

May 18 Budget Adjustments Q&A

The following are requests received from City Council during the May 18 Council Budget Adjustments meeting that received five or more votes for further exploration. As a reminder, Safe Alliance, that formerly received funding through the annual Financial Partners process, will be funded in FY 2027 through resources within the Police Department's operating and project budgets.

SOURCES

During the May 18 Council Budget Adjustments meeting, City Council requested staff to explore a series of budget adjustments as well as options to reduce the proposed 1.89 cent property tax increase in the Proposed Fiscal Year (FY) 2027 Budget. Based on this feedback, the goal of staff's subsequent analysis was to provide funding options for the requested adjustments without increasing the property tax rate further; however, the value of every additional \$1 million of revenue from a property tax increase is included below for reference.

Potential funding sources are provided in the table below and categorized as ongoing or one-time for both public safety sources and non-public safety sources. Page numbers from the FY 2027 Proposed Budget Book are also listed for reference.

Potential Public Safety Funding Sources for Reallocation	Amount
One-Time Public Safety Sources:	
Delay Police and Fire proposed across the board pay increases (one week from proposed budget equates to \$597,543, page 435)	Variable
On-Going Public Safety Sources:	\$4,255,465
Eliminate 3 proposed Field Technicians for the Fire Operations Division Chiefs (page 86)	\$366,225
Reduce proposed public safety technology investments from \$2.95M (Pay-As-You-Go (PAYGO) Fund, page 305)	\$2,548,693
Reduce proposed increase to Fire's overtime budget from \$4,150,389 to \$1,950,389 (page 86)	\$2,200,000

Potential Non-Public Safety Funding Sources for Reallocation	Amount
One-Time Source	
Eliminate Community Investment Contingency (PAYGO Fund, page 303)	\$250,000
On-Going Source	
Eliminate fuel contingency (page 172)	\$425,000

Property Tax (on-going)	Amount
Increase property tax (every additional \$1M = 0.05 cents)	\$1,173,734

REQUESTED BUDGET ADJUSTMENT INFORMATION

The following are requests for exploration received from City Council during the May 18 Council Budget Adjustments meeting.

City Council On-Going Adjustment Requests	Added Cost	Page
PUBLIC SAFETY		
Explore restoring steps for Fire pay plan:	Variable options	3
▪ Steps and 2% Market	Ongoing Savings (\$5,223,838)	
▪ Option 1: Steps and 5% Market	Ongoing Savings (\$907,482)	
▪ Option 2: Steps and 5% Market and lump-sum to equate to all getting a combined 10%	Ongoing Savings (\$907,482) One-Time Cost \$3,959,192	
Explore 10% pay increase for CFD	\$4,425,678	5
Add funding for 5 modified duty positions for Charlotte Fire	\$689,240	6
HOURLY EMPLOYEES		
Explore 4% increase for all general hourly city workers not tied to performance	No additional cost	8
FINANCIAL PARTNERS REQUESTS		
Explore Funding for For The Struggle	\$100,000	8
Explore funding for Prospera NC	\$50,000	8
INTERNATIONAL		
Explore expanding capacity for International Relations (adding more staff)	\$225,000	9
LAND USE AND TRANSPORTATION MODEL		
Explore the opportunity to develop land use and transportation model	\$300,000	12
CIP BOND		
Increase Housing Trust Fund to \$200M for the 2026 Bond only	\$3,755,949	12
INCREASE REVENUES		
Consider increases to animal adoption fees and code enforcement fees	(\$124,000)	13
ADDITIONAL ITEMS REQUESTED		
Identify potential options to reduce property tax increase while preserving investments in safety, transportation, and affordable housing		16
Explore fare equity for Special Transportation Service (STS) riders		17
ADDITIONAL INFORMATION REQUESTED		
Police Helicopter Hangar		19
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APPENDIX: Fire Public Safety Pay Plan Scenarios		21

PUBLIC SAFETY REQUESTS

In an attempt to not increase the property tax rate above the proposed 1.89 cent increase for public safety, staff analyzed options to reallocate proposed FY 2027 allocations to provide funding for the items Council requested for staff to explore.

1. Restore Fire Steps for FY 2027

Provide Fire Public Safety Pay Plan (PSPP) employees with a 2% market adjustment plus typical steps (as defined in the FY 2026 PSPP). This option would have ongoing savings of \$5,223,838 compared to the 7% across-the-board increase in the Proposed Budget, which could be used to decrease the property tax increase by 0.22 cents.

% Pay Increase	2% Market and Step		
	# FTEs	% FTEs	Pay Adjustments
2% increase	509	47%	2% Market Only (Topped Out)
4.5% increase	18	2%	2.5 %Step + 2% Market
5% increase			
7% increase	554	51%	5.0% Step + 2% Market
7.5% increase			
10% increase			
Total	1,081	100%	
Cost Compared to Proposed Budget	Savings** (\$5,223,838)		

Additional Considerations:

Option 1: Provide Fire PSPP employees a 5% market adjustment plus typical steps (as defined in the FY 2026 PSPP). This option would provide a 10% increase to a majority of Fire PSPP employees. This option would have ongoing savings of \$907,482 compared to the 7% across-the-board increase in the Proposed Budget, which could be used to decrease the property tax increase by 0.04 cents.

