**
10	CMUD	$378 778	$389 774	Slippage	Request additional funds for Power for Pumping at Catawba Pump Station Remote Pump Stations and Franklin Water Treatment Plant and for chemicals for water treatment due to increased service levels
11	CMUD	$395 810	$442 899	Slippage	Add positions to cover increased workload demands in residential meter reading, North Mecklenburg treatment plant and System Protection and to manage the newly acquired Primavera project management system
12	CMUD	$0	$225 000	New	Upgrade or replace existing HVAC system for main building at Wastewater Collection Operations Center

Summary Listing of Requests for Change to Current Level
By Department Priority

Priority	Business	FY98 Amount	FY99 Amount	Why	What
13	CMUD	$64 000	$64 000	New	Increase funding for research aimed at optimizing treatment plants
14	CMUD	$20 000	$18 000	New	Develop and provide training for industrial customers as recommended by Brown & Caldwll study Develop newsletter brochures etc to educate the public
15	CMUD	$14 000	$5 000	Slippage	Increase laboratory analyses capabilities through purchase and maintenance of additional ISCO Samplers and supplies
16	CMUD	$0	$240 000	Slippage	Request additional funds for Laboratory capital equipment replacement to upgrade obsolete equipment and to improve productivity
17	CMUD	$33 725	$35 133	New	Upgrade/reclassify three existing positions with associated salary increases in order to provide all three positions with the same title to reflect identical duties
18	CMUD	$10 000	$10 000	New	Increase In-house lab tests previously conducted through contracts at higher costs
19	CMUD	$79 397	$70 726	New	In Engineering add one Engineering Assistant position to support increased workload in New Services Section due to the 1992 Extension Policy Revisions and one Accountant position to support contract admin duties
20	CMUD	$15 000	$15 000	Slippage	Provide Additional funds for accounting and computer services fees for Wastewater Collection

Summary Listing of Requests for Change to Current Level
By Department Priority

Priority	Business	FY98 Amount	FY99 Amount	Why	What
21	CMUD	$102 044	$102 044	Slippage	Provide additional funds for equipment repair and rental and supplies for sewage lift stations and Wastewater Collection
22	CMUD	$25 688	$25 688	New	Provide funds for uniform rental contract
23	CMUD	$25 000	$0	New	Provide funds for painting the Wastewater Collection Building
24	CMUD	($2 317 354)	(2 621 124)	Reduction	Optimization of Wastewater Treatment Plants Reduce 25 positions
25	CMUD	($159 957)	(176 673)	Reduction	Optimization of Water Treatment Plants Reduce 12 positions
Subtotal CMUD		**$464,725**	**$730,471**		
1	Neighborhood Dev	$411 425	$411 425	New	Provide funding for emergency rental assistance resulting from Housing Code Enforcement process
2	Neighborhood Dev	$27 659	$27 659	Slippage	Provide funding for the Landlord/Tenant Mediation Program
3	Neighborhood Dev	$162 681	$162 681	Slippage	Provide funding for Neighborhood Development Department s share of building maintenance CMGC Plaza Management and Landscape Maintenance costs
4	Neighborhood Dev	$13 760	$13 760	Slippage	Fund the Mayor s Mentoring Alliance
Sub Total Neigh Dev		**$615,525**	**$615,525**		

Summary Listing of Requests for Change to Current Level
By Department Priority

Priority	Business	FY98 Amount	FY99 Amount	Why	What
1	Public Transit	**$1,736,931**	**$2,115,318**	**New**	**5 Year Transportation Plan.**
		$126 657	$131 436		Two Planning Positions
		$460 000	$460 000		South Park Hub
		$167 000	$169 000		Beatties Ford Hub
		$93 840	$95 880		Arrowood Hub
		$58 650	$118 575		University Hub
		$419 750	$428 875		Expanded Operating Hours
		$201 034	$501 552		Independence
		$210 000	$210 000		Uptown Circuit
					(Estimated revenues of $241,825 in FY98 and $379,425 in FY99 will partially offset these costs)
2	Public Transit	$26 912	$27 988	New	Add Intern to work with various administrative tasks and projects
3	Public Transit	$500 000	$1 000 000	New	Establish On Street Parking Program **(will generate $500,000 revenue in FY98, and $2,000,000 per year in FY99 and beyond)**
4	Public Transit/CTS	$54 000	$54 000	New	Fund one Computer Programmer position for Charlotte Transit
5	Public Transit/CTS	$31 504	$32 646	New	Fund three part-time positions for the Moneyroom
6	Public Transit/CTS	$90 185	$93 690	New	Fund two Laborer positions and one Cleaner position for Charlotte Transit
7	Public Transit/CTS	$40 206	$41 884	New	Fund Supervisor position for Charlotte Transit
8	Public Transit/CTS	$172 123	$185 458	New	Fund three Mechanic positions one Laborer position and one Parts Clerk position for Charlotte Transit
Sub Total Transit		**$2,651,861**	**$3,550,984**		

Summary Listing of Requests for Change to Current Level
By Department Priority

Priority	Business	FY98 Amount	FY99 Amount	Why	What
1	Powell Bill	$1 100 000	$1 100 000	Slippage	Provide funding for the 12 year repaving schedule
2	Powell Bill	$346 596	$37 896	Slippage	Provide resources to remedy backlog of sidewalk requests (see DOT-Street Maint Priority 5)
Sub Total Powell Bill		**$1,446,596**	**$1,137,896**		
1	EPM Storm Water	$382 311	$400 028	Slippage	Continue Storm Water Capital Program expansion (will add 7 positions)
Sub Total EPM-Storm Water		**$382,311**	**$400,028**		
1	Aviation	($33 206)	$0	Reduction	Elimination of Accounting Technician position due to utilization of technology and work process analysis
Sub Total Aviation		**($33,206)**	**$0**		
Total Other Funds		**$5,527,812**	**$6,434,904**		
Total All Funds		**$22,365,490**	**$20,426,782**		

FY98 Preliminary Pay Findings
Human Resources Department

Broadbanding Pay Plan: The City's Broadbanding Pay Plan covers all City employees with the exception of non-managerial Police and Fire employees In this plan, pay increases are based on the employee's performance and relation to market Increases may be made as base pay or as lump sums

The FY98 pay findings are based on local, regional and national compensation trend data (see attachment "Projected 1997 Market Movement") and on market data on individual job classes This market data includes information from the Human Resources Department's annual surveys (see attachment "Response Results of 1997 Employee Compensation Market Survey"), as well as surveys conducted by national compensation consulting firms, professional organizations and other employers

