

EXECUTIVE SUMMARY





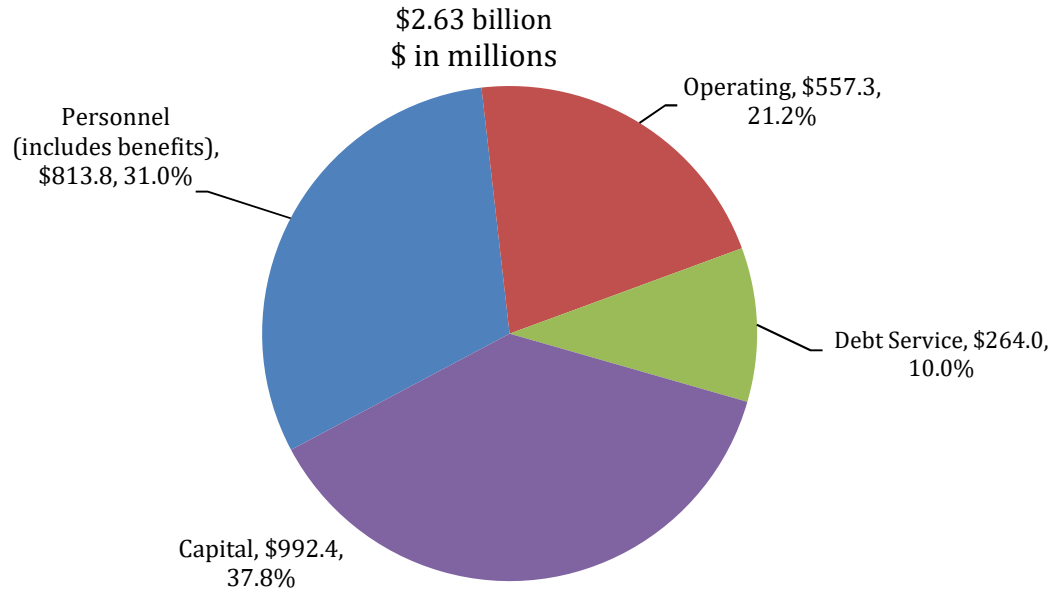
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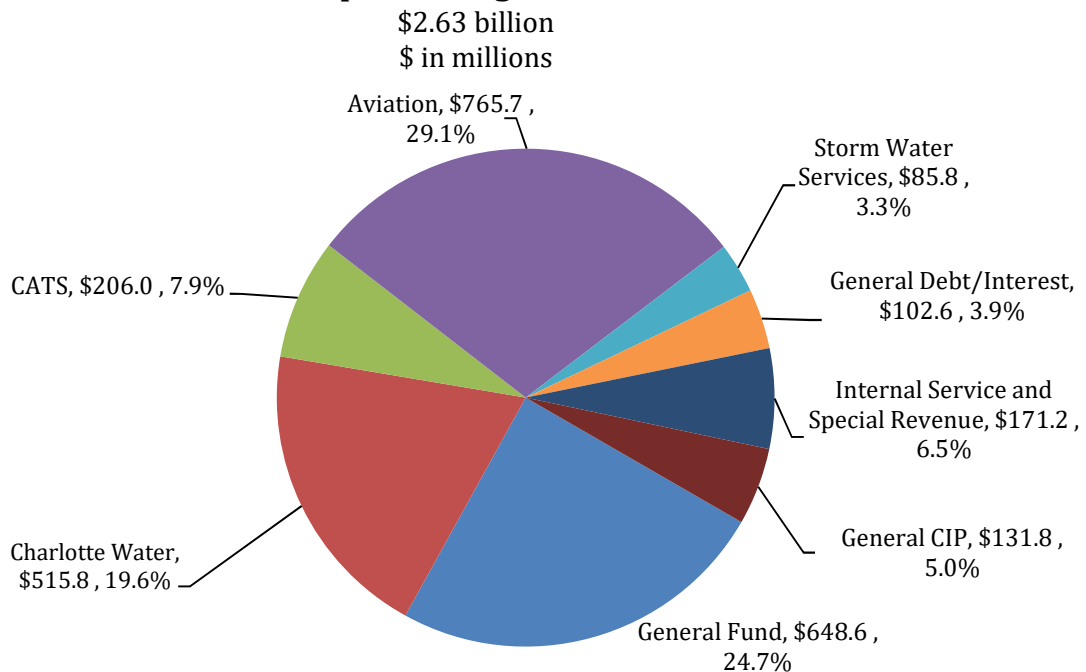
Overview of Total Budget

The total budget for Fiscal Year (FY) 2020 is \$2.63 billion. The total budget is comprised of the annual operating budget and the Capital Investment Plan (capital budget). The annual operating budget reflects day-to-day operations, while the Capital Investment Plan represents large capital outlays over a five-year time horizon. The graph below shows the proposed budget allocated by services.

FY 2020 Proposed Budget: Total Expenditures by Category



FY 2020 Proposed Budget: Net of Transfers



Revenue and Finance

Development of the FY 2020 Proposed Budget also included a review of revenue and financial approach. The goal is to maintain a good value to tax and rate payers and ensure consistency with Council policy, and uphold the city's financial ratings.

The property tax rate for FY 2020 is 34.81¢ per \$100 of assessed valuation, a decrease of 14.06¢. The FY 2020 assessed value is estimated at \$142.71 billion, with an estimated collection rate of 99.0 percent.

The tax rate allocation is provided in the table below:

Fund	FY 2019 Tax Rate	FY 2020 Tax Rate	Change from FY 2019 to FY 2020
General Fund	38.16¢	27.31¢	-10.85¢
Debt Service	9.51¢	6.77¢	-2.74¢
Pay-As-You-Go Capital	1.20¢	.73¢	-0.47¢
Total Tax Rate	48.87¢	34.81¢	-14.06¢

Proposed Rates and Fees

Charlotte Water

The FY 2020 Water and Sewer Fee is proposed to increase by 3.4 percent for the typical homeowner. This means a \$2.21 per month increase for a typical homeowner. Charlotte Water's proposed budget focuses on maintaining a high-quality drinking water and wastewater system, guaranteeing a high level of customer satisfaction, ensuring operational efficiency and compliance, improving safety and security, and promoting a thriving, and economically sustainable community.

Storm Water

The proposed FY 2020 Storm Water Services fee will not increase. It will remain at the current average annual user rate of \$70.21.

