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# CITY OF RALEIGH PROPOSED BUDGET

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## FY2017



The City of Raleigh

# Annual Budget

## City of Raleigh, North Carolina

### Fiscal Year Beginning July 1, 2016

Recommended to the City Council by the City Manager ..... May 17, 2016

#### The City Council

Nancy McFarlane, Mayor  
Kay Crowder, Mayor Pro Tem  
Mary-Ann Baldwin  
Corey D. Branch  
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Russ Stephenson  
Richard A. "Dickie" Thompson

#### Executive Staff

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Marchell Adams David ..... Assistant City Manager  
James S. Greene, Jr. .... Assistant City Manager  
Tansy Hayward ..... Assistant City Manager  
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**The following individuals, whose assistance and contributions to the annual budget development process are immeasurable, are hereby acknowledged:**

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*Cover Design by Eric Bannister, Communications Department*

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# PROPOSED FY2017 OPERATING AND FIVE-YEAR CAPITAL IMPROVEMENT PLAN



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## **Introduction**

Dear Mayor and Council Members,

I am pleased to present City Council with the Manager's Proposed Budget for Fiscal Year 2017 and the Proposed Five-year Capital Improvement Plan. Staff begin the budget process in the Fall, spending several months identifying, analyzing, and prioritizing what to include in the budget. The \$858.6 million Proposed Budget is the culmination of this analysis and discussion that has included every City department and City Council Members.

We are fortunate to have a strong economy and tax base. Despite our financial position, this year's process was still challenging. First, we plan to open many new or renovated facilities. Second, we continue to face additional service demands due to our population growth. And third, this is the first budget process to reflect our City-wide Strategic Plan. Our goal is to implement the Strategic Plan over the next three to five years, and I am very pleased to share that the Proposed Operating Budget and Capital Improvement Program (CIP) reflect a solid start to this effort. This budget message highlights the connection between the budget and the Strategic Plan's six Key Focus Areas.

## **Revenue Outlook**

Property taxes are the largest revenue source for the City's General Fund, which supports public safety, parks, transportation, and many other service areas. The City is fortunate to have a robust property tax base. The Proposed Budget assumes a regular growth rate of 2% or \$4.6 million, over the FY2016 budgeted amount of \$226.7 million for a total of \$231.3 million in FY2017.

The City's other major revenue sources remain strong. Our budgeted sales tax revenue is estimated to increase by 5% from \$86.7 million in FY2016 to \$91.1 million in FY2017. The utility franchise tax provides \$31.2 million. User fee revenues for water and sewer services, stormwater management, and solid waste services also remain steady. City staff continue to study user fee policies for our development services area and will bring City Council recommended structural changes during FY2017.

Staff will continue monitoring legislative changes that might affect our revenue streams. Though the City absorbed the loss of \$7.2 million in Business Privilege License revenues in FY2016, any additional changes to sales tax distribution or the taxable base could present serious problems.

## **How the Proposed Budget Implements the Strategic Plan**

City Council adopted the Strategic Plan in April 2015. This year's process was our first full budget process in which staff could look to the Strategic Plan for priorities and guidance. Below, you will find how the budget recommendations align with the six Key Focus Areas of the Strategic Plan.



### **Safe, Vibrant and Healthy Community**

The Proposed Budget implements several initiatives aimed at providing citizens with a safe community and high quality of life.

Building on the work of our Downtown Cleanliness Task Force, the Proposed Budget funds 15 new positions to focus exclusively on the downtown area. The new “downtown crew” will provide higher service levels for litter pickup, trash collection, and cleaning of furnishings. The budget also funds a downtown coordinator position to provide stakeholders with a single point of contact. We will consolidate the responsibility and accountability for these services in the new Transportation Department. By having the new crew focus on downtown, the existing Parks maintenance crew that has serviced the area will have additional capacity to maintain facilities around downtown and Southeast Raleigh. The annual costs for the downtown crew comes to \$850,000. These costs will be offset by \$307,000 in revenue from the downtown municipal service district, bringing the General Fund net cost to \$543,000.

The Proposed Budget invests significantly in public safety. Roughly \$1.5 million is budgeted to pilot test a body-worn camera program in the Raleigh Police Department. The camera program presents several policy and technology challenges, but strengthens the public's trust in our law enforcement. The program will also result in better evidence collection and improved officer training.

To further support our law enforcement's training needs, the Five-year CIP funds the design and construction of a new training center for the Police Department. The existing training academy on Spring Forest Road has served the department well since opening in 1988, but the Police Department has outgrown the 12,000 square foot facility. The City will construct a larger facility on the Battlebridge Road property, near the department's driving and firearms training sites, and adjacent to the Wake County Law Enforcement Training Center. A modern and expanded facility improves our ability to prepare and train new police officers before they enter service.

The Proposed Budget enhances our 911 dispatch function with 10 additional call-takers and additional supervisory staff. Staff are currently moving into the new Central Communications Center on Raleigh Boulevard, which provides improved space and infrastructure for our emergency dispatch and emergency management needs.

We will allocate \$450,000 to begin a long-term apparatus replacement schedule to modernize our Fire Department fleet. In FY2017, we will replace two engines and one ladder truck. The Five-year CIP also funds a replacement for Fire Station 1 and the Fire Department's administrative offices. This new facility will move Station 1 out of the Warehouse District, facilitating our economic development efforts in that area. The new facility will include additional bay space, improved living quarters for firefighters, and additional administrative space.

To assist socio-economically disadvantaged members of our community, the Proposed Budget provides \$200,000 for a Bill Assistance Program to help eligible citizens with past-due water and sewer bills. City staff will develop this program in coordination with Wake County.

Despite our vibrant local economy, we have citizens who struggle to pay their rent or mortgage payments. To better address housing challenges, City Council adopted the Affordable Housing Improvement Plan in October 2015. The plan lays out several strategies to preserve and increase the affordable housing supply. One strategy to address the City's shortage of affordable rental units is to provide gap financing to developers seeking to construct or preserve affordable rental housing. However, we will need additional resources to fund the approved Affordable Housing Improvement Plan, which is discussed below.



### **Arts and Cultural Resources**

The Proposed Budget invests significantly in Raleigh's cultural resources, enhancing current services and funding future opportunities.

The Proposed CIP includes three new government facilities, including a new civic campus, fire station and administrative space, and police training center. Following our Half-Percent for Art program, these three capital projects will generate roughly \$850,000 for the Public Art and Design Board to allocate to new art projects. The Proposed Budget also creates an additional art exhibit curator position to enhance our public art program.

In the operating budget, we propose funding monthly editions of Oak City Sessions, our monthly RTN series highlighting local musical talent, at an annual cost of \$70,000. In addition, we will enhance our historic preservation efforts with an additional preservation planner position and fund a survey of historic properties for potential inclusion in the National Historic Register.

In Summer 2015, the City acquired the 308 acre Dorothea Dix property from the State for \$52 million. The Dix property will, ultimately, become a premier park and cultural facility. The Proposed Budget includes funding to begin master planning this Summer. The City recently entered into an agreement with the Dix Park Conservancy to raise funds to cover future master planning costs. Funding the debt service on the property acquisition requires additional resources—this need is discussed below.



### **Economic Development and Innovation**

To maintain a diverse and vibrant economy, we propose investing new resources in the Economic Development and Innovation Key Focus Area.

As part of the Proposed Budget, we re-brand our economic development unit as the Office of Economic Development and Innovation. This better reflects our current efforts to foster innovation within the City. The budget also funds two new positions in this Office to expand our City's marketing efforts, promote more diverse retail choices, and provide additional research support.

The City's Economic Development Toolkit includes a new Building Upfit Grant to help property owners and small business owners improve buildings throughout the City, and encourage new retail development and other uses. Staff continue to refine criteria and policies to use in awarding these grants. The Proposed Budget provides \$500,000 annually for this new program, should City Council approve it.

As in last year's adopted budget, the Proposed Budget provides new resources to serve our development community. Staff continue to implement EnerGov, our new web-based planning and permitting system. The Proposed Budget funds the system's ongoing maintenance and licensing costs. In addition, we will add positions in our Development Services department, including:

- Two positions to fully staff a major projects team focusing on large-scale building projects,

- One project advocacy position to serve as a single point of contact for major projects,
- One Project Engineer to focus on right-of-way permits and related issues, and,
- Two positions to support plan review and inspections.

Within our City Planning department, the Proposed Budget provides funding for additional area plan studies, including the Avent Ferry Road study. Two new positions will support civic design projects and the historic preservation efforts discussed above. Finally, to better address questions and comments during the rezoning process, City Planning will attend all Citizen Advisory Council (CAC) meetings when zoning cases are discussed.



### **Growth and Natural Resources**

Supporting this Key Focus Area, the City will continue to maintain critical infrastructure and respond to growth-driven service demands.

The Proposed Budget significantly expands the Stormwater Management capital program. Funded by a \$1 per month increase in the average resident's stormwater fee, we will increase the Five-year CIP by 33% from \$36 million to \$48 million. Staff will complete a higher volume of drainage assistance projects, system repairs, and conduct more watershed planning. The City will also have more funding available to acquire flood-prone property.

To further enhance Stormwater Management services, the Proposed Budget provides 12 positions to create two new project crews. These new crews will provide faster response to stormwater system failures, reduce contractor costs, and complete 20 to 25 additional stormwater projects each year.

The Proposed Budget includes an increase in the monthly water and sewer volume-based rates, as well as increases in the infrastructure replacement charges. Overall, the average residential customer (using 5 CCF per month) will see an increase of about \$1.99 per month, or 3.8%. The primary reason for these fee increases is to further support our long-term infrastructure maintenance program. The Proposed Five-year CIP invests \$686 million in such water and sewer projects as main replacements, sewer interceptors, pump stations, recovery facilities, and other infrastructure necessary to keep our public water and sewer system running.

The Strategic Plan, as well as our Climate Energy Action Plan, calls for the implementation of anaerobic digesters. This approach to biosolids treatment shifts the treatment process from an energy consumer to an energy producer. The process produces several sustainable by-products, including methane gas, which can be cleaned to compressed natural gas quality and be used for fuel to run generators or compressed natural gas (CNG) vehicles. The CIP programs roughly \$92 million to construct anaerobic digesters at the Neuse River Resource Recovery Facility. Over time, the digesters will reduce the facility's operating expenses and meet our sustainability goals.

Looking at Solid Waste Services, the City has worked steadily toward improving services and reducing the amount of General Fund support for this service area. The Proposed Budget includes a 75 cent increase in the monthly residential collection fee to support these goals. To improve route efficiency and support the yard waste center, the department will add five total positions. To advance us closer to our 80% cost recovery goal, we propose reducing General Fund support for the Solid Waste Services Enterprise Fund by \$2.3 million.

In our parks system, the City of Raleigh will open four renovated or new facilities over the next 18 months, including the Thomas G. Crowder Woodland Center, Horseshoe Farm Nature Reserve, Forest Ridge Park, and Moore Square. The Proposed Budget provides over \$1.1 million to operate these new facilities, including 12 new positions for recreational programming and maintenance. City

staff will also continue implementing the \$92 million bond program, which includes significant improvements at John Chavis Memorial Park, Walnut Creek Softball Complex, and expansions to the greenways system.



### **Transportation and Transit**

Within this Key Focus Area, the City will add resources to improve implementation of our capital programs. The Proposed Budget funds the following positions:

- Project Engineer to support road widening and other capital projects,
- Inspections Coordinator to support our ongoing resurfacing program,
- One position to support a pilot program of alternative street maintenance strategies, and,
- One position to support transit capital projects, including the installation such accessible bus stop infrastructure as shelters, benches, and sidewalks and ramps.

Staff will continue to implement the \$75 million 2013 Transportation Bond program. The program includes several road widening projects, including Mitchell Mill Road, New Hope Church Road, Pleasant Valley Road, Sandy Forks Road, and Tryon Road Part C. The second phase of the Hillsborough Street streetscape project is also under way.