Review of national and regional compensation trends and projections indicates that total increase budgets for 1997 will average approximately 4 0% A total increase budget in the range of 3 8-4 1% is consistent with that projected by our competitors and is needed to allow the City to maintain its competitive position and continue to attract and retain a qualified, productive workforce A small portion of this budget will be designated for career development These career development funds will be used for promotions, to recognize increased job responsibilities and acquisition of additional skills, and to make equity or market adjustments

We have also reviewed the minimum and maximum rates in the Broadbanding structure A review of market data and information on pay structure adjustments in other organizations would support a structural adjustment in the range of 3 8-4 1% for FY98 The only impact of this recommendation will be to change the minimum and maximum rates in our six bands, no employees will receive an increase as the result of this recommendation No change was made to the Broadbanding structure in FY97

Public Safety Pay Plan: In 1993, the Mayor's Compensation Task Force recognized that the paramilitary nature of the Police and Fire services was best served by the use of a step pay plan Following this recommendation, staff from Human Resources worked with committees from Police and Fire to develop a new Public Safety Pay Plan This plan was implemented in FY95 Adjustments to step rates in this plan generally are to be made in the first year of the two year budget cycle No adjustment was made in FY97

In November and December of 1996, the Human Resources Department conducted a large study of uniformed Police and Fire classes in regional and national cities The results of this study indicate that an adjustment in the range of 3 8-4 1% to all step rates in the Public Safety Pay Plan is needed to allow us to continue to be competitive for these classes Employees who have not yet reached the top step of their pay range will receive this adjustment along with their 5% step increase at the time of their merit increase Employees currently at maximum step will move to the new maximum step and receive an increase equivalent to the adjustment on their merit date

Response Results of 1997 Employee Compensation Market Survey
City of Charlotte
Human Resources Department

Survey Source	Scope	# of jobs included	Response Rate	% Response
National Municipalities (Police & Fire)	175,000-1 million	20	43 of 70	61%
Regional Municipalities (Police & Fire)	100,000+	20	28 of 37	76%
National Municipalities (Broadbanding classes)	175,000-1 million	65	39 of 70	56%
Regional Municipalities (Broadbanding classes)	100,000+	95	27 of 37	73%
Charlotte Area Companies	Charlotte	49	26 of 92	28%
Large National/Regional Airports	U S	14	30 of 37	81%
National Crime Laboratories	U S	7	23 of 59	39%
National Water-Sewer Utilities	175,000-1 million	49	24 of 38	63%
Regional Water-Sewer Utilities	100,000+	49	15 of 23	65%

Relative Market Position for City positions is now being examined in comparison to the median of average actual salaries paid by the survey respondents Extensive data is also being collected from private sector sources (Watson Wyatt/ECS, William M Mercer, Ernst and Young, The Employer's Association, etc), as well as from other public sector sources (N C League of Municipalities, Phoenix Executive Compensation Survey, etc)

Data will then be entered in Mercer CompMaster compensation management software system and reviewed for consistency Data will be aged to January, 1998 consistent with our lead-lag policy

Projected 1997 Market Movement

Type of Increase	Data Source	Scope	No. of Orgs.	Execs	Exempts	Salaried NonEx	Hourly NonEx
Total Increase	William M. Mercer, Inc.	U.S.	2033	4.2%	4.0%	4.0%	4.0%
		Southeast		4.2%	4.1%	4.0%	4.0%
		N.C.		4.3%	4.0%	3.9%*	3.9%
		Charlotte		4.2%	4.2%	4.1%	4.1%
	Amer. Compensation Assn	U.S.	3299	4.3%	4.1%	4.1%	3.9%
		South	509	4.2%	4.0%	4.0%	3.8%
		Government	43	4.5%	4.7%	5.0%	4.4%
	Hewitt Associates	U.S.	1410	4.1%	4.0%	3.9%	3.7%
		Government	10	3.2%	3.4%	3.2%	3.4%
		South	204	4.2%	4.0%	3.9%	3.8%
Merit Budgets	William M. Mercer, Inc.	U.S.	1657	4.2%	4.1%	4.0%	4.0%
	Amer. Compensation Assn	U.S.	2621	4.2%	4.0%	4.0%	3.8%
		South	495	4.1%	3.9%	3.9%	3.7%
		Government	43	3.7%	3.5%	3.6%	3.4%
	Hewitt Associates	U.S.	1086	4.1%	3.9%	3.8%	3.7%
Structure	*William M. Mercer, Inc.*	U.S.		2.9%	2.8%	2.8%	2.8%
	Amer. Compensation Assn	U.S.	1966	2.9%	2.9%	2.8%	2.8%
		South	357	2.8%	2.9%	2.8%	2.7%
		Government	44	2.8%	2.6%	2.5%	2.5%
	Hewitt Associates	U.S.	1132	2.8%	2.7%	2.7%	2.5%
		South	169	2.7%	2.6%	2.5%	2.5%

Consumer Price Index

Since 1987, pay increase budgets nationally have averaged 5.3%, the Consumer Price Index-Urban (CPI-U) during this ten year period has averaged 4.0%

CPI*	U.S.	All Urban Consumers	3.3%
		Wage Earners	3.3%
	South	All Urban Consumers	3.2%
		Wage Earners	3.2%
	South 450-1.2M pop	All Urban Consumers	3.8%
		Wage Earners	3.8%

* Data for period Dec 1995-Dec 1996

Mayor and City Council Compensation

An unresolved issue from Council's FY97 budget deliberations last Spring was the issue of an increase in compensation for the Mayor and City Council At the conclusion of the FY97 budget discussions, Council refined the compensation issue to Council Committee

On March 3, 1997, Council's Budget Committee heard a presentation from Bill Wilder, City Human Resources Director After extensive discussion, the Committee voted unanimously to refer the compensation issue to the full Council without a recommendation

Following is the material the Budget Committee received Bill Wilder will review this information with the full Council during the budget retreat on April 21st Also included is the material is an excerpt from the March 3, 1997 budget Committee of the discussion about Mayor and Council compensation

The requested action is for City Council to advise staff whether to include a compensation adjustment for the Mayor and City Council in the FY98-FY99 Manager's Recommended budget and, if so, what adjustment to include.