Solid Waste

The FY 2020 Solid Waste Fee is proposed to increase by \$1.00 per month, or \$12 per year. The proposed increase will support increases in solid waste service costs. Contract increases include collection services performed by private haulers and for rollout containers. The rate increase also supports two additional crews and equipment to meet service demand and create efficiency. Mecklenburg County proposed an increase of \$1.50 per ton for landfill disposal, \$2.00 per ton for yard waste disposal and \$1.00 per ton for bagged leaves.

The median home value in Charlotte in FY 2019 was about \$140,900. The break-even growth in home values resulting from the revaluation that would leave a property owner's real property tax bill unchanged is 40.4 percent. The following table reflects the FY 2020 **city tax and fee** impact for a home that was valued at the FY 2019 median value and grew by the break-even growth in home values:

City of Charlotte Taxes and Fees	Prior Year FY 2019	Proposed FY 2020	\$ Change	% Change
Home Value	\$140,900	\$197,810	\$56,910	40.4%
Property Taxes (includes 14.06¢ decrease)	\$688.58	688.58	\$0.00	0.00%
Solid Waste Fee (Residential)	\$46.06	\$58.06	\$12.00	26.1%
Water and Sewer Fee (Average user rate)	\$775.32	\$801.84	\$26.52	3.42%
Storm Water Fee (Average user rate)	\$70.21	\$70.21	\$0	0.00%
Total Monthly	\$131.68	\$134.89	\$3.21	2.44%
Total Annual	\$1,580.17	\$1,618.69	\$38.52	2.44%

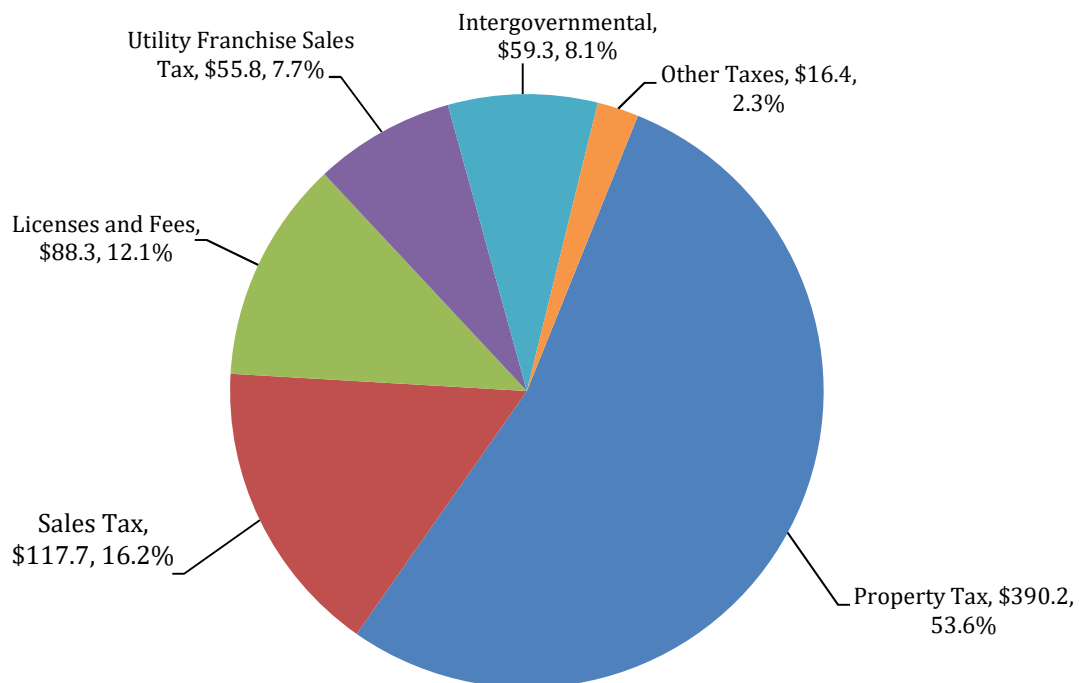
General Fund Budget

A central fund into which most of the city's general tax revenues and discretionary resources are pooled, which is allocated to support many of the operations of city government.

The two largest revenue sources in the General Fund are Property Tax and Sales Tax, which comprise approximately 70 percent of total revenue. The total General Fund revenue growth is budgeted at \$33.3 million, an increase of 4.8 percent above FY 2019.