Construction of Raleigh Union Station will begin in Summer 2016 and staff expect to open the facility in late 2017. The Proposed Budget funds two positions for this critical transportation hub, one to serve as a facility manager and a second position for maintenance support. The FY2018 budget will incorporate additional operating impacts for Union Station.

To implement the new Bike Share program, the Proposed Budget funds a program coordinator position for a partial year. The Bike Share system facilities will be installed in FY2018, funded by a \$2 million grant from CAMPO and \$425,000 in matching City funds. The City has also invited Wake County and North Carolina State University to contribute capital funding. Any additional contributions from other stakeholders will reduce the City's capital matching funds.



### **Organizational Excellence**

The Proposed Budget invests significantly in our City's communications efforts, government facilities, and employee compensation.

As part of the budget proposal, we re-brand the public affairs unit as the Communications Department. This better reflects the broad range of communication services provided, including video, graphics, event management, and media relationships. The Proposed Budget provides two additional positions to the Communications Department to increase graphics and video services, and provide more support to City departments. We will also realign three other positions, which have been supporting multiple departments, from City Planning to Communications to create a central graphics unit.

We propose funding a city-wide branding study in early FY2017. Presently, City departments and divisions use dozens of different logos and symbols. This planning effort will develop a common City branding approach, and, ultimately, make it easier for citizens and stakeholders to identify City of Raleigh services.

The Proposed Budget funds a citizen survey, which will be administered in Fall 2016. The survey will collect data and feedback from citizens to help staff and Council Members determine City priorities, modify policies, and reconsider how we provide services.

To provide the City with sufficient office space for the next several decades, the Five-year CIP funds a new consolidated civic campus. At present, staff who work downtown are spread across three City-owned buildings and several leased spaces. The consolidated civic campus will bring over 1,100 staff onto the existing municipal block adjacent to Nash Square. The parking deck and former Police headquarters building at 110 S. McDowell St. will be demolished and replaced with an office tower and expanded parking deck. The Raleigh Municipal Building will remain in place. Besides providing over 300,000 square feet of office space, the new campus will enable us to improve customer service and civic engagement, improve staff efficiency, and create new economic development opportunities. Master planning for the civic campus begins this Summer.

Our employees continue to be the most important resource in the City of Raleigh. The Proposed Budget funds our competitive employee compensation package with an average merit-based increase of 3.25%. This amount is slightly above market trends in North Carolina and the private sector. We also propose increasing the number of official City holidays from 11 to 12. By adding an additional holiday at Christmas, the City's holiday schedule will be consistent with the State, Wake County, and other government employers in the region.

Within our employee health plan, the City has experienced a significant increase in medical claims expenses. For our 2016 plan year, we estimate a 14% increase in expenses over 2015. Looking to 2017, we expect another 5% increase. One major cost driver behind these increases is the higher costs of covering spouses. Both the number of covered spouses and cost per spouse have risen the past two years. Another major cost driver is the increasing volume and magnitude of high-cost claims.

The Proposed Budget will have the City absorb over 80% of the health plan increase in FY2017. The remaining costs allocated to employees will come in the form of premium increases and increases to the out-of-pocket maximums. We propose increasing premiums for plan types with spouse coverage, which links the premium increases to this major cost driver. We also propose applying a spouse surcharge to employees in situations when the spouse has access to health coverage from another employer. Plan types covering children will also increase, but by a lower amount. Employee-only plans will see no premium increase.

Our covered services, health plan premiums, and out-of-pocket maximums will remain very competitive with other governmental and private sector organizations. During FY2017, staff will carefully monitor our health plan trends. We will develop a policy for allocating future health plan expenses between the City and employees. After staff research and develop a proposal, we will bring the policy to City Council for review prior to the next budget process. The new policy will provide employees and City Council with a consistent and predictable approach to these annual budget decisions.

### New Resources for the Future

With our strong local economy and tax base, we are able to produce a balanced budget that funds many strategic plan initiatives and high priority services. However, additional resources are required to achieve two initiatives. Looking again at our property tax base, Wake County conducted a revaluation process in 2015, consistent with the historic eight year schedule. The revaluation resulted in an 8% increase to the property tax base and a revenue neutral tax rate of 39.83 cents. Overall, residential property remained flat, while commercial property values increased 23%.

Rather than lower the property tax rate to the revenue neutral rate, we propose lowering the rate by 0.27 cents from the current 42.10 cents down to 41.83 cents. By lowering the tax rate 0.27 cents, we can allocate one cent of tax revenue, or \$5.7 million, to expand our affordable rental housing program. Affordable rental housing is our highest priority. The City of Raleigh has 32,000 low to

moderate income renter households who are cost burdened, meaning that rental costs exceed 30% of their income. Additionally, there are 16,000 households with rental costs exceeding 50% of their income. At present, the City funds roughly 200 affordable rental units per year to support our community. The additional funding will enable us to increase output by over 60% to roughly 325 units per year. Allocating property tax revenue provides a permanent funding stream to address this long-term need. This proposal implements not only the Affordable Housing Improvement Plan, but also an important Strategic Plan objective--*preserve and increase the supply of housing for all income groups*.

This proposal also allows us to allocate one cent of revenue, \$5.7 million, to fund the debt service on the Dorothea Dix property acquisition. City Council approved the purchase in June 2015 with a ten year debt financing at 2.18%. The acquisition implements an Arts and Cultural Resources objective within the Strategic Plan— *protect, enhance and develop unique places that reflect the City's character, history and values*. Master planning for the park starts soon, which begins the process of transforming the property into a valuable asset our citizens will enjoy for generations to come.

### Conclusion

In this Proposed Budget, we present you with important choices about the City's future. Please share with us your follow-up questions as you consider these choices. We appreciate City Council's support throughout the budget process. And, we look forward to working with you as you consider these important policy and resource allocation decisions.

To discuss the Proposed Budget, City Council will hold a work session each Monday in June, beginning at 4pm in Council Chambers. These work sessions continue weekly until Council adopts the FY2017 operating and capital budgets. A public hearing will be held Tuesday, June 7 at 7pm in Council Chambers.

Thank you,

A handwritten signature in cursive script that reads "Ruffin L. Hall".

Ruffin L. Hall, City Manager

# Reader's Guide

## Key Financial Documents

The budget document is the annual financial plan for City operations for the period covering one fiscal year. The City of Raleigh's fiscal year begins on July 1 and ends on June 30. This plan describes the sources of revenues and how the funds will be spent during the year. The annual operating budget, the Capital Improvement Program (CIP) and the Comprehensive Annual Financial Report (CAFR) are the key documents which describe the City's financial plans and financial status each year.

The annual budget shows the funding plan for how the City's dollars are to be spent in the coming year. The CAFR provides a review and assessment of the year-end fiscal condition of the City overall, including the status of fund balance in all fund types.

## Organizational Structure

The operations of the City are grouped into different funds, each with its own source of revenues. Within each fund are one or more departments, with a department being an organizational unit which provides a major type of public service, such as the Police Department or Public Utilities Department.

City departments are frequently comprised of one or more divisions (i.e., the Utilities Construction Division of the Public Utilities Department). Divisions may be comprised of one or more programs, which are smaller functional units responsible for performing specific activities (i.e., the Maintenance Program within the Water Plant Division of the Public Utilities Department).

Account codes, also known as line items, provide the most detail within the budget. These are the most basic units in the budget and make it possible to determine, for example, how much is spent on chemicals for the operation of the water plant.

The City's budget preparation involves detailed budget planning and review at the program line item level.

## Interfund Transfers

Interfund transfers, also known as interfund appropriations, involve the budgeting of money from one fund to another in order to support the functions to be carried out by the receiving fund. For example, the General Fund transfers money to the Transit Fund to support transit services.

When reviewing the budget, it is more accurate to use a figure which excludes appropriations to other funds. This prevents counting the transfer amounts twice - once in the sending fund and once in the receiving fund.

Most of the fund summary tables in the front of this document reflect both total appropriations as well as appropriations net of (or excluding) transfers. The departmental summary pages in this budget document reflect total appropriations only.

## General Statute Requirements

In accordance with the North Carolina General Statutes, the City is required to budget and account for its funds on the modified accrual basis of accounting. Under this method, revenues are recognized in the accounting period in which they become available. Expenditures are recognized in the accounting period in which the goods and services are received (except for unmatured interest on general long-term debt, which is recognized when due). The City's accounting records for general governmental operations are reported on the modified accrual basis. The City's enterprise, internal service and pension trust operations are reported on the accrual basis.

The General Statutes also provide for balanced project ordinances for the life of projects, including both capital and grant activities, which are expected to extend beyond the end of the fiscal year. The budgeted appropriations for capital projects do not lapse until the completion of the project, while appropriations for funds that adopt annual budgets lapse at the end of the fiscal year.

## Overview

The City of Raleigh prepares and adopts an Annual Budget consisting of the Operating Budget and the Capital Budget. The City further prepares a separate Capital Improvement Program (CIP), setting forth planned capital investments over the ensuing five years. The first year of the CIP becomes the Capital Budget component of the Annual Budget. What follows is a description of the process used in the preparation of these documents, including a calendar of activities.

## Operating Budget Process

The process begins in October with a staff workshop on budget preparation and distribution of the budget manual. The workshop outlines the requirements of the budget process and specific areas of emphasis for the upcoming budget.

In November and December, City departments prepare their operating budget requests for the next fiscal year. Departments are encouraged to conduct a thorough review and evaluation of their organizational structure and current and proposed programs. Departmental operating budgets are submitted in mid-December.

A pre-budget hearing is held in January to allow the public an opportunity to give input on the upcoming budget. During January and February, Budget & Management Services (BMS) staff review and analyze the operating budget requests with each department. Revenue forecasts are further refined during this period.

Once the budget staff review is finalized, executive work budgets are prepared for the City Manager's review. From February through mid-April, the City Manager reviews the work budgets, meets with departments, considers available revenues and reaches decisions necessary to prepare a proposed budget. During this time, the Council holds work sessions at which the City Manager or his designee from various departments presents additional information to Council, prior to the formalized proposed budget. Work sessions allow Council to become more familiar with the scope and operations of departments and the needs of the community and serve to facilitate discussion between Council and department staff.

In May, the City Manager presents the Proposed Budget to the City Council. A public presentation is made before the City Council, staff, members of the press and interested citizens. As required by the Budget and Fiscal Control Act, a copy of the Proposed Budget is filed with the City Clerk and made available for public inspection. Through June 30, the City Council meets to review and discuss the Proposed Budget.

In accordance with the Budget and Fiscal Control Act, the City Council holds a public hearing on the Proposed Budget prior to the adoption of the budget ordinance, generally in the evening on the first Tuesday in June. On or prior to July 1, the City Council adopts the five-year Capital Improvement Plan, the final budget ordinance with balanced revenues and expenditures and sets the tax rate for the next fiscal year.

## Capital Budget and Capital Improvement Program (CIP) Process

A separate Capital Improvement Program (CIP) is prepared each year containing the expenditures and funding sources planned for capital projects over the upcoming five-year period. As noted above, the first year of the CIP is the Capital Budget component of the Annual Budget and provides appropriation authority for capital projects.

Projects included in the CIP are generally defined as physical assets with a useful life of at least ten years and an initial cost of at least \$25,000. Vehicles and heavy equipment (funded through the Operating Budget) are excluded. New building construction funding includes additional equipment directly associated with the building. Examples of capital projects include new roads, park land acquisition and development and waste treatment plant improvements.

The CIP is updated annually as projects are added, deleted and modified. Funding sources are reviewed and updated and a feasible funding plan, matching project requirements and available funding sources is prepared. The full five year plan is balanced with anticipated funding sources. This process begins in October when instructions and guidelines are issued to departments, and proposed projects are submitted to the BMS in December. The

requests are then reviewed, discussions are held with agencies and adjustments are made as appropriate. The City Manager’s proposals are then included in the Proposed CIP presented to the City Council in May.

The City Council adjusts the CIP as it deems appropriate and adopts the CIP by resolution at the same time it adopts the Annual Operating Budget by ordinance.

