

**2023-2024 BUDGET ORDINANCE
ADOPTED JUNE 12, 2023**

BE IT ORDAINED by the City of Charlotte, North Carolina;

Section 1. The following amounts are hereby appropriated for the operation of the City Government and its activities for the fiscal year (FY) beginning July 1, 2023, and ending June 30, 2024, according to the following schedules:

| | |
|--|--------------------|
| SCHEDULE A. GENERAL OPERATING FUND | 833,606,000 |
| SCHEDULE B. CHARLOTTE WATER OPERATING FUND | 575,928,742 |
| SCHEDULE C. CHARLOTTE AREA TRANSIT SYSTEM OPERATING FUNDS-CONSOLIDATED | 253,446,114 |
| SCHEDULE D. AVIATION OPERATING FUNDS-CONSOLIDATED | 640,945,456 |
| SCHEDULE E. STORM WATER OPERATING FUND | 85,610,750 |
| SCHEDULE F. CHARLOTTE WATER DEBT SERVICE FUNDS-CONSOLIDATED | 169,623,859 |
| SCHEDULE G. MUNICIPAL DEBT SERVICE FUND | 209,429,056 |
| SCHEDULE H. AVIATION DEBT SERVICE FUNDS-CONSOLIDATED | 112,432,795 |
| SCHEDULE I. CONVENTION CENTER DEBT SERVICE FUND | 11,390,050 |
| SCHEDULE J. STORM WATER DEBT SERVICE FUND | 19,955,954 |
| SCHEDULE K. CHARLOTTE AREA TRANSIT SYSTEM DEBT SERVICE FUNDS-CONSOLIDATED | 75,062,733 |
| SCHEDULE L. TOURISM DEBT SERVICE FUND | 19,459,917 |
| SCHEDULE M. POWELL BILL FUND | 17,923,245 |
| SCHEDULE N. CONVENTION CENTER TAX FUND | 79,072,000 |
| SCHEDULE O. TOURISM OPERATING FUND | 49,086,615 |
| SCHEDULE P. CEMETERY TRUST FUND | 55,208 |
| SCHEDULE Q. NASCAR HALL OF FAME TAX FUND | 20,418,000 |
| SCHEDULE R. NASCAR HALL OF FAME DEBT SERVICE FUND | 9,147,878 |
| SCHEDULE S. CULTURAL FACILITIES DEBT SERVICE FUND | 7,650,400 |
| SCHEDULE T. PUBLIC SAFETY COMMUNICATIONS FUND | 8,285,922 |

Section 2. The following amounts are hereby appropriated for the capital projects of the City Government and its activities for the FY beginning July 1, 2023, according to the following schedules:

| | |
|---|-------------------|
| SCHEDULE A. NEIGHBORHOOD DEVELOPMENT GRANTS FUND | 13,858,663 |
| SCHEDULE B. GENERAL GRANTS FUND | 23,881,230 |
| SCHEDULE C. EMERGENCY TELEPHONE SYSTEM FUND | 2,757,710 |
| SCHEDULE D. HOME GRANT FUND | 4,063,178 |
| SCHEDULE E. COMMUNITY DEVELOPMENT FUND | 5,918,194 |
| SCHEDULE F. PAY-AS-YOU-GO FUND | 81,799,484 |
| SCHEDULE G. GENERAL CAPITAL PROJECTS FUND | |
| Invest in Corridors of Opportunity | 5,000,000 |
| Support Innovative Housing | 3,550,000 |
| Support Neighborhood Grants | 400,000 |
| Renovate Median Landscapes | 250,000 |
| Enhance Placemaking Citywide | 250,000 |
| Reduce Litter | 250,000 |
| Purchase Police Technology | 2,000,000 |
| Support Hospital-Based Alternatives to Violence | 250,000 |
| Support Firefighter Lifecycle Management | 1,750,000 |
| Offer In Rem Remedy - Residential | 500,000 |
| Support 2040 Community Area Planning | 400,000 |
| Complete Traffic Studies | 400,000 |
| Purchase Transportation Equipment | 200,000 |
| Support Bikeshare Program | 300,000 |
| Revitalize Business Corridors | 750,000 |
| Build MWSBE Capacity | 500,000 |
| Support CBI Programming | 1,000,000 |
| Upgrade Business System Software | 1,300,000 |
| Enhance Innovation and Technology Assets | 1,250,000 |
| Contribute to Loss Fund | 1,600,000 |
| Maintain City-Owned Facilities | 5,316,171 |
| Repair City-Owned Parking Lots/Decks | 400,000 |
| Maintain Government Center Parking Deck | 200,000 |
| Support Environmental Services Program | 1,000,000 |
| Replace Trees | 1,375,000 |
| Analyze Sustainability Efforts | 250,000 |
| Trim and Remove Trees | 2,000,000 |
| Support Presidential Primary One-Time Costs | 600,000 |
| Support Americans with Disabilities Act Program | 1,000,000 |

SCHEDULE G. GENERAL CAPITAL PROJECTS FUND (continued)

| | |
|--|------------|
| Construct Fire Facilities | 25,000,000 |
| Complete Fire Equity Facilities | 2,500,000 |
| Construct Net Zero Carbon CMPD Northwest Station | 3,000,000 |
| Replace Police Helicopter | 3,000,000 |
| Complete the Cross Charlotte Trail | 7,600,000 |
| Replace the Government Center HVAC | 6,400,000 |
| Implement ADA Transition Plan in Facilities | 3,000,000 |
| Construct Capital Building Improvements | 4,500,000 |
| Increase Building Sustainability | 2,500,000 |
| Upgrade Business Software System | 18,700,000 |
| Provide Inflationary Project Adjustments | 27,400,000 |

TOTAL GENERAL CAPITAL PROJECTS FUND **137,641,171**

SCHEDULE H. TOURISM CAPITAL PROJECTS FUND

| | |
|--|-----------|
| Baseball Stadium Allocation | 682,782 |
| Arena Maintenance Reserve | 1,100,000 |
| Ovens/Bojangles Capital Maintenance and Repair | 2,400,000 |

TOTAL TOURISM CAPITAL PROJECTS FUND **4,182,782**

SCHEDULE I. STORM WATER CAPITAL PROJECTS FUND

| | |
|--|------------|
| Improve Drainage for Storm Water | 79,285,000 |
| Enhance Storm Water Mitigation Programs | 2,715,000 |
| Mitigate Impacts to Streams and Wetlands | 9,000,000 |

TOTAL STORM WATER CAPITAL PROJECTS FUND **91,000,000**

SCHEDULE J. CHARLOTTE WATER CAPITAL PROJECTS FUND

| | |
|-------|-------------|
| Water | 99,989,587 |
| Sewer | 339,446,312 |
| Other | 3,375,000 |

TOTAL CHARLOTTE WATER CAPITAL PROJECTS FUND **442,810,899**

SCHEDULE K. CHARLOTTE AREA TRANSIT SYSTEM CAPITAL PROJECTS FUNDS - CONSOLIDATED

| | |
|--|------------|
| Develop Transit Systems | 5,991,500 |
| Enhance Safety and Security on Transit | 2,524,839 |
| Purchase New Transit Support Systems | 4,106,576 |
| Purchase Support Vehicles for CATS | 1,328,200 |
| Purchase and Maintain Transit Vehicles | 63,491,539 |
| Maintain Transit Facilities | 800,000 |

TOTAL CHARLOTTE AREA TRANSIT SYSTEM CAPITAL PROJECTS FUNDS - CONSOLIDATED **78,242,654**

SCHEDULE L. AVIATION CAPITAL PROJECTS FUNDS - CONSOLIDATED

| | |
|---------------------------------------|-------------|
| Renovate Airport Terminal | 174,218,764 |
| Enhance Airfield Capacity | 269,279,719 |
| Enhance Airport Services Facilities | 9,106,426 |
| Expand Ground Transportation Capacity | 7,550,000 |
| Improve Private Aircraft Area | 1,350,000 |

TOTAL AVIATION CAPITAL PROJECTS FUNDS - CONSOLIDATED **461,504,909**

Section 3. It is estimated the following revenues will be available during the fiscal year beginning July 1, 2023, and ending on June 30, 2024, to meet the appropriations shown in Section 1 according to the following schedules:

SCHEDULE A. GENERAL OPERATING FUND

| | |
|-----------------------------------|-------------|
| Taxes | |
| Property Tax | 440,963,707 |
| Property Tax - Synthetic TIG | 2,189,824 |
| Sales Tax | 145,093,437 |
| Sales Tax on Utilities | 55,799,354 |
| Tax Reimbursements | 4,305,971 |
| Police Services | 24,902,092 |
| Solid Waste Disposal Fees | 35,678,207 |
| Other Revenues | |
| Licenses and Permits | 17,145,839 |
| Fines, Forfeits, and Penalties | 2,536,000 |
| Interlocal Grants and Agreements | 6,795,854 |
| Federal and State Shared Revenues | 10,577,621 |
| General Government | 19,639,583 |
| Public Safety | 2,723,357 |
| Cemeteries | 956,400 |
| Use of Money and Property | 4,324,036 |
| Sale of Salvage and Land | 1,335,000 |
| Other Revenues | 653,185 |
| Intragovernmental Revenues | 55,958,466 |
| Transferred Revenues | 1,322,859 |
| Transfers from Other Funds | 705,208 |

TOTAL GENERAL OPERATING FUND **833,606,000**

SCHEDULE B. CHARLOTTE WATER OPERATING FUND

| | |
|-----------------------------|-------------|
| Volumetric Rate Revenues | 371,216,920 |
| Fixed Rate Revenues | 40,154,119 |
| Availability Fees | 61,539,767 |
| Connection Fees | 21,000,000 |
| System Development Fees | 43,800,000 |
| Industrial Waste Surcharges | 5,580,000 |
| Service Charges | 3,230,000 |
| Interest on Investments | 2,500,000 |
| Other Revenues | 5,175,000 |
| Uncollectable Revenue | (4,500,000) |
| Other non-operating revenue | 3,231,000 |
| Fund Balance | 23,001,936 |

TOTAL CHARLOTTE WATER OPERATING FUND **575,928,742**

SCHEDULE C. CHARLOTTE AREA TRANSIT SYSTEM OPERATING FUNDS-CONSOLIDATED

| | |
|---|-------------|
| Half-Percent Sales Tax (Sales Tax Consolidation Fund) | 154,839,296 |
| Interlocal Agreements | |
| Town of Huntersville | 18,566 |
| Mecklenburg County | 192,942 |
| Passenger Fares | 16,843,668 |
| Federal Grants | 30,938,523 |
| State Grants | 11,411,400 |
| Transit Pay-As-You-Go Transfer | 30,313,034 |
| Other Revenues | 5,943,685 |
| Interest Earnings | 2,945,000 |

TOTAL CHARLOTTE AREA TRANSIT SYSTEM OPERATING FUNDS-CONSOLIDATED **253,446,114**

SCHEDULE D. AVIATION OPERATING FUNDS-CONSOLIDATED

| | |
|----------------------------|-------------|
| Terminal Area | 93,630,252 |
| Airfield | 47,247,359 |
| Concessions | 63,789,226 |
| Rental Cars | 21,700,000 |
| Parking | 97,825,217 |
| Fixed Based Operator | 44,303,220 |
| Other | 22,335,740 |
| Passenger Facility Charges | 76,261,060 |
| Contract Facility Charges | 15,690,000 |
| Discretionary Fund | 158,163,382 |

TOTAL AVIATION OPERATING FUNDS-CONSOLIDATED **640,945,456**

SCHEDULE E. STORM WATER OPERATING FUND

| | |
|------------------|------------|
| Storm Water Fees | 81,935,750 |
| Permitting Fees | 3,675,000 |

TOTAL STORM WATER OPERATING FUND **85,610,750**

SCHEDULE F. CHARLOTTE WATER DEBT SERVICE FUNDS-CONSOLIDATED

| | |
|--|-------------|
| Contribution from Charlotte Water Operating Fund | 169,573,859 |
| Interest on Investments | 50,000 |

TOTAL CHARLOTTE WATER DEBT SERVICE FUNDS-CONSOLIDATED **169,623,859**

SCHEDULE G. MUNICIPAL DEBT SERVICE FUND

| | |
|------------------------------------|-------------|
| Property Tax | 108,368,230 |
| Property Tax - Synthetic TIG | 538,104 |
| Sales Tax | 32,892,158 |
| Interest on Investments | 3,186,056 |
| Contribution from Other Funds | |
| General Operating Fund - Equipment | 21,665,411 |
| Powell Bill Fund | 3,430,325 |
| PAYGO Fund - ERP/Equipment | 1,000,000 |
| Proceeds from Lease Purchases | 750,000 |
| Other Revenue | 347,800 |
| Fund Balance | 37,250,972 |

TOTAL MUNICIPAL DEBT SERVICE FUND **209,429,056**

SCHEDULE H. AVIATION DEBT SERVICE FUNDS-CONSOLIDATED

| | |
|--|------------|
| Contribution from Aviation Operating Fund | 47,102,163 |
| Contribution from Passenger Facility Charges | 64,095,632 |
| Proceeds from Sale of Debt | 1,235,000 |

TOTAL AVIATION DEBT SERVICE FUNDS-CONSOLIDATED **112,432,795**

SCHEDULE I. CONVENTION CENTER DEBT SERVICE FUND

| | |
|--|------------|
| Contribution from Convention Center Tax Fund | 11,390,050 |
|--|------------|

TOTAL CONVENTION CENTER DEBT SERVICE FUND **11,390,050**

SCHEDULE J. STORM WATER DEBT SERVICE FUND

| | |
|--|------------|
| Contribution from Storm Water Operating Fund | 19,955,954 |
|--|------------|

TOTAL STORM WATER DEBT SERVICE FUND **19,955,954**

SCHEDULE K. CHARLOTTE AREA TRANSIT SYSTEM DEBT SERVICE FUNDS-CONSOLIDATED

| | |
|---|------------|
| Transfers from CATS Operating Funds (Article 43 Half-Percent Sales Tax) | |
| CATS Operating | 14,437,556 |
| CATS Sales Tax Consolidation | 11,310,483 |
| Federal Grants | 3,659,800 |
| Fund Balance | 45,654,894 |

TOTAL CHARLOTTE AREA TRANSIT SYSTEM DEBT SERVICE FUNDS-CONSOLIDATED **75,062,733**

SCHEDULE L. TOURISM DEBT SERVICE FUND

| | |
|--|------------|
| Contribution from Tourism Operating Fund | 19,459,817 |
|--|------------|

TOTAL TOURISM DEBT SERVICE FUND **19,459,817**

SCHEDULE M. POWELL BILL FUND

| | |
|--------------------------------------|------------|
| State Powell Bill Distribution | 13,679,745 |
| Transfer from General Operating Fund | 1,000,000 |
| Transfer from Pay-As-You-Go Fund | 2,500,000 |
| Interest on Investments | 96,000 |
| Sale of Used Vehicles | 219,000 |
| Fund Balance | 428,500 |

TOTAL POWELL BILL FUND **17,923,245**

SCHEDULE N. CONVENTION CENTER TAX FUND

| | |
|---|------------|
| Taxes | 77,216,000 |
| Interest on Investments | 856,000 |
| Lease of City-Funded Bank of America Stadium Improvements | 1,000,000 |

TOTAL CONVENTION CENTER TAX FUND **79,072,000**

SCHEDULE O. TOURISM OPERATING FUND

| | |
|---|------------|
| Occupancy Tax | 24,155,700 |
| Rental Car Tax | 4,560,000 |
| Interest on Investments | 828,000 |
| Contribution from Charlotte Hornets | 1,100,000 |
| Transfers for Sales Tax from Pay-As-You-Go Fund | 11,994,193 |
| Transfers for Synthetic TIG Agreements from: | |
| General Operating Fund | 1,307,516 |
| Municipal Debt Service Fund | 321,011 |
| Pay-As-You-Go Fund | 23,473 |
| Contribution from Mecklenburg County | 2,948,040 |
| Contribution from Center City Partners | 50,694 |
| Contribution from Convention Center | 1,797,988 |

TOTAL TOURISM OPERATING FUND **49,086,615**

SCHEDULE P. CEMETERY TRUST FUND

| | |
|-------------------------|--------|
| Interest on Investments | 55,208 |
|-------------------------|--------|

TOTAL CEMETERY TRUST FUND **55,208**

SCHEDULE Q. NASCAR HALL OF FAME TAX FUND

| | |
|-------------------------|------------|
| Occupancy Tax | 20,017,000 |
| Interest on Investments | 401,000 |

TOTAL NASCAR HALL OF FAME TAX FUND **20,418,000**

SCHEDULE R. NASCAR HALL OF FAME DEBT SERVICE FUND

| | |
|--|-----------|
| Contribution from NASCAR Hall of Fame Tax Fund | 9,147,878 |
|--|-----------|

TOTAL NASCAR HALL OF FAME DEBT SERVICE FUND **9,147,878**

SCHEDULE S. CULTURAL FACILITIES DEBT SERVICE FUND

| | |
|--|-----------|
| Contribution from Tourism Operating Fund | 7,650,400 |
|--|-----------|

TOTAL CULTURAL FACILITIES DEBT SERVICE FUND **7,650,400**

SCHEDULE T. PUBLIC SAFETY COMMUNICATIONS FUND

| | |
|--|-----------|
| Operating Revenue from City of Charlotte | 4,241,759 |
| Operating Revenue from Regional Partners | 4,044,163 |

TOTAL PUBLIC SAFETY COMMUNICATIONS FUND **8,285,922**

Ordinance No. 548-X

Section 4. It is estimated the following revenues will be available during the fiscal year beginning July 1, 2023, and ending on June 30, 2024, to meet the appropriations shown in Section 2 according to the following schedules:

SCHEDULE A. NEIGHBORHOOD DEVELOPMENT GRANTS FUND

| | |
|---|-----------|
| Housing Opportunities for Persons with Aids (HOPWA) Grant | 3,666,683 |
| Emergency Solutions Grant | 494,529 |
| Bank of America Youth Grant | 122,700 |
| TOD Affordable Housing Fee-in-Lieu | 4,074,751 |
| Tree Mitigation and Planting Revenues | 5,250,000 |
| Miscellaneous Contributions | 250,000 |

TOTAL NEIGHBORHOOD DEVELOPMENT GRANTS FUND **13,858,663**

SCHEDULE B. GENERAL GRANTS FUND

| | |
|---|------------|
| Federal and State Grants and Reimbursements | 16,332,970 |
| Assets Forfeiture | 2,675,000 |
| Contributions | 4,331,228 |
| Contribution from Other Funds | 542,032 |

TOTAL GENERAL GRANTS FUND **23,881,230**

SCHEDULE C. EMERGENCY TELEPHONE SYSTEM FUND

| | |
|---------------------------|-----------|
| NC 911 Fund Distributions | 2,707,710 |
| Interest on Investments | 50,000 |

TOTAL EMERGENCY TELEPHONE SYSTEM FUND **2,757,710**

SCHEDULE D. HOME GRANT FUND

| | |
|---|-----------|
| HOME Investment Partnerships Program Grant (HOME) | 3,463,178 |
| HOME Grant Program Income | 600,000 |

TOTAL HOME GRANT FUND **4,063,178**

SCHEDULE E. COMMUNITY DEVELOPMENT FUND

| | |
|--|-----------|
| Community Development Block Grant | 5,618,194 |
| Community Development Block Grant Program Income | 300,000 |

TOTAL COMMUNITY DEVELOPMENT FUND **5,918,194**

SCHEDULE F. PAY-AS-YOU-GO FUND

| | |
|---|------------|
| Property Tax | 7,914,948 |
| Sales Tax | 23,807,300 |
| Investment Income | 1,417,105 |
| Capital Reserve from FY 2022 (Sections 15) | 13,353,194 |
| Vehicle Rental Tax (U-Drive-It) | 15,880,230 |
| Motor Vehicle Licenses | 15,649,285 |
| Reappropriation of Prior Authorization (Section 17) | 1,141,141 |
| Pay-As-You-Go Fund Balance | 2,636,281 |

TOTAL PAY-AS-YOU-GO FUND **81,799,484**

SCHEDULE G. GENERAL CAPITAL PROJECTS FUND

| | |
|---|------------|
| Contribution from Pay-As-You-Go Fund | 34,041,171 |
| Certificates of Participation | 45,900,000 |
| Contribution from Municipal Debt Service Fund | 46,195,738 |
| Reappropriation of Prior Authorization | 4,000,000 |
| Transfers from Non-General Funds | 7,504,262 |

TOTAL GENERAL CAPITAL PROJECTS FUND **137,641,171**

SCHEDULE H. TOURISM CAPITAL PROJECTS FUND

| | |
|--|-----------|
| Contribution from Tourism Operating Fund | 4,182,782 |
|--|-----------|

TOTAL TOURISM CAPITAL PROJECTS FUND **4,182,782**

SCHEDULE I. STORM WATER CAPITAL PROJECTS FUND

| | |
|--|------------|
| Storm Water Revenue Bonds | 50,000,000 |
| Contribution from Storm Water Operating Fund | 32,000,000 |
| Storm Water Program Income | 9,000,000 |