General Fund Revenues Where the Money Comes From \$727.7 million

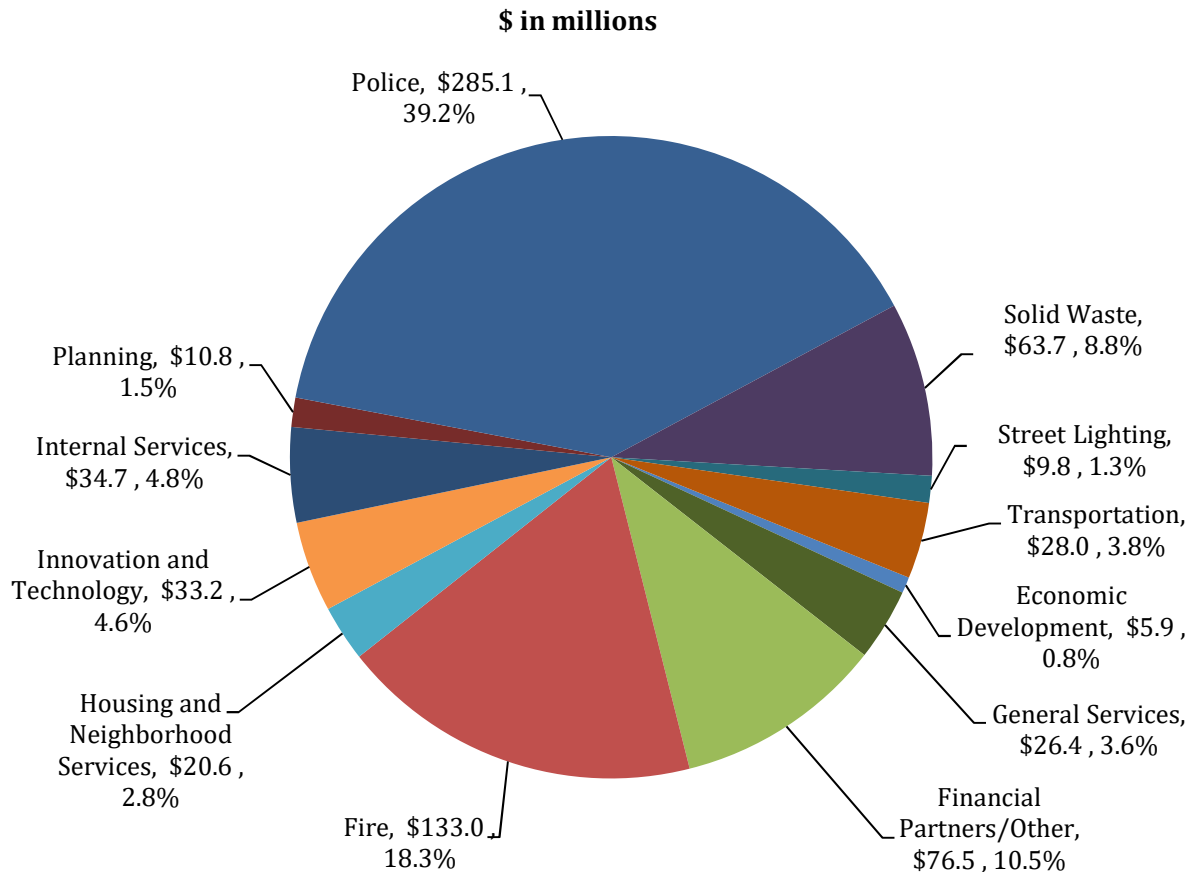
\$ in millions



General Fund Expenditures

The proposed FY 2020 General Fund budget is \$727.7 million, a 4.8 percent increase above FY 2019 to address the Mayor and Council's priorities and provide for a well-managed government.

FY 2020 General Fund Expenditures Where the Money Goes \$727.7 million



2019 Real Property Revaluation and Revenue Neutral Tax Rate

North Carolina law mandates that counties reappraise all real property at least every eight years. In 2019 the Mecklenburg County Assessor completed a revaluation for the county including the City of Charlotte. Revaluation of real property during favorable economic conditions usually results in property values increasing.

The 2019 revaluation resulted in an overall increase of 54.2 percent in the real property tax base of the City of Charlotte from FY 2019 to FY 2020. The residential component of real property grew by 42.1 percent while commercial properties grew by 75.1 percent.

In a reappraisal year, state law requires that a revenue neutral tax rate be calculated and presented for comparison purposes. *"The revenue neutral rate is the rate that is estimated to produce revenue for the next fiscal year equal to the revenue that would have been produced for the next fiscal year by the current tax rate if no reappraisal had occurred."* [NCGS 159-11(e)]

The statute states that to calculate the revenue neutral rate, **[step 1]** the budget officer shall first determine a rate that would produce revenues equal to those produced for the current fiscal year and **[step 2]** then increase the rate by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general reappraisal.

The steps to calculate revenue-neutral for the City of Charlotte per \$100 of property value is shown below:

	FY 2019 Projected Revenue		FY 2020 Assessed Property Valuation		Unadjusted Revenue Neutral Tax Rate
Step 1	\$484,592,039	÷	\$142,710,564,432	=	33.96¢ / \$100

	Unadjusted Revenue Neutral Tax Rate		Average Annual Growth Rate		Final Revenue Neutral Tax Rate
Step 2	33.96¢ / \$100	×	2.52%	=	34.81¢ / \$100

The table below shows the revenue neutral tax rate calculation for the City of Charlotte and its Municipal Service Districts.

City of Charlotte Revenue Neutral Tax Rate	
FY 2019 Projected Revenue	\$484,592,039
FY 2020 Assessed Value	\$142,710,564,432
Tax Rate to produce revenue equal to FY 2019	33.96¢ / \$100
Growth Factor	2.52%
FY 2020 Revenue Neutral Rate	34.81¢ / \$100

For Municipal Service Districts, the same calculation methodology was employed which resulted in revenue neutral tax rates as shown below for each district:

Municipal Service District Rates per \$100 Valuation		
Municipal Service District	FY 2019 Current Tax Rate	FY 2020 Revenue Neutral Tax Rate
District 1 - Center City	2.08¢	1.36¢
District 2 - Center City	2.93¢	1.83¢
District 3 - Center City	4.18¢	2.89¢
District 4 - South End	6.68¢	3.90¢
District 5 - University City	2.79¢	2.12¢

Summary of Tax Levies

	FY 2017 Adopted	FY 2018 Adopted	FY 2019 Adopted	FY 2020 Proposed
Citywide Assessed Property Valuation	\$93,830,455,252	\$96,617,272,663	\$98,847,293,588	\$142,710,564,432
Citywide Tax Rate Per \$100 Valuation				
Fund				
General	0.3741	0.3741	0.3816	0.2731
Municipal	0.0926	0.0926	0.0951	0.0677
Pay-As-You-Go	0.0120	0.0120	0.0120	0.0073
Total City-wide Tax Rate	0.4787	0.4787	0.4887	0.3481
Collection Rate				
All Funds	0.9810	0.9875	0.9900	0.9900
Citywide Tax Levy*				
Fund				
General	\$318,097,150	\$354,527,152	\$373,429,260	\$385,804,493
Municipal Debt Service	\$85,655,762	\$87,915,917	\$93,063,738	\$95,712,072
Pay-As-You-Go	\$10,603,238	\$11,369,147	\$11,743,058	\$10,328,752
Total Citywide Tax Levy	\$414,356,150	\$453,812,216	\$478,236,056	\$491,845,316
* Levy excludes estimated rebates				
Municipal Service Districts Rates Per \$100 in Valuation				
District 1 - Center City	0.0168	0.0168	0.0208	0.0136
District 2 - Center City	0.0233	0.0233	0.0293	0.0183
District 3 - Center City	0.0358	0.0358	0.0418	0.0289
District 4 - South End	0.0668	0.0668	0.0668	0.0390
District 5 - University City	0.0279	0.0279	0.0279	0.0212
Municipal Service Districts Assessed Valuation				
District 1 - Center City	\$7,730,251,721	\$7,885,841,558	\$8,183,546,653	\$12,892,535,666
District 2 - Center City	\$3,280,575,709	\$3,284,759,497	\$3,483,647,721	\$5,764,520,666
District 3 - Center City	\$3,320,707,059	\$3,358,293,703	\$3,436,932,487	\$5,156,043,404
District 4 - South End	\$1,291,857,493	\$1,384,388,551	\$1,460,907,143	\$2,717,820,303
District 5 - University City	\$2,740,786,581	\$2,697,136,682	\$2,723,105,506	\$3,873,938,001