% Pay Increase	5% Market and Step		
	# FTEs	% FTEs	Pay Adjustments
2% increase			
4.5% increase			
5% increase	509	47%	5% Market Only (Topped Out)
7% increase			
7.5% increase	18	2%	2.5% Step + 5% Market
10% increase	554	51%	5% Market + 5% Step
Total	1,081	100%	
Cost Compared to Proposed Budget	Savings** (\$907,482)		

Option 2: Provide Fire PSPP employees a 5% market adjustment plus typical steps (as defined in the FY 2026 PSPP). Then also provide a one-time lump sum payment to the estimated 527 Fire PSPP employees that did not receive a total base salary increase of 10% in Option 2. This option would have one-time cost of \$3,959,192 and ongoing savings of \$907,482 compared to the Proposed Budget. The one-time cost of \$3,959,192 could be paid for by delaying the 10% market increase for Police and 5% market increase for Fire from July 4, 2026, to August 22, 2026. The \$907,482 of ongoing savings could be used to decrease the property tax increase by 0.04 cents.

% Pay Increase	5% Market, Step, and Lump Sums for any below 10% salary inc.	
	# FTEs	% FTEs
10% increase:	1,081	100%*
5% on-going + 5% one-time (topped out)	509	47%
7.5% on-going + 2.5% one-time	18	2%
10% on-going	554	51%
Total	1,081	100%
Cost Compared to Proposed Budget	Ongoing Savings: (\$907,482); One-time Cost: \$3,959,192	

Comparison of Adjustments:

FY 2027 Fire PSPP Change in Salary								
% Pay Increase	Proposed Budget		2% Market and Step		Option 1: 5% Market and Step		Option 2: 5% Market, Step, and Lump Sums for any below 10% salary inc.	
	# FTEs	% FTEs	# FTEs	% FTEs	# FTEs	% FTEs	# FTEs	% FTEs
2% increase			509	47%				
4.5% increase			18	2%				
5% increase					509	47%		
7% increase	1,081	100%	554	51%				
7.5% increase					18	2%		
10% increase (5% on-going, 5% one-time)							509	47%
10% increase (7.5% on-going, 2.5% one-time)							18	2%
10% increase					554	51%	554	51%
Total	1,081	100%	1,081	100%	1,081	100%	1,081	100%
Cost Compared to Proposed Budget	N/A		Ongoing Savings** (\$5,223,838)		Ongoing Savings** (\$907,482)		Ongoing Savings** (\$907,482); One-time Cost \$3,959,192	

Table Notes:

*Includes one-time lump sum payments in addition to the increases from prior column to achieve 10%.

**Potential savings based on these adjustments would be due to the following:

1. Step increases provided on a later date. Step increases traditionally occur on CFD’s common merit date in November with market adjustments typically occurring in July. The proposed budget includes the 7% market increase for CFD’s PSPP staff to be effective in July.
2. For council adjustment and option 1, topped out staff would only be eligible for a 2% or 5% Market Adjustment versus receiving the 7% recommended market adjustment in the Proposed Budget. 47% of Fire pay plan members are currently topped out staff (staff at the top step for their position) and would not receive a step adjustment, just a market adjustment.

Fire PSPP Members Topped Out in FY 2027			
Position	Topped Out	Filled Positions	Percent of Filled Positions
Fire Fighter	121	583	21%
Fire Engineer	161	219	74%
Fire Captain	227	279	81%
Overall	509	1,081	47%

Although there is no policy on Police and Fire pay parity, these actions would increase the difference in starting pay between Police Officers and Fire Fighters from 7.9% in the Proposed Budget to 13.2% with the 2% market adjustment option, or to a difference of 10% with the 5% market adjustment Options 1 and 2.

See **Appendix** for the actual steps within the public safety pay plan for each option.

2. 10% salary increase instead of 7% for Fire Public Safety Pay Plan Personnel

Increasing Public Safety Pay Plan pay for Fire from 7% across-the-board to 10% would require approximately \$4.4 million in funding, including adjustments required for compression with command staff. **There is no adopted policy regarding pay parity between Police and Fire employees.** Based on the most recent Public Safety Pay Plan survey conducted by Human Resources, the following represents the percent that Police Officer starting pay is greater than Firefighter starting pay for the cities that responded to the survey.

City	Firefighter Starting Pay	Police Officer Starting Pay	% Difference
Arlington, TX	\$76,464		n/a
Atlanta, GA	\$51,362	\$59,542	16%
Austin, TX	\$60,419	\$72,786	20%
Columbus, OH	\$71,935	\$80,121	11%
Dallas, TX	\$73,437	\$73,437	0%

City	Firefighter Starting Pay	Police Officer Starting Pay	% Difference
Denver, CO	\$63,975	\$71,434	12%
Fort Worth, TX	\$66,470	\$74,631	12%
Houston, TX	\$54,917		n/a
Indianapolis, IN	\$56,344	\$86,099	53%
Long Beach, CA	\$71,966	\$77,733	8%
Louisville, KY	\$56,579	\$63,008	11%
Nashville, TN	\$68,580	\$75,432	10%
Omaha, NE	\$74,167	\$76,887	4%
Portland, OR	\$71,004	\$73,273	3%
Seattle, WA	\$67,933	\$85,439	26%
Average Starting Pay	\$65,703	\$74,602	14%

Note: Council could consider setting a policy on pay parity and establishing the appropriate % difference.

Funding Option:

Reallocation from the Proposed Budget (on-going)	Amount reduced
Reduce Public Safety Technology Investments (FY 2027 Proposed for \$2.95M)	\$1,859,453
Fire – reduce proposed increase to Overtime budget (FY 2027 Proposed increase of \$4,150,389)*	\$2,200,000
Fire - Field Technicians for the 3 Operations Division Chiefs	\$366,225
Total Reallocation	\$4,425,678

* Expenditures for overtime in the Fire Department have substantially exceeded the department’s overtime budget by \$5.0m in FY24 and \$7.3m in FY25. The Proposed FY 2027 Budget increased the Department’s overtime budget by \$4.1 million. The difference between funding and actual need may be as high as \$9 million. Internal Audit, Fire, and Budget staff will be studying the staffing needs related to overtime for future budget and staffing considerations.