TOTAL STORM WATER CAPITAL PROJECTS FUND **91,000,000**

SCHEDULE J. CHARLOTTE WATER CAPITAL PROJECTS FUND

| | |
|--|-------------|
| Water Revenue Bonds | 64,110,899 |
| Sewer Revenue Bonds | 198,700,000 |
| Contribution from Charlotte Water Operating Fund | 180,000,000 |

TOTAL CHARLOTTE WATER CAPITAL PROJECTS FUND **442,810,899**

SCHEDULE K. CHARLOTTE AREA TRANSIT SYSTEM CAPITAL PROJECTS FUNDS - CONSOLIDATED

| | |
|--|------------|
| Federal Transit Grants | 33,078,916 |
| State Transit Grants | 1,126,780 |
| Contribution from CATS Control Account | 44,036,958 |

TOTAL CHARLOTTE AREA TRANSIT SYSTEM CAPITAL PROJECTS FUND - CONSOLIDATED **78,242,654**

SCHEDULE L. AVIATION CAPITAL PROJECT FUNDS - CONSOLIDATED

| | |
|----------------------------|-------------|
| Revenue Bonds | 235,084,167 |
| Aviation Pay-As-You-Go | 33,977,426 |
| Passenger Facility Charges | 77,496,000 |
| Federal Grants | 78,947,316 |
| State Grants | 30,000,000 |
| Customer Facility Charges | 6,000,000 |

TOTAL AVIATION CAPITAL PROJECTS FUNDS - CONSOLIDATED **461,504,909**

Section 5. That, pursuant to G.S. 159-11 and G.S. 159-13.1, the following financial plans are adopted:

City of Charlotte Risk Management Fund

| | |
|----------------|-------------------|
| Revenues | 36,884,676 |
| Fund Balance | 4,035,000 |
| Total Revenues | 40,919,676 |
| Expenditures | 40,919,676 |

Employee Health and Life Fund

| | |
|----------------|--------------------|
| Revenues | 151,148,354 |
| Fund Balance | 7,283,638 |
| Total Revenues | 158,431,992 |
| Expenditures | 158,431,992 |

Section 6. That the sum of \$8,000,000 is estimated to be available from the proceeds of the FY 2024 Installment Payment Contract (Lease Purchase) and is hereby appropriated to the fund listed below. Interest earnings on these lease purchase proceeds are hereby appropriated to the fund listed below for allocation for future capital equipment needs in the current and future years until the funds are depleted.

| | |
|--|-----------|
| Charlotte Water Capital Equipment Fund | 8,000,000 |
|--|-----------|

Total **8,000,000**

That the sum of \$32,535,954 is appropriated in the following funds for capital equipment and technology purchases and funded by a loan from an appropriation in the Municipal Debt Service Fund. Funds for General Capital Equipment and Technology up to \$30,999,754 will be repaid by the General Operating Fund over the next five years. Funds for Powell Bill Capital Equipment in the amount of \$1,536,200 will be repaid by the Powell Bill Fund over the next five years.

| | |
|---|------------|
| General Capital Equipment Fund | 30,154,807 |
| General Technology Fund | 844,947 |
| Powell Bill (Street Maintenance) Capital Equipment Fund | 1,536,200 |

Total **32,535,954**

Section 7. That the following tax rates are hereby levied on each one hundred dollars (\$100) valuation of taxable property, as listed for taxes as of January 1, 2023, for the purpose of raising revenue from property taxes as set forth in the foregoing revenue estimates, and in order to finance the Funds' appropriations:

| | |
|---|------------------|
| | Tax Rates |
| General Operating Fund (for the general expenses incidental to the proper government of the City) | \$0.2061 |
| Municipal Debt Service Fund (for the payment of interest and principal on outstanding debt) | \$0.0506 |
| Pay-As-You-Go Fund (for dedication to the General Capital Projects Fund for capital improvements) | \$0.0037 |

TOTAL RATE PER \$100 VALUATION OF TAXABLE PROPERTY **\$0.2604**

Such rates of tax are based on an estimated total appraised valuation of property for the purpose of taxation of \$214,830,305,221 and an estimated rate of collection of ninety-nine percent (99.00%).

Section 8. That the sum of \$1,863,667 is hereby appropriated to the Municipal Service District 1; that the sum of \$1,307,590 is hereby appropriated to the Municipal Service District 2; and that the sum of \$2,047,288 is hereby appropriated to Municipal Service District 3. These funds will provide for planning, promotion, and revitalization activities within the designated Center City Municipal Service Districts for the period beginning July 1, 2023, and ending June 30, 2024.

Section 9. That the sum of \$1,578,200 is hereby appropriated to the Municipal Service District 4. These funds will provide for planning, promotion, and revitalization activities within the designated South End Municipal Service District for the period beginning July 1, 2023, and ending June 30, 2024.

Section 10. That the sum of \$1,380,857 is hereby appropriated to the Municipal Service District 5. These funds will provide for planning, promotion, and revitalization activities within the designated University City Municipal Service District for the period beginning July 1, 2023, and ending June 30, 2024.

Section 11. That the sum of \$1,614,682 is hereby appropriated to the Municipal Service District 6. These funds will provide for planning, promotion, and revitalization activities within the designated South Park Municipal Service District for the period beginning July 1, 2023, and ending June 30, 2024.

Section 12. That the following estimated revenues are hereby available from the following sources to finance the operations of the Municipal Service Districts:

SCHEDULE A. MUNICIPAL SERVICE DISTRICT 1

| | |
|----------------|-----------|
| Property Taxes | 1,863,667 |
|----------------|-----------|

TOTAL DISTRICT 1 **1,863,667**

SCHEDULE B. MUNICIPAL SERVICE DISTRICT 2

| | |
|----------------|-----------|
| Property Taxes | 1,307,590 |
|----------------|-----------|

TOTAL DISTRICT 2 **1,307,590**

SCHEDULE C. MUNICIPAL SERVICE DISTRICT 3

| | |
|----------------|-----------|
| Property Taxes | 2,047,288 |
|----------------|-----------|

TOTAL DISTRICT 3 **2,047,288**

SCHEDULE D. MUNICIPAL SERVICE DISTRICT 4

| | |
|----------------|-----------|
| Property Taxes | 1,578,200 |
|----------------|-----------|

TOTAL DISTRICT 4**1,578,200****SCHEDULE E. MUNICIPAL SERVICE DISTRICT 5**

| | |
|----------------|-----------|
| Property Taxes | 1,380,857 |
|----------------|-----------|

TOTAL DISTRICT 5**1,380,857****SCHEDULE F. MUNICIPAL SERVICE DISTRICT 6**

| | |
|----------------|-----------|
| Property Taxes | 1,614,682 |
|----------------|-----------|

TOTAL DISTRICT 6**1,614,682**

Section 13. That the following tax rates are hereby levied on each one hundred dollars (\$100) valuation of taxable property, as listed for taxes as of January 1, 2023, for the purpose of raising revenue from property taxes as set forth in the foregoing revenue estimates, and in order to finance the foregoing appropriations in the Municipal Service Districts:

| Municipal Service District | Tax Rates | Valuation | Collection Rate (%) |
|-----------------------------------|------------------|------------------|----------------------------|
| Municipal Service District 1 | \$0.0128 | 14,695,318,100 | 99.00% |
| Municipal Service District 2 | \$0.0218 | 6,057,193,685 | 99.00% |
| Municipal Service District 3 | \$0.0332 | 6,221,999,495 | 99.00% |
| Municipal Service District 4 | \$0.0280 | 5,684,613,280 | 99.00% |
| Municipal Service District 5 | \$0.0262 | 5,330,709,672 | 99.00% |
| Municipal Service District 6 | \$0.0381 | 4,278,407,953 | 99.00% |

Section 14. That the sum of \$165,500 is available from the following sources in the General Capital Projects Fund for FY 2024 Public Art-eligible projects.

| | |
|------------------------------------|----------------|
| Construct Fire Facilities | 120,000 |
| Complete the Cross Charlotte Trail | 45,600 |
| TOTAL | 165,600 |

FY 2024 above, FY 2023 below

General Capital Projects Fund

Section 15. That the sum of \$13,353,194 is available from the General Operating Fund fund balance in excess of 16% and is hereby appropriated for transfer to the Pay-As-You-Go Fund to be allocated as follows:

| | |
|--|-------------------|
| Capital Reserve from FY 2022 (FY 2024 Annual Ordinance - Section 4, Schedule F). | 13,353,194 |
|--|-------------------|

Section 16. That the sum of \$4,095,797.95 of prior authorization from various capital projects in the General Capital Projects Fund is available and is hereby transferred to the following projects in the General Capital Projects Fund. These projects are determined to be complete, discontinued, or no longer viable.

| Projects | PL Project | Funding Source | Decrease | Increase |
|-------------------------------------|-------------------|-------------------------------|---------------------|---------------------|
| Clanton Rd Fire Station (No. 43) | 8010150060 | Certificates of Participation | 93,691.77 | |
| Central Yard Upgrade | 8010150003 | Certificates of Participation | 21,004.00 | |
| CMPD Central Division Station | 8010150045 | Certificates of Participation | 265,078.78 | |
| Brevard & Eighth Street Improvement | 6210100080 | Transportation Bond | 275,425.97 | |
| Southend Pedestrian/Bicycle Connect | 8010400050 | Transportation Bond | 143,495.88 | |
| Cherry Traffic Circle | 6088780008 | Transportation Bond | 241,911.09 | |
| Montford Drive Extension | 6088780006 | Transportation Bond | 382,892.59 | |
| Eastern Circumferential-State Part | 4292000198 | Transportation Bond | 200,386.65 | |
| NCDOT Bridge Projects | 4292000267 | Transportation Bond | 573,695.20 | |
| Safer Roads Demonstration Program | 4292000043 | Transportation Bond | 18,000.00 | |
| McApline Creek Sidewalk Gap Projec | 4288200051 | Transportation Bond | 17,532.25 | |
| Beatties Ford-Capps Hill Mine To Su | 4288550003 | Transportation Bond | 232,300.92 | |
| City Blvd Ext. (Neel To Mallard Cre | 4288550010 | Transportation Bond | 2,850.40 | |
| Back Creek Ch. Rd Improvements-Plan | 4288550011 | Transportation Bond | 128,036.00 | |
| IBM Drive/North Tryon Connector - R | 4288550013 | Transportation Bond | 4,906.31 | |
| Belmont Conv Store | 6210100001 | Neighborhood Bond | 514,903.74 | |
| Bryant Park Redevelopment | 6210100002 | Other Debt | 979,686.40 | |
| Budget Capital Control Account | 1400900040 | Certificates of Participation | | 93,691.77 |
| Budget Capital Control Account | 1400900040 | Certificates of Participation | | 21,004.00 |
| Budget Capital Control Account | 1400900040 | Certificates of Participation | | 265,078.78 |
| Budget Capital Control Account | 1400900040 | Transportation Bond | | 2,221,433.26 |
| Budget Capital Control Account | 1400900040 | Neighborhood Bond | | 514,903.74 |
| Budget Capital Control Account | 1400900040 | Other Debt | | 979,686.40 |
| Total | | | 4,095,797.95 | 4,095,797.95 |

Section 17. That the sum of \$1,141,141.48 of prior authorization from various capital projects in the General Capital Projects Fund is available and is hereby transferred to the following projects through the Pay-As-You-Go Fund. These projects are determined to be complete, discontinued, or no longer viable.

| Projects | PL Project | Funding Source | Decrease | Increase |
|-----------------------------------|-------------------|-----------------------|---------------------|---------------------|
| P2P Ease of Use | 1941000000 | Pay-As-You-Go | 34,355.75 | |
| Fire Station Renovations | 8010150017 | Pay-As-You-Go | 35,081.23 | |
| Roof Maintenance Program | 8040400002 | Pay-As-You-Go | 23,721.53 | |
| Cmgc Building Improvements | 8047700001 | Pay-As-You-Go | 1,069.02 | |
| Mckee Rd/Providence Rd Inter Imp | 4288550002 | Pay-As-You-Go | 181,684.52 | |
| West Blvd Corridor Implementation | 4288200088 | Pay-As-You-Go | 300,958.97 | |
| SouthTryon Corridor Implementat | 4288200089 | Pay-As-You-Go | 252,571.46 | |
| Community Investment Contingency | 1400900010 | Pay-As-You-Go | 270,963.00 | |
| I&T-VOICE OVER IP MIGRATION | 1890181506 | Pay-As-You-Go | 40,736.00 | |
| Budget Capital Control Account | 1400900040 | Pay-As-You-Go | | 1,141,141.48 |
| Total | | | 1,141,141.48 | 1,141,141.48 |

Section 18. That the sum of \$5,095,797.69 of prior authorization in the General Capital Projects Fund Budget Capital Control Account is available and is hereby transferred to the following projects in the General Capital Project Fund.

| <u>Projects</u> | <u>PL Project</u> | <u>Funding Source</u> | <u>Decrease</u> | <u>Increase</u> |
|-------------------------------------|-------------------|-------------------------------|---------------------|---------------------|
| Budget Capital Control Account | 1400900040 | Certificates of Participation | 1,379,774.55 | |
| Budget Capital Control Account | 1400900040 | Transportation Bond | 2,221,433.00 | |
| Budget Capital Control Account | 1400900040 | Neighborhood Bond | 514,903.74 | |
| Budget Capital Control Account | 1400900040 | Other Debt | 979,686.40 | |
| Police Station Construction Program | 8010150036 | Certificates of Participation | | 1,379,774.55 |
| Idlewild/Monroe Road Intersection | 4288550022 | Transportation Bond | | 346,433.00 |
| Monroe Road Streetscape | 8010790001 | Transportation Bond | | 875,000.00 |
| NECI Program Mgt | 8010400001 | Transportation Bond | | 1,000,000.00 |
| Eastland Infrastructure | 6188700001 | Neighborhood Bond | | 514,903.74 |
| Eastland Infrastructure | 6188700001 | Other Debt | | 979,686.40 |
| Total | | | 5,095,797.69 | 5,095,797.69 |

Section 19. That the sum of \$1,501,929.23 of prior authorization from various capital projects in the General Capital Projects Fund is available and is hereby transferred to the following projects in the General Capital Projects Fund. These projects are determined to be complete, discontinued, or no longer viable.

| <u>Projects</u> | <u>PL Project</u> | <u>Funding Source</u> | <u>Decrease</u> | <u>Increase</u> |
|-------------------------------------|-------------------|-----------------------|---------------------|---------------------|
| 311 - CRM Project | 1140000001 | Pay-As-You-Go | 7,569.69 | |
| Budget Capital Control Account | 1400900040 | Pay-As-You-Go | 646,875.98 | 855,053.25 |
| Enhance I&T Assets | 1890182101 | Pay-As-You-Go | 683,991.64 | |
| PeopleSoft PUM | 1720001801 | Pay-As-You-Go | 42,880.75 | |
| Peoplesoft Upgrade 9.2 | 1710000001 | Pay-As-You-Go | 10,016.17 | |
| Server Refresh | 1890182307 | Pay-As-You-Go | | 246,875.98 |
| TECHNOLOGY INVESTMENTS - MAJOR PROJ | 1890181501 | Pay-As-You-Go | 110,595.00 | |
| UDO Accela Upgrade | 1890182308 | Pay-As-You-Go | | 400,000.00 |
| Total | | | 1,501,929.23 | 1,501,929.23 |

Section 20. That the sum of \$12,691,086.10 of prior authorization from various capital projects in the General Capital Projects Fund is available and is hereby transferred to the following projects in the General Capital Projects Fund. These projects are determined to be complete, discontinued, or no longer viable.

| <u>Projects</u> | <u>PL Project</u> | <u>Funding Source</u> | <u>Decrease</u> | <u>Increase</u> |
|---------------------------------------|-------------------|-------------------------------|----------------------|----------------------|
| MWBE Capacity | 8025100002 | Pay-As-You-Go | 800,000.00 | |
| CBI Capital Access and Bonding | 6210100105 | Pay-As-You-Go | | 800,000.00 |
| Collaborative Srv. Initiative - West | 6210100107 | Pay-As-You-Go | 382,475.00 | |
| Bus/ED Piece of Opportunity Corridors | 6210100112 | Pay-As-You-Go | | 382,475.00 |
| Electric Vehicle Charging Stations | 8010150074 | Certificates of Participation | 382,761.00 | |
| Sustainable HVAC & Buildings | 8010150076 | Certificates of Participation | 164,139.00 | 20,000.00 |
| Heavy Duty EV & Infrastructure | 8010150079 | Certificates of Participation | | 276,900.00 |
| Fire House #30 Electric Fire Truck | 8010151004 | Certificates of Participation | | 250,000.00 |
| Neighborhood Transportation Program | 4288300000 | Transportation Bonds | 544,236.76 | |
| Beam Roundabout at Shopton Rd. | 4288200019 | Transportation Bonds | | 544,236.76 |
| Centene | 6210100121 | Neighborhood Bonds | 3,000,000.00 | |
| Public Private Partnerships | 6210100119 | Neighborhood Bonds | 6,000,000.00 | 3,000,000.00 |
| Eastland Infrastructure | 6188700001 | Neighborhood Bonds | | 6,000,000.00 |
| Project PIECE | 6210100097 | Pay-As-You-Go | 262,267.43 | |
| ED Programs | 6210100104 | Pay-As-You-Go | | 262,267.43 |
| Innovative Housing - Housing Support | 6110100021 | Pay-As-You-Go | 155,206.91 | |
| HOME PAYGO Match Reserve | 1400100001 | Pay-As-You-Go | | 155,206.91 |
| Bus/ED Piece of Opportunity Corridors | 6210100112 | Private Contributions | 1,000,000.00 | |
| CoO Property Acquisition Management | 6210100124 | Private Contributions | | 1,000,000.00 |
| Total | | | 12,691,086.10 | 12,691,086.10 |

Section 21. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to return \$385,648.73 from project 8010100013 (Fleet Security Needs) to the City of Charlotte Risk Management Fund.

Section 22. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to return \$83,564.07 from project 8010150058 (Charlotte Vehicle Operations Center) to the City of Charlotte Risk Management Fund.

Section 23. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to recognize and appropriate \$22,000 in tree planting revenue in project 8094500002 (Tree Replacement Program) in the General Capital Projects Fund (4001).

Section 24. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to recognize and appropriate \$6,800,000 in grant revenue in project 4131402002 (City Lynx Goldline) in the General Capital Projects Fund (4001).

Section 25. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to recognize and appropriate \$750,000 in program income in the General Capital Projects Fund (4001) in project 6110100021 (IH: Housing Support).

Section 26. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to recognize and appropriate \$349,535.33 in program income in the General Capital Projects Fund (4001) in project 1400100001 (HOME PAYGO Match Reserve).

General Operating Fund

Section 27. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to recognize and appropriate \$1,750,000 in interest from investments revenue in the General Operating Fund (1000).

Section 28. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to recognize and appropriate \$750,000 in intergovernmental revenue in the General Operating Fund (1000)

Convention Center Tax Fund

Section 29. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to appropriate \$13,000,000 in fund balance in the Convention Center Tax Fund (2001).

Tourism and Cultural Facilities Operating Funds

Section 30. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to appropriate \$1,300,000 in fund balance in the Tourism Operating Fund (2002).

Section 31. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to appropriate \$250,000 in fund balance in the Cultural Facilities Operating Fund (2003).

General COVID-19 Assistance Fund

Section 32. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to recognize and appropriate \$35,000 in interest income in the General COVID-19 Assistance Fund (2698).

Neighborhood Development Grants Fund

Section 33. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to transfer \$1,000,000 in grant revenue from project 6110100136 (Cure Violence/Violence Interruption) to project 6110100152 (Alternatives to Violence-Expansion).

Section 34. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to recognize and appropriate \$230,874 from the Housing Opportunities for Persons With AIDS (HOPWA) Program in the Neighborhood Development Grants Fund (2700) in project 6110100043 (Housing Opportunities For People W/).

Section 35. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to recognize and appropriate a contribution of \$75,000 from the General Operating Fund (1000) in the Neighborhood Development Grants Fund (2700) in project 1400100002 (General Fund Financial Partners).

Section 36. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to recognize and appropriate \$491,943.25 in revenue from Transit-Oriented Development fee-in-lieu payments in the Neighborhood Development Grants Fund (2700) in project 6110100141 to transfer funds previously appropriated in the General Capital Projects Fund (4001).

Section 37. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to recognize and appropriate \$13,603,678.48 in revenue from tree mitigation payments in the Neighborhood Development Grants Fund (2700) in project 8030100005 to transfer funds previously appropriated in the General Capital Projects Fund (4001).

Section 38. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to recognize and appropriate \$668,570 in revenue from tree planting revenues in the Neighborhood Development Grants Fund (2700) in project 8094500004 to transfer funds previously appropriated in the General Capital Projects Fund (4001).