Summary of Position Allocations by Fund

Departments	FY 2019 Budget Total FTEs	FY 2020 Proposed Total FTEs	FY 2020 FTE Count Change
City Attorney	30.00	30.00	-
City Clerk	7.00	8.00	1.00
City Manager's Office	11.00	11.00	-
Communications	35.00	34.00	-1.00
Community Relations	10.00	12.00	2.00
Economic Development	19.00	21.00	2.00
Finance*	119.00	88.00	-31.00
Fire	1,207.00	1,237.00	30.00
General Services*	450.00	491.00	41.00
Housing and Neighborhood Services	235.75	236.75	1.00
Human Resources	46.00	47.00	1.00
Internal Audit	10.00	11.00	1.00
Innovation and Technology	145.00	148.00	3.00
Mayor and City Council	12.00	12.00	-
Planning	97.00	108.00	11.00
Police	2,504.50	2,498.50	-6.00
Solid Waste Services	314.00	316.00	2.00
Strategy and Budget	18.00	17.00	-1.00
Transportation	423.75	424.75	1.00
Total General Fund	5,694.00	5,751.00	57.00
Aviation	659.00	708.00	49.00
Charlotte Area Transit System	534.75	582.75	48.00
Storm Water	153.00	171.00	18.00
Charlotte Water	958.00	997.00	39.00
Total Enterprise Fund	2,304.75	2,458.75	154.00
Risk Management	23.00	23.00	-
Total Internal Services Fund	23.00	23.00	0.00
Total All Funds	8,021.75	8,232.75	211.00

*In FY 2020 the Procurement division, including Charlotte Business Inclusion, will be transferred from Finance to General Services

Major General Fund Revenue Sources

A balanced budget requires anticipated revenues equal appropriated expenditures. Using best practice budgeting principles, anticipated revenue is the key driver of the budget development process. The city's revenue forecasting philosophy is focused on realistic expectations, while considering historic data and trends. To reduce the risk of misjudging the data, the city consults with its financial advisor and banking partners in order to gather a more comprehensive outlook of the current economy.

The following outlines the major revenue sources that make up General Fund and the assumptions used to forecast them.

The total General Fund budget for FY 2020 is \$727,674,000, a revenue increase of \$33.3 million (or 4.8 percent) over the FY 2019 Budget. The General Fund tax rate is 27.31¢ per \$100 valuation. For FY 2020, revenue estimates are compiled using information provided by the North Carolina League of Municipalities, statistical trends, and other local factors.

Property Taxes: The General Fund budget is balanced with a property tax rate of 27.31¢ per \$100 valuation. This will yield \$390.2 million in total current and prior year ad valorem tax revenue based on an average real and personal property tax collection rate of 99.00 percent. This represents a \$12.3 million revenue increase over FY 2019. The tax base used represents a total property valuation of \$142.7 billion (including motor vehicles). One cent on the tax rate produces \$14.1 million in revenue, after the estimated collection rate is applied. This rate is the lowest of the ten largest cities in the state.

Sales Taxes: The General Fund is projected to collect \$117.7 million in sales tax revenue in FY 2020, a \$6.9 million (or 6.3 percent) increase over FY 2019. Local sales taxes levied by the city and county comprise 2.50 percent of the total 7.25 percent sales tax paid on retail sales in North Carolina. The local sales tax portion consists of a 1-cent tax that was first levied in 1967, a ½-cent tax levied in 1983, a ½-cent tax levied in 1986, and an additional ½-cent that was levied in 1998 to support the transit system. Effective October 1, 2008, the state acquired control over ¼-cent of the Article 44 local option sales tax. The city will be completely reimbursed for the loss of this revenue with hold harmless payments. The State of North Carolina collects the sales taxes and distributes it to localities.

Utility Franchise Sales Tax: As of July 1, 1999, each city's share of the utility franchise fee was based on actual receipts from companies providing electricity. The state levied a 3.22 percent franchise tax on the total gross receipts of all businesses within the state that provide electricity. An amount equal to 3.09 percent of the total gross receipts of electricity service derived from the sale within any municipality was distributed to the municipality in which these gross sales are made. These funds were collected by the state and distributed to the city based on the actual receipts from the providers for services provided within the city limits. On July 1, 2014, the state imposed a sales tax on electricity and piped natural gas, which replaced the previous Utilities Franchise Fee. This revenue source is projected to be \$55.8 million in FY 2020, which represents an increase of \$2.8 million (or 5.3 percent) over FY 2019.

Solid Waste Services Fee: The city collects a single family residential solid waste annual fee of \$58.06 and a multi-family annual fee of \$58.06 to offset a portion of the cost of providing solid waste services. The annual single family and multi-family residential annual fees are increased by \$12.00, from FY 2019, a \$1.00 increase per month. This revenue source is projected to be \$20.1 million in FY 2020, which represents an increase of \$4.4 million from FY 2019.