3. Add funding for five modified duty positions for Charlotte Fire (on-going funding)

There is currently a Charlotte Fire Department modified duty program in place. CFD offers modified duty options per policy for up to 5 years for sworn staff who are not eligible to retire. The program does not have a cap on the number of employees that can be on modified duty assignments. CFD can work to modify the current policy and program to expand eligibility from the current 5 year maximum up to 10 years maximum length of assignment.

The current program uses existing personnel budget to cover the costs incurred. Costs for the positions vary based on the pay of the individuals who enter into modified duty assignments, and the number of staff modified assignments.

Option: Five new FTEs could be added to be specifically for modified duty assignments. Budgeting at a level of Firefighter II equates to an estimated cost for these positions of \$689,240.

Option to reallocate funding for the 5 modified duty FTEs:

Reallocation from Proposed Budget	Reduction amount
Reduce Public Safety Technology Investments (FY 2027 Proposed for \$2.95M)	\$689,240
Funding to be reallocated:	\$689,240

NON-PUBLIC SAFETY REQUESTS

4. Hourly Employees

In the Proposed FY 2027 Budget, hourly employees are scheduled to receive a 1.5% market adjustment in July and then are eligible for a merit increase in November ranging from 0% to 5% based on performance.

To update the proposed hourly pay recommendations to remove the merit component and provide a 4% increase for all general hourly city workers not tied to performance (1.5% in July then 2.5% in November) would require no additional cost as the merit component is budgeted at a 2.5% average increase.

Note: Departments have requested a merit component for hourly staff to have the ability to recognize and retain top performers with higher pay increases.

FINANCIAL PARTNERS (one-time funding)

Organization	Funding
For the Struggle	\$100,000
Prospera	\$50,000
Funding Option: Community Investment Contingency	\$250,000

5. Explore funding for For the Struggle (\$100,000)

Funding options:

- Reduce Community Investment Contingency (currently \$250,000)
- HNS will be holding a competitive process for Community Development Block Grant (CDBG) funding in the coming months, and For the Struggle is eligible to respond to the request for proposals for the following activities included in their financial partner application:
 1. Critical home repairs and/or Americans with Disabilities Act (ADA) modifications
 2. Environmentally friendly housing repair upgrades to reduce utility expenses

6. Explore funding for Prospera NC (\$50,000)

Funding option: Reduce Community Investment Contingency (currently \$250,000)

INTERNATIONAL

7. Expand International Relations

The City of Charlotte’s collaborative approach to international relations has continued to evolve. In FY 2020, the Office of Equity, Mobility, and Immigrant Integration (OEMII) was established to advance upward mobility, immigrant services, diversity, equity, and inclusion within our organization and throughout the community. The office spearheaded the establishment of the city’s Language Access Policy, led discussions around the Equity in Governance Framework, and built strong ties within the community through its immigrant integrations work and community outreach efforts. While this work no longer exists within a separate office, the components remain a commitment of the organization and are embedded within the Community Relations (CR), Economic Development (ED), and Human Resources (HR) departments. The city continues to advance partnerships with our international community, which includes more than 10 ethnic and international chambers, 20 honorary consuls, multiple consulates, immersion language programs, and hundreds of annual cultural events. The ED department plays a key coordinating role in aligning business recruitment strategies, site readiness efforts, community engagement, and international business outreach activities.

Current Landscape		
International Business Recruitment/Retention	International Protocol	Immigrant Integrations
Department: ED	Department: ED	Department: HR
Focus Areas: <ul style="list-style-type: none"> • Support business, cultural, and major sporting event recruitment • Conduct real estate tours with foreign diplomats • Develop pitch decks and contracts for international business deals • Coordinate with local international chambers on business relocation and workforce efforts 	Focus Areas: <ul style="list-style-type: none"> • Enable the city to have smooth interactions with foreign visitors, dignitaries, and the consular corps • Advise the Mayor on diplomatic and consular matters • Work closely with the international business community to raise the profile of the city 	Focus Areas: <ul style="list-style-type: none"> • Language access (translation and interpretation services) • Maintain Welcoming Certification • Community outreach staff support for Charlotte International Cabinet

The city currently has a dynamic landscape related to international business recruitment and retention and international protocol within the ED department. ED works collaboratively with multiple local, regional, and state organizations to advance international business attraction and retention efforts including the State of North Carolina, the Economic Development Partnership of North Carolina (EDPNC), the Charlotte Regional Business Alliance, Mecklenburg County, CLT Airport, higher education institutions, chambers of

commerce, and international business organizations. Charlotte benefits significantly from the statewide international recruitment strategy led by EDPNC and the North Carolina Department of Commerce, particularly through coordinated international marketing missions, trade engagement, site selection assistance, and business recruitment efforts. Over the past 18 months, this thriving ecosystem of collaboration has supported multiple international business announcements across manufacturing, headquarters operations, life sciences, and energy sectors. Examples of recent international projects facilitated or supported through local and regional partnerships are provided in the following table.