HOME Grant Fund

Section 39. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to recognize and appropriate \$50,775.20 from the HOME Investment Partnerships Program in the HOME Grant Fund (2701) in project 6133750009 (HOME: Non-Profit Sponsored Housing).

Section 40. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to recognize and appropriate \$287,729.80 from the HOME Investment Partnerships Program in the HOME Grant Fund (2701) in project 6180100002 (HOME: Selective Rehabilitation).

Section 41. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to recognize and appropriate \$206,428.42 in program income in the HOME Grant Fund (2701) in project 6133750006 (HOME: House Charlotte Loans).

General Capital Equipment Fund

Section 42. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to recognize and appropriate a contribution of \$302,061.25 from the General Operating Fund (1000) in the General Capital Equipment Fund (4500).

General Technology Fund

Section 43. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to recognize and appropriate a contribution of \$455,053.25 from the General Capital Projects Fund (4001) from project 1400900040 (Budget Capital Control Account) in the General Technology Fund (4501).

Section 44. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to appropriate \$1,695,000 in fund balance in the General Capital Projects Fund (4001) for transfer to the General Technology Fund (4501).

Aviation Operating Funds-Consolidated

Section 45. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to recognize and appropriate \$14,403,081 in fund balance and \$799,452 in parking fees in the Aviation Operating Funds-Consolidated.

Aviation Capital Projects Funds-Consolidated

Section 46. That Schedule L in Sections 2 and 4 of the Fiscal Year 2023 Budget Ordinance (318-X) are hereby amended according to the following schedules:

| | Original | Revised |
|--|--------------------|--------------------|
| Renovate Airport Terminal | 228,430,663 | 236,518,389 |
| Enhance Airfield Capacity | 261,236,748 | 207,078,674 |
| Increase Airport Fuel Capacity | - | - |
| Enhance Airport Services Facilities | 10,601,000 | 66,483,738 |
| Expand Airport Cargo Capacity | - | - |
| Improve Excluded Airport Services and Facilities | - | - |
| Expand Ground Transportation Capacity | 5,760,000 | 4,943,465 |
| Improve Private Aircraft Area | - | 5,731,615 |
| Total | 506,028,411 | 520,755,881 |
| | Original | Revised |
| Revenue Bonds | 240,900,427 | 286,732,101 |
| Federal Grants | 119,350,411 | 80,755,915 |
| Passenger Facility Charges | 88,181,018 | 21,596,614 |
| Customer Facility Charges | 8,000,000 | 6,000,000 |
| State Grants | - | 35,918,458 |
| Aviation Pay-As-You-Go | 49,596,555 | 85,232,232 |
| Other Funding | - | 4,520,561 |
| Total | 506,028,411 | 520,755,881 |

CATS Operating Fund

Section 47. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to appropriate \$5,000,000 in fund balance in the CATS Operating Funds Consolidated for transfer to the CATS Capital Projects Funds-Consolidated.

CATS Debt Service Fund

Section 48. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to recognize and appropriate \$2,138,717.98 in unspent 2013B Certificates of Participation proceeds from the CATS Capital Projects Funds Consolidated for transfer to the CATS Debt Service Funds Consolidated for debt service payments.

CATS Capital Projects Funds-Consolidated

Section 49. That Schedule K in Sections 2 and 4 of the Fiscal Year 2023 Budget Ordinance (318-X) are hereby amended according to the following schedules:

| | Original | Revised |
|--------------------------------------|-------------------|-------------------|
| Construct Hambright Park and Ride | 9,747,054 | - |
| Develop Transit Systems | 9,200,000 | 15,109,537 |
| Enhance Safety and Security | 348,897 | 619,007 |
| Purchase New Transit Support Systems | 5,952,525 | 5,910,702 |
| Purchase Vehicles for CATS | 390,530 | - |
| Maintain Transit Vehicles | 19,666,943 | 25,705,343 |
| Maintain Transit Facilities | 1,800,000 | 600,000 |
| Reserved for Future Years | - | 1,745,727 |
| Total | 47,105,949 | 49,690,316 |

| | Original | Revised |
|---------------------------|-------------------|-------------------|
| Federal Transit Grants | 25,233,161 | 19,075,537 |
| Local Funding | 1,721,201 | 4,409,539 |
| State Transit Grants | 2,512,798 | 1,392,750 |
| Contribution from Control | 17,638,789 | 24,562,490 |
| Private Contributions | - | 250,000 |
| Total | 47,105,949 | 49,690,316 |

Charlotte Water Debt Service Fund

Section 50. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to recognize and appropriate \$11,200,000 in revenue from the Charlotte Water Operating Fund in the Charlotte Water Debt Service Funds-Consolidated.

Charlotte Water Capital Projects Fund

Section 51. That Schedule J in Sections 2 and 4 of the Fiscal Year 2023 Budget Ordinance (318-X) are hereby amended according to the following schedules:

| | Original | Revised |
|--------------|--------------------|--------------------|
| Water | 117,365,184 | 118,015,051 |
| Sewer | 294,609,812 | 294,344,812 |
| Other | 8,825,000 | 9,390,000 |
| Total | 420,799,996 | 421,749,863 |

| | Original | Revised |
|--|--------------------|--------------------|
| Water Revenue Bonds | 32,300,000 | 33,514,867 |
| Sewer Revenue Bonds | 226,700,000 | 226,435,000 |
| Contribution from Charlotte Water Operating Fund | 161,799,996 | 161,799,996 |
| Total | 420,799,996 | 421,749,863 |

Stormwater Debt Service Fund

Section 52. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to appropriate \$750,000 in fund balance in the Storm Water Operating Fund (6300) for transfer to and appropriation in the Storm Water Debt Service Fund (6320).

Stormwater Capital Projects Fund

Section 53. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to transfer \$169,224.82 from project 7590150000 (City Projects Budget) to project 4131502000 (Blue Line Extension).

Stormwater Capital Equipment Fund

Section 54. That the Fiscal Year 2023 Budget Ordinance (318-X) is hereby amended to recognize and appropriate \$250,000 from the Storm Water Operating Fund (6300) in the Storm Water Capital Equipment Fund (6361).

Risk Management Fund

Section 55. That the financial plan for the Risk Management Fund as adopted in the FY 2023 Budget Ordinance (318-X) is hereby amended to recognize and appropriate \$4,469,212.80 in revenue and \$42,063.20 in fund balance.

Authorizations

Section 56. That any remaining encumbered appropriations from the prior fiscal year for contracts and purchase orders that carry over into the current fiscal year are re-appropriated for expenditure in the current fiscal year.

Section 57. That the unexpended appropriations for previously authorized multi-year capital projects or grant projects are re-appropriated for expenditure in the current fiscal year. Local grant matching obligations and other amounts that were previously authorized as part of multi-year grant projects are also re-appropriated for expenditure in the current fiscal year.

Section 58. That amounts sufficient to make contractually-obligated small towns' tourism payments from the Tourism Fund are hereby appropriated.

Section 59. That the entire sums available from MSD Funds 2101, 2102, 2103, 2104, 2105, and 2107 fund balances as of June 30, 2023, for MSDs #1, #2, #3, #4, #5, and #6 are hereby appropriated for payment to Charlotte Center City Partners (CCCP), University City Partners (UCP), and SouthPark Community Partners.

Section 60. That revenues are hereby available and appropriated in the amounts needed to make payments to Charlotte Regional Visitors Authority as specified in the City Council-authorized agreement.

Section 61. That prepared food and beverage tax revenues are hereby available and hereby appropriated for transfer in the amounts needed to make payments to the Mecklenburg County towns (Cornelius, Davidson, Huntersville, Matthews, Mint Hill, and Pineville) as stipulated in Session Law 2001-402 and the interlocal agreement approved by City Council resolution on June 13, 2005.

Section 62. That the Finance Officer or designee is hereby authorized to transfer revenues from the Tourism and Convention Center Tax Funds to the Charlotte Regional Visitors Authority as stipulated in State of North Carolina General Statutes, for contractual or other required payments.

Section 63. That as annual wireless communications user fees exceed annual debt service and other operating expenditures for wireless infrastructure system operations in the General Operating Fund the excess is hereby authorized to be appropriated for transfer to the General Capital Projects Fund for future digital communications upgrades as specified in City Council-authorized interlocal agreements. Any shortfall in collections from system user fees will be carried forward to the future fiscal year(s) and will be deducted from future transfers to the CIP until depleted.

- Section 64.** That the City Manager is hereby authorized to implement all of the compensation and benefits recommendations as outlined in the FY 2024 Compensation and Benefits Recommendation book published with the June 12, 2023 Council Business Agenda.
- Section 65.** That the City Manager or designee is hereby authorized to move appropriations within Funds.
- Section 66.** That the City Manager or designee is hereby authorized to make corrections to the annual budget ordinance which are technical in nature.
- Section 67.** That the City Manager is hereby authorized to adjust appropriations in accordance with any Council amendments to this budget ordinance made at the Council Business Meeting of budget adoption.
- Section 68.** That the City Manager or designee is hereby authorized to assign, change, or close project numbers consistent with administration of the approved project or program.
- Section 69.** That the City Manager is hereby authorized to move appropriations for reorganizations within and between Funds. Any offsetting increases and decreases to both estimated revenues and appropriations may occur to accommodate these changes.
- Section 70.** That the City Manager or designee is hereby authorized to adjust the funding source for capital projects as necessary to reflect the appropriate source of funding.
- Section 71.** That the City Manager or designee is hereby authorized to remove any excess appropriations from active or completed projects and transfer all or any part of the associated balances to any other project or to the appropriate Funds' original source to be reprioritized through subsequent budget appropriations.
- Section 72.** That in sections of this ordinance which estimate grant (federal and/or state), debt, and other permanent funding sources, the Finance Officer or designee is hereby authorized to advance funding from the appropriate fund's fund balance to cover the estimated funding source until permanent financing is realized. Upon receipt of grant revenue, debt proceeds, or other permanent funding sources, funds advanced to the project shall revert back to the source fund's fund balance. If the permanent funding is not realized, the advance may be designated as the permanent source of funding. Upon receipt of the permanent funding, the sources and levels of funding for the project specified may be adjusted to reflect permanent financing.
- Section 73.** That the Finance Officer or designee is hereby authorized to appropriate program income, principal payments, interest earnings, or late fees for any Federal, State, Local, or other third party loans, grants, or other revenues for the duration of the grants', loans', or other revenues' authorized performance periods.
- Section 74.** That the Finance Officer or designee is hereby authorized to appropriate interest on investments on HUD-related revolving loan funds as required by HUD to return related interest earnings to HUD at fiscal years' end.
- Section 75.** That the Finance Officer or designee is hereby authorized to advance cash from the General Capital Project equity of the City's cash pool account to general capital projects that are bond-financed (unissued) and that have City Council-authorized appropriations. Upon issuance of permanent financing, the funds will be repaid to the General Capital Project equity of the City's cash pool account.
- Section 76.** That the Finance Officer or designee is hereby authorized to advance cash from the Enterprise's equity of the City's cash pool account to enterprise fund projects that are bond-financed (unissued) and that have City Council-authorized appropriations. Upon issuance of permanent financing, the funds will be repaid to the Enterprise's equity of the City's cash pool account.
- Section 77.** That the Finance Officer or designee is hereby authorized to replenish funds as needed up to the appropriated amount from the Municipal Debt Service Fund fund balance to the General Capital Projects Fund, Project 1400900500 – Advanced Planning/Design Program.
- Section 78.** That the Finance Officer or designee is hereby authorized to transfer interest earnings from the City's various operating and capital funds to the appropriate debt service funds according to Council policy, except where specific exceptions have been authorized.
- Section 79.** That the Finance Officer or designee is hereby authorized to transfer sales tax revenues and reserves between CATS' funds as necessary to facilitate CATS' financial policies.
- Section 80.** That the Finance Officer or designee is hereby authorized to appropriate amounts needed to fund current fiscal year debt issues that have been approved by Council.
- Section 81.** That the Finance Officer or designee is hereby authorized to appropriate amounts needed to satisfy federal government regulations related to interest earnings on debt issues.
- Section 82.** That the Finance Officer or designee is hereby authorized to appropriate and pay amounts needed to fund banking fees.
- Section 83.** That the following system development fees are adopted, pursuant to G.S. 162A-205 and G.S. 162A-209:

| | Meter Size | Water Fee | Sewer Fee |
|---------------------------------------|------------|-----------|-----------|
| 5/8-inch Displacement | | 1,223 | 4,553 |
| 1-inch Displacement | | 3,056 | 11,384 |
| 1.5-inch Displacement | | 6,113 | 22,767 |
| 2-inch Displacement | | 9,780 | 36,428 |
| 3-inch Singlejet | | 19,560 | 72,856 |
| 3-inch Compound, Class I | | 19,560 | 72,856 |
| 3-inch Compound, Class II | | 21,394 | 79,686 |
| 3-inch Turbine, Class I | | 21,394 | 79,686 |
| 3-inch Ultrasonic | | 30,563 | 113,837 |
| 4-inch Compound, Class I | | 30,563 | 113,837 |
| 4-inch Singlejet | | 30,563 | 113,837 |
| 4-inch Compound, Class II | | 36,675 | 136,604 |
| 4-inch Turbine, Class I | | 38,509 | 143,434 |
| 4-inch x 1-inch FMCT | | 42,788 | 11,384 |
| 4-inch Ultrasonic | | 53,791 | 200,353 |
| 6-inch Singlejet | | 61,126 | 227,674 |
| 6-inch Compound, Class I | | 61,126 | 227,674 |
| 6-inch Turbine, Class I | | 79,464 | 295,976 |
| 6-inch Compound, Class II | | 82,520 | 307,359 |
| 6-inch x 1.5-inch FMCT | | 97,801 | 22,767 |
| 6" x 2" FMCT | | 97,801 | 36,428 |
| 6-inch Ultrasonic | | 85,576 | 318,743 |
| 8-inch Compound, Class I | | 97,801 | 364,278 |
| 8-inch Turbine, Class II | | 171,152 | 637,486 |
| 8-inch x 2-inch FMCT | | 171,152 | 36,428 |
| 8-inch Ultrasonic | | 171,152 | 637,486 |
| 10-inch Turbine, Class II | | 238,545 | 779,167 |
| 10-inch x 2-inch FMCT | | 268,954 | 36,428 |
| 10-inch x 12-inch x 2-inch FMCT | | 305,629 | 36,428 |
| 10-inch Ultrasonic | | 275,066 | 1,024,532 |
| 12-inch FMCT with 2-inch at Crossover | | 268,954 | 1,001,764 |
| 12-inch Turbine, Class II | | 323,967 | 1,206,671 |
| 12-inch Ultrasonic | | 336,192 | 1,252,205 |
| 2-inch Fire Line | | 9,780 | n/a |
| 4-inch Fire Line | | 24,450 | n/a |
| 6-inch Fire Line | | 55,013 | n/a |
| 8-inch Fire Line | | 110,026 | n/a |
| 10-inch Fire Line | | 137,533 | n/a |
| 12-inch Fire Line | | 215,530 | n/a |

Section 84. That the Finance Officer or designee is hereby authorized to dispose of, auction, or sell non-United States denominated coins and United States currency that is considered to be damaged and nondepositable, rare, and/or collectors' coins collected by the City for deposit into the City's cash pool account.

Section 85. That the Finance Officer or designee is hereby authorized to establish custodial funds to be known as petty cash, escrow, stewardship and change funds in amounts determined by the Finance Officer or designee; to designate official custodians of the funds; and to approve replacement of official custodians as necessary.

Section 86. That the Finance Officer or designee is hereby authorized to pay sales and use tax as required.

Section 87. That the Finance Officer or designee is hereby authorized to pay withholdings, insurance premiums, risk management claims, legal fees, utility bills, escrow accounts, annual hardware/software maintenance and support fee renewals, refunds (excluding property tax and business privilege license refunds), auction fees, payments to Mecklenburg County in accordance with City Council-authorized agreements, payments to transit management company, and payments to the property management/leasing company for CATS' Charlotte Transit Center.

Section 88. That, pursuant to G.S. 159-25(b), the City Council authorizes the Manager or Interim Manager or, if both are unable to sign checks or drafts on an official depository, the Deputy City Manager to countersign such checks and drafts until the Manager or Interim Manager becomes able to perform this function.

Section 89. That the Finance Officer or designee is hereby authorized to transfer appropriations between funds which are directly tied to specific revenues such as sales tax, tax increment financing, U-Drive it, and other applicable items.

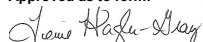
Section 90. That the Finance Officer is hereby authorized to charge a 5% administrative fee on all purchases at City auctions of surplus property, and assess a storage charge of \$25 per day per vehicle on any buyer who fails to remove a purchased vehicle from City property within the time frame stipulated in the auction rules.

Section 91. That all ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 92. That the Finance Officer or designee is hereby authorized to transfer from the Aviation Operating Fund (6000) to the Aviation Discretionary Fund (6001) to provide for the transfer of excess revenues.

Section 93. That this ordinance will be in effect July 1, 2023, except for Sections 15 through 93, which are to be effective upon adoption.

Approved as to form:




City Attorney

CERTIFICATION

I, Billie Tynes, Deputy City Clerk of the City of Charlotte, North Carolina, DO HEREBY CERTIFY that the foregoing is a true and exact copy of an Ordinance adopted by the City Council of the City of Charlotte, North Carolina, in regular session convened on the 12th day of June 2023, the reference having been made in Minute Book 157, and recorded in full in Ordinance Book 66, Page(s) 083-152.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this 12th day of June 2023.

Billie Tynes, Deputy City Clerk



Compensation and Benefits

EXECUTIVE SUMMARY

Background

The City of Charlotte is committed to creating an inclusive culture where City of Charlotte employees can perform job duties with a sense of belonging as their full authentic selves. Human resource programs are developed and administered according to the Human Resources Philosophy adopted by the City Council. The City of Charlotte is committed to attracting and retaining qualified, productive, and motivated employees who will provide efficient and effective services to its residents.

Compensation and benefits recommendations are guided by the mission to help employees thrive by creating a work environment that embraces diversity and recognizes and values the unique and changing needs of the city's workforce throughout different career stages.

FY 2024 guiding principles:

- Base pay is the primary type of pay used to maintain market competitiveness. City Council's approved policy is that market competitiveness for a specific job is based on the median of actual salaries paid in the applicable recruitment area for jobs of a similar nature.
- Generally, pay will be based on performance while considering market conditions.
- Employees may also be rewarded for attaining specific skills which make them more flexible and useful in helping the city meet its goals.
- Benefits plans will provide an appropriate level of income protection against unexpected health, life, and disability risks.
- Health care costs will be aggressively managed with employees sharing in the cost of benefits.
- Wellness initiatives, inclusive of behavioral health initiatives, will be integrated across human resources programs.

Survey of Market Conditions and Market Competitiveness

Market competitiveness is determined through ongoing surveys of the pay and benefits practices of other employers. Human Resources recently completed a review of local, regional, and national pay increase trends, as well as a review of employer benefits practices. Competitive practice survey information was compiled and analyzed from several consulting firms representing a significant number of employers. A summary of the average market movement can be found in **Attachment A**.



Compensation and Benefits

Survey Findings

- According to Payscale's 2023 Compensation Best Practices Report, the planned distribution of average base pay increases for 2023 is concentrated between 4 and 5 percent.
- Mercer Consulting's *November 2022 U.S. Compensation Planning Survey* reports that projected compensation budgets are trending up over the past several months. Merit increase budgets for 2023 are tracking at 3.9 percent.
- Willis Towers Watson's article, *2023 Employee Pay Trends*, states "Salary budget increases have remained relatively stable (arguably stagnant) in the past decade" and in reference to 2022, "Tight labor markets, inflationary pressures, and employee retention concerns fueled salary increases to rates not seen in nearly two decades". Their research indicates a projected average increase of 4.6 percent in 2023.
- According to the International Foundation of Employee Benefits *2022 Employee Benefits Survey*, employers and plan sponsors expect health care costs to increase by 7 percent between 2022 and 2023. This is driven by several factors, including catastrophic claims, medical provider costs, chronic health conditions, increased utilization due to delayed preventive care during the pandemic and the high cost of specialty prescription drugs.
- *Mercer's Health and Benefit Strategies for 2023 Report* indicates Health care affordability is a top concern for many workers, in particular low-wage earners or those coping with a chronic medical condition. In addition, both telemedicine and onsite care provide care at a lower cost and have the added benefit of greater convenience, which employees at all pay levels appreciate.
- According to the *2022 Society for Human Resource Management (SHRM) Benefits Survey*, the top six benefits employers viewed as most important were health related benefits, retirement savings and planning benefits, leave benefits, family care benefits, flexible work benefits, and professional and career development benefits.
- According to the annual *Mercer National Survey of Employer-Sponsored Health Plans for 2022*, the most important strategies for benefits over the next 3-5 years include enhancing benefits to improve attraction and retention, managing high cost claimants, expanding behavioral health access, improving health care affordability, managing specialty drug costs, enhancing benefits to support women's reproductive health, addressing health inequities, increasing virtual care throughout the healthcare journey and steering to high-value care.