Summary of Revenues

General Fund

The following provides a line item detail and year-to-year comparison of all budgeted general fund revenues.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	FY 2020 Proposed	Percent Change FY 2019 FY 2020
PROPERTY TAX					
Property Tax - Current Year Base	\$351,064,307	\$359,815,737	\$371,015,406	\$382,829,271	3.2%
Property Tax - Synthetic TIG Properties	-	-	\$2,413,854	\$2,975,221	23.3%
Prior Year	-	-	\$4,800,000	\$4,800,000	0.0%
Rebates	-	-	-\$2,400,000	-\$2,400,000	0.0%
Penalties	\$501,182	\$495,913	\$590,000	\$500,000	-15.3%
Interest	\$1,484,908	\$1,488,908	\$1,500,000	\$1,500,000	0.0%
Rebates of Listing Penalties	-	-	-\$8,000	-\$8,000	0.0%
Total	\$353,050,397	\$361,800,558	\$377,911,260	\$390,196,492	3.3%
SALES TAX					
Sales - Article 39 (1.0%) & Article 42 (0.5%)	\$99,298,837	\$108,056,362	\$110,793,539	\$117,730,642	6.3%
Total	\$99,298,837	\$108,056,362	\$110,793,539	\$117,730,642	6.3%
UTILITIES FRANCHISE TAX					
Utility Franchise	\$52,627,396	\$52,933,406	\$53,000,000	\$55,799,321	5.3%
Total	\$52,627,396	\$52,933,406	\$53,000,000	\$55,799,321	5.3%
POLICE SERVICES					
Law Enforcement Services - County	\$16,509,793	\$17,994,061	\$14,560,000	\$15,901,116	9.2%
Small Town Service Fees	\$269,471	\$165,218	\$180,000	\$165,000	-8.3%
School Resource Officers - School Board	\$4,519,495	\$5,025,661	\$5,344,514	\$5,808,530	8.7%
Total	\$21,298,759	\$23,184,940	\$20,084,514	\$21,874,646	8.9%
TAX REIMBURSEMENTS					
Beer & Wine Tax	\$3,704,577	\$3,596,072	\$4,074,510	\$3,815,073	-6.4%
State Waste Disposal Tax	\$416,447	\$695,875	\$568,050	\$595,000	4.7%
Total	\$4,121,024	\$4,291,947	\$4,642,560	\$4,410,073	-5.0%
SOLID WASTE FEE					
Refuse Disposal Fees	\$11,018,835	\$13,259,164	\$15,698,124	\$20,085,000	27.9%
Business Garbage Fees	\$236,275	\$212,225	\$234,600	\$225,000	-4.1%
Total	\$11,255,110	\$13,471,389	\$15,932,724	\$20,310,000	27.5%
BUSINESS PRIVILEGE LICENSES					
Business Privilege Licenses	\$26,175	\$21,506	-	-	0.0%
Total	\$26,175	\$21,506	-	-	0.0%
OTHER REVENUES					
Licenses and Permits					
Motor Vehicle Licenses	\$3,041,256	\$3,006,224	\$3,193,000	\$3,193,000	0.0%
Motor Vehicle Licenses - Rebates	-\$63,333	-\$79,278	-\$48,000	-\$48,000	0.0%
Animal Licenses - Fertile	\$160,047	\$158,607	\$160,000	\$160,000	0.0%
Animal Licenses - Spay/Neuter	\$471,842	\$447,144	\$450,000	\$450,000	0.0%
Fire Plan Review Fees	\$1,731,621	\$1,962,619	\$1,912,685	\$2,793,345	46.0%
Vehicle Licenses - City Billed	\$19,095	\$18,740	\$20,000	\$20,000	0.0%
Fire Permits	\$1,498,000	\$1,634,995	\$2,010,705	\$1,344,775	-33.1%
Security Dog Licenses	-	\$30	\$100	\$100	0.0%
Vehicle for Hire Fees and Permits	\$285,884	\$290,372	\$281,660	\$281,660	0.0%
Carrier Franchise Fees	\$82,760	\$80,673	\$100,000	\$100,000	0.0%
Video Programming (Cable Franchise) Fees	\$7,763,183	\$7,566,705	\$7,847,617	\$7,566,705	-3.6%
Development Plan Review Fees	\$5,934,458	\$5,945,227	\$6,033,446	\$3,195,435	-47.0%
Sexually Oriented Businesses Licenses	\$88,275	\$92,165	\$109,716	\$92,000	-16.1%
Temporary Infrastructure Permits	\$13,400	\$6,775	-	\$109,350	100.0%
Parking and Parade Permits	\$99,521	\$119,721	\$108,516	\$323,875	198.5%
Total	\$21,126,009	\$21,250,719	\$22,179,445	\$19,582,245	-11.7%

Summary of Revenues

General Fund

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2020 Proposed	Percent Change FY 2019 FY 2020
Fines, Forfeits and Penalties					
Vehicle for Hire Penalties	\$39,889	\$19,523	\$30,000	\$20,000	-33.3%
Housing Code Violations	\$165,010	\$184,937	\$155,726	\$185,000	18.8%
Parking Citations	\$763,044	\$862,978	\$819,780	\$870,000	6.1%
Parking Citation Penalties	\$71,611	\$81,073	\$74,401	\$82,000	10.2%
Security Alarm Fines	\$643,398	\$728,744	\$650,000	\$730,000	12.3%
Fire Citation Fines	\$87,461	\$16,410	\$84,500	\$50,000	-40.8%
Zoning Enforcement Fines	\$91,503	\$138,972	\$134,209	\$148,000	10.3%
Court Assessment Crime Lab	\$112,704	\$89,682	\$115,000	\$85,000	-26.1%
Privilege License Penalties	\$3,036	\$1,372	-	-	0.0%
Animal License Penalties	\$53,259	\$51,607	\$40,000	\$50,000	25.0%
Animal Citation Penalties	\$19,891	\$17,622	\$10,000	\$17,500	75.0%
Court Costs - Superior	\$103,325	\$95,647	\$115,000	\$115,000	0.0%
Court Awards - Vice & Narcotics	\$225	\$25	\$50	-	-100.0%
Animal License Late Fees	\$74,748	\$66,100	\$76,500	\$65,000	-15.0%
Total	\$2,229,104	\$2,354,692	\$2,305,166	\$2,417,500	4.9%
Interlocal Grants and Agreements					
Wireless Communications	\$3,715,477	\$3,966,955	\$3,680,339	\$3,606,311	-2.0%
Fleet Maintenance	\$1,379,572	\$1,426,332	\$1,485,387	\$1,493,000	0.5%
Webhosting - County	\$91,950	-	\$91,950	-	-100.0%
First Responder	\$484,500	\$444,125	\$484,500	\$566,929	17.0%
Procurement Services	\$125,940	\$115,328	\$115,328	\$115,328	0.0%
Customer Services - CharMeck 311	-	\$1,411,560	\$1,287,932	\$1,335,207	3.7%
CMGC Occupancy	\$791,800	\$786,729	\$795,378	\$841,034	5.7%
Recycling Program Proceeds	\$193,868	\$217,830	\$140,000	\$70,000	-50.0%
Corporate Communications Services	\$11,761	-	\$12,000	-	-100.0%
CMGC Phone Costs - County	\$29,897	\$45,367	-	-	0.0%
County Fire Reimbursement	\$16,104	\$15,854	-	\$723,000	100.0%
Total	\$6,840,869	\$8,430,080	\$8,092,814	\$8,750,809	8.1%
Federal and State Shared Revenues					
ABC Stores Revenue	\$4,004,760	\$4,543,436	\$5,446,474	\$4,829,681	-11.3%
Total	\$4,004,760	\$4,543,436	\$5,446,474	\$4,829,681	-11.3%
General Government					
Enhanced User Fees	-	-	\$807,383	\$807,383	0.0%
Utility Right-of-Way Ordinance Fees	\$1,144,983	\$1,326,477	-	-	0.0%
County Plan Review	\$848,400	-	-	-	0.0%
Zoning Petition Filing Fees*	\$1,809,370	\$2,714,908	\$3,291,457	\$1,341,018	-59.3%
Annexation Fees	\$800	\$1,200	\$400	\$400	0.0%
Subdivision Services*	\$496,094	\$587,396	\$588,525	\$4,405,127	648.5%
Zoning Admin Fees	\$46,700	\$1,040,665	\$994,349	\$1,030,909	3.7%
Historic District Fee	\$46,910	\$54,720	\$44,250	\$52,310	18.2%
Equipment Mgmt Svcs - Fleet	\$71,760	\$80,486	\$72,171	\$72,000	-0.2%
Procurement Professional Services	\$340,436	\$410,860	\$400,000	\$400,000	0.0%
Procurement CCPA	\$214,664	\$353,105	\$300,000	\$300,000	0.0%
Tree Planting	\$84,288	\$39,238	-	-	0.0%
Park It! Program Fees	\$7,562	\$6,760	\$7,000	\$6,700	-4.3%
Parking Garage Fees	\$1,008,629	\$1,099,399	\$1,160,232	\$1,131,000	-2.5%
Parking Meter Revenue	\$1,125,028	\$1,270,625	\$1,190,417	\$1,277,000	7.3%
Rent Revenue - Misc	\$652,438	\$836,522	\$1,652,122	\$1,131,942	-31.5%
Total	\$7,898,062	\$9,822,361	\$10,508,306	\$11,955,789	13.8%