MAYOR

CITY NAME	SALARY	ALLOWANCES: AUTO	TRAVEL	EXPENSE	OTHER	TOTAL COMPENSATION	Comments
City of Kansas City	$59,400					$59,400	
City of Las Vegas	$46 528					$46,528	
City of Tacoma	$40,000	$6,000				$46,000	
City of Savannah	$35,000	leased auto	$6 000			$41,000	
City of Austin	$35,006	$3 600				$38,606	
City of Phoenix	$37,498					$37 498	full time
City of Tucson	$36 000					$36,000	
City of Grand Rapids	$33,743	auto				$33,743	
City of Wichita	$29,869					$29,869	
City of Tallahassee	$24,777	$3,300		$1,008		$29,085	
City of Newport News	$25 000					$25,000	
CITY OF CHARLOTTE	**$14,800**	**$4,000**		**$5,200**		**$24,000**	
Mecklenburg County	**$16,952**			**$6,500**		**$23,452**	
City of Norfolk	$20,000					$20,000	
City of Virginia Beach	$20,000	auto				$20,000	
City of Durham	$14,000	$628	$5 000			$19,628	
City of Hollywood	$16 000	$3 600				$19,600	
City of Hampton	$19 000					$19,000	
City of Columbia				$17 500		$17,500	
City of Raleigh	$15,000	$1,200	$1 200			$17,400	
City of Richmond	$17,000					$17,000	
City of Fort Lauderdale	$16,187					$16,187	
City of Winston Salem	$11,000		$5 000			$16,000	
City of Corpus Christi	$9 000	$1 800	$5,000			$15,800	
City of Portsmouth	$15,000					$15,000	
City of Greensboro	$12 500					$12,500	
City of San Antonio	$2 600			$8,400		$11,000	$50/mtg x 52 wks
City of Colorado Springs	$6 250					$6 250	
City of Miami	$5,000					$5,000	
City of Fort Worth	$3,900					$3,900	$75/mtg x 52 wks
City of Lubbock	$900	$1,800			$900 telephone	$2,700	

All cities shown have Council Manager form of government
Mecklenburg County shown for comparative purposes

Data prepared February 1997

MAYOR

Regional Municipalities

CITY NAME	SALARY	ALLOWANCES: AUTO	ALLOWANCES: TRAVEL	ALLOWANCES: EXPENSE	OTHER	TOTAL COMPENSATION	Comments
City of Savannah	$35,000	leased auto	$6,000			$41,000	
City of Tallahassee	$24,777	$3 300		$1,008		$29,085	
City of Newport News	$25,000					$25,000	
CITY OF CHARLOTTE	**$14,800**	**$4,000**		**$5,200**		**$24,000**	
Mecklenburg County	**$16,952**			**$6,500**		**$23,452**	
City of Norfolk	$20 000					$20,000	
City of Virginia Beach	$20,000	auto				$20,000	
City of Durham	$14,000	$628	$5 000			$19,628	
City of Hollywood	$16,000	$3 600				$19,600	
City of Hampton	$19 000					$19,000	
City of Columbia				$17 500		$17,500	
City of Raleigh	$15 000	$1 200	$1 200			$17,400	
City of Richmond	$17,000					$17,000	
City of Fort Lauderdale	$16 187					$16,187	
City of Winston Salem	$11 000		$5 000			$16,000	
City of Portsmouth	$15,000					$15,000	
City of Greensboro	$12 500					$12,500	
City of Miami	$5,000					$5,000	

All cities shown have Council Manager form of government
Mecklenburg County shown for comparative purposes

Data prepared February 1997

COUNCIL MEMBER

CITY NAME	# ON COUNCIL	SALARY	ALLOWANCES AUTO	TRAVEL	EXPENSE	OTHER	TOTAL COMP	CM or MC*	Comments
City of Seattle	9	$73 174					$73 174	MC	full time
City of Portland	4	$71 885					$71 885	CO	full time
City and County of Denver	12	$43 164			$22 000		$65,164	MC	
City of New Orleans	7	$42,500					$42 500	MC	full time
City of Fresno	5	$33 120	$3 120		$1 980		$38 220	MC	full time
City of Las Vegas	4	$35 416	auto				$35 416	CM	
City of Phoenix	8	$34,000					$34 000	CM	full time
City of Austin	6	$30 014	$3 600				$33 614	CM	
City of Jacksonville FL	18	$31 174					$31 174	MC	
City of Tallahassee	4	$24 777	$3 300		$1 008		$29 085	CM	
City of St Louis	28	$22 753			$4 200		$26 953	MC	
City of Kansas City	12	$26 400					$26 400	CM	
City of Columbus OH	6	$25 000					$25 000	MC	
City of Birmingham	9	$14 996			$10 000		$24 996	MC	
City of Mobile	7	$21,500			$3 000		$24 500	MC	
City of Rochester	7	$24,273					$24 273	MC	
City of Tampa	7	$23 641					$23 641	MC	
City of Omaha	7	$23,436					$23 436	MC	
City of Newport News	6	$23 000					$23 000	CM	
City of St Petersburg	8	$20 734	$1,620				$22 354	CO	
City of Atlanta	18	$22 000					$22 000	MC	
City of Toledo	12	$18 875			$2 400		$21 275	CO	
City of Memphis	13	$20 100					$20 100	MC	
Mecklenburg County	**8**	**$13,571**			**$5,800**		**$19,371**	--	
City of Akron	12	$19 157					$19 157	MC	
City of Grand Rapids	6	$18 990					$18 990	CM	
City of Montgomery	9	$18 000					$18 000	MC	
City of Norfolk	6	$18 000					$18 000	CM	
City of Virginia Beach	10	$18 000	yes				$18 000	CM	
City of Tucson	7	$18 000					$18 000	CM	
City of Tacoma	6	$18 000					$18 000	CM	
Lexington Fayette Urban County Govt	14	$17,157					$17 157	MC	
City of Hampton	5	$17 000					$17 000	CM	
City of Hollywood	4	$12 000	$3 600				$15 600	CM	
City of Chattanooga	7	$15 223					$15 223	CO	
City of Jackson	6	$15 000					$15 000	MC	
City of Richmond	8	$15 000					$15 000	CM	
City of Knoxville	9	$12 000			$2 400		$14 400	MC	
City of Durham	12	$11 000	$628	$2 700			$14 328	CM	
City of Wichita	6	$14 175					$14 175	CM	
City of Fort Lauderdale	4	$14 044					$14 044	CM	
City of Shreveport	7	$13 767					$13 767	MC	
City of Winston Salem	8	$8 500		$5 000			$13,500	CM	
City of Baton Rouge	12	$3,600	$7 200	$2 500			$13 300	MC	
City of Portsmouth	6	$13,000					$13 000	CM	
City of Nashville/Davidson County	40	$6 900			$5 400		$12 300	MC	
CITY OF CHARLOTTE	**11**	**$8,000**			**$4,000**		**$12,000**	CM	