Awards and Recognitions

- Recognized Healthiest 100 Workplaces in America. The city ranked 39th.
- Winner Charlotte Business Journal Regions 2022 Healthiest Employers of Greater Charlotte.
- North Carolina Business Group on Health 2023 Culture of Wellness award.



Compensation and Benefits

FY 2024 COMPENSATION RECOMMENDATIONS

Public Safety Pay Plan

The City of Charlotte's Public Safety Pay Plan, as shown in **Attachments B, C, and D**, covers all Police classes below the rank of Police Lieutenant and all Fire classes below the rank of Battalion Fire Chief. There are two components to the Public Safety Pay Plan. The first is progression through the steps, and the second is market adjustments to the steps. The following recommendations are made:

- All merit steps of the FY 2024 Public Safety Pay Plan to be funded.
- Two market adjustments to the pay steps, each funded at 1.5 percent. The first adjustment effective July 1, 2023. The second adjustment effective January 6, 2024.
- Revisions to Police steps effective July 1, 2023:
 - Eliminate Police Officer steps one and two. In FY 2024, to maintain internal equity, the eligible step date for Officers at steps one, two, and three will be adjusted.
 - Merge Police Officer steps six and seven from two 5 percent steps to a 10 percent step (new step four).
 - Eliminate Police Sergeant step one and increase Police Sergeant step two an additional 2.5 percent.
 - Add a five percent step to the top of Police Sergeant.
- Revisions to Police steps effective September 2, 2023:
 - Create Senior Police Officer III with a 5 percent step above Senior Police Officer II for eligible employees. Eligible Employees must be a Senior Police Officer II for at least one year.
- Revisions to Police steps effective January 6, 2024:
 - Create Senior Police Officer IV with a 2.5 percent above Senior Police Officer III for eligible employees. Eligible employees must have been Senior Police Officers by June 30, 2020 to qualify for the new Senior Police Officer IV step.
- Planned revisions to Police steps proposed for Fiscal Year 2025:
 - Increase Senior Police Officer IV to 5 percent above Senior Police Officer III and add eligibility for employees that achieved Senior Police Officer I between July 1, 2020 and June 30, 2021, and have been a Senior Police Officer III for at least one year, effective January 2025.
 - Adjust starting and top pay for Police Sergeant by 2.5 percent in January 2025.
- Revisions to Fire steps effective November 11, 2023:
 - Eliminate Fire Fighter I step one and two. In FY 2024, to maintain internal equity, the eligible step date for steps 1, 2 and 3 of Fire Fighter I may be adjusted.
 - Add 5 percent step to the top of Firefighter I and Fire Fighter II.



Compensation and Benefits

- Eliminate Firefighter II and Firefighter Engineer step one.
- Merge Firefighter Engineer steps six and seven from two 2.5 percent steps to one 5 percent step (new step five).
- Increase Firefighter Engineer step eight from 2.5 percent to 5 percent (new step six).
- Eliminate Fire Captain step one and increase Fire Captain step two an additional 2.5 percent.
- Add a 2.5 percent step to the top of Fire Captain and Firefighter Engineer.
- Planned revisions to Fire steps proposed for Fiscal Year 2025:
 - Add 5 percent step to top of Fire Fighter I.
 - Adjust top pay for Fire Engineer by 2.5 percent.
 - Adjust starting and top pay for Fire Captain in November 2024.

Salaried Pay Plan

The City of Charlotte's Salaried Pay Plan covers all salaried exempt city employees. This pay plan consists of 26 traditional ranges, each with a minimum and maximum. There is no general pay (market) adjustment for employees in this pay plan like there is for employees in the Public Safety and the Hourly Pay Plans. The following recommendations are made:

- Increase the personnel services budget to fund a 4 percent Salary Pay Plan pool. Departments are expected to manage within the existing personnel services budget.
- Merit pay decisions are based on the employee's performance and the employee's pay rate in relation to the competitive rate for the specific job. Merit pay increases may be awarded as base pay and/or lump sum on the employee's merit date, which vary by employee throughout the year.
- A three percent market adjustment to the Salaried Pay Plan, effective July 1, 2023, as reflected in **Attachment E**. The impact of this recommendation will be to change the minimum and maximum rates of the pay grades to ensure the plan remains competitive in the marketplace. No employee will receive an increase due to this recommendation because no employee salary falls below the minimum of their respective pay grade.

Hourly Pay Plan

The city's Hourly Pay Plan covers hourly employees in labor, trades, and administrative positions. This pay plan consists of 20 traditional ranges, each with a minimum and maximum. Typically, hourly employees receive an annual pay increase equal to the market adjustment to the Hourly Pay Plan and an annual merit increase. However, the labor market for these positions has been heavily impacted by certain job shortages and by wage pressures brought on by the highest rate of inflation seen since the 1970s. To help address these concerns, the following recommendations are made:



Compensation and Benefits

- Two across-the-board pay increases of the greater of 3 percent or \$1,800 each (6 percent or \$3,600 total) One effective July 1, 2023, and one January 6, 2024. Any resulting increase amount that will exceed the assigned pay grade maximum will be paid as a lump sum.
- A three percent market adjustment to the Hourly Pay Plan effective July 1, 2023, as reflected in **Attachment F**. The impact of this recommendation will be to change the minimum and maximum rates of the pay grades, where applicable, to ensure the Plan remains competitive in the marketplace. Because no employee salary falls below the minimum of their respective pay grade, no employee will receive an increase due to this recommendation.
- A new minimum pay rate of \$46,200 annually for all non-temporary, full-time employees, effective January 6, 2024. Any full-time employee with a salary below \$46,200 will be adjusted to the new minimum salary on January 6, 2024.



Compensation and Benefits

FY 2024 BENEFITS

- Increase employee medical plan weekly premium by \$3.00 or \$5.00 based on tier.
- Increase Non-Medicare eligible medical plan monthly premium for retirees with 20 years of service by \$13 or \$22 based on tier.
- Increase weekly Retiree Health Reimbursement Plan employer contribution from \$20 to \$25 for all eligible sworn public safety employees, effective January 2024.

Funding for Insurance Coverages

The following group insurance coverages are provided and consistent with the Human Resources Philosophy adopted by the City Council: medical, including prescription drug; medical stop-loss; life; dental; employee assistance program; and disability coverage.

Health Coverage

The City of Charlotte's medical insurance program is self-insured for active employees and non-Medicare retirees. Stop-loss insurance is purchased by the city to cover catastrophic claims that exceed \$500,000 per individual in a calendar year. Third-party claims administrators are retained to provide medical management services and pay medical and prescription drug claims. When budgeting for future costs, the two cost components for the medical insurance plan are the claims projected to incur and the administrative fees to be paid to the claim's administrators. BlueCross BlueShield NC is the medical claims administrator and CVS Caremark is the prescription drug plan administrator. The City of Charlotte has a fully insured medical and prescription drug plan administered by AmWINS for Medicare-eligible retirees.

The following recommendations are being made:

Medical Plans

- Authorize the City Manager or designee to make plan design changes within the overall health insurance budget.
- Currently the medical plan is administered by Blue Cross Blue Shield of North Carolina. The city will be conducting a rebidding process. IAuthorizethe City Manager or designee to either renew the current contract or select a new vendor and execute the contract and further contract amendments with the selected vendor upon completion of the rebidding process.

Prescription Drug Plan

- Authorize the City Manager or designee to make plan design changes within the overall health insurance budget.



Compensation and Benefits

Active Employee Health Plan Premiums

- For coverage effective January 1, 2024, increase weekly health plan premiums \$3.00 for employee only and employee plus child tiers and \$5.00 for all other tiers, in all plans.
- Provide the City Manager or designee the authority to establish the wellness incentive design within the overall health insurance budget.

Non-Medicare Retiree Health Plan Premiums

- Effective, January 1, 2024, increase monthly health plan premiums \$13.00 for retiree only tier and \$22.00 for all other tiers, for retirees with 20+ years of service.
- Effective, January 1, 2024, increase monthly health plan premiums \$13.00 for retiree only tier. All other tiers will increase by \$13.00 plus dependent costs, for retirees with 15 < 20 years of service.

Medicare-Eligible Retiree Health Plan

- This plan is fully insured and currently administered by AmWINS. The City of Charlotte is conducting a rebidding process for a retiree healthcare administrator. It is recommended that the City Manager or designee be authorized to either renew the current contract or select a new vendor(s) and execute the contract and further contract amendments with the selected vendor(s) upon completion of the rebidding process.
- Since these plans are fully insured, it is recommended that the City Manager or designee be authorized to approve plan options, vendors, rates, and plan design changes to the medical and prescription drug plans upon receipt of plan options and rates from the Administrator of the Medicare-eligible retiree coverage.

Stop Loss Insurance

- The City of Charlotte currently contracts with BlueCross BlueShield of North Carolina for stop-loss insurance to provide protection against catastrophic or unpredictable medical claims. The city will be conducting a rebidding process for stop-loss insurance. Authorize the City Manager or designee to either renew the current contract or select a new vendor(s) and execute the contract and further contract amendments with the selected vendor(s) upon completion of the rebidding process.

Dental Plan

- Currently the dental plan is administered by Cigna. The current rate guarantee will expire December 31, 2023. The 2024 premiums are expected to increase by 5%.
- The City of Charlotte will be conducting a rebidding process for dental. The FY 2024 Adopted Budget authorizes the City Manager or designee to either execute the current contract renewal or select a new vendor(s) and execute the contract and further contract amendments with the selected vendor(s) upon completion of the rebidding process.



Compensation and Benefits

Employee Assistance Program

- Currently the Employee Assistance Program is administered by MyGroup EAP. The City of Charlotte will be conducting a rebidding process. It is recommended that the City Manager or designee be authorized to either renew the current contract or select a new vendor(s) and execute the contract and further contract amendments with the selected vendor(s) upon completion of the rebidding process.

Flexible Spending Accounts and Health Savings Accounts

- Currently these benefits are administered by Health Equity. The city will be conducting a rebidding process. It is recommended that the City Manager or designee be authorized to either renew the current contract or select a new vendor(s) and execute the contract and further contract amendments with the selected vendor(s) upon completion of the rebidding process.

Group Legal and Identity Theft

- Currently the Group Legal benefit is administered by MetLife. The City of Charlotte will be conducting a rebidding process. It is recommended that the City Manager or designee be authorized to either renew the current contract or select a new vendor(s) and execute the contract and further contract amendments with the selected vendor(s) upon completion of the rebidding process.

Health Advocacy

- Currently the health advocacy benefit is administered by Health Advocate. The City of Charlotte will be conducting a rebidding process. It is recommended that the City Manager or designee be authorized to either renew the current contract or select a new vendor(s) and execute the contract and further contract amendments with the selected vendor(s) upon completion of the rebidding process.

Retiree Health Reimbursement Plan for Sworn Public Safety

- Effective January 1, 2024, increase the weekly contribution to \$25.
- It is recommended that the City Manager or designee be authorized to renew the current contract and further contract amendments with the vendor.

Short-Term Disability, Long-Term Disability and Family Medical Leave Administrator

- Currently these benefits are administered by Unum. The City of Charlotte will be conducting a rebidding process for these services. It is recommended that the City Manager or his designee be authorized to establish the plan design, either renew the current contract or select a new vendor(s) and execute the contract(s) and further contract amendments with the selected vendor(s) upon completion of the rebidding process.

Vision

- Currently the vision benefit is administered by VSP. The city will be conducting a rebidding process. It is recommended that the City Manager or designee be authorized to either renew the current contract or select a new vendor(s) and execute the contract and further contract amendments with the selected vendor(s) upon completion of the rebidding process.



Compensation and Benefits

Wellness

- The city will be conducting a rebidding process for wellness services. It is recommended that the City Manager or his designee be authorized select a vendor(s) and execute the contract(s) and further contract amendments with the selected vendor(s) upon completion of the bidding process.

Vacation

- Amend the vacation schedule, effective January 2024, as follows:

| Years of Service | Vacation Days |
|-------------------------|---------------|
| Upon hire up to 3 years | 10 days |
| 3 years up to 9 years | 15 days |
| 9 years up to 14 years | 18 days |
| More than 14 years | 20 days |

- Employees with between 3 and 5 years of experience will increase from 10 to 15 days of accrued vacation per year.



Compensation and Benefits

Attachments

Attachment A – Market Movement Summary

Summary of actual market movement for 2020-2023, 2024 projected market movement, and the five-year market movement average.

Attachment B – Recommended FY 2024 Public Safety Pay Plan Structure Effective July 1, 2023

New minimum, maximum and step rates in the Public Safety Pay Plan based on the first 1.5 percent structural market adjustment recommended for FY 2024. Also includes structural revisions.

Attachment C – Recommended FY 2024 Public Safety Pay Plan Structure Effective November 11, 2023

Structural revisions to Public Safety Pay Plan recommended for FY 2024.

Attachment D – Recommended FY 2024 Public Safety Pay Plan Structure Effective January 6, 2024

New minimum, maximum and step rates in the Public Safety Pay Plan based on the second 1.5 percent structural market adjustment recommended for FY 2024. Also includes structural revisions.

Attachment E – Recommended FY 2024 Salaried Pay Plan Structure

New minimum and maximum rates in the Salaried Pay Plan based on the 3 percent structural adjustment recommended for FY 2024.

Attachment F – Recommended FY 2024 Hourly Pay Plan Structure

Effective July 1, 2023: New minimum and maximum rates in the Hourly Pay Plan based on the first 1.5 percent structural adjustment recommended for FY 2024.

Effective January 6, 2024: New minimum and maximum rates in the Hourly Pay Plan based on the second 1.5 percent structural adjustment recommended for FY 2024.



Compensation and Benefits

Attachment A

Market Movement Summary

(Average Percent Change)

| Source | 2020 Actual Market Movement | 2021 Actual Market Movement | 2022 Actual Market Movement | 2023 Actual Market Movement | 2024 Projected Market Movement | 5 Year Average Market Movement |
|---|--------------------------------------|--------------------------------------|--------------------------------------|-----------------------------------|--------------------------------------|--------------------------------------|
| National Statistics Provided by Payscale, Willis Towers Watson, Mercer | 3.0 | 2.9 | 3.4 | 3.9 | 4.2 | 3.5 |
| National Municipalities | 3.0 | 1.6 | 3.1 | 4.4 | 4.3 | 3.0 |
| Charlotte Area Municipalities | 3.0 | 3.7 | 4.3 | 6.4 | 4.7 | 4.4 |
| Large North Carolina Municipalities | not available | not available | not available | 3.8 | 3.9 | 3.8 |
| Large Charlotte Employers (private sector) | 3.0 | 2.7 | 2.7 | 3.3 | 4.0 | 2.9 |
| City of Charlotte Salaried Pay Plan | 3.0 | 3.0 | 3.0 | 4.0 | 4.0 | 3.3 |



Compensation and Benefits

Attachment B

FY 2024 Public Safety Pay Plan Effective July 1, 2023

FY 2024 STEP RATES IN THE PUBLIC SAFETY PAY PLAN

Pay rates shown are weekly and annual rates

POLICE DEPARTMENT

Initial increase at the end of recruit school and completion of field training (app 8 mos), then annually.

New Hire

| | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 | SPO I | SPO II | SPO III |
|-------------------------|----------------------------------|---|---|---|------------------------|------------------------|------------------------|------------------------|--------------------------------|
| | 5.0% | 5.0% | 5.0% | 10.0% | 5.0% | 5.0% | 5.0% | 5.0% | 5.0% |
| POLICE OFFICER 3102 | \$1,083.61 \$56,347 | \$1,137.79 \$59,165 | \$1,194.68 \$62,123 | \$1,314.15 \$68,335 | \$1,379.86 \$71,752 | \$1,448.85 \$75,340 | \$1,521.29 \$79,107 | \$1,597.36 \$83,062 | \$1,677.22 \$87,215 |
| POLICE SERGEANT 3110 | Step 1 \$1,890.95 \$98,329 | Step 2 2.5% \$1,938.23 \$100,787 | Step 3 5.0% \$2,035.14 \$105,827 | Step 4 5.0% \$2,136.89 \$111,118 | | | | | Effective Sept. 2nd 2023 |

Police Incentives

2nd Language, Training Officer 5%
2 Yr degree or Qualifying Military Service 5% (Sergeant not eligible)
4 Yr degree 10% (Sergeant not eligible)

FIRE DEPARTMENT

New Hire

| | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | | | | | | | | |
|------------------------|----------------------------------|--|---|---|--|--|--|--|--|--|--|--|--|
| | 2.5% | 5.0% | 5.0% | 5.0% | 5.0% | | | | | | | | |
| FIREFIGHTER I 3006 | \$958.44 \$49,838 | \$982.40 \$51,084 | \$1,031.52 \$53,639 | \$1,083.10 \$56,321 | \$1,137.25 \$59,137 | | | | | | | | |
| FIREFIGHTER II 3008 | | | Step 1 \$1,031.52 \$53,639 | Step 2 5.0% \$1,083.10 \$56,321 | Step 3 5.0% \$1,137.25 \$59,137 | Step 4 5.0% \$1,194.11 \$62,093 | Step 5 5.0% \$1,253.82 \$65,198 | Step 6 5.0% \$1,316.51 \$68,458 | Step 7 5.0% \$1,382.33 \$71,881 | Step 8 5.0% \$1,451.45 \$75,475 | | | |
| FF ENGINEER 3011 | | | | | | Step 1 \$1,194.11 \$62,093 | Step 2 5.0% \$1,253.82 \$65,198 | Step 3 5.0% \$1,316.51 \$68,458 | Step 4 5.0% \$1,382.33 \$71,881 | Step 5 5.0% \$1,451.45 \$75,475 | Step 6 2.5% \$1,487.74 \$77,363 | Step 7 2.5% \$1,524.94 \$79,297 | Step 8 2.5% \$1,563.06 \$81,279 |
| FIRE CAPTAIN 3016 | Step 1 \$1,801.58 \$93,682 | Step 2 5.0% \$1,846.62 \$96,024 | Step 3 5.0% \$1,938.95 \$100,826 | Step 4 2.5% \$2,035.90 \$105,867 | | | | | | | | | |

Fire Incentives

2nd Language, Haz-Mat, Search & Rescue, Dive, Aircraft Rescue 5%
2 Yr degree or Qualifying Military Service 5% (Captain not eligible)
4 Yr degree 10% (Captain not eligible)



Compensation and Benefits

Attachment C

FY 2024 Public Safety Pay Plan Effective November 4, 2023

FY 2024 STEP RATES IN THE PUBLIC SAFETY PAY PLAN

Pay rates shown are weekly and annual rates

POLICE DEPARTMENT

Initial increase at the end of recruit school and completion of field training (app 8 mos), then annually.

| New Hire | | | | | | | | | |
|------------------------|-----------------|------------------|------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 | SPO I | SPO II | SPO III |
| | | 5.0% | 5.0% | 10.0% | 5.0% | 5.0% | 5.0% | 5.0% | 5.0% |
| POLICE OFFICER | \$1,083.61 | \$1,137.79 | \$1,194.68 | \$1,314.15 | \$1,379.86 | \$1,448.85 | \$1,521.29 | \$1,597.36 | \$1,677.22 |
| 3102 | \$56,347 | \$59,165 | \$62,123 | \$68,335 | \$71,752 | \$75,340 | \$79,107 | \$83,062 | \$87,215 |
| | Step 1 | Step 2 | Step 3 | Step 4 | | | | | |
| | | 2.5% | 5.0% | 5.0% | | | | | |
| POLICE SERGEANT | \$1,890.95 | \$1,938.23 | \$2,035.14 | \$2,136.89 | | | | | |
| 3110 | \$98,329 | \$100,787 | \$105,827 | \$111,118 | | | | | |

Police Incentives

2nd Language, Training Officer 5%
2 Yr degree or Qualifying Military Service 5% (Sergeant not eligible)
4 Yr degree 10% (Sergeant not eligible)

FIRE DEPARTMENT

| New Hire | | | | | Planned FY 2025 | | | | | | |
|------------------------|------------------------|---------------------------------|---------------------------------|---------------------------------|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| FIREFIGHTER I 3006 | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | | | | | | |
| | \$1,032.75 \$53,703 | 5.0% \$1,084.39 \$56,388 | 5.0% \$1,138.61 \$59,207 | 5.0% \$1,195.54 \$62,168 | 5.0% \$1,255.32 \$65,276 | | | | | | |
| FIREFIGHTER II 3008 | | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 | Step 7 | Step 8 | | |
| | | \$1,084.39 \$56,388 | 5.0% \$1,138.61 \$59,207 | 5.0% \$1,195.54 \$62,168 | 5.0% \$1,255.32 \$65,276 | 5.0% \$1,318.08 \$68,540 | 5.0% \$1,383.99 \$71,967 | 5.0% \$1,453.19 \$75,565 | 5.0% \$1,525.85 \$79,343 | | |
| FF ENGINEER* 3011 | | | | | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 | Step 7 |
| | | | | | \$1,255.32 \$65,276 | 5.0% \$1,318.08 \$68,540 | 5.0% \$1,383.99 \$71,967 | 5.0% \$1,453.19 \$75,565 | 5.0% \$1,525.85 \$79,343 | 5.0% \$1,602.14 \$83,311 | 2.5% \$1,642.19 \$85,394 |
| FIRE CAPTAIN* 3016 | Step 1 | Step 2 | Step 3 | Step 4 | Fire Incentives | | | | | | |
| | \$1,891.66 \$98,366 | 2.5% \$1,938.95 \$100,826 | 5.0% \$2,035.90 \$105,867 | 2.5% \$2,086.80 \$108,514 | 2nd Language, Haz-Mat, Search & Rescue, Dive, Aircraft Rescue 5% 2 Yr degree or Qualifying Military Service 5% (Captain not eligible) | | | | | | |