### Operating Budget and CIP Calendar

| Month                         | Operating Budget   | CIP Budget   |
|-------------------------------|--|--|
| <b>October</b>                | Staff Workshop<br>Call for budget requests   | Call for CIP requests  |
| <b>November/<br/>December</b> | Departments prepare requests<br>Initial revenue estimates prepared   | Departments prepare requests   |
| <b>December</b>               | Budget requests submitted to BMS   | CIP requests due to BMS<br>Funding review  |
| <b>January</b>                | City Council pre-budget hearing<br>Department & BMS discussions  | Review/adjustment of proposals   |
| <b>February</b>               | Department & BMS discussions conclude<br>City Manager working budget prepared  | Review of proposals/update funding   |
| <b>March/<br/>April</b>       | City Manager & department review<br>Council Budget Work Sessions<br>Revenue estimates finalized<br>Balance operating budget and integrate capital budget impacts | City Manager review<br>Council Budget Work Sessions<br>Funding sources determined<br>Balance CIP |
| <b>Mid-May</b>                | Present to City Council  | Present to City Council  |
| <b>June</b>                   | Council review<br>Public hearing<br>Adoption of annual budget ordinance  | Council review<br>Public hearing<br>Approve CIP by resolution                                    |

### Implementation

During the month of July, BMS staff prepares and distributes the Adopted Budget document, which incorporates all of the changes approved by the City Council. At the start of the new fiscal year in July, the City Manager provides information to departments setting time schedules and priorities for the purchase of equipment and the implementation of new programs or initiatives.

### Budget Amendments and Transfers

Throughout the fiscal year, adjustments to the original budget ordinance may become necessary to meet changing circumstances, better carry out planned programs and provide for new Council initiatives. Two types of changes can occur — budget amendments and budget transfers. Such changes are required at the line-item level of the budget underlying the budget ordinance.

A budget amendment increases or decreases the revenue and expenditures of an appropriated fund (this may involve decreases or increases in revenue and expenditures or shifting of monies between funds). Budget amendments, in accordance with North Carolina Statute 159-15, require the approval of City Council. Amendment requests are submitted to the BMS and approved by the City Manager prior to submittal to City Council.

A budget transfer changes line-item appropriations within a particular fund without changing the fund total. All transfer actions are reviewed by the BMS. Transfer authority is as follows: (1) department heads may approve transfers up to \$10,000, (2) transfer requests between \$10,000 and \$50,000 require the approval of the City Manager or designee, and (3) transfers over \$50,000 require the approval of the City Council.

Capital project contract change orders generally require budget amendments or transfers of funds. Such requests go through an approval process very similar to that described above.

# Budget and Fiscal Framework

The City of Raleigh prepares its annual budget and carries out its fiscal affairs within a framework of state law, accounting standards, best practices and local policy. This section discusses how the City’s accounting and budgetary system is organized and key financial policies that guide budget development.

## Basis of Budgeting

Keeping within state law, the budget is prepared and accounted for on a modified accrual basis for the general fund, enterprise operating funds and new convention center financing fund. All other funds including capital project funds adopt multi-year project budgets.

In keeping with Generally Accepted Accounting Principles, financial statements for proprietary funds are prepared on a full accrual basis. A reconciliation of the full accrual basis to modified accrual basis (budgetary basis) is included in the annual financial statements for enterprise funds.

## Fund Structure/Service Functions Relationship

The chart below reflects the interaction of the service functions of the City and the City’s operating budget fund structure, showing the funds which provide resources to each function.

| Funds                        | General Government | Infrastructure & Public Services | Public Safety | Leisure Services | Public Utilities | Debt Service |
|------------------------------|--------------------|----------------------------------|---------------|------------------|------------------|--------------|
| General                      | X                  | X                                | X             | X                |                  | X            |
| Economic Development         | X                  |                                  |               |                  |                  |              |
| Public Utilities             |                    |                                  |               |                  | X                |              |
| Utility/Infrastructure       |                    |                                  |               |                  | X                |              |
| Solid Waste Operations       |                    | X                                |               |                  |                  |              |
| Stormwater Utility           |                    | X                                |               |                  |                  |              |
| RCCC/PAC Operations          |                    |                                  |               | X                |                  |              |
| Walnut Creek Amp. Operations |                    |                                  |               | X                |                  |              |
| Revolving                    | X                  | X                                | X             | X                |                  |              |
| Public Transit               |                    | X                                |               |                  |                  |              |
| Parking Facilities           |                    | X                                |               |                  |                  |              |
| Emergency Telephone          |                    |                                  | X             |                  |                  |              |
| Housing Development          |                    | X                                |               |                  |                  |              |
| Community Development        |                    | X                                |               |                  |                  |              |
| General Debt Svc             |                    |                                  |               |                  |                  | X            |
| Utility Debt Svc             |                    |                                  |               |                  |                  | X            |
| Parking Debt Svc             |                    |                                  |               |                  |                  | X            |
| Solid Waste Debt Svc         |                    |                                  |               |                  |                  | X            |
| Housing Bond Reserve         |                    |                                  |               |                  |                  | X            |
| Convention Center Financing  |                    |                                  |               |                  |                  | X            |
| RCC/PAC Debt Svc             |                    |                                  |               |                  |                  | X            |

## Financial Policies

These policies provide direction and serve as guidelines for preparation of the annual budget and capital improvement program. They derive from North Carolina law, the recommendations of the Local Government Commission and local decisions, and they serve to guide the overall financial management of the City.

### Operating Budget and Capital Improvement Program Policies

In keeping with the Local Government Budget and Fiscal Control Act, the City Manager will present a balanced budget to the City Council no later than June 1 of each year. Continuing practice in Raleigh is to present the budget in mid-May of each year.

A balanced budget is defined under state law as one in which the sum of estimate net revenues and appropriated fund balance is equal to appropriations. (NC statutes 159-8)

The budget ordinance will cover a fiscal year beginning on July 1 and ending on June 30.

The City Council shall adopt a balanced budget ordinance making appropriations and levying taxes by July 1 of each year.

As provided by NC statutes section 159-26(d), the City will maintain encumbrance accounts as “budgetary accounts.” At the end of each fiscal year, encumbrances outstanding are those amounts of expenditures estimated to be incurred as a result of the fulfillment of unperformed contracts/purchases in process at year-end. Such encumbrances are reported as “reserved for encumbrances” against fund balance and are charged to the subsequent year’s budget.

The City Manager will prepare a recommended Capital Improvement Program (CIP) each year to be presented at the same time as the annual operating budget. The CIP will address the capital needs of the City over a five year period. The first year of the CIP will be the Capital Budget and will be adopted as a part of the annual budget.

The City Council will adopt the CIP by resolution.

A Capital Improvement (project) is defined as a physical asset constructed or purchased which has a useful life of at least 10 years and a minimum cost of \$25,000.

Debt or bond financing will not be used to finance current expenditures.

The City may establish one or more internal service funds. At the same time as the budget is presented and adopted, a financial plan for each internal service fund will be provided. The financial plan will be balanced when estimated expenditures do not exceed estimated revenues.

### Revenue Policies

The City will seek to develop and maintain a diversified and sustainable revenue system in order to avoid short-term service level fluctuations.

Revenues are to be conservatively estimated based on a review of historic collections, current and anticipated changes in legal requirements and rates, percentage change over time and in consultation with external assessment and collection authorities, where applicable.

General government fees and charges shall be reviewed annually. Revenues supporting the Revolving Fund shall be set annually so as to recover the full cost of providing those programs and activities.

Utility rates and charges will be reviewed periodically considering net revenue requirements, realistic sales forecasts, bond covenants and debt management policies, utility conservation goals, capital program requirements and reimbursement of indirect costs to the General Fund.

The City will pursue opportunities for grant funding for activities and projects consistent with the City’s long range plans and goals. Grants are adopted by City Council upon recommendation of the City Manager and are approved as balanced project ordinances (estimated expenditures do not exceed estimated revenues) within the appropriate fund.

The City intends that non-recurring revenues be used for capital outlay and one-time expenditures which do not materially increase recurring operating expenditures.

### **Fund Balance Policy**

The Local Government Budget and Fiscal Control Act requires that appropriated fund balance in any fund not exceed the sum of cash and investments minus the sum of liabilities, encumbrances and deferred revenues arising from cash receipts at the end of the fiscal year next preceding the budget year.

The Local Government Commission recommends that governments maintain a minimum undesignated general fund balance of 8% of revenues for cash flow purposes. The City of Raleigh seeks to maintain an undesignated General Fund balance of approximately 14% of subsequent year's budget. This level is considered adequate to protect against emergencies and natural disasters, provide adequate cash flow so as to avoid short-term borrowing, and to contribute to the maintenance of the City's bond rating. The City will seek to maintain fund balances in other governmental funds sufficient to the long-term stability of the fund.

Estimates of fund balances available shall be presented each year in the budget summary section of the operating budget.

# Budget Guide

The City's budget is comprised of many different funds. Some funds are enterprise funds, some are capital funds but the most notable fund in the City of Raleigh's budget is the General Fund. The General Fund includes operating funds for the majority of city departments including, for example, Police, Fire, Parks, Recreation and Cultural Resources, Emergency Communications, and Development Services.

Details regarding department budgets are presented in the City's budget document. Department information includes budget highlights, key initiatives, and performance indicators. Also included is the budget detail. An example of the budget detail is included with descriptions below to help readers gain a better understand the format.

## Budget Detail

|  | BUDGET FISCAL YEAR | ACTUALS            | ADOPTED            | PROPOSED           | CHANGE       |
|--|--------------------|--------------------|--------------------|--------------------|--------------|
|  | 2013-14            | 2014-15            | 2015-16            | 2016-17            | FY16 to FY17 |
| <b>EMPLOYEES</b>                       |                    |                    |                    |                    |              |
| Public Affairs                         | 9                  | 9                  | 12                 | 12                 | 0            |
| Public Affairs-Rtn                     | 8                  | 8                  | 8                  | 8                  | 0            |
| <b>TOTAL</b>                           | <b>17</b>          | <b>17</b>          | <b>20</b>          | <b>20</b>          | <b>0</b>     |
| <b>DIRECT EXPENDITURES BY DIVISION</b> |                    |                    |                    |                    |              |
| Public Affairs                         | 936,246            |                    |                    | 1,172,433          | 9.3%         |
| Public Affairs-Rtn                     | 578,776            |                    |                    | 678,623            | 3.6%         |
| <b>TOTAL</b>                           | <b>\$1,515,022</b> | <b>\$1,492,416</b> | <b>\$1,727,752</b> | <b>\$1,851,056</b> | <b>7.1%</b>  |
| <b>DIRECT EXPENDITURES BY TYPE</b>     |                    |                    |                    |                    |              |
| Personnel                              | 947,117            | 982,117            | 1,106,616          | 1,171,847          | 5.9%         |
| Employee Benefits                      | 281,172            | 276,601            | 308,101            | 322,280            | 4.0%         |
| Operating Expenditures                 |                    |                    | 288,777            |                    |              |
| Special Programs and Projects          |                    |                    | 7,000              |                    |              |
| Capital Equipment                      |                    |                    | 17,000             | 17,000             | 0.0%         |
| <b>TOTAL</b>                           |                    |                    | <b>\$1,727,752</b> | <b>\$1,851,056</b> | <b>7.1%</b>  |

Includes any changes to the number of employees in a particular fiscal year.

This category lists expenditures by division.

There are different types of account codes within the city's budget. See below for additional information.\*

Column indicates the change from one fiscal year to the next.

### \*Account Types Include the Following:

**Personnel Services** – includes all salary accounts such as part-time, full-time, etc.

**Employee Benefits** – includes all benefit accounts such as social security, health insurance, etc.

**Operating Expenditures** – includes accounts needed for departmental operating needs such as office supplies, operational and maintenance supplies, computer lease, pest control services, professional services, organizational and development training, etc.

**Special Programs and Projects** – includes accounts used in unique situations when the full cost of the program or project needs to be segregated. Examples include appropriations for boards and commissions, agency appropriations, etc.