* CM = Council Manager form of government MC = Mayor Council form of government CO = Commission form of government

Data prepared February 1997

Report continued on page 2

Council Member (cont) page 2

CITY NAME	# ON COUNCIL	SALARY	ALLOWANCES AUTO	TRAVEL	EXPENSE	OTHER	TOTAL COMP	CM or MC*	Comments
City of Indianapolis	29	$11,967					$11,967	MC	
City of Raleigh	6	$10,000		$1 200			$11 200	CM	
City of Corpus Christi	8	$6 000	$1,800	$3 000			$10 800	CM	
City of Columbia	6				$10 200		$10 200	CM	
City of Mesa	6	$9,600					$9,600	MC	
City of Greensboro	8	$9 500					$9 500	CM	
City of San Antonio	1	$1 040			$8 400		$9 440	CM	$20/mtg x 52 wks
City of Columbus GA	9	$8 400					$8 400	MC	
City of Savannah	8	$8 400					$8 400	CM	
City of Colorado Springs	9	$6 250					$6 250	CM	
City of Miami	4	$5 000					$5 000	CM	
City of Fort Worth	8	$3,900					$3 900	CM	$75/mtg x 52 wks
City of Lubbock	6	$300	$1 200			$900 phone allowance	$1 500	CM	

* CM = Council Manager form of government MC = Mayor Council form of government CO = Commission form of government

Data prepared February 1997

COUNCIL MEMBER
Regional Municipalities

CITY NAME	# ON COUNCIL	SALARY	ALLOWANCES: AUTO	TRAVEL	EXPENSE	OTHER	TOTAL COMP	CM or MC*	Comments
City of Jacksonville FL	18	$31 174					$31,174	MC	
City of Tallahassee	4	$24,777	$3 300		$1,008		$29 085	CM	
City of Birmingham	9	$14 996			$10,000		$24 996	CM	
City of Mobile	7	$21 500			$3 000		$24 500	MC	
City of Tampa	7	$23 641					$23 641	MC	
City of Newport News	6	$23 000					$23 000	MC	
City of St Petersburg	8	$20 734	$1 620				$22 354	CO	
City of Atlanta	18	$22 000					$22 000	MC	
City of Memphis	13	$20 100					$20 100	MC	
Mecklenburg County	8	$13,571			$5,800		$19,371		
City of Norfolk	6	$18 000					$18 000	CM	
City of Virginia Beach	10	$18 000	yes				$18,000	CM	
City of Montgomery	9	$18 000					$18,000	MC	
Lexington Fayette Urban County Govt	14	$17 157					$17 157	MC	
City of Hampton	5	$17 000					$17 000	CM	
City of Hollywood	4	$12 000	$3 600				$15 600	CM	
City of Jackson	6	$15 000					$15 000	MC	
City of Richmond	8	$15 000					$15 000	CM	
City of Knoxville	9	$12 000			$2 400		$14 400	MC	
City of Durham	12	$11 000	$628	$2 700			$14 328	CM	
City of Fort Lauderdale	4	$14 044					$14 044	CM	
City of Winston Salem	8	$8 500		$5 000			$13 500	CM	
City of Portsmouth	6	$13 000					$13 000	CM	
City of Nashville/Davidson County	40	$6,900			$5 400		$12 300	MC	
CITY OF CHARLOTTE	11	$8,000			$4,000		$12,000	CM	
City of Raleigh	6	$10 000		$1 200			$11 200	CM	
City of Columbia	6				$10 200		$10 200	CM	
City of Greensboro	8	$9 500					$9,500	CM	
City of Columbus GA	9	$8 400					$8 400	MC	
City of Savannah	8	$8 400					$8,400	CM	
City of Miami	4	$5 000					$5,000	CM	

* CM = Council Manager form of government MC = Mayor Council form of government CO = Commission form of government

Data prepared February 1997

MAYOR*

	All Respondents	Charlotte	% Comparison to Charlotte	Regional Respondents	Charlotte	% Comparison to Charlotte
Median Salary	$17,000	$14,800	87 1%	$16,187	$14,800	91 4%
Mean Salary	$21,061	$14,800	70 3%	$17,698	$14,800	83 6%
Median Total Compensation	$19,300	$24,000	124 4%	$18,250	$24,000	131 5%
Mean Total Compensation	$22,846	$24,000	105 1%	$19,369	$24,000	123 9%

* includes only part-time mayoral positions in Council Manager forms of government
City of Charlotte and Mecklenburg County data not included

COUNCIL MEMBER**

	All Respondents	Charlotte	% Comparison to Charlotte	Regional Respondents	Charlotte	% Comparison to Charlotte
Median Salary	$16,112	$8,000	49 7%	$15,000	$8,000	53 3%
Mean Salary	$16,310	$8,000	49 0%	$15,672	$8,000	51 0%
Median Total Compensation	$17 000	$12,000	70 6%	$15,600	$12,000	76 9%
Mean Total Compensation	$18,009	$12,000	66 6%	$16,858	$12,000	71 2%

** includes only part time Council Members
City of Charlotte and Mecklenburg County data not included

Mayor and Council Compensation Excerpt from Budget Council Committee Meeting Minutes March 3, 1997

Wheeler· Now we will have the discussion of City Council Compensation Bill Wilder are you going to do that?