Fire Incentives

2nd Language, Haz-Mat, Search & Rescue, Dive, Aircraft Rescue 5%
2 Yr degree or Qualifying Military Service 5% (Captain not eligible)
4 Yr degree 10% (Captain not eligible)

*Planned 2.5-percent adjustment at the top of Fire Enginner and the top and bottom of Fire Captain in FY 2025



Compensation and Benefits

Attachment D

FY 2024 Public Safety Pay Plan Effective January 6, 2024

FY 2024 STEP RATES IN THE PUBLIC SAFETY PAY PLAN

Pay rates shown are weekly and annual rates

POLICE DEPARTMENT

Initial increase at the end of recruit school and completion of field training (app 8 mos), then annually.

| New Hire | | | | | | | | | | |
|--------------------------|----------------------------------|---|---|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 | SPO I | SPO II | SPO III | SPO IV* |
| POLICE OFFICER 3102 | \$1,099.86 \$57,192 | 5.0% \$1,154.86 \$60,052 | 5.0% \$1,212.60 \$63,055 | 10.0% \$1,333.86 \$69,361 | 5.0% \$1,400.55 \$72,828 | 5.0% \$1,470.58 \$76,470 | 5.0% \$1,544.11 \$80,293 | 5.0% \$1,621.32 \$84,308 | 5.0% \$1,702.38 \$88,523 | 2.5% \$1,744.92 \$90,736 |
| POLICE SERGEANT* 3110 | Step 1 \$1,919.32 \$99,804 | Step 2 2.5% \$1,967.30 \$102,299 | Step 3 5.0% \$2,065.66 \$107,414 | Step 4 5.0% \$2,168.95 \$112,785 | | | | | | |

Police Incentives

2nd Language, Training Officer 5%
2 Yr degree or Qualifying Military Service 5% (Sergeant not eligible)
4 Yr degree 10% (Sergeant not eligible)

*Planned SPOIV adjustment to 5 percent step with corresponding 2.5 percent increase in top and bottom Police Sergeant pay in January 2025

FIRE DEPARTMENT

| New Hire | | | | | Planned in FY2025 | | | | | | |
|------------------------|----------------------------------|---|---|---|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | | | | | | |
| FIREFIGHTER I 3006 | 2.5% \$1,048.24 \$54,508 | 5.0% \$1,100.66 \$57,234 | 5.0% \$1,155.69 \$60,095 | 5.0% \$1,213.47 \$63,100 | 5.0% \$1,274.15 \$66,255 | | | | | | |
| FIREFIGHTER II 3008 | | Step 1 \$1,100.66 \$57,234 | Step 2 \$1,155.69 \$60,095 | Step 3 \$1,213.47 \$63,100 | Step 4 \$1,274.15 \$66,255 | Step 5 \$1,337.85 \$69,568 | Step 6 \$1,404.75 \$73,046 | Step 7 \$1,474.98 \$76,699 | Step 8 \$1,548.73 \$80,534 | | |
| FF ENGINEER* 3011 | | | | | Step 1 \$1,274.15 \$66,255 | Step 2 \$1,337.85 \$69,568 | Step 3 \$1,404.75 \$73,046 | Step 4 \$1,474.98 \$76,699 | Step 5 \$1,548.73 \$80,534 | Step 6 \$1,626.17 \$84,560 | Step 7 \$1,666.82 \$86,674 |
| FIRE CAPTAIN* 3016 | Step 1 \$1,920.03 \$99,841 | Step 2 2.5% \$1,968.03 \$102,338 | Step 3 5.0% \$2,066.43 \$107,454 | Step 4 2.5% \$2,118.09 \$110,141 | | | | | | | |

Fire Incentives

2nd Language, Haz-Mat, Search & Rescue, Dive, Aircraft Rescue 5%
2 Yr degree or Qualifying Military Service 5% (Captain not eligible)
4 Yr degree 10% (Captain not eligible)

*Planned 2.5-percent adjustment at the top of Fire Engineer and the top and bottom of Fire Captain in FY 2025



Compensation and Benefits

Attachment E

FY 2024 Salaried Pay Plan Structure

Effective July 1, 2023

| Range | Minimum | Midpoint | Maximum |
|----------|-----------|-----------|-----------|
| Range 1 | \$48,385 | \$60,481 | \$75,601 |
| Range 2 | \$50,804 | \$63,505 | \$79,381 |
| Range 3 | \$53,344 | \$66,680 | \$83,351 |
| Range 4 | \$56,011 | \$70,014 | \$87,517 |
| Range 5 | \$58,813 | \$73,516 | \$91,895 |
| Range 6 | \$61,753 | \$77,192 | \$96,489 |
| Range 7 | \$64,841 | \$81,051 | \$101,313 |
| Range 8 | \$68,082 | \$85,103 | \$106,379 |
| Range 9 | \$71,486 | \$89,358 | \$111,697 |
| Range 10 | \$75,061 | \$93,826 | \$117,282 |
| Range 11 | \$78,814 | \$98,518 | \$123,147 |
| Range 12 | \$82,755 | \$103,443 | \$129,304 |
| Range 13 | \$86,892 | \$108,615 | \$135,769 |
| Range 14 | \$91,237 | \$114,046 | \$142,558 |
| Range 15 | \$95,799 | \$119,749 | \$149,686 |
| Range 16 | \$100,588 | \$125,735 | \$157,169 |
| Range 17 | \$105,618 | \$132,023 | \$165,028 |
| Range 18 | \$110,899 | \$138,623 | \$173,279 |
| Range 19 | \$116,444 | \$145,555 | \$181,944 |
| Range 20 | \$122,266 | \$152,833 | \$191,041 |
| Range 21 | \$134,493 | \$168,116 | \$210,145 |
| Range 22 | \$147,942 | \$184,928 | \$231,160 |
| Range 23 | \$162,737 | \$203,421 | \$254,276 |
| Range 24 | \$179,010 | \$223,763 | \$279,703 |
| Range 25 | \$196,911 | \$246,139 | \$307,674 |
| Range 26 | \$226,448 | \$283,060 | \$353,825 |



Compensation and Benefits

Attachment F

FY 2024 Hourly Pay Plan Structure

Effective July 1, 2023

| Range | Minimum | Midpoint | Maximum |
|----------|----------|----------|-----------|
| Range 1 | \$43,400 | \$43,400 | \$45,068 |
| Range 2 | \$43,400 | \$43,400 | \$47,322 |
| Range 3 | \$43,400 | \$43,400 | \$49,688 |
| Range 4 | \$43,400 | \$43,400 | \$52,171 |
| Range 5 | \$43,400 | \$43,825 | \$54,781 |
| Range 6 | \$43,400 | \$46,015 | \$57,519 |
| Range 7 | \$43,400 | \$48,316 | \$60,395 |
| Range 8 | \$43,400 | \$50,732 | \$63,415 |
| Range 9 | \$43,400 | \$53,269 | \$66,586 |
| Range 10 | \$44,746 | \$55,932 | \$69,915 |
| Range 11 | \$46,984 | \$58,730 | \$73,412 |
| Range 12 | \$49,333 | \$61,667 | \$77,083 |
| Range 13 | \$51,800 | \$64,750 | \$80,938 |
| Range 14 | \$54,390 | \$67,988 | \$84,985 |
| Range 15 | \$57,109 | \$71,387 | \$89,233 |
| Range 16 | \$59,966 | \$74,957 | \$93,697 |
| Range 17 | \$62,964 | \$78,705 | \$98,381 |
| Range 18 | \$66,112 | \$82,640 | \$103,300 |
| Range 19 | \$69,417 | \$86,772 | \$108,464 |
| Range 20 | \$72,888 | \$91,110 | \$113,887 |

Effective January 6, 2024

| Range | Minimum | Midpoint | Maximum |
|----------|----------|----------|-----------|
| Range 1 | \$46,200 | \$46,200 | \$46,200 |
| Range 2 | \$46,200 | \$46,200 | \$47,322 |
| Range 3 | \$46,200 | \$46,200 | \$49,688 |
| Range 4 | \$46,200 | \$46,200 | \$52,171 |
| Range 5 | \$46,200 | \$46,200 | \$54,781 |
| Range 6 | \$46,200 | \$46,200 | \$57,519 |
| Range 7 | \$46,200 | \$48,316 | \$60,395 |
| Range 8 | \$46,200 | \$50,732 | \$63,415 |
| Range 9 | \$46,200 | \$53,269 | \$66,586 |
| Range 10 | \$46,200 | \$55,932 | \$69,915 |
| Range 11 | \$46,984 | \$58,730 | \$73,412 |
| Range 12 | \$49,333 | \$61,667 | \$77,083 |
| Range 13 | \$51,800 | \$64,750 | \$80,938 |
| Range 14 | \$54,390 | \$67,988 | \$84,985 |
| Range 15 | \$57,109 | \$71,387 | \$89,233 |
| Range 16 | \$59,966 | \$74,957 | \$93,697 |
| Range 17 | \$62,964 | \$78,705 | \$98,381 |
| Range 18 | \$66,112 | \$82,640 | \$103,300 |
| Range 19 | \$69,417 | \$86,772 | \$108,464 |
| Range 20 | \$72,888 | \$91,110 | \$113,887 |

CHARLOTTE WATER

Revenue Manual

July 2023 Revision



Operated by the City of Charlotte

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Purpose

This Charlotte Water (CLTWater) Revenue Manual consolidates CLTWater's water and sewer rate methodology documents into a single document referred to as the "Revenue Manual" in the City of Charlotte Code of Ordinances (City Code).

The reader should consult the Schedule of Current Rates, Fees and Charges applicable to a specific time for the amounts of such rates, fees, and charges that are in effect at that time.

Background

The City of Charlotte and Mecklenburg County formed Charlotte Mecklenburg Utility Department in 1972 to provide City and County residents with drinking water, fire protection and wastewater collection and treatment services. Interlocal agreements with the other six Mecklenburg County municipalities in the 1980's brought their residents into Charlotte Mecklenburg Utility Department as direct, retail customers and provided for them to pay the same rates and fees as other customers and to receive services as prescribed in the agreements. In 2015, The Charlotte Mecklenburg Utility Department changed its name to Charlotte Water (CLTWater). CLTWater provides water and wastewater treatment services to more than 250,000 accounts.

The source of the water supplied by CLTWater to its customers is the Catawba River, which begins in the North Carolina Mountains and flows through 11 impoundments operated by Duke

Energy Company. Two of the impoundments, Lake Norman and Mountain Island Lake, are the source of the CLTWater water supply.

The water system consists of the three water treatment plants: the Walter M. Franklin Water Treatment Plant, the largest in North Carolina with a treatment capacity of 181 million gallons per day (MGD); the Vest Water Treatment Plant with a treatment capacity of 36 MGD; and the Lee S. Dukes, Jr. Water Treatment Plant has a capacity of 25 MGD.

Water, once treated, pumps into more than 4,000 miles of water mains. Booster pumping stations transfer water to the high-pressure zones in the distribution system. The water system also includes 87 million gallons of clear well storage, 10 elevated storage tanks with a combined capacity of 12.25 million gallons, and 2 ground level storage facilities with a combined capacity of 10 million gallons.

Five treatment plants, McAlpine Creek, McDowell, Sugar Creek, Mallard Creek and Irwin Creek, provide wastewater treatment. The wastewater system includes more than 4,000 miles of collection systems lines and has a total permitted treatment capacity of 123 MGD.

History

Prior to 1992, both the water and sewer rate structures consisted of a fixed charge and a volumetric charge and wastewater surcharges on industrial customers for high strength wastewater (i.e., higher than domestic strength BOD and TSS).

CLTWater eliminated Tapping Privilege Fees for new service connections after June 30, 1992, and a new fee structure was implemented on July 1, 1992, that included a connection and capacity fee for both water and sewer. Capacity fees are one-time charges to new customers to assist in recovering at least a part of the capital cost of the additional system capacity. Connection fees recover the labor and materials cost of installing the service connection.

In 1994, CLTWater implemented a tiered water structure designed to encourage conservation by water users and recover the additional costs associated with meeting high demand. CLTWater segregated water volumetric rates into three tiers based on volume of water used over the course of the monthly billing period. The first and lowest tier (0–18 Ccf per month) covered essential water uses related to health and sanitation (e.g. consumption, bathing, washing clothes, cooking, etc.) The second tier (19–40 Ccf per month) was a higher rate and applied to higher water usage normally associated with substantial, outdoor water uses (e.g. irrigation). The third tier (greater than 40 Ccf per month) applied the highest rate to the highest levels of water use. In addition, CLTWater established the maximum monthly sewer usage charge, or sewer cap, for residential customers at 18 Ccf. A sewer cap represents the point where, generally speaking, some water use (i.e. outdoor use) does not flow into the sewer system and incur the cost of collection & treatment.

In 2001, CLTWater stepped up conservation efforts by revising the usage thresholds of the water rate tiers based on updated consumption data. The revision modified the water rate

structure to allocate the cost of services to those customers creating excessive demand through seasonal, discretionary use of water. The first tier changed to 0-16 Ccf per month, the second tier changed to 17–32 Ccf per month, and the third tier changed to greater than 32 Ccf per month.

Also, in 2001, CLTWater implemented an industrial high-strength, wastewater surcharge to cover the cost of removing ammonia, and a new means of charging commercial customers for high strength wastewater (\$.30 per Ccf for Industrial Waste and \$.40 per Ccf for Commercial High Strength Volume charge) based on the average strength loadings of commercial customers. CLTWater phased in the updated methodology over a period of two years.

In 2002, CLTWater amended the sewer cap that applied to multi-family customers from 18 Ccf of metered water consumption per dwelling unit to 11 Ccf per dwelling unit. The revision to the sewer cap recognized that average per capita usage for multi-family customers is lower than typical residential usage.

In 2008, CLTWater revised the tier rate structure to encourage conservation. Changes made included the following:

- Increased the number of water rate tiers within the residential and multi-family rate structure from three to four. The first tier (lifeline) changed to 0–4 Ccf per month to provide low-cost water for essential usage, the second changed to 5-8 Ccf per month, the third tier changed to 9-16 Ccf, and the fourth tier changed to greater than 16 Ccf per month;
- Changed the water rates charged to bulk customers for use outside of Mecklenburg County from Tier 2 residential rates to the Tier 3 residential rates;
- Revised the number of water rate tiers applicable to irrigation meters and swimming pool accounts from three tiers to two tiers (rates starting at the Tier 3 rate and progressing to Tier 4);
- Increased the sewer cap for residential customers from 18 Ccf to 24 Ccf per month; and
- Changed the assumed water usage amount as the basis for billing sewer only-customers from 11 Ccf to 8 Ccf per month.

Several changes occurred in 2012; primarily the addition of a fixed monthly Availability Fee to recover approximately 20% of annual debt service cost. This fee varies and increases with meter size, in accordance with the most recent, published meter capacity ratios of the American Water Works Association (AWWA). The residential cap for sewer was reduced from 24 Ccf to 16 Ccf per month; the multi-family sewer cap remained at 11 Ccf per month. In addition, the amended methodology of the High Strength Surcharges for the Monitored Industries eliminated the surcharge for carbonaceous biochemical oxygen demand (CBOD) and added a charge for chemical oxygen demand (COD). The Commercial High Strength Charge increased from \$.40

per Ccf to \$.50 per Ccf for the Non-monitored Industries and the Industrial Waste Charge decreased from \$.30 per Ccf to \$.24 per Ccf. The methods for calculating rates and fees, which had been in numerous and various documents prior, were consolidated into a "Revenue Manual" and City Code references were changed to reflect this document.

In 2015, CLTWater revised the revenue manual to include several changes to programs. First, the rate methodology no longer subsidizes costs in Tier 1. Second, the Availability and Capacity fees increased to stabilize revenues. Third, CLTWater began a program to install meters on temporary hydrant connections to accurately measure water used rather than use an estimated flat fee for those connections. In addition, with this manual revision, development user fees were included for the first time to reflect the methodology used to collect costs associated with plan review, permitting and inspection. CLTWater also updated several other miscellaneous customer-billing fees to reflect changes in costs and policies.

In 2018, CLTWater revised the Revenue Manual to comply with North Carolina General Statute § 162A Article 8, which provided for the uniform authority to implement System Development Fees for public water and sewer systems in North Carolina. For consistency with § 162A Article 8, all references to Capacity Fees were also modified to read System Development Fees.

In 2021, CLTWater revised the bulk rate from the Tier 3 Residential Rate to the Non-Residential (Commercial) Rate and added a reuse / reclaimed water rate that is 1/2 the Non-Residential (Commercial) Rate. CLTWater also revised, renamed, and added fees in the following sections of the Revenue Manual:

- Industrial Wastewater Program Charges
- Land Development User Fees
- Miscellaneous Rates and Fees
- Meter Set Fees
- Customer Service and Billing Fees and Charges
- Hydrant Fees and Penalties
- Truck Fees and Penalties
- Private Meter Fees and Penalties
- Septic Waste Fees

CLTWater also added descriptions of previously existing special financing programs to the Revenue Manual.

Previously, the department's Director both established and administered rates, fees, and charges for other services provided by CLTWater. The 2021 revision now authorizes CLTWater's Chief Financial Officer to administer rates, fees, and charges once the Director has established them.

Water and Sewer Fixed Billing Fees

The fixed billing fee recovers the costs associated with the servicing of customer water and sewer accounts, such as the cost to read and maintain the meters, produce invoices and provide customer service.

The fixed billing fee calculation is as follows: Cost associated with the servicing of customer accounts divided by the number of accounts billed divided by 12 months. Using the equivalent meter approach simplifies the calculation by converting meters larger than a typical 3/4" residential meter to an equivalent number of 3/4" meters that have the same capacity as the larger meter. The conversion's basis is the AWWA's published meter capacity ratios. The calculation occurs separately for water and sewer services.

Fixed billing fees for sewer meters are subject to additional charges for maintenance and reading of the sewer meter and may be part of a negotiated contract.

CLTWater currently charges the fixed billing fee for water and sewer service. Each billing cycle is prorated for the number of days in the billing cycle.

The fixed billing fee applies to each meter included on the account and is assessed even if no water or sewer usage occurred during the billing period.

Water and Sewer Fixed Availability Fees

CLTWater added availability fees following the February 2011 "Water and Sewer Rate Study Report" by RedOak Consulting to recover approximately 20 percent of CLTWater's annual debt service cost. While the initial target was the recovery of 20% of CLTWater's annual debt service costs, the target now reflects a long-term goal to recover 40% of annual debt service costs through this fee. CLTWater will recommend adjusting the recovery percentage each year as needed and appropriate until achieving the 40% recovery goal.

The availability fee applies to each meter included on the account and is assessed even if no water or sewer usage occurred during the billing period.

To determine base meter size costs, the availability fee methodology is as follows:

Water Availability Fee

Annual Water Debt Service Costs multiplied by the recovery percentage divided by the total number of equivalent meters divided by 12 months. Using the equivalent meter approach simplifies the calculation by converting meters larger than a typical 3/4" residential meter to an equivalent number of 3/4" meters that have the same capacity as the larger meter. The conversion's basis is the AWWA's published meter capacity ratios.

Equivalent meters provide an equitable method for distribution of charging a fixed fee based on the relative capacity of the meter to provide water.

Availability Fees vary and increase with meter size in accordance with published meter capacity ratios.

Sewer Availability Fee

Annual Sewer Debt Service Costs multiplied by the recovery percentage divided by total number of equivalent meters divided by 12 months. Using the equivalent meter approach simplifies the calculation by converting meters larger than a typical 3/4" residential meter to an equivalent number of 3/4" meters that have the same capacity as the larger meter. The conversion's basis is the AWWA's published meter capacity ratios.

Equivalent meters provide an equitable method for distribution of charging a fixed fee based on the relative capacity of the meter to provide water.

Availability Fees vary and increase with meter size in accordance with published meter capacity ratios.

Water Usage Charges

CLTWater categorizes water costs into six different cost categories or cost drivers. A distinction exists between costs that are common to both retail and bulk customers, and costs only applicable to CLTWater's retail customers. Below are these categories.