**Capital Equipment** – includes accounts used to purchase new capital equipment at a unit cost of \$5,000 or more.

**Interfund Transfers** – includes accounts used for transferring funds from one fund to another.

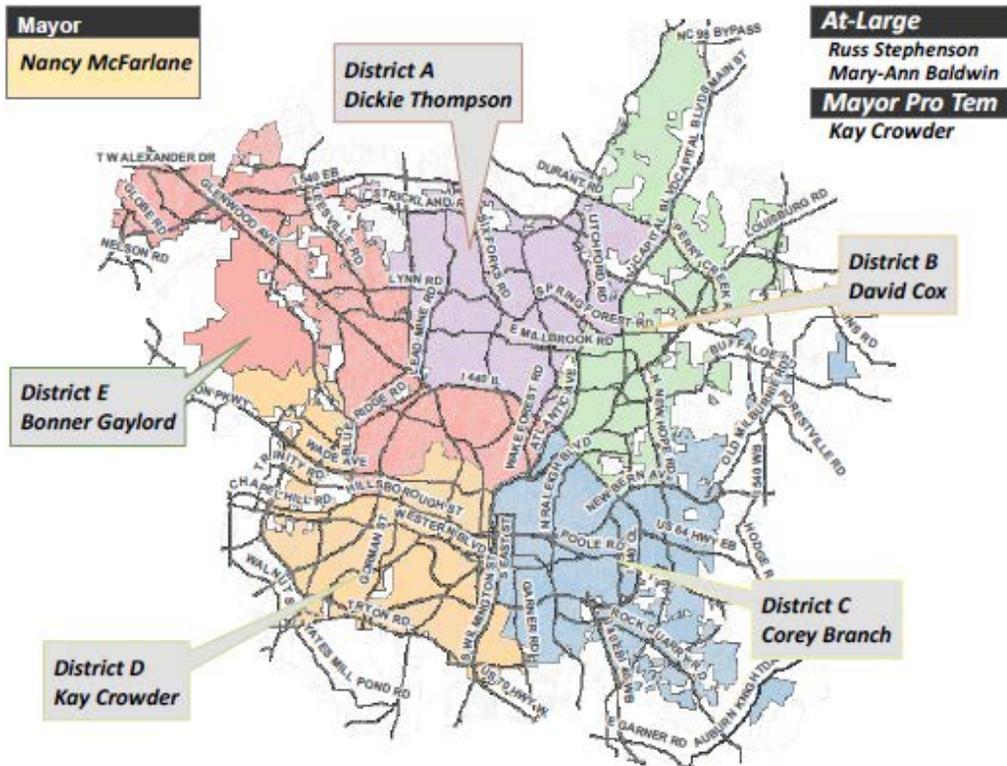
# Raleigh City Council



Front Row:  
 Mary-Ann Baldwin  
 Mayor Nancy  
 McFarlane  
 Mayor Pro Tem Kay  
 Crowder  
 Bonner Gaylord

Back Row:  
 Richard A. "Dickie"  
 Thompson  
 Corey D. Branch  
 Russ Stephenson  
 David N. Cox

## Find Your City Councilor



# City of Raleigh Six Key Focus Areas

Raleigh City Council adopted the following six key focus areas as part of the city's strategic plan:

## Arts & Cultural Resources



Embrace Raleigh's diverse offerings of arts and cultural resources as iconic celebrations of our community that provide entertainment, community and economic benefit.

## Economic Development & Innovation



Maintain and grow a diverse economy through partnerships and innovation to support large and small businesses and entrepreneurs, while providing employment opportunities for all citizens.

## Growth & Natural Resources



Encourage a diverse, vibrant built environment that preserves and protects the community's natural resources, while encouraging sustainable growth that complements existing development.

## Organizational Excellence



Foster a transparent, nimble organization of employees challenged to provide high quality, responsive and innovative services efficiently and effectively.

## Safe, Vibrant & Healthy Community



Promote a clean, engaged community environment where people feel safe and enjoy access to community amenities that support a high quality of life.

## Transportation and Transit



Develop an equitable, citywide transportation network for pedestrians, cyclists, automobiles and transit that is linked to regional municipalities, rail and air hubs.

## City of Raleigh Profile

Raleigh is situated in the heart of the state's Piedmont region, centered between the sandy Atlantic beaches and the Great Smoky Mountains. The City is both the county seat of Wake County and the capital of North Carolina; it covers an area of more than 144 square miles and has an estimated population of 448,635. Together with Chapel Hill and Durham, Raleigh forms the Research Triangle Park, which was founded in 1959 as a model for research, innovation, and economic development and is now the largest research park in the nation. The City is located in a metropolitan area consisting of Wake, Durham, Orange, Franklin, Chatham and Johnston counties. The population for this area is estimated to be 1.7 million.

The City was named for Sir Walter Raleigh, who was granted a charter by Queen Elizabeth I in 1584 for land that is now North Carolina. In November 1776, North Carolina representatives gathered in Halifax to write its first state constitution. Raleigh's site was originally chosen as the location of North Carolina's state capital in 1788, and it was officially established in 1792 as both the new county seat and the new state capital. It is among the few cities in the United States that was planned and built specifically to serve as a state capital and its original boundaries were formed by North, East, West and South streets. The North Carolina General Assembly first met in Raleigh in December 1794, and within one month, the legislators officially granted the City a charter, with a board of seven appointed commissioners (elected by the City after 1803) and an "Intendant of Police" (which would eventually become the office of Mayor) to govern it.



The City has utilized a council-manager form of government since 1947. The Mayor and two Council members are elected at-large, and the remaining five Council members are elected from five districts within the City. The Mayor and Council members serve two-year terms and all have an equal vote. The City Council sets policies, enacts ordinances and appoints the City Manager. The City Manager administers the daily operations and programs of the City through the department heads, other staff members and employees. The City provides a full range of governmental services, including police and fire protection, street construction and maintenance, a comprehensive solid waste program, water and sanitary sewer services, and parks, recreation and cultural services. Extended planning on the City's infrastructure needs occurs on an ongoing basis.

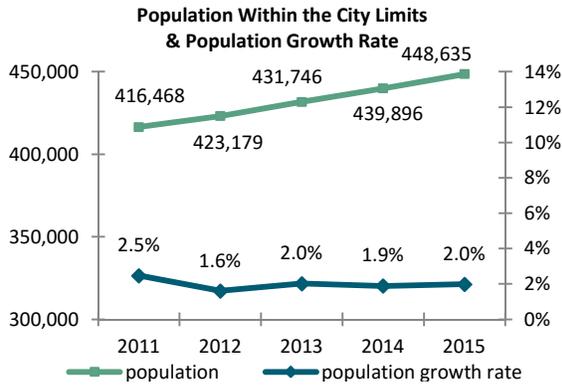
The City is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council. The annual budget serves as the foundation of the City's financial planning and control.



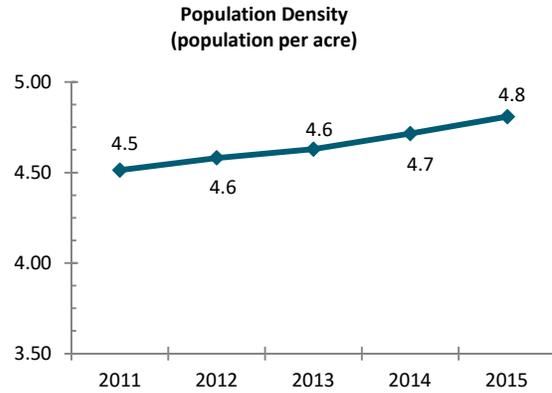
# Urban Measures

Urban system measures help gauge the quality of the basic urban system of the community. In many instances, the city does not have total control over the results of these performance measures, but city policies and actions can affect the outcomes. These measures are organized in five categories: Demographics, Public Safety, Housing and Economy, Development, and Environment.

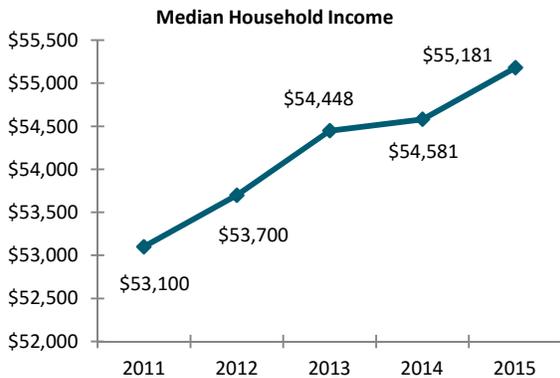
## Demographics



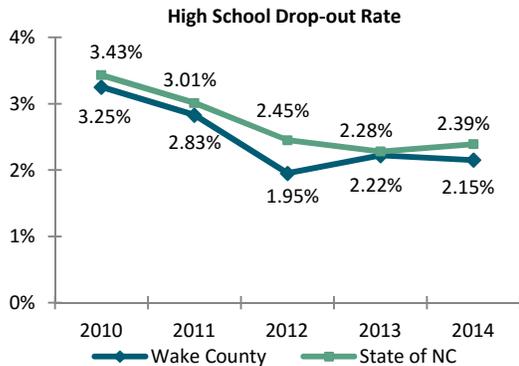
**Population within the city limits and population growth rate:** Based on 2014 American Community Survey (ACS) census and 2015 ACS County projections. 2015 is a projected number based on previous amounts provided by the Department of City Planning.



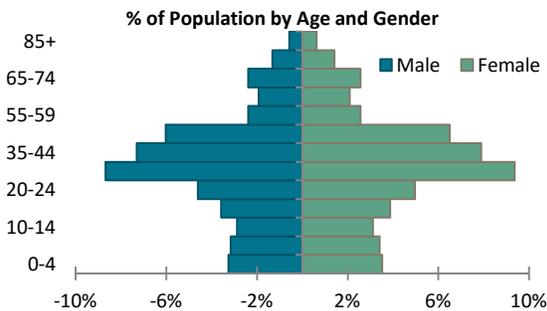
**Population density:** The total population of the city divided by the total acres within the city limits. Acreage as of January 1 of each year.



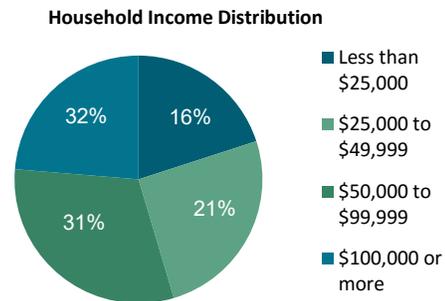
**Median household income:** Data from American Community Survey. Previously this measure was presented as median family income. 2015 data is not yet available, and is currently forecast based on past trends.



**High school drop-out rate:** For grades 7-12. Data from Wake County Public Schools System is released in July for the previous school year.



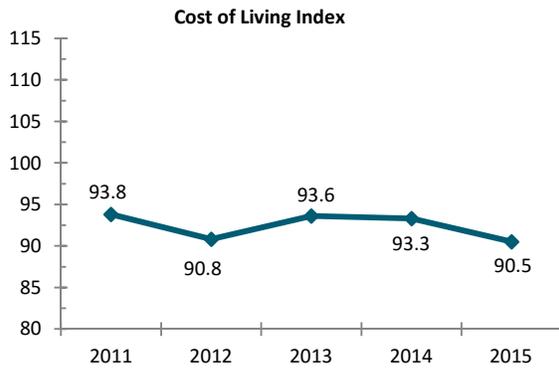
**% of Population by Age and Gender:** Based on 2014 statistics for Raleigh from American Community Survey 2010-2014 (5-Year Survey Data). Note that age categories differ from previous years.



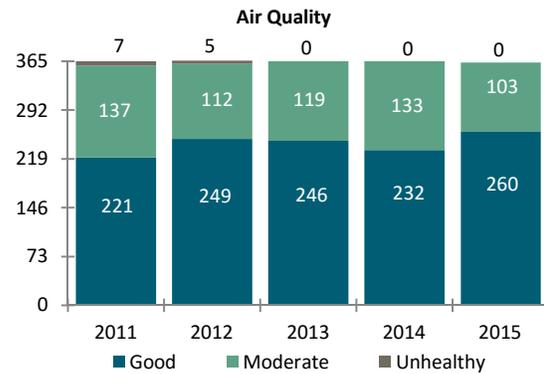
**Household Income Distribution:** Based on 2014 statistics for Raleigh from American Community Survey.