Summary of Revenues

General Fund

	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	FY 2020 Proposed	Percent Change FY 2019 FY 2020
Public Safety					
State Reimb for Services Provided -	\$1,448,052	\$2,223,142	\$1,474,448	\$1,529,281	-13.8%
Federal Reimb for Services Provided - Fire	-	-	-	\$230,000	100.0%
Police - Fingerprint Reports	\$25,258	\$29,265	\$20,000	\$27,500	37.5%
Underbrush and Debris Removal	\$460,803	\$503,180	\$492,354	\$500,000	1.6%
Demolition - Clearing	\$260,924	\$311,216	\$271,751	\$303,000	11.5%
Sale of Animals	\$36,015	\$34,481	\$35,000	\$35,000	0.0%
Utility Street Cuts	\$2,683,700	\$2,442,777	\$2,850,000	\$2,600,000	-8.8%
Spay/Neuter Fees	\$68,224	\$80,593	\$80,000	\$80,000	0.0%
Vehicle Towing and Storage	\$99,315	\$107,555	\$92,808	\$108,000	16.4%
Animal Reclaim Fees	\$97,815	\$88,086	\$95,000	\$95,000	0.0%
Total	\$5,180,106	\$5,820,295	\$5,411,361	\$5,507,781	-3.6%
Cemeteries					
Sale of Cemetery Lots	\$263,000	\$232,230	\$292,400	\$383,700	31.2%
Grave Digging	\$313,333	\$295,345	\$401,100	\$519,100	29.4%
Duplicate Deeds and Transfer Fees	\$500	-	\$1,000	-	-100.0%
Monument Foundation	\$70,806	\$85,615	\$109,410	\$116,560	6.5%
Perpetual Care	\$35,800	\$32,950	\$69,100	\$98,880	43.1%
Total	\$683,439	\$646,140	\$873,010	\$1,118,240	28.1%
Use of Money and Property					
Interest on Liens	\$177,641	\$249,627	\$224,759	\$250,000	11.2%
Damage to City-Owned Equipment	\$534,573	\$573,680	\$550,667	\$561,680	2.0%
Reimbursement for City Car Use	\$94,987	\$100,641	\$106,090	\$106,090	0.0%
Total	\$807,201	\$923,948	\$881,516	\$917,770	-4.6%
Sale of Salvage and Land					
Sale of Land	\$217,800	\$35,556	\$100,000	-	-100.0%
Sale of Salvage	\$128,550	\$142,509	\$130,000	\$130,000	0.0%
Sale of Used Autos	\$783,296	\$877,250	\$750,000	\$865,000	15.3%
Total	\$1,129,646	\$1,055,315	\$980,000	\$995,000	-7.1%
Other					
Interest on Investments	\$706,859	\$1,767,159	\$1,050,725	\$3,000,000	185.5%
Miscellaneous Grants and Contributions	\$51,838	\$107,800	-	-	0.0%
Newspaper Rack Revenue	\$7,300	\$6,050	\$7,500	\$6,000	-20.0%
Reimb City Svcs - SWS Spec Svcs	\$58,514	\$99,533	\$118,000	\$120,000	1.7%
Telecom Review/Modifications	\$8,000	\$17,500	\$20,000	-	-100.0%
Google Fiber Hut-Lease Agrmnt	\$26,368	\$27,159	-	\$30,000	100.0%
Recovery of Losses	-	\$800,000	-	-	0.0%
Other Revenue	\$569,846	\$328,024	\$612,000	\$734,025	19.9%
Total	\$1,428,725	\$3,153,225	\$1,808,225	\$3,890,025	17.5%
Total Other Revenues	\$50,621,062	\$56,233,052	\$57,735,592	\$59,964,840	-1.3%
TRANSFERS AND FUND BALANCE					
Transferred Revenues					
Occupancy Taxes - CRVA	\$5,484,623	\$5,905,400	\$5,752,992	\$6,243,723	8.5%
Heavy Equipment Tax	\$713,009	\$765,058	\$750,000	\$820,000	9.3%
Tree Mitigation Fees	\$1,314,782	\$1,574,031	-	-	0.0%
Municipal Debt Service	\$1,214,599	\$119,989	\$122,859	\$122,859	0.0%
Convention Center Tax - Towns' Tourism	\$3,697,278	\$3,949,275	\$3,986,127	\$4,223,729	6.0%
Convention Center Tax - Stadium Traffic Control	-	\$1,250,000	\$250,000	\$250,000	0.0%
PAYGO - One-time Funding	-	\$325,000	-	-	0.0%
Total	\$13,131,150	\$15,655,912	\$11,912,703	\$11,660,311	23.1%