Company	Country	Industry/ Sector	Jobs/ Investment	Office Role / Notes
SMBC	Japan	Financial Services	2,000 / \$50,536,697	City ED team was the lead on this project
Siemens Energy	Germany	Advanced Manufacturing	475 / \$149,895,000	City ED team was the lead on this project
Daimler Truck Financial Services	Germany	Headquarters	276 / \$7,848,000	City ED team was the lead on this project
AVL Manufacturing	Canada	Manufacturing	326 / \$56,015,800	City ED team was the lead on this project
HSP USA	Germany	Manufacturing	74 / \$50,000,000	City ED team was the lead on this project
Groninger	Germany	Manufacturing/ Life Sciences	60 / \$15,100,000	City ED team was the lead on this project
Scout Motors	Germany	Headquarters	1,200 / \$207,000,000	City ED team was the lead on this project
A.P. Moller-Maersk	Denmark	Headquarters	520 / \$16,000,000	City ED team was the lead on this project

Collectively, these recent projects represent more than 4,900 jobs and over \$300 million in capital investment across Charlotte and the broader region. As global competition for foreign direct investment intensifies, alignment between the City of Charlotte, Mecklenburg County, the State of North Carolina, and regional economic development organizations remains critical. ED continues to serve as a key strategic partner in attracting investment, supporting international companies, coordinating regional partnerships, and advancing inclusive economic growth strategies.

The FY 2027 Proposed Budget includes the addition of an International Affairs Manager to the Community Relations department. The team would also include an existing position currently supporting language access, immigrant integration, and community outreach currently housed within HR. This alignment will support the development of a long-term strategy for international relations that encompasses feedback from the community and Council, including:

- Additional capacity to support language access
- Intentional corporate recruitment and retention on an international scale

- Additional support for existing staff currently engaged in work related to international affairs
- Continued community outreach that strengthens the city’s relationship with our international community

The work within the Community Relations department will be primarily community, or grassroots focused, while the work within ED will be primarily business recruitment, or grassroots focused, with the understanding that both departments will work collaboratively to develop a long-term plan for serving the city’s international community and business landscape.

The new structure and approach will be implemented in FY 2027 with on-going review to determine what additional resources may be needed, if any, to further flesh out the service model.

FY 2027 Proposed Budget (Additional FTE and strengthened focus, community engagement, and collaboration across focus areas)			
Administrative support, operational funding, and executive leadership would be leveraged from CR and ED departments.			
International Affairs Manager (new FTE)	Immigrant Integrations	International Business Recruitment/Retention	International Protocol
Department: CR	Department: CR	Department: ED	Department: ED
Focus Areas: <ul style="list-style-type: none"> • Strengthen connections with international community • Coordinate across city services • Collaborate with community groups • Engage international community across all sectors of Charlotte 	Focus Areas: <ul style="list-style-type: none"> • Language access (translation and interpretation services) • Maintain Welcoming Certification • Community outreach • Staff support for Charlotte International Cabinet 	Focus Areas: <ul style="list-style-type: none"> • Support business, cultural, and major sporting event recruitment • Conduct real estate tours with foreign diplomats • Develop pitch decks and contracts for international business deals • Coordinate with local international chambers on business relocation and workforce efforts 	Focus Areas: <ul style="list-style-type: none"> • Enable the city to have smooth interactions with foreign visitors, dignitaries, and the consular corps • Advise the Mayor on diplomatic and consular matters • Work closely with the international business community to raise the profile of the city

The FY 2027 Proposed Budget recommends implementing this enhanced collaborative approach and expanding as needed, once an understanding of full needs and service approach has been developed.

Cost to add additional staff:

The following table provides an overview of current resources and an example of the cost to add one additional staff person, bringing total dedicated staffing for international affairs to four, and adding funding to support operational expenses.

Potential Budget Adjustment Options:	
1 additional Administrative Officer Sr.	\$139,342
Training/Operating support	\$85,658
Total Adjustment	\$225,000

Funding option: Reduce fuel contingency (currently \$425,000)

TRANSPORTATION MODEL

8. Land Use and Transportation Model

Consulting services/partnership to develop Land Use and Transportation Model (\$300,000)

The City of Charlotte's transportation modeling and data infrastructure currently relies on the Metrolina Regional Model (MRM, most recently MRM25v3.0, effective April 6, 2026) and its socioeconomic-allocation companion, the Metrolina CommunityViz Model (MCM v2.0, September 2020), in coordination with CDOT, CRTPO, GCLMPO, CRMPO, RFATS, and RRRPO. These tools were assembled across multiple horizons and partner organizations and have served as the operational foundation for federally required air-quality conformity, long-range planning, and project prioritization.

The proposed study would provide an independent technical evaluation of modeling and data ecosystem, identify short-term, low-cost improvements that can be implemented within the next 12 months, and document an evidentiary base from which the city's own modelers and decision-makers can choose a forward path.

Funding option: Reduce fuel contingency (currently \$425,000) and/or Community Investment Contingency (currently \$250,000).

FY 2027 HOUSING BOND AMOUNT

9. Increase the 2026 Housing Bond from \$125 million to \$200 million

Increasing the 2026 Housing Bond to \$200 million would require a 0.16-cent permanent property tax increase above the FY 2027 Proposed Budget (equivalent of \$3.76 million), for a total increase of 2.05 cents per \$100 of assessed value over the current FY 2026 property tax rate.

2026 Housing Bond Options	Approximate Ongoing Cost	Property Tax Impact
\$150,000,000	\$1,410,000	+0.06 cent
\$175,000,000	\$2,580,000	+0.11 cent
\$200,000,000	\$3,760,000	+0.16 cent

REVENUE AND FINES

10. Increase User Fees/Fines for Animal Adoption and Code Enforcement

In accordance with City Council’s adopted Budget Principles and Financial Policies and Practices, user fees are reviewed annually as part of the budget development process. Where user fees are based on cost recovery, costs are reviewed annually and sustainable funding adjustments to current fees are proposed to reflect the actual cost of providing services.