Wilder· Good afternoon What I would like to do with you is review the information that we passed out to you in the packets Friday This year as part of our salary survey of the upcoming fiscal year we asked various jurisdictions to provide us information on salaries and various types of allowances paid to elected officials As a result, we took from the survey results and sent it to you Friday Also, at this time I would like to introduce to you Ken Wallace who is our compensation manager Ken and I have discussed providing you an alternative to the information we provided you Friday That is the document that you will receive this afternoon It takes the information and goes into a little more detail What I suggest is that you look at the information you have as I go over it briefly and then open it up for any discussion We did obtain information for the Mayor s position as well What this reflects would be the salaries and expenses for regional cities at 100,000 and above The category that we call All" does not cover all throughout the nation, but it does give us a good flavoring statistically of salaries and expenses paid of not only all regional jurisdictions at 100,000 and above, but also the national jurisdictions of 175,000 and above I wanted to point out that distinction The information addresses statistically the results of the survey relevant to average salary as well as mean salaries paid Then we compared the salaries to the market at regional level and then at the national level Then we take the salary and the expenses and combine it into a total compensation figure We think it is important to look at base salaries and expenses so that you get the true picture You will see in looking at the data that the practices vary significantly in some places The variation is consideration on another allowance whether they are reimbursed for actual expenses, or whether they get a set amount in travel Looking at the Council member's data, if you compare Charlotte with the base salary at $8000 with the median as well as the mean salaries with all respondents, there is a significant gap there For example, $8000 compared with a mean salary of $16,300 nationwide If you compare $8000 with the regional mean of $15,600 you see that there is still a significant gap even though we are only comparing a regional versus national basis In terms of total compensation Council members total is $12,000 If you compare that with the mean for all jurisdictions or nationwide, the gap is not as significant Your expense allowance alters the relationship with other jurisdictions to some extent, but there is still a gap Also if it is compared on a regional basis with an average of $16,800 to your total compensation of $12,000 then the comparison is roughly 71% which is still a gap Looking at the Mayor's there is a different there The base salary of the Mayor $14, 800 and comparing it with all respondents, we are comparing it with $21,000 which is roughly 71% of that At the regional level, it is comparing $14,800 of the mayor with regional salaries at $17,900 The mayor s salary represents 84% of the regional base If you combine the Mayor's salary with the auto allowance and the expense allowance then the comparison changes in that the combined mayors total compensation is $24,000 The mean nation wide is $22 800 which calculates the mayor s total compensation being slightly over the mean nationwide Regionally the gap opens up a bit more with the Mayor's total compensation being $24,000 and the regional mean being $19 300 The figures are taken from various sized jurisdictions, but we are able to come up with some statistical measure That is all I can go further into detail, or I can stop here and answer any questions you may have Another thing before I go on The current salaries were last adjusted December 1987 Mac McCarley also asked me to make this point to you If the Council is inclined to making a salary increase, the only means of doing so is adopting the budget for the upcoming year In other words it must be done in the budget adoption process It cannot be done subsequently to the adoption of the budget in July or August or whatever have you It can be implemented immediately in the next fiscal year

Spencer But it does not have to be implemented July 1?

Wilder I suppose if you chose to approve an increase but delay the increase I suppose that could be possible

Wheeler You mean we could approve an increase and have it start with the next Council?

Wilder: I would have to get back with Mac on that

Wilder That could be done but the approval of the increase would have to be done through the budget adoption process

Wheeler. Don?

Reid Why do we have this $8000 and $4000? To me it is almost as if you are trying to accomplish something without accomplishing it Why have $4000 listed as an expense? Why not have it as just $12,000 in salary and write off expenses however you want to

Wilder As far as I know, you can do that

Reid Is there any reason for it that I may be overlooking?

Wilder As I understand it, when Council started having a salary, they did not have an expense allowance as you do now and that was added in at a later date Why, specifically I do not know The point is you could put it all into expenses, all into salary or you could split it

Reid I know, but we can take a trip and write it off and get a voucher for that I do not quite understand the process I think there is something deceptive in that If we have a $4000 expense allowance, then why should I be allowed to write off a $1,100 trip? I would rather have it out in the open

Wilder I think that depends on how Council decides to view reimbursement for official travel Because you could elect to do that or you could take the $4000 plus additional expenses for travel on City business

Reid What I am getting at Bill is this, if I am given $4000 for expenses, and do not use the $4000, then how can I write off a $1,100 expense somewhere else?

Wilder It is not writing it off Under the current process, you can request reimbursement for official travel

Reid Even though I have not used my $4000? That makes no sense to me

Wilder I am just responding to the question

Reid. I know, I am just asking if that makes any sense to you as Human Resources Manager

Wilder If you are getting $4000 in expenses and you are not claiming any of that, then it raises a legitimate question of what you are doing outside of this building The $4000 is directed to reimburse Council Members for motor expense or telephones

Reid. I understand that, but if I have not used my $4000 then how can I get an additional expense account?

Wilder You can get it through a reimbursement process whether you should or not

Scarborough I wanted to respond to the $4000 in expenses According to my car dealership, my car is way over $4000 in car expenses In fact, my dealers told me just the other day that I had put over 3000 miles on my car He asked where I had been and told him inside the City The expenses are not enough

Reid We are debating two different things If you spend the $4000 that is one thing and anything above that you could claim and get a reimbursement for it But if I have not spent the $4000, and I do not understand how you can spend

$4000 in millage What is it, 30 cents a mile? You are traveling about how many miles?

Scarborough I do not know, my car is a year and a half old and I have 57 000 miles on my car and it is all City miles

Baker· Isn't it 9 cents a mile? At $4000 you are doing roughly 44 444 miles all on City business?

Reid Maybe you are doing it Ella but no one else is

Greene Charlie, where did you get 9 cents a mile?

Baker That s what the Feds give you off your taxes

Wilder It is 32 cents a mile

Baker Well my tax people told me the wrong thing What the City allows us and what the Feds allows us are two different things

Lyles. It depends on who owns the car and how it is operated There are different rules

Reid The question that Charlie raises is a legitimate one When I drive my car up here to a Council meeting and I drive it 10 miles how much can I deduct?

Baker I was told by my tax people that I can deduct 9 cents a mile and if that s wrong it's wrong

Greene The expense money is not expense money anyway because it is taxed the same way as salary money I think this is a moot point anyway

Reid I think it should be called $12,000 salary and you can write your expenses off It all comes to me in one lump sum anyway

Greene And it is taxed

Wheeler What is your pleasure for any increase?

