



**Budget, Governance, and Intergovernmental Relations Council
Committee Meeting Summary**

**Monday, April 7, 2025
CH-14 at 2:00 pm**

COMMITTEE AGENDA TOPICS

- Agenda Overview
- I. MEDIC First Responder Contract Updates
 - II. Aviation Budget Outlook
 - III. CATS Budget Outlook
 - IV. Financial Partners Funding Policy Review

COMMITTEE INFORMATION

Committee Members Present: Dimple Ajmera (Chair), Tariq Bokhari (Vice Chair), Lawana Mayfield, Tiawana Brown and James Mitchell was present.

Staff Resources: Shawn Heath, City Manager's Office
Monica Allen, City Manager's Office
Reginald Johnson, Charlotte Fire Department
Haley Gentry, Aviation
Brent Cagle, CATS
Cherie Smith, Strategy and Budget

DISCUSSION HIGHLIGHTS

Committee Chair Ajmera called the meeting to order and asked everyone to introduce themselves.

Chief Johnson provided a concise update on the city's emergency medical services negotiation. He noted a temporary agreement with MEDIC which covers a six month period from January 7, 2025. The existing contract with MEDIC is a concern for both the city and residents expecting consistent service. Chief Johnson emphasized ongoing contract negotiations and the importance of keeping council members informed of progress. The update highlighted the city's focus on maintaining essential emergency services while working towards a more permanent solution.

Haley Gentry, Aviation Director, presented Charlotte Douglas International Airport (CLT)'s proposed budget and priorities for the upcoming fiscal year. The airport had a record year with 58.8 million passengers, ranking 7th globally in arrivals and departures. CLT generates a \$40 billion annual economic impact, representing 5 percent of North Carolina's GDP. The proposed budget's key priorities include risk mitigation, operational resiliency, and technology innovation. The budget projects \$333 million in operating expenses, \$547 million in operating revenues, and \$214 million in net revenues. The airport's strategic principles guide operations, emphasizing safety, employee success, customer experience,

growth, community partnerships, and asset preservation. Challenges include maintaining service quality with increased passenger numbers and expanded facilities. Investments include a \$6 million radio system upgrade and biometric technology to enhance passenger processing. The airport continues to lead in diversity programs for business inclusion and concessions. CLT remains one of the most efficient large hub facilities in the U.S., with a projected cost per enplaned passenger of \$3.85 for FY2026, significantly lower than its peers. The airport's airline partners, including American Airlines, support the proposed budget.

Brent Cagle, Interim CEO, presented the Charlotte Area Transit System (CATS) budget for the upcoming fiscal year. He highlighted recent accomplishments, including expanded paratransit services, new micro-transit in northern Charlotte, reduced missed trips, and various completed infrastructure improvements. The financial overview showed a year-end 2024 fund balance of \$248 million, exceeding the required \$130 million minimum, with a projected 4 percent growth in sales tax revenue. Operating revenues are projected at \$289 million for FY2026, with no fare increases planned but a slight increase in passenger revenue due to ridership growth, which is expected to increase by about 1 million riders. Challenges facing CATS include aging infrastructure, labor negotiations, and the end of COVID-related federal funding. Operating expenses are projected to increase from \$268 million to \$289 million, with personnel services being the largest expense. Capital initiatives focus on vehicle replacements, system maintenance, safety, security, and technology improvements.

Cherie Smith, Senior Budget Analyst, provided an update on the city's Financial Partner Policy and program. She outlined the key components of the policy, including eligibility criteria, funding terms, and reporting requirements. Organizations must have, or be pursuing, internal revenue service designated, 501(c) status and can apply for agency or programmatic funding, with a 30 percent funding limit. The program offers a 5-year partnership limit, subject to annual council approval. The application process includes outreach to existing agencies and community partners, as well as information sessions for potential applicants. Payments are made quarterly, contingent on up-to-date performance reporting. Financial reporting requirements vary based on the organization's annual revenue and are provided during the application process. Ms. Smith introduced a new application scoring system, using a five-point scale across various criteria. The scoring for FY 2026 applications was conducted by 19 staff members from different departments to mitigate individual bias. She emphasized that scores reflect an organization's alignment with council priorities rather than the quality of their community work. Finally, Ms. Smith sought feedback from the council on potential improvements to the policy and application criteria for future fiscal years.

Meeting adjourned at 3:45 p.m.