Regulatory user fees recoup costs associated with providing specific services that are required by law. These fees are associated with regulatory programs such as land use permits, subdivision reviews, dance hall licenses, and hazardous chemical permits.

Regulatory user fees are calculated based on the annual operating budget and are primarily driven by the complexity of the service and amount of staff time spent on each service and number of occurrences. Regulatory user fees may fluctuate from year to year because they are based on occurrence data from the fiscal year most recently completed (FY 2025).

Non-regulatory user fees are associated with non-regulatory services and are calculated using different methods than regulatory fees because City Council’s policy does not require non-regulatory fees to recover a specific percentage of the costs incurred by the city in the provision of the service. Animal care fees are an example of non-regulatory fees set based on maintaining a balance of offsetting costs while also encouraging animal adoptions and spay/neutering.

Animal Care & Control:

Adoption Fees:

Animal care and control services are most typically housed with County services. Charlotte is unique in that the city maintains these services for the community. Over the recent past, Charlotte has worked hard to reduce euthanasia rates and strives to obtain a 90% live release rate, which would earn a “No Kill” shelter status. Part of this approach has been to ensure fees for spay/neutering and adoption remain affordable. Based on Council’s request

to revisit these fees, it has been determined that some increase is not anticipated to negatively impact adoption rates.

FY 2027 proposed Animal Care & Control (AC&C) Adoption Fees for the City of Charlotte and current fees for counties that contain North Carolina peer cities are shown in the table below for adult dogs, adult cats, puppies, and kittens. The adoptions of cats/kittens and dogs/puppies accounted for 97.61% of adoptions in FY 2025. The fees listed below are the base adoption fees for the county shelters. However, some shelters waive fees or have discounts for seniors, military veterans, or dogs that have been in the shelter for an extended period. It is also important to note that the fees listed below are not the only fees a new pet adopter will pay. For example, in Charlotte, new pet adopters will pay the adoption fee, spay or neuter fees, and any required shots or vaccines required for the animal.

As the table shows, Charlotte’s AC&C adoption fees are below those counties which contain North Carolina peer cities. Based on this review and consultation with AC&C staff, increasing the adult dog and cat adoption fees to \$50, and the puppy and kitten adoption fees to \$70 would create approximately \$94,000 in FY 2027* additional revenues while keeping A&CC an affordable option for pet adoption.

**FY 2027 revenue projections for adoption fees uses a 75% collection rate for puppy and kitten adoptions and a 60% collection rate for adult dogs and cats and FY 2025 occurrence data. AC&C waives adoption fees when the shelter is at capacity in an effort to increase adoptions and to avoid potential euthanasians.*

Type	FY 2027 Proposed (Charlotte)	Wake County**	Durham County	Forsyth County	Buncombe County	New Hanover County
Adult Dog	\$30	\$95	\$125-\$175	\$125	\$35-\$150	\$60
Adult Cat	\$20	\$45	\$95	\$125	\$25	\$60
Puppy	\$50	N/A	N/A	\$125	\$175	\$60
Kitten	\$40	N/A	N/A	\$125	\$50	\$60

**Wake County includes spay/neuter within the adoption fees and does not offer these services apart from adoptions.

Increase Fee Option for Adoptions:

Type	FY27 Proposed	Increased Fee Option	Percent Change in Fee
Adult Dog	\$30	\$50	67%
Adult Cat	\$20	\$50	150%
Puppy	\$50	\$70	40%
Kitten	\$40	\$70	75%

Spay/Neuter fees:

Spay and Neuter fees at AC&C are comparably low as well. A \$15 across the board increase to spay/neuter would increase revenue by approximately \$30,000 in FY 2027.

Service	FY 2027 Proposed	Potential Increased Fee	Percent change in Fee
Canine Spay	\$75	\$90	20%
Canine Neuter	\$70	\$85	21%
Feline Spay	\$55	\$70	27%
Feline Neuter	\$50	\$65	30%

Code Enforcement:

In line with City Council’s priority to provide safe and affordable housing options, landlords are responsible for the full costs of required repairs.

The Housing Code of the City of Charlotte is contained within Chapter 11 of the city’s Code of Ordinances. The Code provides for the repair, rehabilitation, or demolition of dwellings that are found to be unfit for human habitation. If a property owner does not address minimum housing code violations, the city may “cause to be taken, such remedial action as necessary to correct such condition” and recover the associated costs through liens placed on the property. Additional changes would require updates to city code.

Beyond minimum housing code, additional fines that are levied by Code Enforcement are codified within the City Code of Ordinances, Chapter 10 – Health and Sanitation and the authority to levy fines is granted through NC G.S. 160A-175 and NC G.S. 14-4. Changes to the fine amounts would require an update to the City Code of Ordinances and are limited by NC General Statutes.

Current fine amounts for Code citations/civil penalties:

Chapter 11 Minimum Housing Civil Penalties:

- Residential- \$100 first day of non-compliance and \$100 each day until compliance is achieved.
- Lodging Establishment- \$1,000 first day of non-compliance and \$100 each day until compliance is achieved.

Chapter 10 Health & Sanitation Citation Amounts:

- \$150 for the 1st through 3rd offense, \$250 for the 4th offense, and \$500 for the 5th and any subsequent offenses.
- Signs (right-of-way): \$100

Unified Development Ordinance/Zoning Citation Amounts:

- \$50 for the 1st offense, \$200 for the 2nd, \$500 for the 3rd, and any subsequent offenses until compliance is achieved.