Summary of Revenues

General Fund

	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	FY 2020 Proposed	Percent FY 2019 FY 2020
Intragovernmental Revenues					
Cost Allocation - Storm Water	\$1,067,847	\$1,214,122	\$1,239,224	\$1,014,071	-18.2 %
Cost Allocation - Charlotte Water	\$8,759,560	\$8,947,389	\$9,275,863	\$11,017,046	18.8 %
Cost Allocation - Aviation	\$3,085,320	\$3,581,903	\$4,092,739	\$4,713,409	15.2 %
Fire Control Services - Aviation	\$5,465,254	\$6,034,736	\$6,215,852	\$6,668,159	7.3 %
Account Services - Storm Water	\$1,788,546	\$1,825,977	\$2,017,200	\$1,835,274	-9.0 %
Account Services - Charlotte Water	\$5,172,490	\$5,447,266	\$5,692,199	\$5,342,636	-6.1 %
Cost Allocation - CATS	\$3,539,549	\$3,610,340	\$4,880,357	\$4,987,508	2.2 %
Cost Allocation - Risk Management	\$621,801	\$613,032	\$632,731	\$384,480	-39.2 %
Police Services - Airport & CATS	\$6,903,765	\$7,469,657	\$8,530,919	\$9,713,092	13.9 %
Total	36,404,132	38,744,422	42,577,084	45,675,675	7.3 %
Transfers from Other Funds					
Cemetery Trust	\$17,985	\$29,131	\$96,000	\$52,000	-45.8 %
Transfer from Capital Reserves for Police Foundation Study	\$379,504	-	-	-	0.0 %
Total	\$397,489	\$29,131	\$96,000	\$52,000	-45.8 %
Total Transfers and Fund Balance	\$49,932,771	\$54,429,465	\$54,585,787	\$60,387,986	10.6 %
Total General Fund Revenues	\$642,231,531	\$674,422,625	\$694,385,975	\$727,674,000	4.8 %

Summary of Expenditures

By Fund and Activity Net of Transfers

Fund / Activity	FY 2020 Operating	Percent Change	FY 2020 Capital	Percent Change	FY 2020 Total	Percent Change
General	\$648,640,971	7.9% ¹			\$648,640,971	7.9% ¹
Aviation	\$233,052,393	35.5%	\$492,769,409	8.5%	\$725,821,802	15.9%
Water and Sewer	\$167,798,932	5.8%	\$275,408,830	13.9%	\$443,207,762	10.7%
Charlotte Area Transit System	\$161,433,837	4.6%	\$29,968,240	-50.2%	\$191,402,077	-10.8%
Storm Water Utility	\$15,788,264	2.7%	\$62,500,000	20.2%	\$78,288,264	16.2%
Debt Service	\$264,007,532	5.0%			\$264,007,532	5.0%
Powell Bill	\$22,141,067	-2.1%			\$22,141,067	-2.1%
Convention Center	\$22,345,698	-10.2%			\$22,345,698	-10.2%
NASCAR Hall of Fame	\$7,378,993	36.6%			\$7,378,993	36.6%
Public Safety and Other Grants	\$12,577,563	-7.4%			\$12,577,563	-7.4%
Public Safety 911 Services	\$3,515,000	6.3%			\$3,515,000	6.3%
Housing and Neighborhood Services Grants	\$14,455,552	30.1%			\$14,455,552	30.1%
Municipal Service Districts	\$6,124,775	4.9%			\$6,124,775	4.9%
Risk Management	\$1,501,288	3.1%			\$1,501,288	3.1%
Employee Life and Health Fund	\$44,093,655	N/A ²			\$44,093,655	N/A
Tourism Operating	\$8,462,782	27.4%			\$8,462,782	27.4%
Pay-As-You-Go	\$1,790,009	4750% ³			\$1,790,009	4750% ³
General Capital Investment Plan			\$131,780,106	-63.8%	\$131,780,106	-63.8%
Total Budget	\$1,635,108,311	12.9%	\$992,426,585	-15.4%	\$2,627,534,896	0.3%

Adjusting the city's funds to "net of transfers" eliminates the presentation of duplicate expenditures and does not represent the full appropriation.

¹ FY 2020 includes \$19.1 million in municipal equipment payments that were excluded in FY 2019. After adjusting, the General Fund growth from FY 2019 to FY 2020 is 4.6 percent.

² The Employee Health and Life Fund was not included in the approved budget in FY 2019.

³ In FY 2020, the Pay-As-You-Go Fund includes a \$1 million payment to the Charlotte Firefighters Retirement System.

Summary of Expenditures

General Fund Gross Expenditures

Department	FY 2018 Actual	FY 2019 Adopted	FY 2020 Proposed	Percent Change
City Attorney	\$2,098,116	\$2,705,078	\$2,722,882	0.7 %
City Clerk	\$720,714	\$771,539	\$879,275	14.0 %
City Manager's Office	\$2,627,144	\$2,678,128	\$2,787,528	4.1 %
Communications	\$3,898,050	\$4,178,779	\$4,119,119	-1.4 %
Community Relations Committee	\$1,059,282	\$1,097,564	\$1,514,524	38.0 %
Economic Development	\$4,854,984	\$5,798,807	\$5,937,295	2.4 %
Finance ^{1,2}	\$19,005,825	\$16,846,897	\$12,668,677	-24.8 %
Fire	\$124,116,425	\$126,675,700	\$133,020,122	5.0 %
General Services ^{1,2}	\$17,837,507	\$20,160,120	\$26,397,988	30.9 %
Housing and Neighborhood Services	\$17,993,647	\$19,931,100	\$20,552,057	3.1 %
Human Resources	\$5,278,700	\$5,592,116	\$5,526,272	-1.2 %
Innovation and Technology	\$28,742,039	\$29,137,597	\$33,154,912	13.8 %
Internal Audit	\$1,276,163	\$1,285,249	\$1,423,444	10.8 %
Mayor & City Council	\$754,135	\$742,369	\$747,268	0.7 %
Planning Design and Development	\$6,967,312	\$10,217,713	\$10,813,087	5.8 %
Police	\$259,506,939	\$272,691,156	\$285,066,260	4.5 %
Solid Waste Services	\$55,502,644	\$59,675,276	\$63,678,465	6.7 %
Strategy and Budget	\$2,033,695	\$2,446,755	\$2,323,787	-5.0 %
Transportation	\$24,930,122	\$26,634,763	\$27,973,238	5.0 %
Non-Departmental	\$87,617,334	\$85,119,269	\$86,367,800	1.5 %
Total General Fund Expenditures	\$666,820,777	\$694,385,975	\$727,674,000	4.8 %

¹ In FY 2019 the Fleet Management division was transferred to Engineering and Property Management from Finance.

² General Services is created in FY 2020. The new department is the result of consolidating the Procurement Management division of Finance, the Sustainability division of Economic Development, and Engineering and Property Management.