Greene I raised this issue last year and I think it needs to be increased The reason that I brought the issue up is I realize no one is on Council to get rich but it costs us money to be on Council You have a Council commitment, but having to go into my pocket to spend money gets to be ludicrous So I raised the issue because when you look and see that you spend ll this time being on City Council you see that our compensation does not allow for you to write a check to a Westside PAC Meeting or Black Political Caucus or Optimist Club None of this would happen if you were not an official of the City of Charlotte So end up spending more money than you actually make So I suggest that the compensation be mutual in that we should not end up with a net loss That is unless they want us to take it out of our campaign funds then we have to go out and raise $10-12,000 a year I think the salary of Council is too low I think it is stupid and ludicrous for Council Members and the amount of time we spend to go out and tell people what our salary a year is and they laugh at you Not only do citizens laugh but colleagues from other Municipalities do as well We need to start a process and look at this Look at the County Commissioners I am not going to say what has been said, about them, but I will say that we work hard and yet their compensation is a lot higher I know some argue that they represent more people

Spencer: I think there are two issues here One is, should the figure be tied to the regular budget raises automatically by policy? I think it should The reason that it has not been raised in the last ten years is because it is not politically cool to do so If we have to take heat on the Coliseum and other issues that would be an issue that we could avoid I think the salary should be tied to the standard salaries of the City I am not sure what my position on the other is yet

I think it should higher, but I think we have to take the heat for doing that

Wheeler The County Commissioners have their increases tied to the increase of County They have had it like that for four years and they slipped that through They increased their pay by 35% and then put it back, then put it back and they increased it by half of that and tied into the County's employee pay Their expenses remain the same I believe, but their bottom line will increase

Baker I want to disagree here I think the contributions we make around town should be given because we are a Citizen and not be because we are on Council If you are going to give to the Urban League you should give to the Urban League That is not a legitimate cause for Council s salary to be increased I think this is a service that we provide and they should pay us enough to cover our expenses and they do I never run into more than I am compensated for I object to any increase in the rate the City is paying us If we are going to make politics a career and this is going to be our only source of income that is different This is supposed to be a service and not a career so I will oppose any kind of change in the salaries

Reid. I hear you I agree that this is a service but I think the council members are underpaid I do not agree to tying into the City pay because it would put you into the position of voting for your own pay increase I think that should be kept separate That would keep us from raising salaries very often because we would have to have a political will to do it I suggest that we raise salaries to $12,000 and $4000 as opposed to $8000 and $4000 That would leave us with a salary of $16,000 which is $7000 less than County Commissions and about the Median total Compensation of Council Members which is $15,600 I think the median is $15 600 The mean is $16 800 so if we went to $16 000 we would be below the mean and slightly above the median I would do that We all need to think that this is something we should do or not do it at all I could live without it

Baker I think they should compensate us for any expenses, that is a given, but as far as working for a salary, I do not think they should compensate us for the time we spend We should do it as a service If we do not like that we should not run for office No one makes us run for office If we do not like that we should get out of it

Reid: If you carried that to the nth degree then you wouldn't pay anyone anything including Congress or the Senators

Baker· Yes Only expenses I think that is what they did in the beginning because they only stayed up there a few weeks in the beginning If we keep raising the pay, we will get people that will make career out of it

Reid Not if we have term limits

Greene. I think what you are suggesting with only compensation for expenses would lock us into a total aristocratic form of government with only rich people in government I do not think that is what we want

Baker: Then we are probably spending too much time We should step back and let staff run the operation
I think we should make policy decisions We should not be taking part in day to day operations No company in America has its Board of Directors running their company

Greene I think you are right but that means that all portions of the town would be served equally by staff You know that is not true If you drive through town you know that is not true For example the district system has only been in place for a short time and until districting a vast majority of those that served in government came from one part of town For example, the County Commissioners had a meeting every Sunday morning because they were all in the same Sunday School class at Myers Park Presbyterian Church We are in the process of altering some past wrongs You may not spend as much time as some other council Member but, perhaps the attention Is not needed I do not think you find staff angry about trading suggestions There are voices in this community that have not had voices before

Wheeler Don had a good suggestion Why don't we have a straw vote among us to see who wants to raise salaries?

Reid There is no need to discuss it if no one wants to raise salaries

Wheeler. Who wants to raise salaries at all? One thing we could do is raise it for the next Council
Scarborough That's what we would have to do You cannot raise your own salary I was on the Council in 1987 when we raised Council salary

Greene It went from what to what?

Scarborough The Council before us had just raised the salary before I came aboard It went to $12,000 then It was $8000 or something then Correction it was $10,000 and went to $12,000

Wheeler O K lets raise hands Who is interested in raising salaries at all?

Greene Can I vote in this?

Wheeler We have four out of five and one ex officio

Baker That vote does not count You are not even part of this committee That was a nice gesture

Reid I move that we take this forward to the Council for discussion

Wheeler Is there a second?

Spencer Second

Wheeler Is there a recommendation?

Reid No let someone else have enough guts to make the recommendation

Scarborough· Bill based on the information that you gave us on mean and median salaries what do you suggest we raise our salaries to?

Laughter

Wheeler There is no pressure here

Wilder It depends on the situation You can take the information and craft it a number of different ways Am I still employed?

Greene I will use that in my campaign speech

Scarborough Thank you for the gibber gab

Wheeler· O K Do we have a second on that motion?

Spencer I seconded it

Wheeler. Let's vote on it All in favor of moving forward to the whole Council?

Reid I have another suggestion Since the mayor s salary is $5000 more than the median and mean, we should make no suggestion concerning his salary In other words he is making enough

Greene. I think that we should discuss that with the Mayor's salary

Wheeler I agree with that If he is at 131% and 133% I do not see how we can justify that

Reid: We are below the mean

Wheeler We are way below the mean
Greene I will hold to my guns I think the Mayor spends many time on City business

Reid I do not disagree with that He spends 10 times as much time as we do around the City

Baker I will not quarrel with you Do whatever you what with the mayor

Greene I think they should look at his salary as well I think his job just like ours is getting tougher and tougher

Reid Well if the Mayor is working 10 times harder then he is doing 350 hours a week because I am doing 35 hours a week now

Greene I know we spend a lot of time doing things and I know the mayor does too I do not want to just say let's raise our salaries and forget the mayor Look at how that would look

Reid I am basing my opinion on the information that Bill gave us

Greene I would be for raising his salary

Wheeler We ought to look at it as the Mayor's position and not as Pat McCrory

Greene Exactly

Baker. It seems reasonable to do for the Mayor whatever we do for ourselves

Reid· Based on what logic Charlie?

Baker Based on the logic that if our salaries are proportional now we should give him whatever increase we get

Greene The logic is that you picked an arbitrary position to start on

Reid. My position is not arbitrary I brought the Council up to the median and the Mayor is already at the median so that is very logical to me

Greene· This was a way to start it is not the only way we could have started Therefore it was good, but I still think we should consider the Mayor

Wheeler We have a motion to be seconded, Not to send this forward to Council with regards to Mayor' s salary

Spencer To not send it?