ADDITIONAL EXPLORATION ITEMS REQUESTED

11. Reduce proposed property tax increase while preserving investments in safety, transportation, and affordable housing

In accordance with Council’s Adopted Budget Principles, the city engages in continual evaluation of the most cost-effective means for providing city services. Every fall, city staff begin preparing materials for the upcoming budget cycle. As part of the annual budget development process, Strategy and Budget Department staff meet with all departments to review current budgeting priorities and needs. Departments collaborate to review services for optimization strategies and potential savings. During this time, department budgets are reviewed, proposals are submitted, and long-term planning begins. Revenue forecasts are also created, debt capacity is reviewed, and levels of current expenditures are evaluated. These three examinations, along with the Strategic Priority framework set by Council, guide and prioritize funding programmed for initiatives and city services.

Over the last several years, these reviews have produced over \$32 million in reductions through efficiencies. However, in FY 2025 and now again in FY 2026, budget cuts have been implemented during the fiscal year to stay within the overall General Fund budget. There is limited capacity to absorb the investments needed to both maintain core services at the current levels and advance public safety enhancements.

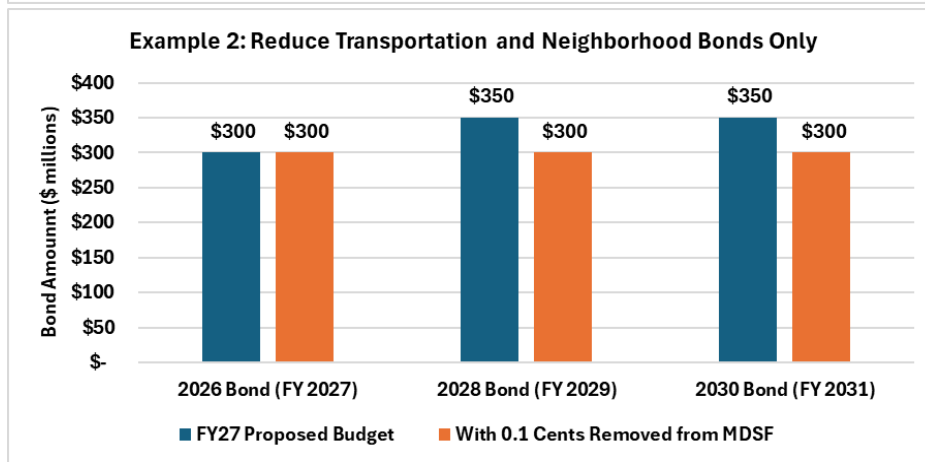
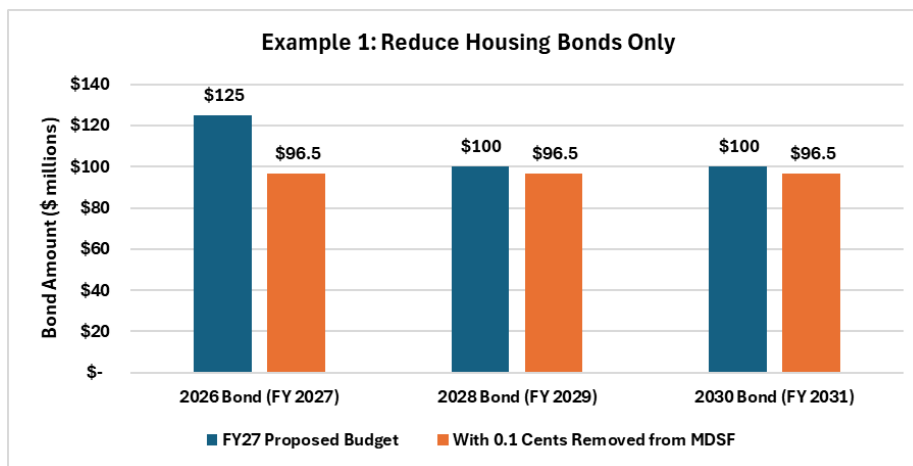
In order to reduce the amount of property tax increase required, proposed funding for Police and Fire would need to be reduced as the entire property tax increase is to fund \$44.4 million of the identified \$85 million in public safety enhancement investments for FY 2027.

Alternatively, a portion of property tax dedicated to the city’s Capital Investment Plan could be reprogrammed to the General Fund to reduce the proposed property tax increase. The Proposed FY 2027 Budget dedicates 3.06 cents of property tax to support the steady state debt capacity for facility, housing, and street improvement projects. Reducing the planned borrow would reduce the amount of property tax that is needed to support projected debt service payments, which would make that revenue available for transfer to the General Fund. The table below shows two examples of the impact that moving 0.1 cents of property tax (equal to approximately \$2.35 million in revenue) from the Municipal Debt Service Fund would have on planned Housing, Transportation, and Neighborhood bonds. Amounts differ for each type of debt due to different spending and financing rates. Any reductions to

planned borrow amounts would impact funding levels for the projects and programs in the Proposed FY 2027 Capital Investment Plan.

Examples: Either of the two examples below would equate to a **reduction of 0.1 cents** in property tax in the Proposed FY 2027 Budget:

	New FY 2027/ 2026 Bond Amount	New Steady State
Example 1: Reduce Housing Bonds Only	\$96.5M (reduced from \$125M)	\$96.5M (reduced from \$100M)
Example 2: Reduce Transportation and Neighborhood Bonds Only	\$300M (no change)	\$300M (reduced from \$350M)



12. Explore fare equity for Special Transit Service riders

The Charlotte Area Transit System (CATS) offers Special Transportation Service (STS) in accordance with the Americans with Disabilities Act (ADA) to individuals that cannot access fixed-route bus lines because of a disability. STS is offered as a pre-scheduled service in which operators provide complete assistance to riders from their origin to their destination.

The current service area for STS includes areas within ¾ miles of a fixed-route bus line, not only bus stops, and is consistent with guidelines for paratransit service from the Federal Transit Administration. STS is available on the same dates and times as the fixed-route line operates.