- Base or average day demand
- Maximum day extra capacity
- Maximum hour extra capacity
- Customer
- Public Fire Protection
- Indirect

The categorization of costs into average demand, maximum day demand, and maximum hour demand involved an analysis of overall system demand peaking and associated system-related costs. For example, the design of some water system components (e.g. size of transmission and distribution lines) must meet maximum day and maximum hour demands, whereas the design of other components, such as the water supply source, must meet average daily demands. Since water system components are designed for various purposes, several cost categories were used.

Factors allocate capital and Operating and Maintenance (O&M) costs to base, average daily demand (ADD), maximum day demand (MDD), and maximum hour demand (MHD) cost categories using system demand information. Below is a summary of water system average day, maximum day and maximum hour demands in 2019.

| WATER COST DRIVERS | | | | | | |
|--------------------|--------------------------|----------------------|-------------------------------|---------------------------|-----------------------|---------------------------------|
| Year | Average Day Demand (MGD) | Max Day Demand (MGD) | Max Day to Average Day Factor | Average Hour Demand (MGH) | Max Hour Demand (MGH) | Max Hour to Average Hour Factor |
| 2019 | 110.8 | 152.7 | 1.4 | 4.6 | 9.7 | 2.1 |

MGD = million gallons per day. MGH = million gallons per hour.

Below is a summary of functional cost allocation percentages for system components designed to meet base, maximum day and maximum hour demands.

| ALLOCATION PERCENTAGES FOR SYSTEM DEMAND FACTORS | | | | |
|--|--------|-------|-------|--------|
| Allocation | ADD | MDD | MHD | Total |
| Average Day Demand | 100.0% | 0.0% | 0.0% | 100.0% |
| Maximum Day Demand | 72.6% | 27.4% | 0.0% | 100.0% |
| Maximum Hour Demand | 45.8% | 17.3% | 36.9% | 100.0% |

The calculation for the maximum day demand allocation is as follows:

- Average Day Demand = $110.8 / 152.7 \times 100 = 72.6\%$
- Max Day Demand = $(152.7 - 110.8) / 152.7 \times 100 = 27.4\%$

The calculation for the maximum hour demand allocation is as follows:

- Average Day Demand = $110.8 / 242.1 \times 100 = 45.8\%$
- Max Day Demand = $(152.7 - 110.8) / 242.1 \times 100 = 17.3\%$
- Max Hour Demand = $(242.1 - 152.7) / 242.1 \times 100 = 36.9\%$

Rates are then determined by dividing the cost allocated to each cost category (see tables below) by the total number of units (Ccf) of service projected to be used by each customer class.

Below is a summary of the basis of allocating O&M costs to cost drivers (FY2021):

| O&M COST ALLOCATION BASIS | | |
|---------------------------|---|--|
| Functional Costs | Allocation | Rationale |
| Treatment-Water Treatment | 100% Base | Treatment O&M costs based on amount of water treated; therefore, costs allocated to base demand factors. |
| Treatment-Pumping | 44.7% Base 19.6% MDD 33.4% MHD 2.2% Fire | Pumping O&M costs are primarily electricity costs, which are based on commodity and demand charges; therefore, costs were allocated on a max hour basis to base, max day, and max hour demand factors. |

| | | |
|------------------|---|--|
| Transmission | 69.5% Base 29.6% MDD 0.9% Fire | Provides max and average day demands to all customers, so costs allocated on a max day basis to base and max day demand factors. |
| Distribution | 44.7% Base 19.6% MDD 33.4% MHD 2.2% Fire | Provides max hour, max day, and average day demands to all customers, so costs allocated on a max hour basis to base, max day, and max hour factors. |
| Customer Service | 100% Number of Bills | Customer service and billing is based on the number customers in the system and number of bills generated. |
| Indirect | 100% Base | Primarily non-departmental and business system costs not related to peak usage. |

A summary of the basis of allocating capital costs drivers is provided in the below schedule. Capital cost allocation percentages are based on an analysis of fixed asset costs (FY2021).

| WATER CAPITAL COST ALLOCATION BASIS | | |
|-------------------------------------|--|--|
| Functional Costs | Allocation | Rationale |
| Source of Supply | 100% Base | Source of supply facilities provide water to meet total supply requirements, so costs allocated to base demand. |
| Treatment - Water Treatment | 100% Base | Exclusive of pumping related treatment facilities, water treatment facilities provide capacity to meet average day demand and are therefore fully allocated to base demand. |
| Treatment – Pumping | 44.7% Base 19.6% MDD 33.4% MHD 2.2% Fire | Provides pumping capacity to meet max hour, max day, and average day demands, so costs allocated on a max hour demand basis to base, max day and max hour demand factors. |
| Transmission | 69.5% Base 29.6% MDD 0.9% Fire | Transmission system supports meeting average and max day demands, so costs allocated on a max day basis to base and max day demand factors. |
| Distribution | 44.7% Base 19.6% MDD 33.4% MHD 2.2% Fire | Distribution system supports delivering water to meet average day, max day, and max hour demands, so costs allocated on a max hour basis to base, max day and max hour demand factors. |
| Storage | 22.9% Base 10.0% MDD 17.1% MHD 50.0% Fire | Storage provided to meet max day and max hour demands and to provide the necessary flows and pressures for fire protection, so costs allocated on a max hour basis to base, max day and max hour demand factors, with a 50% allocation to fire protection. |

| | | |
|------------------|----------------------------|--|
| Customer Service | 100% Number of Bills | CLTWater billing system and a portion of vehicles support providing customers with service, so costs allocated to number of bills. |
| Indirect | 100% Base | Primarily non-departmental and business system costs not related to peak usage, so costs allocated to base demand. |

Units of service costs are then determined by dividing the cost allocated to each cost category by the total number of units of service projected to be used by each customer class.

Residential Rates

CLTWater assesses volumetric usage rates based on the metered water use per hundred cubic feet (Ccf) and are designed to recoup all costs not recovered through other revenue sources. Residential and multi-family customers pay usage rates on an inclining four-tier schedule that depends on the amount of water used during the monthly billing cycle with established caps.

| TIERED STRUCTURE | |
|------------------|----------|
| Tier | Ccf Used |
| 1 | 0 - 4 |
| 2 | 5 - 8 |
| 3 | 9 - 16 |
| 4 | over 16 |

The tier widths for multi-family, residential customers and for master-metered single-family residential neighborhoods are scaled based on the number of dwelling units served by the master meter. CLTWater normalizes volumetric water (tier) rates for billing periods greater than 33 days by proportionally increasing the width of each tier. There is no normalization usage under 28 days; the usage will fall into the tiers as is.

Below is a summary of the rate methodology used for determining the tier rates.

- The Tier 1 water rate recovers the majority of average daily costs.
- The Tier 2 water rate recovers a portion of average daily costs and maximum day cost.
- The Tier 3 water rate recovers a portion of average daily costs, maximum day costs, and maximum hour costs.
- The Tier 4 water rate recovers a portion of average daily costs, approximately half of the maximum day costs and the majority of the maximum hour costs.

The tier structure applies to the following residential customers: Single Family, Apartment and Master Meter Single Family Attached.

Non-Residential (Commercial) Water Rates

CLTWater charges non-residential customers (i.e. commercial, industrial, bulk, and governmental) the same rate (uniform usage rate) for each unit of water used during the billing period. There are no tiered rates based on usage and no sewer caps applied.

The uniform usage rate is calculated by dividing the rate revenue requirements allocated to the commercial customer class, determined through the cost-of-service evaluation process, by the projected total billed commercial water consumption (Ccf) projected for non-residential customers (i.e. commercial, industrial and governmental).

Irrigation Meter Charges and Rates

CLTWater bills water used for irrigation according to the residential or non-residential rate schedules unless the customer obtains a separate meter dedicated only to irrigation service. The department bills water used through a separate irrigation meter according to the irrigation rate schedule and does not bill this water for sewer service.

Currently, there are two options available for a residential customer with an existing service connection to add residential irrigation services.

- Option 1 is a dedicated irrigation service line in which the standard connection fee (established annually) applies.
- Option 2 is a split connection where the irrigation service line attaches to the domestic service line ahead of the domestic meter. The customer is required to pay a one-time adjusted connection fee as opposed to the full fee and pays no System Development Fee for the irrigation service line. The prior year average actual cost is the basis for the reduced connection fee to install services of this type.

Rates for separate residential meter irrigation water usage begin at Tier 3 for water usage up to 16 Ccf per month, and progress to Tier 4 for usage above this amount.

For master metered irrigation accounts used only for residential lawn watering, CLTWater scales rates based on the number of dwelling units. Irrigation meters serving common areas, landscaped street medians, neighborhood parks, or other similar areas are not subject to tier scaling. Rates begin at Tier 3 for water usage up to 16 Ccf per dwelling unit, and progress to Tier 4 for usage above this amount. Irrigation meters are subject to availability and fixed fee charges each month.

If a separate irrigation meter, in addition to a backflow device and smart irrigation controller, is installed and maintained in accordance with CLTWater's standards and requirements, then the Tier 3 rates will apply to all irrigation usage. In addition, CLTWater waives the System Development Fee and customers can pay the connection fee over twelve months. Smart irrigation controllers can significantly reduce water usage.

Water conveyed through irrigation meters is not discharged to the sanitary sewer system and therefore, is not subject to sewer usage charges.

Bulk Water Customer Rates

By policy, public water systems outside of Mecklenburg County (for example, York County and Concord) which purchase water from CLTWater for resale are charged the nonresidential (commercial) rate for all water used unless a separate rate is negotiated and approved by Charlotte City Council.

Reuse / Reclaimed Water Customer Rates

Water reuse generally refers to the process of using treated wastewater (reclaimed water) for beneficial purposes. By policy, customers who purchase reclaimed water from CLTWater are charged 1/2 the nonresidential (commercial) rate for all water used unless a separate rate is negotiated and approved by Charlotte City Council.

Sewer Usage Charges

The below allocation processes are used to calculate the sewer usage costs. CLTWater categorizes the sewer revenue requirements into four different cost categories identified below.

- Flow Based Costs – Includes costs that vary by the volume of wastewater collected and treated (primary costs are chemical and electricity costs).
- Strength Based Costs – Includes costs associated with the treatment of chemical oxygen demand (COD), total suspended solids (TSS) and Ammonia (NH₃-N).
- Customer Costs – Include costs that vary in proportion to the number and type of customers served.
- Industry Specific Costs – Includes costs associated with providing wastewater strength monitoring and laboratory analysis for permitted industrial customers.

O&M costs are allocated to functional components of flow, chemical oxygen demand (COD), total suspended solids (TSS), ammonia (NH₃-N), customer and industry specific categories to recognize the costs incurred to process the wastewater flow and strength characteristics.

Summarized below are the resulting overall O&M cost allocation factors (FY2021).

| SEWER COST DRIVERS | | | | | | |
|--------------------|-------|------|-------|----------|-------------------|-------|
| Flow | COD | TSS | NH3-N | Customer | Industry Specific | Total |
| 46.7% | 28.1% | 6.8% | 1.0% | 16.7% | 0.7% | 100% |

CLTWater allocates capital costs into the same cost categories to recognize that the wastewater capital facilities were designed to accommodate both the flows and the strength of wastewater. The cost allocation process included allocating fixed asset costs to functional components and identifying an overall percentage of capital facilities dedicated to each category. The method used to complete the fixed asset cost allocation consisted of the following steps:

1. Development of a list of fixed sewer assets, original costs, service lives and dates placed in service;
2. Depreciation of the components over their useful life to reflect each asset's service life;
3. Allocation of the net asset value to functional cost components; and
4. Development of average capital cost allocation percentages from the functional cost allocation results.

CLTWater's fixed asset records provided the net asset values. Net asset values are allocated to flow, COD, TSS, NH3-N based on a combination of the design basis and predominant purpose of the facilities. Below is a summary of the basis for the capital cost allocations (FY2021).

| SEWER CAPITAL COST ALLOCATION BASIS | |
|-------------------------------------|---|
| System Component | Allocation Basis |
| Wastewater Collection | Costs assigned 100% to the flow component. |
| Flow Equalization | Costs assigned 100% to the flow component. |
| Screening / Grit Removal | Primary purpose is the removal of TSS and flow rates determine equipment sizing so costs assigned 50% to flow and 50% to the TSS component. |
| Pumping | Costs assigned 100% to the flow component. |
| Primary Clarification | Primary purpose is the removal of TSS and COD. Flow rates and loadings determine equipment sizing. Therefore, costs were assigned 45% to flow, 10% to COD, and 45% to TSS. |
| Activated Sludge | Support removal of organic matter with facilities designed based on loadings. Costs assigned 100% to the COD component. |
| Secondary Clarification | Process designed based on flow rates and loadings. Process supports removal of organic matter and denitrification. Therefore, costs assigned 40% to flow, 40% COD, and 20% NH3-N. |

| | |
|----------------------|--|
| Secondary Filtration | Process designed based on COD loadings and process supports organic matter and solids removal, as well as denitrification. Therefore, costs assigned 95% to COD, 2.5% to TSS, and 2.5% to NH3-N. |
| Disinfection | Costs assigned 100% to the flow component. |
| Thickening | Costs assigned 63.6% to COD, 33.5% to TSS, and 2.9% to NH3-N, based on influent loadings and solids removal. |
| Dewatering | Costs assigned 63.6% to COD, 33.5% to TSS, and 2.9% to NH3-N, based on influent loadings and solids removal. |
| Sludge Digestion | Costs assigned 63.6% to COD, 33.5% to TSS and 2.9% to NH3-N, based on influent loadings and solids removal. |
| Septic Receiving | Costs assigned 58% to flow, 22.6% to COD, 14.4% to TSS, and 3.3% to NH3-N based on discharge loadings. |
| Water Reuse | Costs assigned 100% to the flow component. |
| Customer Accounts | Costs assigned 100% to the customer component. |

Capital cost allocation factors were determined based on applying the fixed asset cost allocations to the net fixed asset values of each of the system components. Shown below are the resulting overall capital cost allocation factors (FY2021).

| SEWER CAPITAL COST ALLOCATION FACTORS | | | | | |
|---------------------------------------|------|------|-------|----------|-------------------------|
| Flow | COD | TSS | NH3-N | Customer | Industrial Waste Charge |
| 85.8% | 7.5% | 4.8% | 1.1% | 0.1% | 0.6% |

Sewer customer classes consist of residential, multi-family, commercial, industrial, high-strength commercial and high-strength industrial customers. Service requirements associated with these classes are based on billed water usage and wastewater strength loadings. Loadings data are obtained from monitoring data provided by the CLTWater staff. Average loading concentrations for all customer classes are estimated based on wastewater flow received at the plant and loadings reported in the Industrial Waste Charge Study Final Report that was prepared in 2004. Monitored customers are charged a surcharge for their metered flow in excess of domestic average concentrations in the table below.

| SURCHARGE LOADING | |
|-------------------|------------------------|
| Cost Drivers | Domestic Averages MG/L |
| COD | 500 |
| TSS | 250 |
| NH3-N | 20 |

The total estimated units of service by customer class is estimated based on the wastewater treatment plant influent data and customer data provided by CLTWater and updated as deemed appropriate.

The unit cost of service is calculated for each of the sewer cost categories by dividing the cost allocated to each cost category by the total number of estimated units of service the prior year.

Ccf Residential sewer usage is capped at 16 Ccf and customers do not pay sewer usage rates for water used beyond this amount each billing period. Multi-family (apartment) sewer usage is capped based on an average of 11 Ccf of water usage per dwelling unit per billing period, and customers do not pay sewer usage rates for flows beyond this amount.

Commercial and industrial customers using water from CLTWater's water distribution system, but not discharging all the water back into the sewer system, have the quantity of water used and not discharged back into the sewer system excluded from the sewer service charge. However, this is predicated on the quantity of water being measured by a CLTWater approved device installed and maintained at the owner's expense.

Several customers were grandfathered into the above methodology in 2001 that excludes sewer charges for an amount of water that is evaporated and not discharged into the CLTWater sewer system without the installation of a measurement device. These customers pay sewer charges based on an established percentage of total water used based on CLTWater's calculations or an independent consultant's recommendation since the amount of evaporated water not added back to the sewer is not metered separately.

Industrial Wastewater Program Fees and Charges

Commercial High Strength Volume Charges for Non-Monitored Customers

Customers serviced by multi-user meters (master meters), that also serve other customers not discharging high strength wastewater, are not charged the High Strength surcharge, although a similar business that has a separate or stand-alone meter receives both the Industrial Waste Charge and the High Strength Surcharge. Typical customers served by master meters include shopping centers, strip malls and office buildings and usually there are no records to determine the water usage of individual tenants. Subsequently, this wastewater returns to the sewer system, and it is impossible to measure the precise impact that each individual tenant has on the system.

The commercial high strength volume charge is assessed to non-monitored customers in the industrial waste program that discharge wastewater pollutant concentrations that are greater than the domestic loading concentrations. CLTWater calculates the high strength charge by determining the average pollutant loadings for these customers in excess of domestic loading and calculating a volumetric high strength charge that includes the costs of treating these high strength loadings. The amount billed is determined by multiplying the high strength charge / Ccf by the volume of metered water used by the customer.

These surcharges are in addition to other sewer charges.

Industrial Waste Charge

Industrial and commercial customers that discharge high strength wastewater requiring increased costs to treat relative to residential wastewater are assessed an industrial waste charge that recovers a portion of the System Protection Division costs. CLTWater assesses these charges based on flow volume. Both monitored customers (who have average daily flow greater than 25,000 gallons per day or who have special discharge permits) and non-monitored commercial customers (such as restaurants, auto repair and body shops and laundries that have high strength effluent but have insufficient flow to require continuous monitoring) are required to pay this charge.

CLTWater identifies industries that discharge industrial waste by the Standard Industrial Classification (SIC) code assigned to them when they obtained their business license. The SIC code assists CLTWater in determining the type of wastewater discharged by similar businesses.

Industrial High Strength Surcharges for Monitored Customers

Industrial customers that discharge wastewater with a concentration of chemical oxygen demand (COD), total suspended solids (TSS) and ammonia-nitrogen (NH₃-N) at a strength higher than domestic strength are billed a surcharge on the number of pounds of each pollutant discharged in excess of the domestic loading rate.

To determine the surcharge, the following steps occur. The monthly average of each pollutant discharged by the particular industrial customer is calculated and the average domestic loadings (refer to Surcharge Loading table in Sewer Usage Charges section) subtracted to determine the pounds of surplus loading. The pounds of surplus loading value are multiplied by the factor of 0.0062428 to determine the pounds of pollutant surcharged. The factor is a conversion factor of the National Standard pounds formula (Wastewater Flow in Million Gallons per Day (MGD) X 8.34 (weight in pounds of 1 gallon of water X pollutant concentration in mg/l) which accounts for the fact that CLTWater bills its customers in Ccfs instead of gallons.

The pollutant surcharges for COD, NH₃-N, and TSS recover the entire cost to CLTWater to treat these wastes. The surcharges for all pollutants are increased by the percent required to achieve and maintain surcharges equivalent to full cost recovery of treating each pollutant. The customer's monthly invoice shows the pounds of pollutant surcharged.

Quarterly Sampling Fee for Industrial Septic Waste Receiving

Hauled waste customers must apply for and receive a permit from CLTWater allowing them to deliver hauled waste to designated receiving stations (see Septic Waste Permit Fee). The permit must be renewed annually for the customer to continue to deliver hauled waste. On a quarterly basis for each permit, CLTWater may sample the hauled waste being delivered by customers to ensure they remain in-line with the concentrations noted at the time the permit was granted. Costs recovered with the quarterly sampling fee include labor, vehicle, materials, lab costs/sampling fees, and overhead.

Fire Line Fees

CLTWater calculates the cost associated with fire line service using the base extra capacity methodology, as described by the AWWA. Using this methodology, the maximum day and maximum hour fire flow demands are estimated and used to determine the relative proportion of the system maximum day and maximum hour demands attributable to fire flow demands. The annual revenue requirement associated with providing fire line service is then estimated by allocating certain costs identified as related to meeting maximum day or maximum hour water demands proportionally to fire line service. CLTWater then divides the total annual revenue requirement associated with fire line service by the number of 6" fire line meter equivalents to derive the unit cost of fire line service under this method.

The maximum day and maximum hour fire flow demands are estimated based on assumptions contained in CLTWater's 2009 Water Distribution System Master Plan, prepared by Black & Veatch, Inc. (the "Master Plan") or the most recent update available. The performance criteria used in the Master Plan to evaluate the distribution system for fire flow requirements was a flow of 3,500 gallons per minute (GPM) for three hours. For the purposes of this analysis, CLTWater calculates the maximum day and maximum hour fire flow demands using the assumption of two non-simultaneous fires in a day. Summarized below is the resulting base, maximum day and maximum hour allocation factors used in the analysis (FY2021).