# Urban Measures

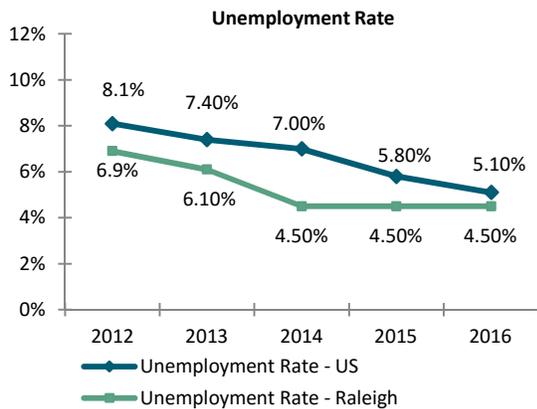
## Housing and Economy



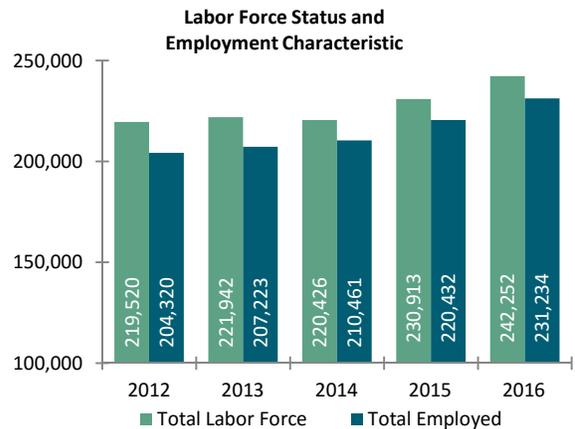
**Cost of Living Index:** From national marketing firm ACCRA for Triangle MSA. Based on nationwide price comparisons. "100" represents nationwide average; a number below 100 indicates a slightly lower cost of living. Data is from the fourth quarter of the year.



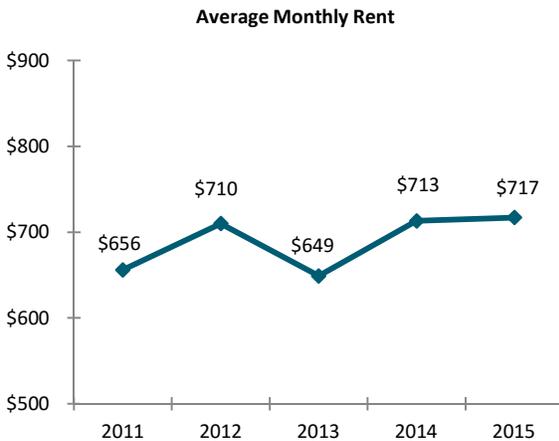
**Air quality:** From the US Environmental Protection Agency. For Raleigh-Cary area. Based on a scale of "good", "moderate", and "unhealthful".



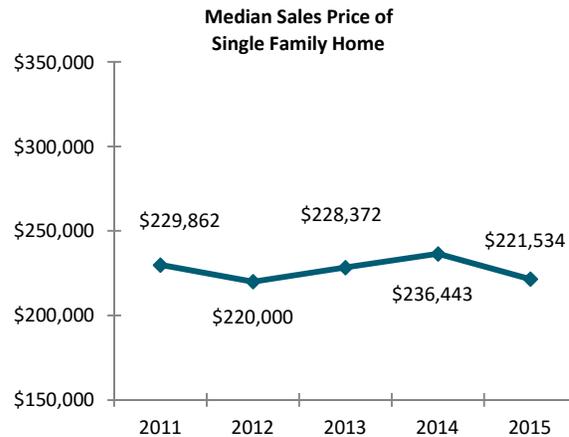
**Unemployment rate:** Unemployment rates for the nation and for the City of Raleigh as of March each year. Data provided by the Employment Security Commission.



**Labor Force Status and Employment:** Number within city who are employed compared to total city labor force available as of April each year. Source: US Department of Labor Bureau of Labor Statistics.



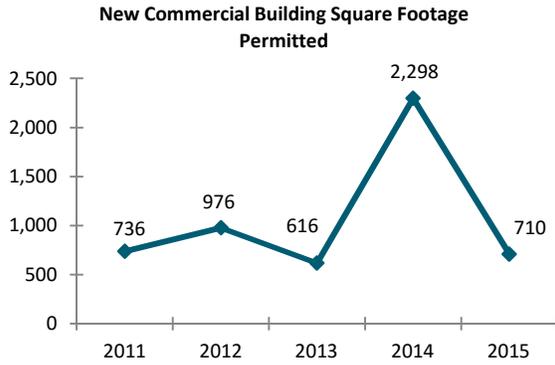
**Average rent:** From national marketing firm, ACCRA, for Triangle MSA. Based on a two-bedroom apartment.



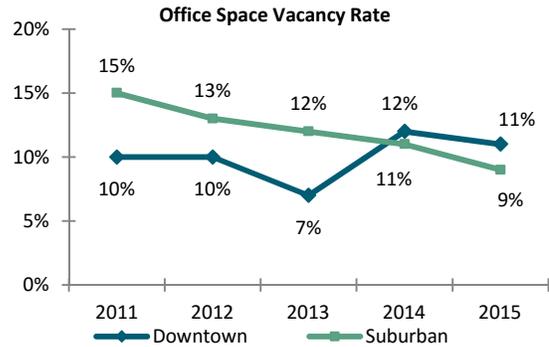
**Median sales price of single-family home:** Median price of single-family residential properties purchased in the city limits.

# Urban Measures

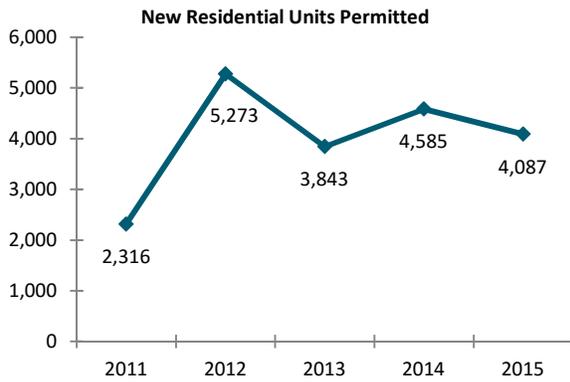
## Development



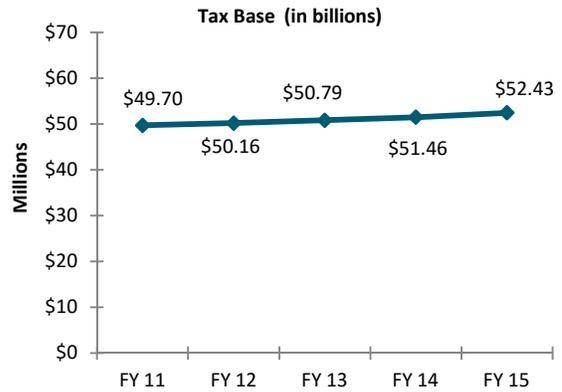
**New commercial building sq ft permitted (in thousands):** Data from building permits approved by Development Services. Includes new commercial construction, and commercial additions. Does not include group housing.



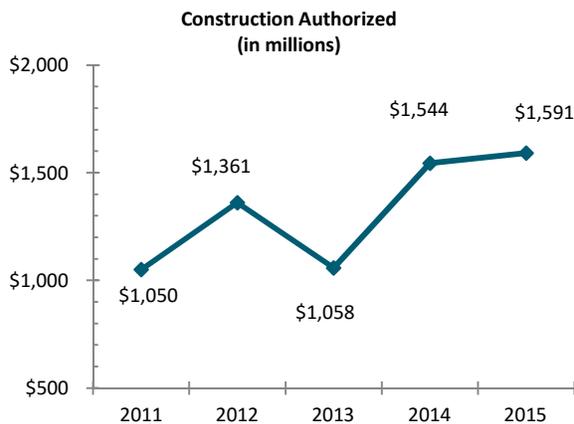
**Office space vacancy rate:** For suburban and downtown Raleigh. Based on office vacancy data from Carolantic Realty - Triangle Commercial Real Estate Report. 2016 data not yet



**New residential units permitted:** Based on data from building permits approved by the Development Services Department.



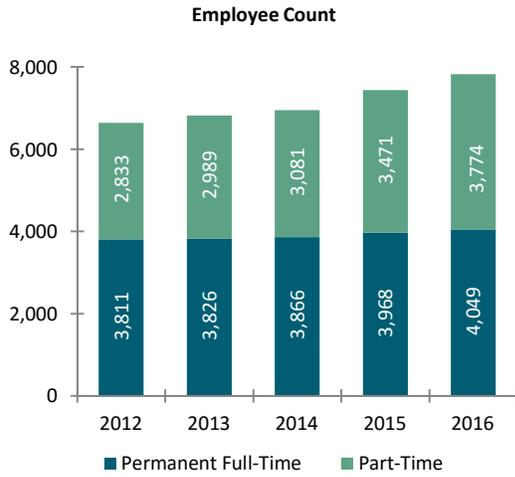
**Residential and commercial tax base:** The city's total assessed property (real, personal and state certified) tax valuation. From audited city financial statements.



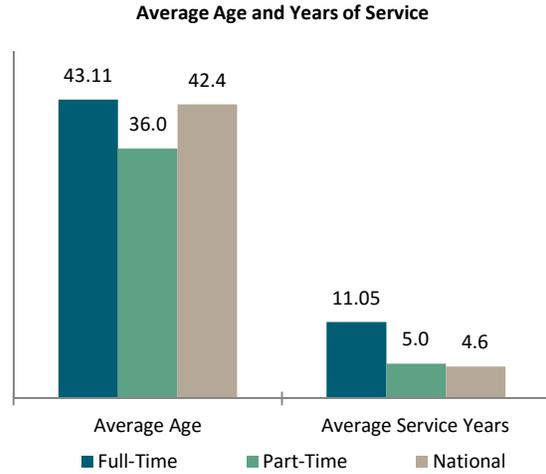
**New construction authorized:** Data from building permits approved by Development Services. Includes value of new residential and commercial (private and publicly owned) construction, residential and commercial alterations and additions, and others (such as demolitions). Note: 2015 data excludes replacement permits due to expiration.

# Municipal Workforce Measures

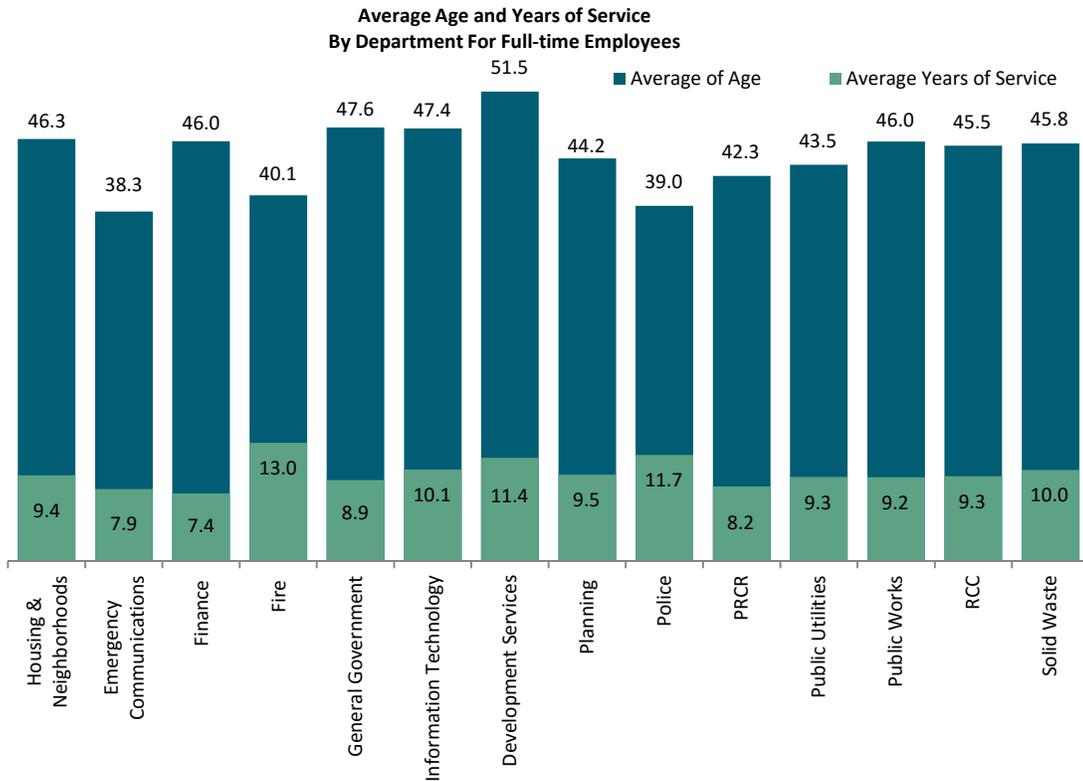
Municipal workforce measures show trends for City of Raleigh employees, part-time and full. Additional metrics are available within the Human Resources budget section.