Wheeler To not make the recommendation to discuss this before all of Council

Spencer. Who made that motion?

Wheeler. Don did

Scarborough I did not think you had a second on that motion

Baker If that motion were to carry that motion would not keep us from discussing it would it?

Spencer I do not think this is a motion that I want to engage in

Baker I do not have any zeal for it either

Wheeler: Well let's send them both forward

Greene Are you talking about all both to go before Council?
Wheeler Yes, with no recommendation on either to be discussed at the retreat

Scarborough You guys are chicken

Baker I make a motion then that we recommend that the salary of the Council and the Mayor be left as is

Scarborough That is still chicken

FARE INCREASE FOR CHARLOTTE TRANSIT

An increase in fare for Charlotte Transit is proposed for Fiscal Year 1998 The actual date of the fare change would be September 1, 1997 at the time when service and fare changes are instituted each year

Table 1, attached, shows the current fare structure, which was last changed in Fiscal Year 1992 when the base fare was increased from $0 70 to $0 80 and other fares and pass prices were adjusted by approximately the same percentage, 14 percent

Two major options are shown in the table

- an increase of 10 cents in the base fare in FY 98, and
- an increase of 20 cents in the base fare in FY 98

The 10 cent increase in FY 98 would be followed by an additional increase of 10 cents in FY 99 so that either of the options would yield a base fare of $1 00 by FY 99

Other fares are adjusted by similar percentages, rounded to the nearest 5 cents, 25 cents or $1 00

Two "sub-options" also are shown, one for each of the two major options, which increase the pass prices somewhat more, using a higher percentage to make pass prices more nearly equivalent to cash fares The basis for the larger increase for pass prices is the average frequency of pass use the adjusted price reflects basic use, nominally twice per day, and the cash price For example, the weekly pass price is determined by assuming 10 rides per week and the cash price of $0 90 which yields a pass price of $9 00

The lower lines in the Table show estimates of passenger loss and revenue increase

The attached graph compares the rate of increase in the base fare to the rate of change in the Consumer Price Index (CPI) and the average hourly wage since 1977 (All three are standardized to a base of 1 0 in 1977)

Fare increases have tracked the average hourly wage fairly closely, but they are falling behind the CPI The last entry on the line for Fare reflects an increase to $1 00 in FY98 The lower line on the graph shows the actual base fare since 1977

Table 2 shows comparable current fares for cities similar to Charlotte in the Southeast

TABLE 1

Charlotte Transit Fare Options

	CURRENT	OPTION 1		OPTION 2	
		Basic	Higher Pass	Basic	Higher Pass
Adult cash	$0 80	$0 90	$0 90	$1 00	$1 00
Express Cash	$1 15	$1 30	$1 30	$1 40	$1 40
Reduced Cash	$0 30	$0 35	$0 35	$0 35	$0 40
Student Cash	$0 40	$0 50	$0 50	$0 50	$0 50
Weekly Local Pass	$7 00	$8 00	$9 00	$8 75	$10 00
Monthly Local Pass	$29 00	$33 00	$36 00	$36 25	$40 00
Monthly Exprs Pass	$35 00	$40 00	$52 00	$42 50	$56 00
10-Ride Ticket	$8 00	$9 00	$9 00	$10 00	$10 00
10-Ride Tkt Exprs	$11 50	$13 00	$13 00	$14 00	$14 00
Passengers	11 842,725	11,388,631	11,157,314	10,993,671	10,711,597
Chnge Pass		(454,094)	(685,411)	(849,054)	(1,131,128)
% Change		-3 83	-5 79	-7 17	-9 55
Revenue	$5 507 230	$5 987 722	$6 159 255	$6 365,607	$6,543,588
Chnge Reven		$480,492	$652 026	$858 377	$1,036 359
% Change		8 72	11 84	15 59	18 82

TABLE 2

Peer Group Analysis

Peer City	Cash Fares			Monthly Passes			Weekly Passes			Transfer Price		
	Adult	E&H	Student	Adult	E&H	Student	Adult	E&H	Student	Adult	E&H	Student
Jacksonville FL	$0 60	$0 15	$0 60	$40 00	$14 00	$40 00	$10 00	$5 00	$10 00	N/A	N/A	N/A
Orlando FL	$0 85	$0 25	$0 25	$30 00	$12 00	$30 00	$7 00	$7 00	$7 00	$0 10	$0 10	$0 10
Birmingham FL	$1 00	$0 50	$0 60	$32 00	$16 00	$32 00	$8 00	$8 00	$8 00	$0 25	$0 15	$0 25
West Palm Beach FL	$1 00	$0 50	$0 50	$37 00	$18 50	$10 00				$0 20	$0 10	$0 10
Memphis TN	$1 10	$0 55	$0 75	$40 00	$11 00	$6 00				$0 10	$0 10	$0 10
Nashville TN	$1 35	$0 70	$0 70	$46 00	$19 00	$46 00	$14 00	$7 00	$7 00	$0 10	$0 10	$0 10
Savannah GA	$1 25	$0 60	$1 25							$0 05	$0 05	$0 05
Richmond VA	$1 25	$0 50	$0 63							$0 15	$0 15	$0 15
Average	$1 05	$0 47	$0 66	$37 50	$15 08	$27 33	$9 75	$6 75	$8 00	$0 12	$0 09	$0 11
Charlotte NC	$0 80	$0 30	$0 40	$29 00			$7 00			$0 00	$0 00	$0 00

Blanks in the chart indicate that the transit system does not have that fare type in its structure

MEMORANDUM

TO Mayor and City Council Members
City of Charlotte

FROM Hellena H Tidwell
Sr Vice President, Resource Management

SUBJ Response to Questions

DATE April 7, 1997

At the recent workshop meeting with the City Council, several questions were raised about the ASC's policies and practices in funding decisions Subsequently, other questions have been raised by Mayor Pat McCrory and Tim Sellers in memorandums of March 20 and March 25 This memorandum is intended to respond to all of the questions raised by Council to date