COST ALLOCATION DEMAND FACTORS - BASE EXTRA CAPACITY METHOD

| Cost Factor | Base | Max Day | Max Hour | Fire Flows | Total |
|---------------------|--------|---------|----------|------------|-------|
| Average Day Demand | 100.0% | 0.0% | 0.0% | 0.0% | 100% |
| Maximum Day Demand | 69.5% | 29.6% | 0.0% | 0.9% | 100% |
| Maximum Hour Demand | 44.7% | 19.6% | 33.4% | 2.2% | 100% |

Each cost category of CLTWater's budget is assigned to one of the cost factors. For any costs assigned to the direct fire, maximum day or maximum hour costs factors as shown in the above table, a portion of these costs are allocated to fire protection. Shown below is a summary of the budget categories and associated percentages of costs assigned to fire protection (FY2021).

FIRE LINE COST ALLOCATION - BASE EXTRA CAPACITY METHOD

| Functional Costs | Allocation | Rationale |
|---------------------|------------|--|
| Treatment - Pumping | 2.2% | Treatment pumping costs allocated on a max hour basis, with the capacity required for fire protection representing 2.2% of the system's max hour demand. |
| Transmission | 0.9% | Transmission costs allocated on a max day basis, with the capacity required for fire protection representing 0.9% of the system's max day demand. |
| Distribution | 2.2% | Distribution costs and facilities allocated on a max hour basis, with the capacity required for fire protection representing 2.2% of the system's max hour demand. |

| | | |
|----------------------|--------|--|
| Distribution Storage | 50.0% | Distribution storage designed for two purposes: (1) to meet maximum hour demands and (2) to provide adequate pressure for fire flows, so costs assigned 50% to fire flows. |
| Direct Fire | 100.0% | Costs associated with hydrant and fire meter maintenance allocated 100% to direct fire protection. |

Using the base extra capacity method, the total fire line service revenue requirement is calculated by multiplying the CLTWater cost center budgets to the above Fire Flow Allocation with the exception of the Debt Service, CIP and Other Non-Operating Expenses and Other Revenue which included interest income, System Development Fees, miscellaneous revenue and sources/uses of funds). The Debt Service, CIP and Other Non-Operating Expenses is allocated at 2.3% and is based on the average allocation of fixed capital costs to base, maximum day, maximum hour and fire protection cost categories.

In situations where combination meters have zero usage on the high flow size meter over the past calendar year, the high flow size meter is considered a substitute for a separate, dedicated fire line connection. Therefore, the monthly availability fee is based on the low flow size meter. This condition is evaluated and adjusted periodically.

Water and Sewer Connection Fees

The water and sewer connection fees are one-time charges for anyone desiring a new connection to the water and sewer system. These fees are paid in advance with the new service application. The 5/8" or 1" water service connection involves the construction of a lateral from the public water main to a service line on the customer's property, a meter yoke, a meter box and required appurtenances. Water service connections for larger than 1" meters involve the construction of a lateral from the public water main to a service line on the customer's property, a meter box or vault, a valve at the property line and other required appurtenances.

The sewer service connection involves the construction of a lateral from the sewer main to the edge of right of way.

Water and sewer connection fees for small taps services (5/8" to 4" meter sizes and 4" sewer connections) are established annually based on the average actual cost from the prior year to install service connections. Costs include labor, materials, any regulatory or non-regulatory fees, site restoration and mobilization charges associated with installation of these particular service connection sizes. In addition, costs associated with CLTWater staff reviewing design plans and/or performing inspection of these installations are included. Some sizes exclude exceptionally high or low historical costs (statistical outliers) to arrive at more representative costs. These small taps services are installed by a CLTWater contractor or are installed by CLTWater crews, depending upon the department's standard operating procedures.

Connection fees for larger services (greater than 4" water and 4" sewer) are based on CLTWater's estimated cost after reviewing the submitted construction design plans and site conditions. Costs include labor, materials, regulatory or non-regulatory fees, site restoration and

mobilization charges associated with installation of these particular service connection sizes. In addition, costs associated with CLTWater staff reviewing design plans and/or performing inspection of these installations are included.

The connection fee only (not the System Development Fee) is discounted 10% if the connection is installed during construction of a public water or sewer main. This discount is limited to 5/8" water and 4" sewer services.

The connection fees do not apply to services installed by a developer during the construction of water /sewer systems under contract with and donated to CLTWater because in this case CLTWater does not incur a direct installation cost.

Financial assistance for service connections may be available for single-family residential residences with household incomes that are 80% or less of the Charlotte area's median household income, consisting of a special deferred payment plan for 84 months or no interest loan payments. The median household income is determined from the most recently available Census data and is based on the most current household income for the Metropolitan Statistical Area for Charlotte, Gastonia and Rock Hill. To apply for assistance, the customer must complete an assistance application and submit their most recent tax return to substantiate family size and income.

Fire Line Connection Fees

Costs of fire lines are based on CLTWater's estimated cost after reviewing the submitted construction design plans and site conditions. Costs include labor, materials, regulatory or non-regulatory fees, site restoration and mobilization charges associated with installation of these particular service connection sizes. In addition, costs associated with CLTWater staff reviewing design plans and/or performing inspection of these installations are including the costs of labor, parts and mobilization. These fees are paid at the time application is made for the connection.

Industrial, commercial and multi-family customers that install fire sprinkler systems or private fire hydrants will incur a separate connection fee for each fire line.

Water and Sewer System Development Fees

North Carolina General Statute 162A Article 8 provides for the uniform authority to implement System Development Fees for public water and sewer systems in North Carolina. System Development Fees are one-time fees paid at the time of application for a new service to recover a portion of the capital costs associated with providing the capacity to serve the new customer coming on-line. System Development Fees are levied for all new water and sewer connections, regardless of whether they are installed as a part of a donated developer project or otherwise and regardless of the process used to construct or fund them.

CLTWater's System Development Fees are calculated using the Capacity Buy-In Method which requires new customers to buy into existing backbone facilities – plants, pump stations, supply

reservoirs, large collection and distribution facilities – generally at a rate that reflects the prior investment of existing customers per unit of total capacity. As described below, CLTWater’s water and sewer System Development Fees increase proportionally with the water meter size requested by the customer since larger meters consume a greater share of built capacity. The following steps were completed to calculate the fees under the Capacity Buy-In Method:

1. The replacement value of existing system facilities was calculated, and adjustments were made to derive a net replacement value estimate in accordance with 162 A Article 8. Adjustments to the calculated replacement value included deducting accumulated depreciation, developer contributions, and a portion of outstanding debt.
2. The unit cost of system capacity was estimated by dividing the net replacement value of existing system facilities by the current capacity of the system.
3. The amount of capacity associated with a service unit of new development was estimated. One equivalent residential unit (“ERU”) was defined as the smallest service unit of new development.
4. The System Development Fee for one service unit of development was calculated by multiplying the cost per unit of system capacity by the capacity associated with one ERU, as defined below.
5. The calculated System Development Fee for one ERU was scaled for different categories of demand. Meter capacity ratios were used to scale System Development Fees from a base meter size from the smallest unit of new development (one ERU) to different categories of demand, defined by different customer meter sizes.

Fire Line System Development Fees

Fire Line System Development Fees are calculated using the Capacity Buy-In Method for a 5/8” water meter multiplied by the meter manufacturer’s flow data divided by 2 to account for the 50% return flow change concept.

After installation, if an upgrade is requested, the original System Development Fee is refunded once the new System Development Fee is paid.

Land Development User Fees

CLTWater's Installation and Development Services section is the plan review, plan approval, permitting and inspection agent of proposed public potable water, sanitary sewer, and reclaimed wastewater infrastructure designed, proposed, constructed or requested by private entities, including developers throughout CLTWater’s service area. CLTWater charges project, plan review and inspection fees using the City of Charlotte’s approved methodology for cost recovery, which is based on capturing staff time and other direct and indirect costs for these activities.

Land development user fees are charged for the following services:

Backflow Prevention Review

This fee applies to plan review necessary to assure backflow prevention requirements are satisfied. Typically refers to commercial or non-single-family development. This fee would be paid when project plans requiring a backflow review are submitted for approval.

Backflow Prevention Device Inspection

This fee applies to site inspection required for new backflow prevention device installation or inspection and testing of existing backflow prevention devices. Typically refers to commercial, non-single-family development or customers with dedicated irrigation service connections.

Infrastructure Permit: Project Initiation

This flat fee is assessed when a new project initiation occurs. It applies to various aspects of work that typical water and/or sewer projects require, regardless of size or scope. Typically refers to new residential subdivisions, commercial projects, non-single-family developments requiring water and or sewer infrastructure construction, or their relocations. This fee is paid when plans for an extension or relocation of water and/or sewer infrastructure are submitted for review.

Infrastructure Permit: Plan Review

This fee applies to construction plan review required for new development including, but not limited to, new residential subdivisions, commercial projects, or non-single-family developments requiring water and or sewer infrastructure construction, abandonment, replacement, or relocation. This fee is paid when plans are submitted.

Infrastructure Permit: Inspection

This applies to construction related activity of new public water and sanitary sewer infrastructure. Projects included in these fees are new residential subdivisions, commercial, industrial, and institutional projects, non-single-family developments requiring water and or sewer infrastructure construction, abandonment, replacement, or relocation. This fee is paid when plans are approved and permitted prior to construction, abandonment, replacement or relocation of water and/or sewer infrastructure when the land developer / project owner signs a contract.

System Conversion

System conversion is the conversion of an existing domestic water service to an irrigation service or vice versa. This allows for the utilization of an existing service on site rather than

applying for a new service. The fee covers the cost of contractors who perform the work on behalf of CLTWater.

Enhanced Plan Review

Enhanced plan reviews will be completed within 15-20 business days of the first submittal and within 5-10 business days for resubmittals. Some project exclusions apply.

Special Financing Programs

Connection Fee Financing

An interest-free twelve-month loan that allows the domestic water, sewer, or irrigation connection fee to be paid in equal monthly installments in conjunction with the CLTWater bill. The applicant must be the owner of the property and must be living in the home. The loan request is only for the connection fee. The system development fee, if applicable, will be due and payable at the time of service application.

Water / Sewer Connection Financial Assistance Loan

An interest-free seven-year loan to install a new water and/or sewer connection for residential customers who have a verifiable financial need.

Property owners whose household income is less than eighty percent of the median income for the CLTWater service area, based on income and family size as published by Housing and Urban Development, may obtain water and/or sewer connections under this program.

The Water/Sewer Connection Financial Assistance Loan policy is in the Extension Policy of the Design Manual:

- The financial assistance program as approved by the City Council as part of this Policy and in effect on January 1, 2010, shall remain in effect until and unless revised by CLTWater as authorized in the following section.
- CLTWater is authorized to revise the financial assistance program from time to time and to administer said program for qualified property owners to assist with the cost of connecting to the system. CLTWater shall give notice of a revision to said program to the City Council and to the CLTWater Advisory Committee at least 10 days in advance of the effective date of such revision. Further approval by the City Council or the Committee is not required for such revisions to take effect. Without limiting the foregoing, CLTWater shall have the right to establish and modify the qualifying criteria for any applicable financial assistance. Property owners qualifying for financial assistance are not guaranteed assistance. A copy of the financial assistance program shall be maintained and made available for public inspection and copying in the office of the Director of CLTWater and in the office of the City Clerk for the City of Charlotte.

Private Water / Sewer Line Replacement Financial Assistance Loan

An interest-free five-year loan to replace an existing private domestic water or sewer line to residential customers who have a verifiable financial need.

Property owners whose household income is less than eighty percent of the median income for the CLTWater service area, based on income and family size as published by Housing and Urban Development, may obtain water or sewer replacement lines under this program.

The property owner must make the application for the water line repair or replacement. To receive the repair or replacement, a lien will be required on the property for which service is being provided. Liens will only apply to repairs or replacements greater than \$500.00. The term of the receivable will be a maximum of five years and will be calculated at 0% interest.

Once the application is approved, CLTWater will engage the approved contractor to assess the customer's private water or sewer line. The recommended next steps may be to repair or replace the private line. The contractor will directly share recommendations and associated costs with the customer for approval and completion of the repair or replacement. The customer would be billed monthly until the repayment is satisfied.

HomeServe Assistance Private Line Protection Program

CLTWater has launched a new service program with HomeServe that provides an optional private water and sewer line protection plan for our residential customers. Currently, customers are responsible for maintaining the exterior water and sewer lines on the private side of their property. This program gives customers a less expensive option for getting water and sewer lines repaired or replaced, should they become damaged.

The protection plan is available for a monthly water and sewer fee as outlined in the HomeServe agreement. If customers choose to bundle water and sewer, the price will be discounted. There will be no coverage limits for either service nor will there be a limit on the number of claims that can be made annually.

Non-Profit Assistance Agencies

CLTWater and 311 partner with many agencies to aid in the process of verifying customer billing information, submitting commitments for payments, and subsequently making payments or providing loans on the customer's behalf.

Payment Arrangements

Payment arrangements allow customers to extend the due date on a current balance or set up a monthly installment arrangement on a past-due or large balance. A standard payment

arrangement allows up to four installments, but a supervisor may approve a longer arrangement in extenuating circumstances. Customers are asked to pay a portion of the past-due balance before they can enter into an arrangement; this requirement may also be waived by a supervisor in extenuating circumstances.

Authorized Civil Penalties

Wastewater Discharge Restrictions (Article III of Chapter 23 of the City Code)

These civil penalties are assessed to users of the CLTWater sewer system for violations of wastewater discharge restrictions in applicable provisions of the City Code (currently codified as Article III of Chapter 23 of the City Code) and permits and orders issued pursuant thereto.

Examples of violations include, but are not limited to, the following:

- Reports submitted up to 10 days late;
- Transcription error;
- Improper of sampling procedures;
- Failure to sample for a required parameter;
- Failure to notify CLTWater of any planned significant changes to the operations or system at least 90 days before the change;
- Failure to report a slug load discharge;
- Prohibited or unauthorized discharge that may result in damage to a Publicly Owned Treatment Works (POTWs);
- Illegally discharging grease;
- Falsification of maintenance, pumping or cleaning reports; and
- Discharge of pollutants that have not been previously approved.

The maximum civil penalty is \$25,000 per violation per day. Assessed civil penalties are determined from factors set forth in the City Code and include, but are not limited to, the following: Extent of harm caused, magnitude and duration of the violation, the cost of enforcement, whether the violation was committed willfully or intentionally and history of violation(s).

Backflow Prevention

(Article V of Chapter 23 of the City Code)

The purpose of these civil penalties is to protect the CLTWater water system from contamination originating in private plumbing systems. Examples of violations include the following: unprotected cross connection involving a private water system, which is an imminent, high or moderate hazard; failure to submit complete and accurate reports; and failure to test or maintain backflow-prevention assemblies as required. Maximum civil penalties for violations of applicable provisions of the City Code range from \$100 to \$1,000 per violation per day. Assessed civil penalties are determined from factors set forth in the City Code, including timeliness of correcting the violation and history of violation(s).

Unpermitted Modifications to Water and Sewer System

(Article VI of Chapter 23 of the City Code)

The purpose of this civil penalty is to prevent alterations to the CLTWater water and sewer system that have not been permitted. The maximum civil penalty is \$10,000 per violation per day.

Water Conservation

(Article VII of Chapter 23 of the City Code)

The purpose of this civil penalty is to maintain and protect the water resources available to the City/County for essential and community and business water uses during a declared water shortage. The following three phases of water conservation can be implemented:

1. Phase I, restricted – Restrictions on the manner, day of the week and/or time of day of one or more discretionary water uses and/or complete prohibitions on one or more such uses.
2. Phase II, banned - Restrictions on the manner, day of the week, and/or time of day of one or more discretionary or community and business water uses and/or complete prohibitions on one or more of such uses.
3. Phase III, emergency- Restrictions on the manner, day of the week, and/or time of day of one or more discretionary, community and business or essential water uses; and/or complete prohibitions on one or more of such uses.

Any customer that violates the mandatory water conservation control in Phase I shall be subject to a civil penalty according to the following schedule:

| PHASE I | | |
|--------------------|---------------------------|-----------------------|
| Offense | 1-1/2" Connection or Less | 2" Connection or More |
| First | \$100 | \$200 |
| Second | \$200 | \$400 |
| Third & Subsequent | \$300 | \$600 |

Any customer that violates the mandatory water conservation control in Phase II or Phase III shall be subject to a civil penalty according to the following schedule.

| PHASE II OR PHASE III | | |
|-----------------------|---------------------------|-----------------------|
| Offense | 1-1/2" Connection or Less | 2" Connection or More |
| First | \$200 | \$400 |
| Second | \$400 | \$800 |
| Third & Subsequent | \$600 | \$1,200 |

Director and Chief Financial Officer Authorized

The CLTWater Director is authorized to establish, and the Chief Financial Officer is authorized to administer rates, fees, and charges for other services provided by CLTWater. These rates, fees, and charges are intended to recover the actual costs of providing services.

Miscellaneous Rates and Fees

Backflow Investigation Fee

This fee recovers the labor, vehicle, materials, and overhead costs associated with the investigation of illegal or unauthorized connections to the water system that may not have a backflow prevention device installed, as well as a penalty for the violation.

Backflow Prevention Device Test Notification Fee

CLTWater requires annual testing of backflow prevention devices. The fee shall be calculated to achieve full cost recovery of the notification.

Closed-Circuit Television Video (CCTV) Inspection for Post-Construction Purposes

This fee is related to the inspection of gravity sewer mains and associated connections using closed-circuit television (CCTV) video inspection. This add-on fee is assessed when a permitted infrastructure project requires additional CCTV inspection services, preparation of the infrastructure for the CCTV inspection (e.g., cleaning), and these services are performed using CLTWater resources.

Emergency 1" Unmetered Water Service

This charge is per day for the use of unmetered water after CLTWater has removed the meter and installed a backflow device. The charge applies when a customer has a contaminated plumbing system or private water line without backflow protection and requires water service prior to eliminating the private contamination hazard. CLTWater replaces the customer's meter with an un-metered backflow prevention device. After the customer has corrected the problem and CLTWater Lab Services has verified the water is clean, the metered connection can be restored.

Environmental Laboratory Services Analytical Fees

CLTWater's Environmental Laboratory Services facility is a full-service environmental laboratory that supports CLTWater's analytical needs and those of the laboratory's external customers. The laboratory is certified to provide commercial analytical services for drinking water, wastewater, industrial discharges, and ground, surface and storm waters. External customers are billed monthly or quarterly. Fees are based on benchmark surveys of commercial laboratories and the cost components are an allocation of salaries and materials.

Fees may also be charged to external customers in accordance with approved agreements with the intent to fully offset the laboratory's cost components.

Infrastructure Permit: Revision to Approved Plans (RTAP)

This fee applies to revised, approved plans that require an updated signature and seal of the NC registered Professional Engineer; this fee applies to plans that have been issued their original permits and the permitted project has been released for construction. Revisions to approved plans may be necessary as site conditions change or unforeseen construction conflicts arise and were not detailed in the original plans. This fee applies to various aspects of water and/or sewer projects regardless of size and scope. This fee is expected to be paid prior to final acceptance of the water and/or sewer infrastructure. This fee can be applied per occurrence within a singular project.

Meter Plug/Unplug Fee

This fee recovers labor, vehicle, material, equipment and overhead costs incurred when a plug must be installed to stop the flow of water to the customer after other methods have been overridden or undone by the customer. When the plug is being removed, the fee excludes the cost of a plug.

Meter Testing Fee

Should a customer dispute the accuracy of their water meter, the meter can be removed and tested in accordance with AWWA specifications. Should the meter test within AWWA specifications or under-register usage, the customer will be charged a meter-testing fee. Should the meter test reveal the meter was over-registering usage, the customer will not be charged a testing fee and the applicable usage refund will be issued.

This fee recovers the labor, vehicles, tools, materials, supplies, and equipment costs necessary to have their meter tested at CLTWater's meter test facility.

Meter Test Cancellation Fee

This fee recovers the labor, vehicle, material, and overhead costs necessary to assess a customer who is a "no show" when having their meter tested at CLTWater's meter test facility.

The general process is that the customer meets a CLTWater employee at their home, the meter is pulled, and the customer follows the staff person to the meter test facility to observe their meter being tested.

Moved Meter Fee

This fee recovers the labor, vehicle, material, and overhead costs necessary to assess a customer or entity who has moved a meter from one location to another without authorization, as well as a penalty for the violation.

Sewer, Commercial, Ground Water Remediation

In certain situations, CLTWater accepts and treats contaminated groundwater. User fees are charged based on metered flows. The commercial sewer rate applies. Sampling at the discharge point into the sanitary sewer may be required and an additional high strength charge and industrial control charge may apply based on the flow volume and the sampling results. CLTWater will designate the location and may limit the discharge rate where contaminated groundwater is accepted.

Sewer Monthly Rates

CLTWater provides sewer service to some customers who do not receive water service. In those cases where water service is not metered, CLTWater provides sewer service for a monthly flat-rate amount. The Sewer Monthly Flat Rate for residential customers is based on an average usage of 7 Ccf multiplied by the commercial sewer rate plus the sewer fixed charge

plus the sewer availability fee. Actual amounts are adjusted when changes to the variables in the formula are approved.