**Employee Count:** Total number of employees as of July 1 each year, except for 2016 which is February 1.



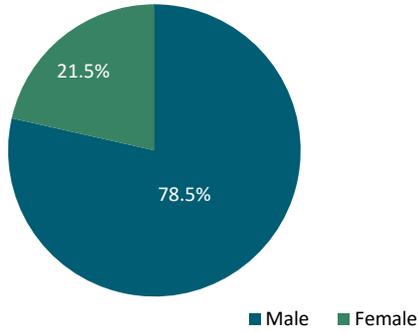
**Average Age and Years of Service:** Average full-time employee age and years of employment as of February 2016. National data from BLS as of September 2014, most recent available.



# Municipal Workforce Measures

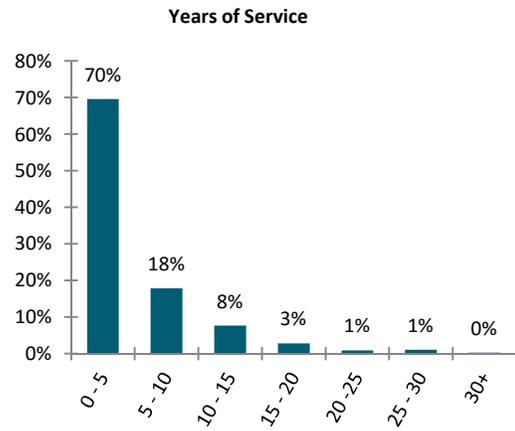
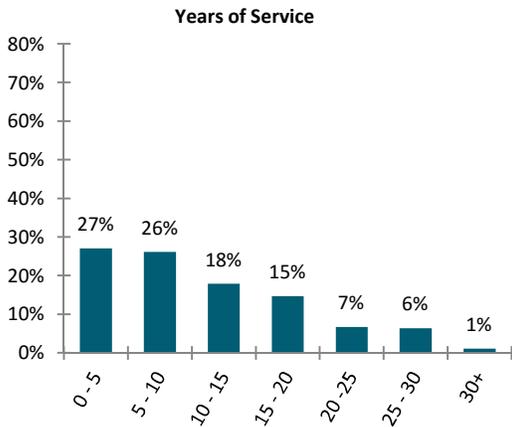
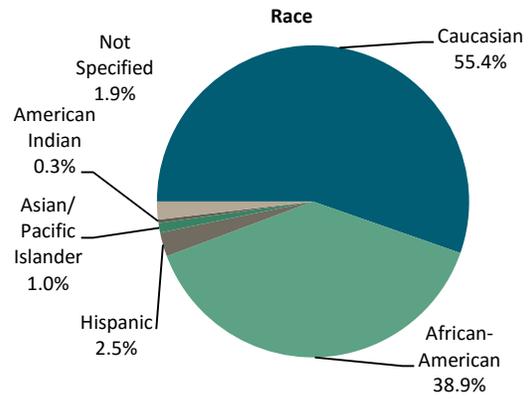
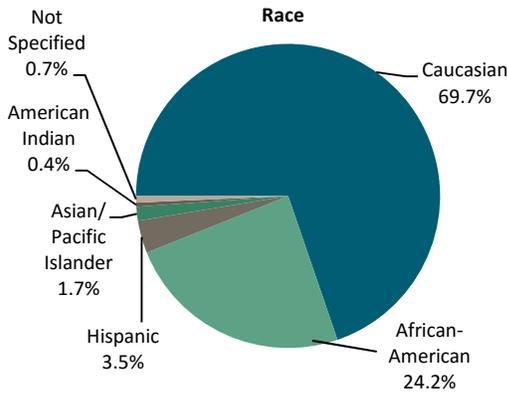
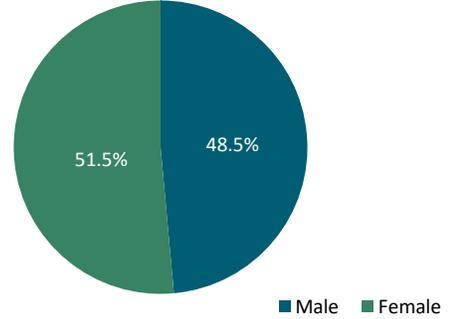
## Full-Time Employees

Gender



## Part-Time Employees

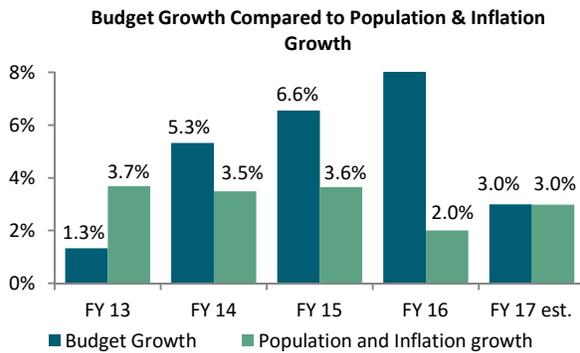
Gender



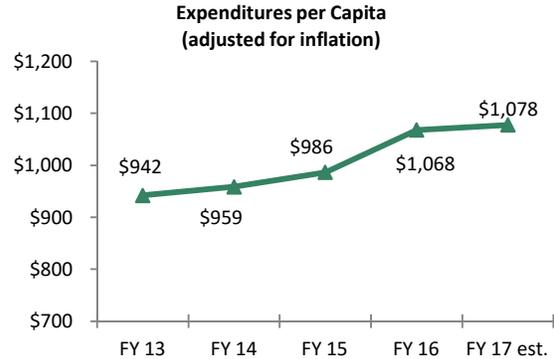
**Years of Service:** As the city sees a steady increase in the number of retirees, the number of employees with less than five years of service will continue to increase.

# City Organization Measures

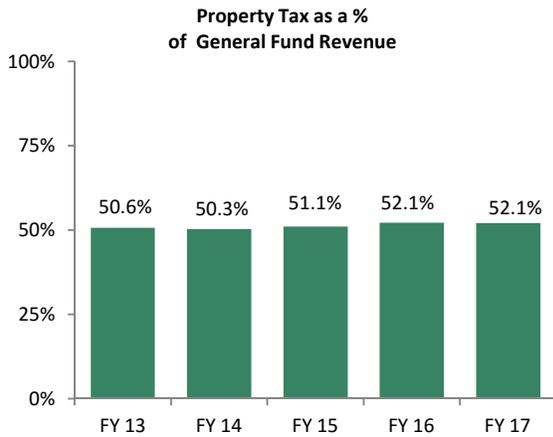
City Organization Measures show trends within the City of Raleigh organization. Many of these measures relate to changes in revenues, expenditures and personnel. They show the effects of policy and management decisions.



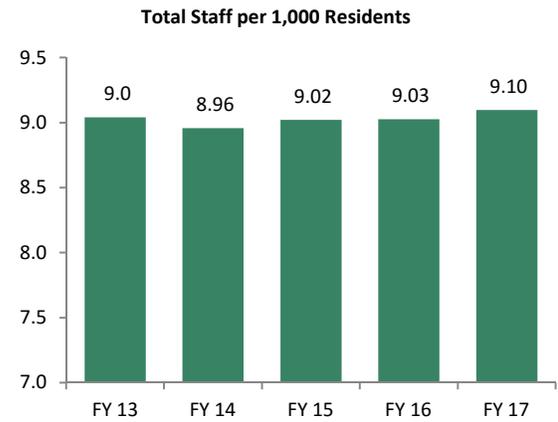
**Budget growth compared to population & inflation:** Percent growth in net operating and capital budgets compared to a composite of city population growth and inflation. FY17 inflation is estimated.



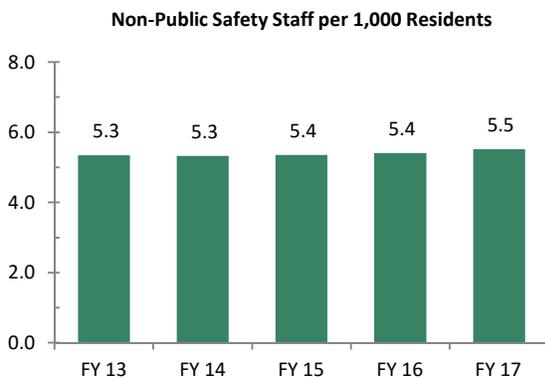
**Expenditures per capita:** Total annual budgeted expenditures, including operating and capital costs, divided by city population. FY17 inflation is estimated.



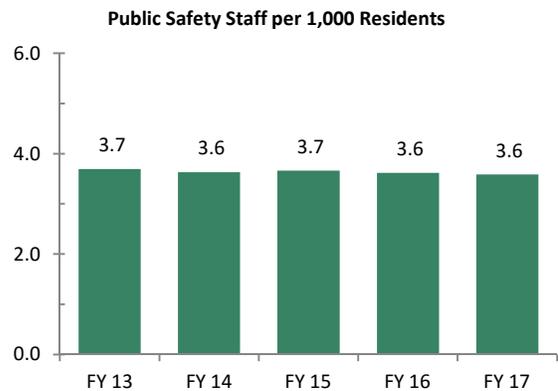
**Property tax as a % of general fund revenue:** The budgeted amount of revenue from ad valorem property taxes as a percent of total budgeted general fund revenue.



**Total staff per 1,000 residents:** Total number of authorized full-time positions for every 1,000 residents.

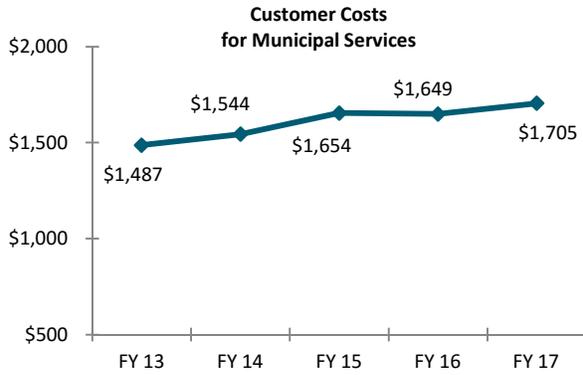


**Non-public safety staff per 1,000 residents:** Total number of authorized full-time positions not related to public safety operations for every 1,000 residents.

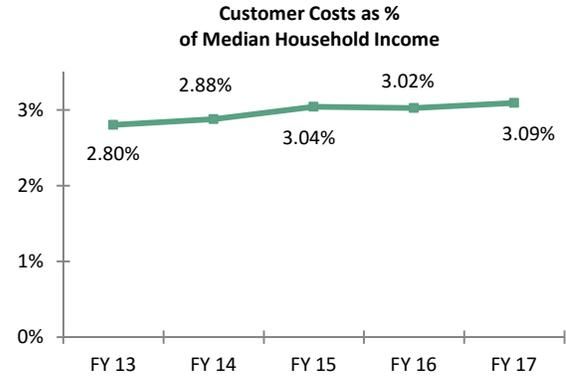


**Public safety staff per 1,000 residents:** Total number of authorized full-time positions related to public safety operations for every 1,000 residents.