CATS has experienced a 48 percent increase in demand over the last year for STS. In response to that increased demand, the FY 2027 transit operating budget and FY 2027-2031 Capital Investment Plan include funding for the addition of contracted STS providers, 13 additional STS operators, and increased STS vehicle purchases. Additionally, although it is not a replacement for paratransit service, the expansion of microtransit will help alleviate the demand for STS as microtransit is ADA accessible and provides on-demand transit service.

The Metropolitan Transit Commission (MTC), the policy board for CATS, establishes the annual fare schedule as part of the annual budget process. The MTC's FY 2027 Budget includes a base fare for standard bus service that remains unchanged at \$2.20 and an STS fare that remains unchanged at \$3.50. STS fares have not increased in ten years and are below the federally allowable paratransit fare of \$4.40. Consistent with the Projects for Advancing Vehicle-Infrastructure Enhancements (PAVE) Act, the MTC will dissolve and the policy-setting duties of the MTC, including setting fares, will shift to the Metropolitan Public Transportation Authority on July 1, 2026. Additional studies may be required to determine the financial impact and policy implications of reducing STS fares.

ADDITIONAL INFORMATION REQUESTED

Helicopter Hangar

CMPD has leased hangar space to operate its Aviation Unit from CLT Airport for nearly two decades. The location of this leased facility conflicts with the Airport's current airfield development plans, and the Airport, CMPD, and General Services have been discussing potential relocation options and timelines since 2017. Construction of a new hangar facility on Airport property was initially considered, but limitations based on CMPD's operational needs and the Airport's long-term development plans caused this approach to be unfeasible. The relocation of the helicopter hangar was added to the city's Advanced Planning in Design Program in FY 2024 to continue to explore options outside of Airport property, and in FY 2025 a suitable property at 801 Woodridge Center Drive was identified. City Council authorized the purchase of the property in September 2024.

As the project progressed through the Advanced Planning and Design Program, the city identified an opportunity to co-locate a portion of CMPD Special Operations on the property as well. The project completed 30 percent design during FY 2026 and has an estimated cost of \$20 million through a Design-Build delivery method. The Airport has already begun airfield expansion work around the facility CMPD is currently leasing.

The following table provides a breakdown of services provided by CMPD's Aviation Unit in FY 2025 and 2026:

Total Calls for 2025 & 2026 YTD	2,906
Assists in arrests	370
Direct arrests	477
Locates	147
Vehicle recoveries	107
Community events	44
Assisted operations	40
Total hours flown	1,593

Video Streaming on Facebook

Why are Council meetings not always streamed on Facebook?

Meetings of full Council are typically live streamed to the Gov Channel, YouTube, and Facebook. Committee meetings are live streamed to the Gov Channel and YouTube, and a summary wrap up is usually posted to Facebook the next day.

The City Manager’s Proposed Budget presentation, budget adjustments, straw votes, and adoption are also usually all streamed to all platforms. However, this year the city experienced a technical issue in the studio that did not push the live stream to Facebook. The technology issue did not affect streaming to YouTube or the Gov Channel.

Staff have been troubleshooting and testing to ensure straw votes can be live streamed to Facebook; however, the technology issues may not be fully resolved in time. The full video can be loaded to Facebook after, if needed. Please note that for Facebook streaming, the live streams are automatically deleted after 30 days by Facebook – not the city.

APPENDIX: Fire Public Safety Pay Plan Scenarios

FY 2026 (Currently in place)

FIRE DEPARTMENT

FIREFIGHTER I 3006	Step 1 \$1,090.57 \$56,710	Step 2 5.0% \$1,145.10 \$59,545	Step 3 5.0% \$1,202.36 \$62,523	Step 4 5.0% \$1,262.48 \$65,649	Step 5 5.0% \$1,325.60 \$68,931							
FIREFIGHTER II 3008		Step 1 \$1,145.10 \$59,545	Step 2 5.0% \$1,202.36 \$62,523	Step 3 5.0% \$1,262.48 \$65,649	Step 4 5.0% \$1,325.60 \$68,931	Step 5 5.0% \$1,391.88 \$72,378	Step 6 5.0% \$1,461.47 \$75,996	Step 7 5.0% \$1,534.54 \$79,796	Step 8 5.0% \$1,611.27 \$83,786			
FF ENGINEER 3011					Step 1 \$1,325.60 \$68,931	Step 2 5.0% \$1,391.88 \$72,378	Step 3 5.0% \$1,461.47 \$75,996	Step 4 5.0% \$1,534.54 \$79,796	Step 5 5.0% \$1,611.27 \$83,786	Step 6 5.0% \$1,691.83 \$87,975	Step 7 5.0% \$1,776.42 \$92,374	
FIRE CAPTAIN 3016	Step 1 \$2,047.49 \$106,469	Step 2 5.0% \$2,149.86 \$111,793	Step 3 2.5% \$2,203.61 \$114,588	Step 4 2.5% \$2,258.70 \$117,452								