Sewer, Metered, Union County

An interlocal agreement established this charge and it is calculated based on the volume of flow received from Union County multiplied by the treatment cost at McAlpine Creek Wastewater Treatment Plant. Treatment cost at McAlpine Wastewater Treatment Plant is determined by that facility's annual budget plus overhead divided by the total estimated gallons to be treated divided by the conversion factor of 1.3368 (conversion factor applies when Union County flows are measured in Ccf instead of gallons). The amount is determined each year according to the methodology approved in the interlocal agreement.

Swimming Pool Water Rates

Swimming pool rates for residential customers are charged by starting with the Tier 3 rate and progressing to Tier 4 for usage greater than 16 Ccf. Commercial swimming pools are charged for the full-metered usage. Sewer usage charges are levied for water used to fill pools because environmental regulations prohibit discharge of water from swimming pools to surface waters or storm drainage systems. Charges for sewer may be incurred, based on the amount of water used, and depending on water source used when pool was filled.

Unauthorized Device

This fee recovers the labor, vehicle, material, and overhead costs incurred when a customer moves an existing water meter to another address instead of purchasing a separate meter, as well as a penalty for the violation. The penalty increases for each subsequent offence by the same customer.

Meter Set Fees

Meter Set Fee (3/4")

This fee recovers the labor, vehicles, materials, equipment, and overhead costs associated with meter setting or installation services for a 3/4" meter.

Meter Set Fee (1")

This fee recovers the labor, vehicles, materials, equipment, and overhead costs associated with meter setting or installation services for a 1" meter.

Customer Service and Billing Fees and Charges

After-Hours Reconnection Fee

This fee recovers costs related to reconnecting a customer's service after hours. After hours is defined between 5 p.m. and 7 a.m. It requires a minimum of two hours and Crew Chief personnel who are on-call for such requests.

Bad Check Fee

This charge is applied when a customer pays their water services bill with a check that is returned for insufficient funds. The amount of the fee is established in North Carolina General Statute § 25-3-506.

Delinquency Notification Fee

Should a customer become delinquent on their water bill CLTWater at its discretion may send a notification to remind customers to satisfy their bill to avoid service interruption. The fee shall be calculated to achieve full cost recovery of the notification.

Disconnection / Reconnection Fee

This fee recovers the labor, vehicle, materials, and overhead costs to disconnect or reconnect a customer to the water system.

Disconnect Water Service at the Water Main

This fee recovers the labor, vehicle, material, and overhead costs associated with disconnecting water service at the connection to the street main, as well as repaving costs incurred by CLTWater.

Late Payment Variable Charge (Late Charge)

This late payment charge is assessed on the unpaid balance for water, sewer and storm water charges when the City has not received the payment within 6 days after due date. The 1.5% (or current percentage) late charge is added to the next water services bill pursuant to Section 23-5 of the City Code.

Meter Lock/ Unlock Fee

This fee recovers the labor, vehicle, material, equipment and overhead costs related to installing or removing a meter lock device from a customer's meter. When the lock is installed, the fee includes the cost of a lock. When the lock is removed, the fee excludes the cost of a lock.

Meter Obstruction Fee

Water service meter installations must always be accessible. It is the customer's responsibility to ensure the meter always remains clear and free from obstructions and debris. This fee recovers the labor, vehicle, material, and overhead costs incurred when a CLTWater staff member arrives at a property but is unable to access the meter due to some sort of obstruction caused by the customer.

Meter Relocation Fee (Including meter boxes in driveway/sidewalk)

If a driveway is constructed over an existing meter box, CLTWater may relocate the service at the customer's expense. It is the practice of CLTWater to not set new meters in meter boxes located in driveways and the cost to relocate the box and service line out of the driveway will be determined on an at-cost basis.

Non-Compliance Fee

Pursuant to Section 23-181(d), the violation of any section of Chapter 23 of the City Code may be punished by a civil penalty according to the following schedule:

- 1) Unprotected cross connection involving a private water system which is an imminent hazard (\$1,000.00)
- 2) Unprotected cross connection involving a private water system which is a high hazard (\$750.00)
- 3) Unprotected cross connection involving a private water system which is a moderate hazard (\$500.00)
- 4) Unprotected cross connection for which no other civil penalty is prescribed (\$250.00)
- 5) Submitting false records which are required to be submitted by this article (\$1,000.00)
- 6) Submitting incomplete records or failing to submit records which are required to be submitted by this article (\$500.00)
- 7) Failure to test backflow-prevention assemblies as required (\$100.00)
- 8) Failure to maintain backflow-prevention assemblies as required (\$100.00)
- 9) Any other violation of the article (\$100.00)

Service Fee, New Service

This is a fee applied when a customer requests to turn on or transfer water/sewer service from one service location to another. This fee is included on the customer's first water services bill and recovers the labor, vehicle, materials and overhead costs associated with the activation of service at their location. The fee also includes the cost of a CharMeck 311 phone call.

Security Deposits for Commercial Users

Refundable deposits are required from all commercial users at the time of application for new services. The deposit due is according to published rates and is based on customer type and

meter size. If a payment for services provided is not received, the City may discontinue water and/sewer service and charge the unpaid amount against the deposit. The remaining deposit will be credited on the final water services bill.

Unauthorized Fire Line Usage Fee

Should a dedicated fire line record usage for purposes other than a fire or fire system testing, the estimated water usage and applicable sewer charges are billed to the account.

Unlawful Connection Fee

This civil penalty is assessed if there has been an unauthorized connection to the CLTWater water or sewer system. CLTWater is authorized to charge civil or other penalties in accordance with local, state, and federal regulations. See Section 23-137 of the City Code for additional guidance.

Water Connection or Meter Damage Fee

This fee recovers the labor, vehicle, material, and overhead costs incurred to address damages to the customer's meter or at the connection site.

In addition to time and materials, it includes a manual entry for the actual cost incurred by CLTWater to repair the meter or connection site.

Hydrant Fees and Penalties

Temporary Hydrant Water

CLTWater manages non-Fire Department use of hydrants when customers request various types of water use from hydrants. The intent of the fees applied is to recover actual costs incurred for establishing and maintaining the connection and to charge a fee for the water used in accordance with prevailing rates. Usage is set at the Commercial water and sewer rates.

Unauthorized Use of Hydrant Fee

This fee is levied when an unpermitted connection is made to a CLTWater fire hydrant. The user will be charged the labor, vehicles, tools, materials, supplies, and equipment costs associated with investigating the unpermitted connection, a fee based on the estimated usage, and a penalty of \$250 for the violation.

Emergency 3/4" Jumper/Backflow Installation Fee

This fee is charged when an urgent or emergency connection is required for a 3/4" connection. There are two components to this fee. The first component is a one-time fee for the labor,

vehicles, materials, and overhead costs required to install the backflow prevention device. The second component is the daily rental fee associated with the backflow prevention device equipment.

Emergency 1" Jumper/Backflow Installation Fee

This fee is charged when an urgent or emergency connection is required for a 1" connection. There are two components to this fee. The first component is a one-time fee for the labor, vehicles, materials, and overhead costs required to install the backflow prevention device. The second component is the daily rental fee associated with the backflow prevention device equipment.

Hydrant Meter Connection / Relocation Fee (3/4" Meter)

This fee is related to the installation of meter and backflow prevention device equipment on hydrants for special uses using a 3/4" meter. The labor, vehicle, material, and overhead costs related to installing the meter and backflow prevention device are billed once. Rented equipment is charged separately on a per month basis.

With the intent to mimic commercial accounts, temporary hydrant connection customers will be charged the following rates and/or fees when applicable:

- Water use at the current Non- Residential (Commercial) Water Rate
- The applicable water availability fee
- The applicable sewer availability fee
- The applicable fixed fee(s)
- Administrative Fee at the creation of a customer account
- The applicable commercial account security deposit

Customers using this service are subject to late fees, delinquency fees, penalties, and other applicable fees according to the same procedures as customers with standard connections.

Hydrant Meter Connection / Relocation Fee (1-1/2" Meter)

This fee is related to the installation of meter and backflow prevention device equipment on hydrants for special uses using a 1-1/2" meter. The labor, vehicle, material, and overhead costs related to installing the meter and backflow prevention device are billed once. Rented equipment is charged separately on a per month basis.

With the intent to mimic commercial accounts, temporary hydrant connection customers will be charged the following rates and/or fees when applicable:

- Water use at the current Non- Residential (Commercial) Water Rate
- The applicable water availability fee
- The applicable sewer availability fee

- The applicable fixed fee(s)
- Administrative Fee at the creation of a customer account
- The applicable commercial account security deposit

Customers using this service are subject to late fees, delinquency fees, penalties, and other applicable fees according to the same procedures as customers with standard connections.

Hydrant Meter Connection / Relocation Fee (2-1/2" Meter)

This fee is related to the installation of meter and backflow prevention device equipment on hydrants for special uses using a 2-1/2" meter. The labor, vehicle, material, and overhead costs related to installing the meter and backflow prevention device are billed once. Rented equipment is charged separately on a per month basis.

With the intent to mimic commercial accounts, temporary hydrant connection customers will be charged the following rates and/or fees when applicable:

- Water use at the current Non- Residential (Commercial) Water Rate
- The applicable water availability fee
- The applicable sewer availability fee
- The applicable fixed fee(s)
- Administrative Fee at the creation of a customer account
- The applicable commercial account security deposit

Customers using this service are subject to late fees, delinquency fees, penalties, and other applicable fees according to the same procedures as customers with standard connections.

Hydrant Meter Connection / Relocation Fee (3" Meter)

This fee is related to the installation of meter and backflow prevention device equipment on hydrants for special uses using a 3" meter. The labor, vehicle, material, and overhead costs related to installing the meter and backflow prevention device are billed once. Rented equipment is charged separately on a per month basis.

With the intent to mimic commercial accounts, temporary hydrant connection customers will be charged the following rates and/or fees when applicable.

- Water use at the current Non- Residential (Commercial) Water Rate
- The applicable water availability fee
- The applicable sewer availability fee
- The applicable fixed fee(s)

- Administrative Fee at the creation of a customer account
- The applicable commercial account security deposit

Customers using this service are subject to late fees, delinquency fees, penalties, and other applicable fees according to the same procedures as customers with standard connections.

Hydrant Meter Connection / Relocation Fee (4" Meter)

This fee is related to the installation of meter and backflow prevention device equipment on hydrants for special uses using a 4" meter. The labor, vehicle, material, and overhead costs related to installing the meter and backflow prevention device are billed once. Rented equipment is charged separately on a per month basis.

With the intent to mimic commercial accounts, temporary hydrant connection customers will be charged the following rates and/or fees when applicable:

- Water use at the current Non- Residential (Commercial) Water Rate
- The applicable water availability fee
- The applicable sewer availability fee
- The applicable fixed fee(s)
- Administrative Fee at the creation of a customer account
- The applicable commercial account security deposit

Customers using this service are subject to late fees, delinquency fees, penalties, and other applicable fees according to the same procedures as customers with standard connections.

Hydrant Meter Device Damage

This charge is assessed to the customer based on damages to hydrants or hydrant meter installations while the customer is/was in possession of the temporary hydrant connection assembly. The customer is invoiced the cost for any necessary repairs or replacements based on actual costs.

Hydrant Meter, Residential Swimming Pool Fill

This fee applies to the use of a hydrant for filling or adding water to swimming pools. This fee includes two service fees (one to set up equipment and one to disassemble equipment) recovering the labor, vehicles, tools, materials, supplies, and equipment costs. Additionally, the volume of water used is multiplied by the third-tier residential rate for usage between 0 and 16 Ccf and the fourth-tier residential rate for usage over 16 Ccf. Appropriate sewer fees may also be levied.

Moved Hydrant Meter Fee

This fee recovers the labor, vehicle, material, and overhead costs incurred by CLTWater when a hydrant meter is moved from one location to take water at another location, without authorization, as well as a penalty for the violation.

Sterilize Connection/CLTWater Laboratory Services

This add-on fee is assessed when a customer desires to connect to a fire hydrant to provide temporary potable water. The fee includes the labor and overhead costs for a CLTWater employee to clean and flush connections in addition to the prevailing lab fee(s) established by the CLTWater Laboratory Services Division.

Truck Fees and Penalties

Tanker Truck Permit Fee

This fee recovers the labor, materials, and overhead costs required to inspect a tanker truck and ensure the crew is properly trained on tapping into the fire hydrant or other approved water source, as well as the cost of the physical decal permit. The permit fee is charged at the time of application or renewal. Permits are currently valid for two years.

Water use is charged separately at the metered commercial water rate plus applicable fixed and availability fees.

Sweeper Truck Permit Fee

This fee recovers the labor, materials, and overhead costs required to inspect a sweeper truck and ensure the crew is properly trained on tapping into the fire hydrant or other approved water source, as well as the cost of the physical decal permit. The permit fee is charged at the time of application or renewal. Permits are currently valid for two years.

Water use is charged separately in the amount of one Ccf per business day at the commercial water rate plus applicable fixed and availability fees.

Vacuum Truck Permit Fee

This fee recovers the labor, materials, and overhead costs required to inspect a vacuum truck and ensure the crew is properly trained on tapping into the fire hydrant or other approved water source, as well as the cost of the physical decal permit. The permit fee is charged at the time of application or renewal. Permits are currently valid for two years.

Water use is charged separately in the amount of three Ccfs per business day at the commercial water rate plus applicable fixed and availability fees.

Permit Decal Replacement

This fee recovers the labor, materials, and overhead costs associated with re-issuing a tanker, sweeper, or vacuum truck permit to a user that has lost the permit decal sticker. This fee does not act as a penalty to users for not maintaining the decal sticker, but only serves to recover the costs incurred by CLTWater.

Truck Meter Penalty

This fee recovers the labor, vehicle, materials, and overhead costs associated with the unauthorized use of water by a tanker, sweeper, or vacuum truck; as well as a penalty for the violation.

Private Meter Fees and Penalties

Sewer, Private Deduct Meter

This fee serves to recover the labor, vehicle, materials and overhead costs related to setup and inspection of private sewer meters.

These meters measure the actual wastewater flow. They are typically installed at production/manufacturing/industrial facilities where much of the water consumed by the customer is incorporated into the product, evaporated, or not discharged into the wastewater system for some other reason.

Sewer, Private Meter, Unmetered Water Fees

This fee serves to recover the labor, vehicle, materials and overhead costs related to setup and inspection of private sewer meters.

These meters measure the actual wastewater flow of customers who use private wells and for which CLTWater does not have metered water data. These meters measure actual wastewater flows for billing purposes.

Water, Private Meter, Bleed-Off

Some commercial and industrial customers have private meters installed to measure water used to maintain localized water quality that is not returned to the sewer system. This fee recovers the labor, vehicles, materials, and overhead costs incurred to ensure the meters meet CLTWater standards and have read compatibility with a transmitter as specified by CLTWater.

Water, Private Meter, In-Product

Some commercial and industrial customers have private meters installed to measure water used in their production processes that is not returned to the sewer system. This fee recovers the labor, vehicles, materials, and overhead incurred to ensure the meters meet CLTWater standards and have read compatibility with a transmitter as specified by CLTWater.

Water, Private Meter, Lawn/Fountain

Some commercial and industrial customers have private meters installed to measure water used in landscaping or decorative water fountains that is not returned to the sewer system. This fee recovers the labor, vehicles, materials, and overhead costs incurred to ensure the meters meet CLTWater standards and have read compatibility with a transmitter as specified by CLTWater.

Water, Private Meter, Makeup

Some commercial and industrial customers have private meters installed to measure water used that is not returned to the sewer system. This fee recovers the labor, vehicles, materials, and overhead costs incurred to ensure the meters meet CLTWater standards and have read compatibility with a transmitter as specified by CLTWater.

Water, Private Meter, Other

Some commercial and industrial customers have private meters installed to measure water used in situations other than those mentioned elsewhere in this section and is not returned to the sewer system. This fee recovers the labor, vehicles, materials, and overhead costs incurred to ensure the meters meet CLTWater standards and have read compatibility with a transmitter as specified by CLTWater.

Septic Waste Fees

Septic Waste Permit Fee

This fee recovers the labor, materials, and overhead costs associated with the initial inspection and permitting of customers discharging septic waste at select locations throughout the system. It is billed annually.

The permit fee approval process is lengthier than for other permit fees. It includes a detailed review of the permit application, an inspection of the customer's truck, sampling, and the setup of the customer's account in the billing system. In addition, all customers must attend an annual 3-4-hour training session (time and materials for the training session are not included in the calculation).

Septic Waste Receiving

CLTWater accepts wastewater from permitted septage waste haulers at designated receiving stations. Haulers are charged a fee per gallon accepted, which is based on an allocation of the treatment plant costs such as chemicals and power, an allocation of administrative costs for the Environmental Division and lab charges. These costs and the fee are reviewed and adjusted annually.

**RESOLUTION
No. 2023-03**

**ADOPTION OF THE FY2024 TRANSIT OPERATING BUDGET, FY2024 TRANSIT DEBT SERVICE
BUDGET AND FY2024-2028 CAPITAL INVESTMENT PLAN**

A motion was made by **County Commissioner Leigh Altman (Mecklenburg County)** and seconded by **Mayor John Edwards (Town of Pineville)** for the adoption of the following resolution, and upon being put to a vote was duly adopted by the Metropolitan Transit Commission (MTC).

WHEREAS, The Amended Transit Governance Interlocal Agreement (11-28-2005) provides that the Chief Transit Official shall submit to the MTC by January 30 of each year a proposed transit budget and program delineating the public transit services, activities and programs to be undertaken in the upcoming fiscal year starting July 1, and the financial resources required to carry out the services, activities and programs, and

WHEREAS, the Chief Transit Official provided preliminary budget and program recommendations to the MTC on January 31, 2023, which have been developed in compliance with CATS Mission, Vision, Strategic Goals and Financial and Fare Policies, and

WHEREAS, the Chief Transit Official's recommended budgets and programs have been reviewed by the Citizens Transit Advisory Group and the Transit Services Advisory Committee in accordance with the provisions of the Transit Governance Interlocal Agreement and the Metropolitan Transit Commission Rules of Procedures, and

WHEREAS the Metropolitan Transit Commission has reviewed the recommended FY2024 Transit Operating and Debt Service Budgets and Programs and the FY2024-2028 Capital Investment Plan and Projects to determine the transit program plans for meeting transportation needs of the Charlotte-Mecklenburg community,

NOW THEREFORE, be it resolved that the Metropolitan Transit Commission hereby

1. Approves the FY2024 Transit Operating Budget, the FY2024 Transit Debt Service Budget and the FY2024-2028 Transit Capital Investment Plan (attached to this Resolution)
2. Authorizes Chief Transit Official to present the FY2024 Transit Operating Budget, the FY2024 Debt Service Budget and the FY2024-2028 Capital Investment Plan to the Charlotte City Council for their review, approval, and inclusion in the City of Charlotte's FY2024 Budget Ordinance.

This resolution shall take effect immediately upon its adoption.

I, **City of Charlotte Mayor Vi Lyles, Chairwoman of the Metropolitan Transit Commission** do hereby certify that the above Resolution is a true and correct documentation of the MTC's action from their meeting duly held on April 26, 2023.



Signature of MTC Chairwoman

O-26

ORDINANCE NO. 549-X

AN ORDINANCE TO AMEND ORDINANCE NUMBER 318-X, THE 2022-2023 BUDGET ORDINANCE, PROVIDING
AN APPROPRIATION OF \$65,000,000 FOR IMPROVEMENTS AT THE RIVER DISTRICT.

BE IT ORDAINED, by the City Council of the City of Charlotte:

Section 1. That the sum of \$65,000,000 is hereby estimated to be available from the following source:

Convention Center Certificates of Participation

Section 2. That the sum of \$65,000,000 is hereby appropriated in the Convention Center Capital Projects Fund (4021)
in the following project:

Tennis Campus at The River District (6288790004)

Section 3. That the existence of this project may extend beyond the end of the fiscal year. Therefore, this
ordinance will remain in effect for the duration of the project and funds are to be carried forward
to subsequent fiscal years until all funds are expended or the project is officially closed.

Section 4. That all ordinances in conflict with this ordinance are hereby repealed.

Section 5. That this ordinance shall be effective upon adoption.

Approved as to form:

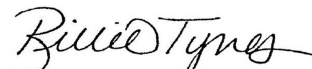


City Attorney

CERTIFICATION

I, Billie Tynes, Deputy City Clerk of the City of Charlotte, North Carolina, DO HEREBY
CERTIFY that the foregoing is a true and exact copy of an Ordinance adopted by the City
Council of the City of Charlotte, North Carolina, in regular session convened on the 12th day of
June 2023, the reference having been made in Minute Book 157, and recorded in full in
Ordinance Book 66, Page(s) 153.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this 12th day
of June 2023.



Billie Tynes, Deputy City Clerk