Summary of Financial Partners

Financial Partners are contracted by the City of Charlotte to provide specific services. The types of financial partnerships are diverse and include partnerships that: support key areas of focus for the city, contribute to community enrichment, and complement departmental service needs.

There are four primary funding categories of Financial Partners – General Fund Discretionary, Dedicated Revenue Sources, Federal Grant Funds, and Pay-As-You-Go (PAYGO):

- General Fund Discretionary – this includes direct discretionary allocations from the General Fund
- Dedicated Revenue Sources – these partners receive allocations from sources such as Food & Beverage Sales Tax and Municipal Service District Tax
- Federal Grant Funds – funded by federal programs such as Community Development Block Grants (CDBG) and Housing Opportunities for Persons With AIDS (HOPWA)
- PAYGO – funded locally by the Innovative Housing portion of the PAYGO fund for services such as housing, community development, and crisis assistance

Changes to Existing Financial Partners Funding

General Fund Discretionary

- All agencies, with the exception of Safe Alliance and Charlotte Regional Business Alliance are proposed to maintain FY 2019 funding levels.
- Safe Alliance has a proposed increase of \$14,061. This increase is intended to help support an additional attorney position that will provide legal services for domestic violence protective orders and filing for custody or divorce for victims of domestic violence and sexual assault in Mecklenburg County.
- Charlotte Regional Business Alliance has a proposed increase of \$3,276. This proposed increase is consistent with a mutually agreed upon population per-capita formula and equals Mecklenburg County funding levels.

Dedicated Revenue Sources

- The FY 2020 recommended budgets for Charlotte Center City Partners and University City Partners Municipal Service Districts #1-5 include proposed revenue neutral tax rates to support economic, cultural, and social development within designated districts.
- The Charlotte Regional Visitors Authority budget increases by approximately three percent over the FY 2019 base funding level, due to increased revenue projections for the Occupancy Tax and Food & Beverage Tax.

Federal Grant Funds

- Agencies that receive partial or full funding from federal grants are budgeted to receive the full eligible federal allocation
- Crisis Assistance Ministry and Charlotte Mecklenburg Housing Partnership are proposed to maintain the FY 2019 funding level for the PAYGO portion of their funding.

PAYGO Funds

- Agencies that receive 100 percent PAYGO funding are proposed to maintain their FY 2019 funding levels.
- For agencies that receive a portion of PAYGO funds, this component is held flat at the FY 2019 level (the federal portion is allocated at the full eligible allocation)

Out of School Time Partners

- FY 2020 represents the first year of a bi-annual funding process for Out of School Time Partners.
- The total annual Out of School Time Partner funding of \$979,934 maximizes the eligible CDBG allocation of \$815,007. The remaining \$164,927 is funded by the Innovative Housing PAYGO program.

The individual Financial Partner funding levels are found on the following page.

Summary of Financial Partners

General Fund Discretionary	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	FY 2020 Proposed	Change
Arts & Science Council	\$2,940,823	\$3,190,823	\$3,190,823	\$3,190,823	0.0 %
Charlotte Regional Business Alliance	\$151,881	\$155,111	\$158,250	\$161,526	2.1 %
Community Building Initiative	\$50,000	\$50,000	\$50,000	\$50,000	0.0 %
Safe Alliance	\$333,977	\$333,977	\$382,977	\$397,038	3.7 %
TOTAL	\$3,476,681	\$3,729,911	\$3,782,050	\$3,799,387	0.5 %

Dedicated Revenue Sources	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	FY 2020 Proposed	Change
Charlotte Center City Partners	\$4,151,377	\$4,164,496	\$5,084,056	\$5,311,001	4.5 %
University City Partners	\$752,252	\$743,095	\$752,149	\$813,774	8.2 %
Charlotte Regional Visitors Authority	\$14,980,811	\$18,896,727	\$16,218,480	\$16,705,034	3.0 %
Charlotte Regional Visitors Authority - Film Commission	\$150,000	\$150,000	\$150,000	\$150,000	0.0 %
TOTAL	\$20,034,440	\$23,954,318	\$22,204,685	\$22,979,809	3.5 %

100% Federal Grant Funds	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	FY 2020 Proposed	Change
Carolinas Care Partnership	\$2,242,491	\$2,362,276	\$2,291,408	\$2,643,883	15.4 %
Charlotte Family Housing	\$330,000	\$330,000	\$330,000	-	-100.0 %
TOTAL	\$2,572,491	\$2,692,276	\$2,621,408	\$2,643,883	0.9 %

100% PAYGO Funds	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	FY 2020 Proposed	Change
Community Link	\$450,000	\$450,000	-	-	0.0 %
Crisis Assistance Ministry	\$380,000	\$380,000	\$380,000	\$425,000	11.8 %
TOTAL	\$830,000	\$830,000	\$380,000	\$425,000	11.8 %

Federal & PAYGO Funds	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	FY 2020 Proposed	Change
Charlotte-Mecklenburg Housing Partnership, Inc. - Affordable Housing	\$1,960,000	\$1,860,000	\$1,860,000	\$1,860,000	0.0 %
Charlotte-Mecklenburg Housing Partnership, Inc. - House Charlotte	\$231,000	\$231,000	\$231,000	\$231,000	0.0 %
TOTAL	\$2,191,000	\$2,091,000	\$2,091,000	\$2,091,000	0.0 %

Out of School Time Partners	FY 2017 Actual	FY 2018 Actual	FY 2019 Adopted	FY 2020 Proposed	Change
Above and Beyond Students	-	\$157,934	\$157,934	\$127,934	-23.4 %
Arts & Science Council Studio 345	-	\$95,700	\$200,000	-	-100.0 %
Bethlehem Center	\$113,934	-	-	\$126,000	100.0 %
Charlotte Communtiy Services Association	-	-	-	\$126,000	100.0 %
Citizen School	\$200,000	-	-	-	0.0 %
Greater Enrichment Program	\$200,000	\$200,000	\$200,000	\$200,000	0.0 %
Police Activites League	\$200,000	\$53,275	\$156,000	-	-100.0 %
YWCA Central Carolinas	\$200,000	\$200,000	\$200,000	\$200,000	0.0 %
WINGS for Kids	-	-	-	\$200,000	100.0 %
Behailu Academy	\$66,000	\$66,000	\$66,000	-	-100.0 %
TOTAL	\$979,934	\$772,909	\$979,934	\$979,934	0.0 %



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