1 WHAT SELECTION CRITERIA DID THE PHILHARMONIC FAIL TO MEET?
A detailed response was provided to this question in the materials presented in the March 11 City of Charlotte Budget and Evaluation Memorandum A copy is attached as Exhibit A For additional detail, we have included the basic operating grant panel rankings and panel comments for the Charlotte Philharmonic Orchestra for Fiscal Year 1994, Fiscal Year 1995, and Fiscal Year 1996 The Charlotte Philharmonic did not apply for funding in Fiscal Year 1997 This additional information documents the panel ratings given the Charlotte Philharmonic under each category of evaluation

It is important to note that the grant review process is very competitive given the financial constraints imposed by limited resources Applications are reviewed by a ten member citizen review panel who send forth recommendations for grant awards to the Basic Operating Grant Committee who are all members of the ASC Board of Directors This Committee makes the final recommendation for funding to the 45-member ASC Board which has the authority to accept or override the BOG Committee's recommendation In each year, the Charlotte Philharmonic was an applicant, neither the Citizen Review Panel or the BOG Committee recommended a grant to the Philharmonic and the ASC Board sustained their recommendations

ASC Affiliate status is a prerequisite criteria for funding consideration In Fall, 1996, the Charlotte Philharmonic voluntarily terminated its affiliate status with ASC Accordingly,

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ASC is no longer in a position to receive, review or recommend a grant to the Philharmonic

2 DESCRIBE THE SPECIFIC CHANGES IMPLEMENTED IN THE ASC PROCESS FOR REVIEW SINCE THE PUBLIC FUNDING TASK FORCE HAS SUBMITTED ITS FINAL REPORT HOW WILL THE NEW GUIDELINES BE APPLIED TO AFFILIATES?

The Public Funding Task Force completed its work in November,1996 The report was presented to both the County Commissioners and the City Council during one of their regular meetings Additionally, during the Executive Directors Retreat, ASC affiliates were provided copies of the report A discussion of the changes to be implemented in the grant review process was held to ensure all ASC affiliates were fully apprised of the revisions to the Basic Operating Grant Process

The specific changes made to the process since the report was released are as follows

a We expanded the recruitment efforts to ensure more broad-based community participation on all panels

b The Task Force Report is included as an attachment to the Basic Operating Grant Applications (See Attachment A)

c We require organizations to provide a narrative statement which identifies any proposed program which could " cause community concern in view of the Public Funding Task Force recommendations?" (See Page 6 of the BOG Application) Applicants must describe the programs, exhibitions, etc and outline their plans for community awareness and education

d All applicants will orally present their program plans during the formal panel presentations to be held in late April and this will be considered when funding recommendations are formalized

3 PLEASE PROVIDE A SUMMARY OF FY96 GRANTS IN THE SAME FORMAT AS INFORMATION PROVIDED ON FY97 GRANTS

Please see Attachment C

4 PLEASE PROVIDE INFORMATION ON PAID TICKET SALES FOR THE SYMPHONY AND FOR THE PHILHARMONIC?

A comparison of other earned and contributed income, ticket sales, and attendance for the top ten performing groups and the Charlotte Philharmonic Orchestra is enclosed as Attachment D We have provided the information on FY94 because this was the last year Charlotte Philharmonic submitted detailed budget information to the Arts & Science Council for consideration of a Basic Operating Grant for FY 95 and that is in a

comparable format to other applications submitted for evaluation and review It should be noted that in Fiscal Year 1996, the Charlotte Symphony Orchestra sold 33,747 tickets for a total of $1,052,852 in ticket revenue

5 PROVIDE A LIST OF THE VOLUNTEER GRANT PANELS WHICH INCLUDES PLACES OF EMPLOYMENT AND LENGTH OF SERVICE ON THE PANELS ARE CITIZENS ON THE GRANT COMMITTEES ALSO DIRECTLY ASSOCIATED WITH ANY GROUPS? IF SO, WHERE IS THE LINE DRAWN REGARDING CONFLICT OF INTEREST?

ASC administers six grant programs where decisions are made by volunteer citizen review panels Basic Operating Grants, Arts in Education Grants, Arts in Education Performance Grants, Education Through the Arts Grants, Grassroots Grants and Regional Emerging Artists Grants A roster of the 1996-97 panelists is enclosed (See Attachment E)

The overwhelming majority of ASC grant dollars are distributed as Basic Operating Grants

ASC policy prohibits anyone from service on a Basic Operating Grants Panel who

a serves on the Board or staff of an Affiliate agency
b is a spouse of a staff member, or
c would stand to gain financially as a contracted employee, independent artist or vendor

On other panels, Grassroots Projects, Arts Education or Regional Emerging Artists where we need the expertise and broadened knowledge of panelists, we follow guidelines consistent with the N C Arts Council and the National Endowment for the Arts which require that panelists disclose their conflict and remove themselves from the room during any discussion and subsequent funding recommendation of the applicant organization that would represent a personal conflict of interest

Panelists may serve on a grants panel for not more than three consecutive years This is waived on the arts education panels where the curriculum specialists are permanently appointed by the Charlotte Mecklenburg Schools as panelists

6 WHAT IS THE POLICY FOR RESERVING DATES AT THE N C BLUMENTHAL PERFORMING ARTS CENTER?

The N C Blumenthal Performing Arts Center adopted the following policy for scheduling performance dates and events Priority is given first to the Resident Companies, secondly, the Performing Arts Center, and thirdly, the regular users of the Performing Arts Center which includes the Charlotte Philharmonic Orchestra

The Resident Companies were determined as those organizations which would perform primarily in the Center once construction was completed.

a Charlotte Symphony Orchestra
b Opera Carolina
c North Carolina Dance Theatre
d Charlotte Repertory Theatre
e Charlotte Choral Society
f Carolina Concert Association

Scheduling for each performance season begins in early Spring (March-April) and is finalized in late Summer for regular users Thereafter, open dates are scheduled on a first come, first served basis

The Charlotte Philharmonic has already confirmed dates for the '97-'98 season

7 WHAT IS THE POLICY WITH REGARD TO PARKING AT THE N C BLUMENTHAL PERFORMING ARTS CENTER?

The N C Blumnethal Performing Arts Center has adopted the following policy pertaining to performers and staff of the Resident Companies Free parking is provided as follows

a Rehearsals - 3 hours of free parking during the day (9 00 am - 5 00 pm)

b Performances - Stage hands, front of house employees and performers are allowed to park for $1 00 after 5 00 pm

All other parking arrangements for non-Resident Companies, non-profit organizations and commercial ventures, are the responsibility of the presenting organization