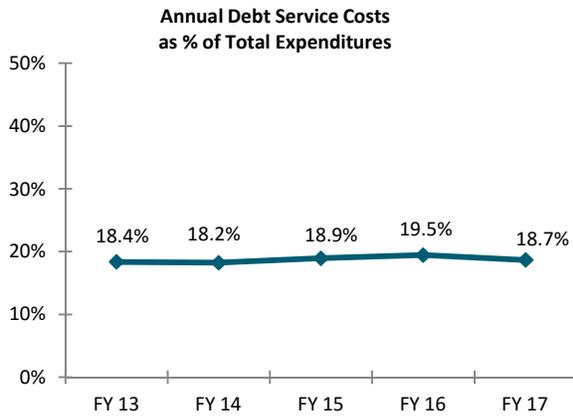
# City Organization Measures



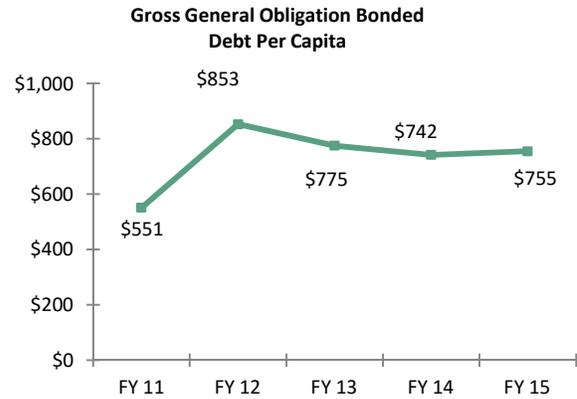
**Customer costs for municipal services:** \$194,675, the median value of a City of Raleigh home as of January 1, 2016. Annual water and sewer consumption is declining. Annual water and sewer charges are based on 5 CCF per month beginning in FY16. A prior average of 6 CCF per month is used in preceding years.



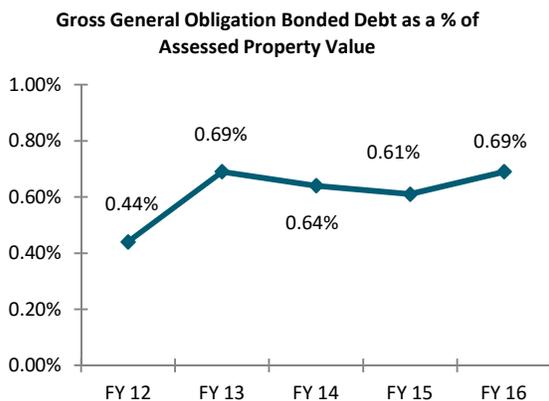
**Customer costs as a % of median household income:** Customer costs for municipal services as a percentage of the prior year median family income for the Triangle Metropolitan Statistical Area (MSA). Income data from U.S. Census Bureau.



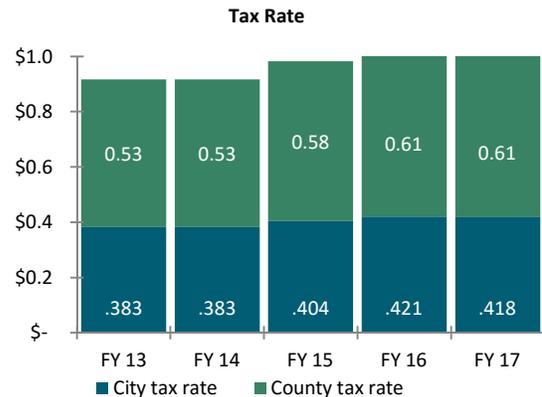
**Annual debt service costs as a % of total expenditures:** Annual budgeted debt service costs as a percentage of annual budgeted expenditures. Includes debt service for the General Fund and enterprises.



**Gross General Obligation bonded debt per capita:** Debt as of last day of the fiscal year. Gross General Obligation bonded debt is the amount of outstanding bonded debt. Shown as debt divided by the total city population. This chart does not include revenue bonds. FY16 data will be available with the FY16 CAFR.

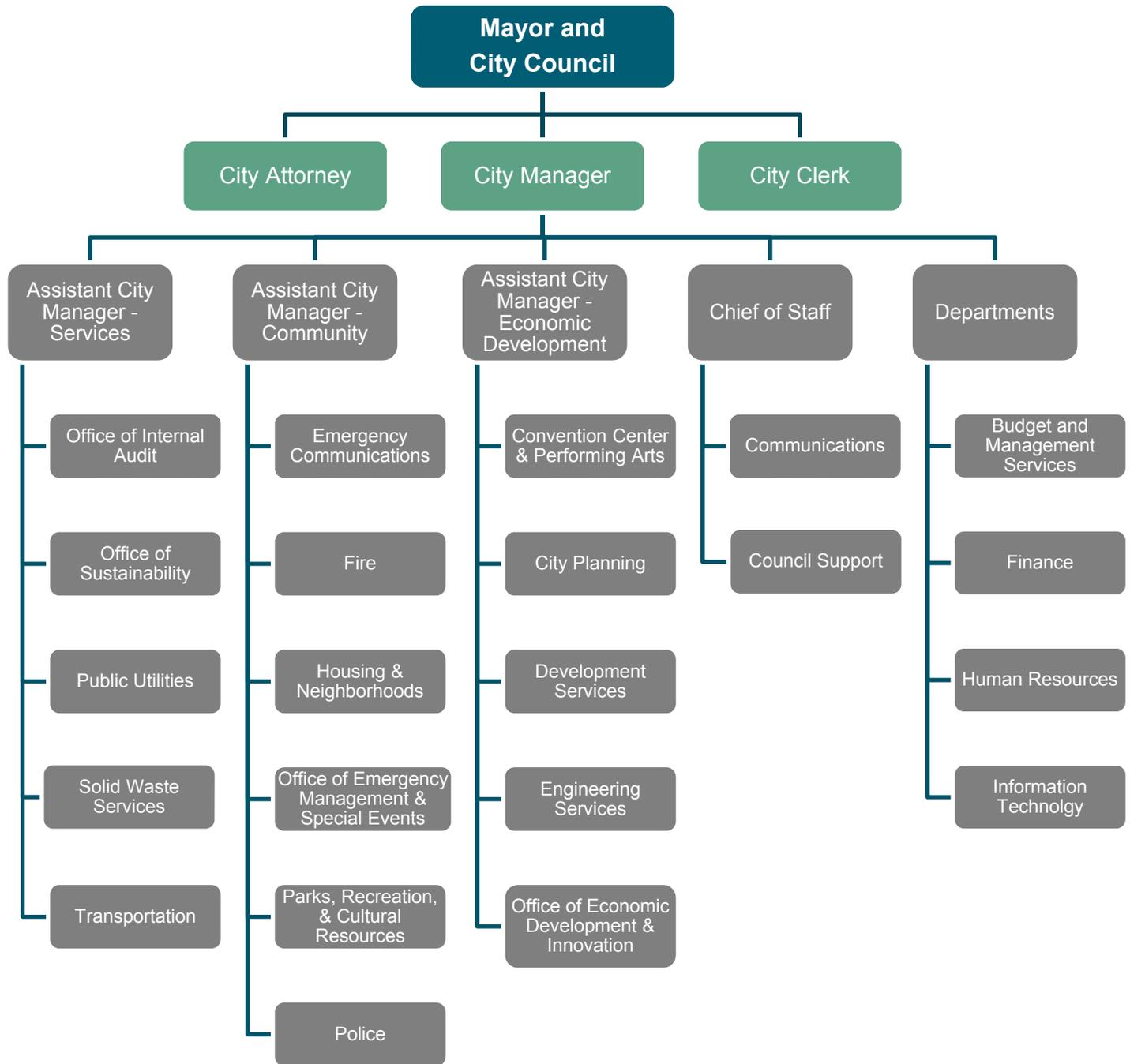


**Gross General Obligation bonded debt as % of assessed property value:** Debt as of last day of the fiscal year. Gross GO bonded debt shown as % of assessed value of taxable property in the city. The legal debt limit imposed by state statute is 8% of assessed value. Does not include revenue bonds. FY17 data will be available with the CAFR.



**Tax rate:** City and Wake County tax rates. Property tax rate per \$100 of property valuation. FY17 county projection is based upon FY16 adopted rate.