FY 2027 Proposed Budget

FIRE DEPARTMENT

FIREFIGHTER I 3006	Step 1 \$1,166.91 \$60,679	Step 2 5.0% \$1,225.26 \$63,714	Step 3 5.0% \$1,286.53 \$66,900	Step 4 5.0% \$1,350.86 \$70,245	Step 5 5.0% \$1,418.41 \$73,757							
FIREFIGHTER II 3008		Step 1 \$1,225.26 \$63,714	Step 2 5.0% \$1,286.53 \$66,900	Step 3 5.0% \$1,350.86 \$70,245	Step 4 5.0% \$1,418.41 \$73,757	Step 5 5.0% \$1,489.34 \$77,446	Step 6 5.0% \$1,563.81 \$81,318	Step 7 5.0% \$1,642.01 \$85,385	Step 8 5.0% \$1,724.12 \$89,654			
FF ENGINEER 3011					Step 1 \$1,418.41 \$73,757	Step 2 5.0% \$1,489.34 \$77,446	Step 3 5.0% \$1,563.81 \$81,318	Step 4 5.0% \$1,642.01 \$85,385	Step 5 5.0% \$1,724.12 \$89,654	Step 6 5.0% \$1,810.33 \$94,137	Step 7 5.0% \$1,900.85 \$98,844	
FIRE CAPTAIN 3016	Step 1 \$2,190.82 \$113,923	Step 2 5.0% \$2,300.37 \$119,619	Step 3 2.5% \$2,357.88 \$122,610	Step 4 2.5% \$2,416.83 \$125,675								

FY 2027 if Using Typical (Step & 1.5% Market Adjustment)

FIRE DEPARTMENT

FIREFIGHTER I 3006	Step 1 \$1,106.93 \$57,560	Step 2 5.0% \$1,162.28 \$60,439	Step 3 5.0% \$1,220.40 \$63,461	Step 4 5.0% \$1,281.42 \$66,634	Step 5 5.0% \$1,345.50 \$69,966							
FIREFIGHTER II 3008		Step 1 \$1,162.28 \$60,439	Step 2 5.0% \$1,220.40 \$63,461	Step 3 5.0% \$1,281.42 \$66,634	Step 4 5.0% \$1,345.50 \$69,966	Step 5 5.0% \$1,412.78 \$73,465	Step 6 5.0% \$1,483.42 \$77,138	Step 7 5.0% \$1,557.60 \$80,995	Step 8 5.0% \$1,635.48 \$85,045			
FF ENGINEER 3011					Step 1 \$1,345.50 \$69,966	Step 2 5.0% \$1,412.78 \$73,465	Step 3 5.0% \$1,483.42 \$77,138	Step 4 5.0% \$1,557.60 \$80,995	Step 5 5.0% \$1,635.48 \$85,045	Step 6 5.0% \$1,717.26 \$89,298	Step 7 5.0% \$1,803.13 \$93,763	
FIRE CAPTAIN 3016	Step 1 \$2,078.21 \$108,067	Step 2 5.0% \$2,182.13 \$113,471	Step 3 2.5% \$2,236.69 \$116,308	Step 4 2.5% \$2,292.61 \$119,216								

2% Market and Normal Step

FIRE DEPARTMENT

FIREFIGHTER I 3006	Step 1 \$1,112.39 \$57,844	Step 2 5.0% \$1,168.01 \$60,737	Step 3 5.0% \$1,226.42 \$63,774	Step 4 5.0% \$1,287.75 \$66,963	Step 5 5.0% \$1,352.14 \$70,311							
FIREFIGHTER II 3008		Step 1 \$1,168.01 \$60,737	Step 2 5.0% \$1,226.42 \$63,774	Step 3 5.0% \$1,287.75 \$66,963	Step 4 5.0% \$1,352.14 \$70,311	Step 5 5.0% \$1,419.75 \$73,827	Step 6 5.0% \$1,490.74 \$77,518	Step 7 5.0% \$1,565.28 \$81,395	Step 8 5.0% \$1,643.55 \$85,465			
FF ENGINEER 3011					Step 1 \$1,352.14 \$70,311	Step 2 5.0% \$1,419.75 \$73,827	Step 3 5.0% \$1,490.74 \$77,518	Step 4 5.0% \$1,565.28 \$81,395	Step 5 5.0% \$1,643.55 \$85,465	Step 6 5.0% \$1,725.73 \$89,738	Step 7 5.0% \$1,812.02 \$94,225	
FIRE CAPTAIN 3016	Step 1 \$2,088.44 \$108,599	Step 2 5.0% \$2,192.87 \$114,029	Step 3 2.5% \$2,247.70 \$116,880	Step 4 2.5% \$2,303.90 \$119,803								

5% Market and Normal Step

FIRE DEPARTMENT

FIREFIGHTER I 3006	Step 1 \$1,145.10 \$59,545	Step 2 5.0% \$1,202.36 \$62,523	Step 3 5.0% \$1,262.48 \$65,649	Step 4 5.0% \$1,325.61 \$68,932	Step 5 5.0% \$1,391.90 \$72,379							
FIREFIGHTER II 3008		Step 1 \$1,202.36 \$62,523	Step 2 5.0% \$1,262.48 \$65,649	Step 3 5.0% \$1,325.61 \$68,932	Step 4 5.0% \$1,391.90 \$72,379	Step 5 5.0% \$1,461.50 \$75,998	Step 6 5.0% \$1,534.58 \$79,798	Step 7 5.0% \$1,611.31 \$83,788	Step 8 5.0% \$1,691.88 \$87,978			
FF ENGINEER 3011					Step 1 \$1,391.90 \$72,379	Step 2 5.0% \$1,461.50 \$75,998	Step 3 5.0% \$1,534.58 \$79,798	Step 4 5.0% \$1,611.31 \$83,788	Step 5 5.0% \$1,691.88 \$87,978	Step 6 5.0% \$1,776.48 \$92,377	Step 7 5.0% \$1,865.31 \$96,996	
FIRE CAPTAIN 3016	Step 1 \$2,149.87 \$111,793	Step 2 5.0% \$2,257.37 \$117,383	Step 3 2.5% \$2,313.81 \$120,318	Step 4 2.5% \$2,371.66 \$123,326								