# City of Raleigh Organization Chart



# Revenue and Expenditure Summary

|   | REVENUES               |                            |                      | EXPENDITURES           |                            |                      |
|---|------------------------|----------------------------|----------------------|------------------------|----------------------------|----------------------|
|   | Total Revenues         | Less Approp Fr Other Funds | NET Revenues         | Total Expenditures     | Less Approp To Other Funds | NET Expenditures     |
| <b>GENERAL FUNDS</b>                    |                        |                            |                      |                        |                            |                      |
| General Fund                            | \$465,905,263          | \$22,715,839               | \$443,189,424        | \$465,905,263          | \$124,451,544              | \$341,453,719        |
| Economic Dev Fund                       | 1,546,792              | 1,271,038                  | 275,754              | 1,546,792              | 0                          | 1,546,792            |
| Revolving Fund                          | 9,309,142              | 0                          | 9,309,142            | 9,309,142              | 100,000                    | 9,209,142            |
| General Debt Service Fund               | 72,988,324             | 71,882,708                 | 1,105,616            | 72,988,324             | 0                          | 72,988,324           |
| Walnut Creek Amph Oper Fund             | 1,197,600              | 0                          | 1,197,600            | 1,197,600              | 1,000,000                  | 197,600              |
| Housing Development Funds               | 7,287,557              | 6,965,157                  | 322,400              | 7,287,557              | 471,810                    | 6,815,747            |
| <b>SUBTOTAL</b>                         | <b>\$558,234,678</b>   | <b>\$102,834,742</b>       | <b>\$455,399,936</b> | <b>\$558,234,678</b>   | <b>\$126,023,354</b>       | <b>\$432,211,324</b> |
| <b>SPECIAL REVENUE FUNDS</b>            |                        |                            |                      |                        |                            |                      |
| Emergency Telephone Sys Fd              | \$3,019,732            | \$0                        | \$3,019,732          | \$3,019,732            | \$0                        | \$3,019,732          |
| Convention Center Fin. Fund             | 29,403,072             | 0                          | 29,403,072           | 29,403,072             | 24,203,533                 | 5,199,539            |
| Housing Bond Rsv Funds                  | 2,500,000              | 0                          | 2,500,000            | 2,500,000              | 400,000                    | 2,100,000            |
| Community Develop Funds                 | 6,317,076              | 215,449                    | 6,101,627            | 6,317,076              | 192,441                    | 6,124,635            |
| Grants Fund                             | 2,016,332              | 385,123                    | 1,631,209            | 2,016,332              | 0                          | 2,016,332            |
| CAMPO Fund                              | 3,041,488              | 209,721                    | 2,831,767            | 3,041,488              | 100,000                    | 2,941,488            |
| Disaster Recovery Fund                  | 500,000                | 0                          | 500,000              | 500,000                | 0                          | 500,000              |
| <b>SUBTOTAL</b>                         | <b>\$46,797,700</b>    | <b>\$810,293</b>           | <b>\$45,987,407</b>  | <b>\$46,797,700</b>    | <b>\$24,895,974</b>        | <b>\$21,901,726</b>  |
| <b>GENERAL CAPITAL PROJECT FUNDS</b>    |                        |                            |                      |                        |                            |                      |
| Technology Fund                         | \$6,544,000            | \$6,471,965                | \$72,035             | \$6,544,000            | \$3,081,387                | \$3,462,613          |
| Capital Projects Fund                   | 5,705,000              | 5,040,000                  | 665,000              | 5,705,000              | 0                          | 5,705,000            |
| Sidewalk Fund                           | 661,000                | 661,000                    | 0                    | 661,000                | 0                          | 661,000              |
| Street Improvement Fund                 | 16,096,000             | 14,411,000                 | 1,685,000            | 16,096,000             | 0                          | 16,096,000           |
| Street Facility Fees Fund               | 7,539,796              | 0                          | 7,539,796            | 7,539,796              | 7,539,796                  | 0                    |
| Park Facility Fees Fund                 | 2,647,300              | 0                          | 2,647,300            | 2,647,300              | 2,647,300                  | 0                    |
| Park Improvement Fund                   | 5,050,000              | 4,950,000                  | 100,000              | 5,050,000              | 0                          | 5,050,000            |
| Walnut Creek Amph Fund                  | 200,000                | 0                          | 200,000              | 200,000                | 0                          | 200,000              |
| <b>SUBTOTAL</b>                         | <b>\$44,443,096</b>    | <b>\$31,533,965</b>        | <b>\$12,909,131</b>  | <b>\$44,443,096</b>    | <b>\$13,268,483</b>        | <b>\$31,174,613</b>  |
| <b>ENTERPRISE OPERATING FUNDS</b>       |                        |                            |                      |                        |                            |                      |
| Public Utilities Fund                   | \$234,042,515          | \$2,049,105                | \$231,993,410        | \$234,042,515          | \$125,516,373              | \$108,526,142        |
| Utility Infrastructure Funds            | 16,660,000             | 0                          | 16,660,000           | 16,660,000             | 16,660,000                 | 0                    |
| Watershed Protection Fee Fund           | 2,250,000              | 0                          | 2,250,000            | 2,250,000              | 2,250,000                  | 0                    |
| Utility Debt Service Fund               | 59,500,000             | 59,500,000                 | 0                    | 59,500,000             | 0                          | 59,500,000           |
| Solid Waste Operating Fund              | 34,853,977             | 7,616,835                  | 27,237,142           | 34,853,977             | 4,846,408                  | 30,007,569           |
| Solid Waste Debt Service Fund           | 2,007,006              | 1,482,923                  | 524,083              | 2,007,006              | 0                          | 2,007,006            |
| Public Transit Fund                     | 30,103,162             | 18,870,602                 | 11,232,560           | 30,103,162             | 905,052                    | 29,198,110           |
| Parking Facilities Operating Fd         | 16,167,197             | 500,000                    | 15,667,197           | 16,167,197             | 7,649,716                  | 8,517,481            |
| Parking Debt Service Fund               | 7,155,000              | 6,200,000                  | 955,000              | 7,155,000              | 0                          | 7,155,000            |
| Stormwater Utility Fund                 | 23,715,171             | 438,735                    | 23,276,436           | 23,715,171             | 17,957,665                 | 5,757,506            |
| RCCC/PAC Operations                     | 18,356,741             | 4,893,607                  | 13,463,134           | 18,356,741             | 1,793,565                  | 16,563,176           |
| Conv Center Debt Svc Fund               | 18,508,532             | 18,475,783                 | 32,749               | 18,508,532             | 0                          | 18,508,532           |
| <b>SUBTOTAL</b>                         | <b>\$463,319,301</b>   | <b>\$120,027,590</b>       | <b>\$343,291,711</b> | <b>\$463,319,301</b>   | <b>\$177,578,779</b>       | <b>\$285,740,522</b> |
| <b>ENTERPRISE CAPITAL PROJECT FUNDS</b> |                        |                            |                      |                        |                            |                      |
| Water Capital Projects Fund             | \$37,450,000           | \$37,450,000               | \$0                  | \$37,450,000           | \$0                        | \$37,450,000         |
| Sewer Capital Projects Fund             | 35,332,000             | 35,332,000                 | 0                    | 35,332,000             | 0                          | 35,332,000           |
| Parking Facilities Proj Fund            | 1,170,000              | 812,000                    | 358,000              | 1,170,000              | 0                          | 1,170,000            |
| Stormwater Utility Proj Fund            | 10,906,000             | 10,232,000                 | 674,000              | 10,906,000             | 0                          | 10,906,000           |
| Conv Ctr & Mem Aud Proj Fd              | 25,000                 | 25,000                     | 0                    | 25,000                 | 0                          | 25,000               |
| Conv Ctr Complex Proj Fund              | 2,709,000              | 2,709,000                  | 0                    | 2,709,000              | 0                          | 2,709,000            |
| <b>SUBTOTAL</b>                         | <b>\$87,592,000</b>    | <b>\$86,560,000</b>        | <b>\$1,032,000</b>   | <b>\$87,592,000</b>    | <b>\$0</b>                 | <b>\$87,592,000</b>  |
| <b>TOTAL ALL FUNDS</b>                  | <b>\$1,200,386,775</b> | <b>\$341,766,590</b>       | <b>\$858,620,185</b> | <b>\$1,200,386,775</b> | <b>\$341,766,590</b>       | <b>\$858,620,185</b> |

# Total Budget Summary

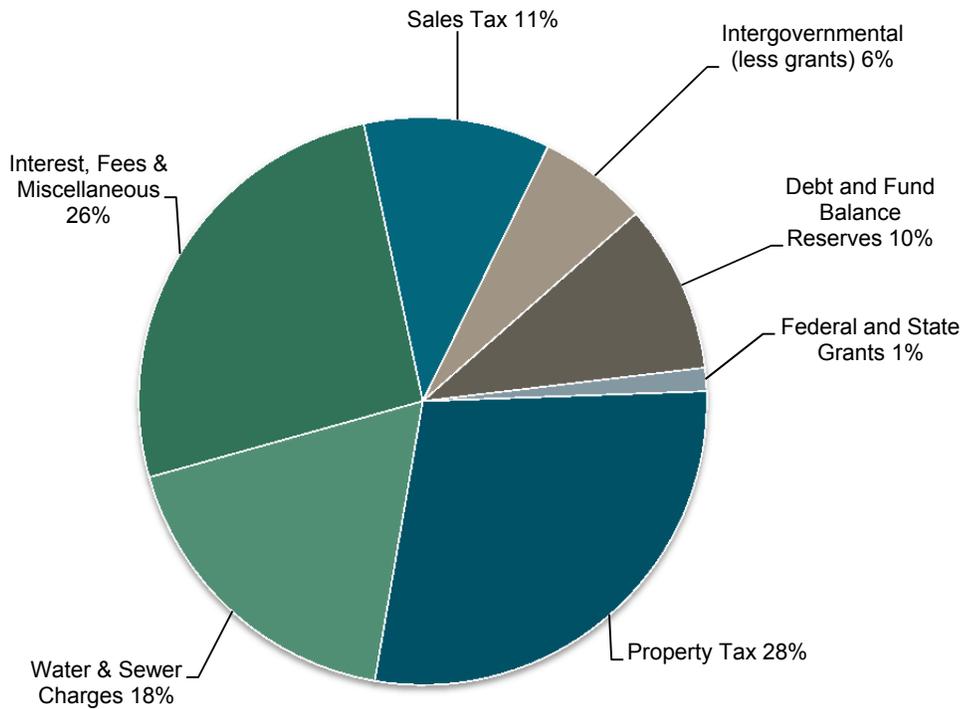
(net of interfund transfers)

|                                   | ADOPTED               | ADOPTED               | PROPOSED              | CHANGE       |
|-----------------------------------|-----------------------|-----------------------|-----------------------|--------------|
| REVENUES                          | 2014-15               | 2015-16               | 2016-17               | FY16 To FY17 |
| Property Tax                      | \$212,857,000         | \$226,696,250         | \$242,688,000         | 7.1%         |
| Water & Sewer Charges             | 201,592,337           | 215,453,922           | 154,273,083           | (28.4%)      |
| Interest, Fees & Miscellaneous    | 140,807,586           | 149,265,130           | 223,077,165           | 49.5%        |
| Sales Tax                         | 79,700,000            | 86,713,000            | 91,085,000            | 5.0%         |
| Intergovernmental (less grants)   | 64,153,623            | 72,977,581            | 53,594,028            | (26.6%)      |
| Debt and Fund Balance Reserves    | 45,644,749            | 72,128,355            | 82,509,947            | 14.4%        |
| Federal and State Grants          | 9,453,196             | 10,393,423            | 11,392,962            | 9.6%         |
|                                   | <b>\$754,208,491</b>  | <b>\$833,627,661</b>  | <b>\$858,620,185</b>  | <b>3.0%</b>  |
| <b>EXPENDITURES</b>               |                       |                       |                       |              |
| Public Safety                     | \$157,606,251         | \$160,337,316         | \$165,434,629         | 3.2%         |
| Capital Debt Service              | 142,737,400           | 162,226,757           | 160,158,862           | (1.3%)       |
| Public Utilities                  | 111,370,804           | 102,921,243           | 108,526,142           | 5.4%         |
| Capital Improvements              | 77,121,000            | 130,775,004           | 126,566,152           | (3.2%)       |
| Leisure Services                  | 75,704,390            | 79,355,948            | 70,139,285            | (11.6%)      |
| Infrastructure Management         | 69,363,473            | 73,627,502            | 93,911,225            | 27.5%        |
| General Gov't & External Agencies | 39,168,230            | 40,278,326            | 42,302,921            | 5.0%         |
| Solid Waste Services              | 30,127,562            | 30,752,947            | 30,007,569            | (2.4%)       |
| Planning & Neighborhoods          | 28,297,463            | 30,092,826            | 36,187,947            | 20.3%        |
| Information Technology            | 17,282,990            | 17,686,183            | 19,409,025            | 9.7%         |
| Financial Management              | 5,428,928             | 5,573,610             | 5,976,429             | 7.2%         |
|                                   | <b>\$ 754,208,491</b> | <b>\$ 833,627,661</b> | <b>\$ 858,620,185</b> | <b>3.0%</b>  |

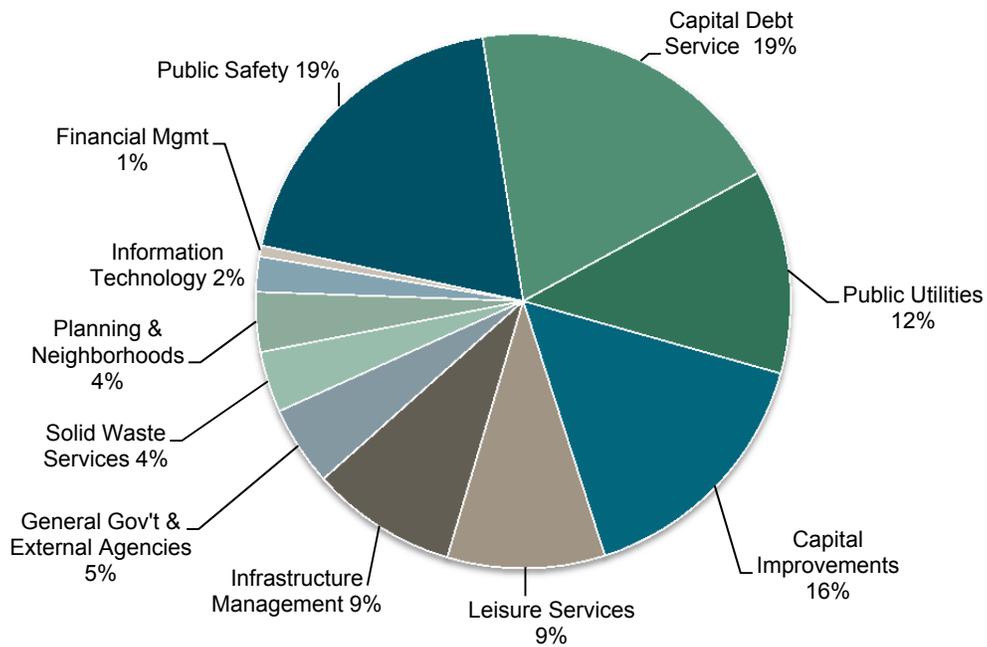
# Total Budget Summary

(net of interfund transfers)

## REVENUES



## EXPENDITURES



# General Fund Summary

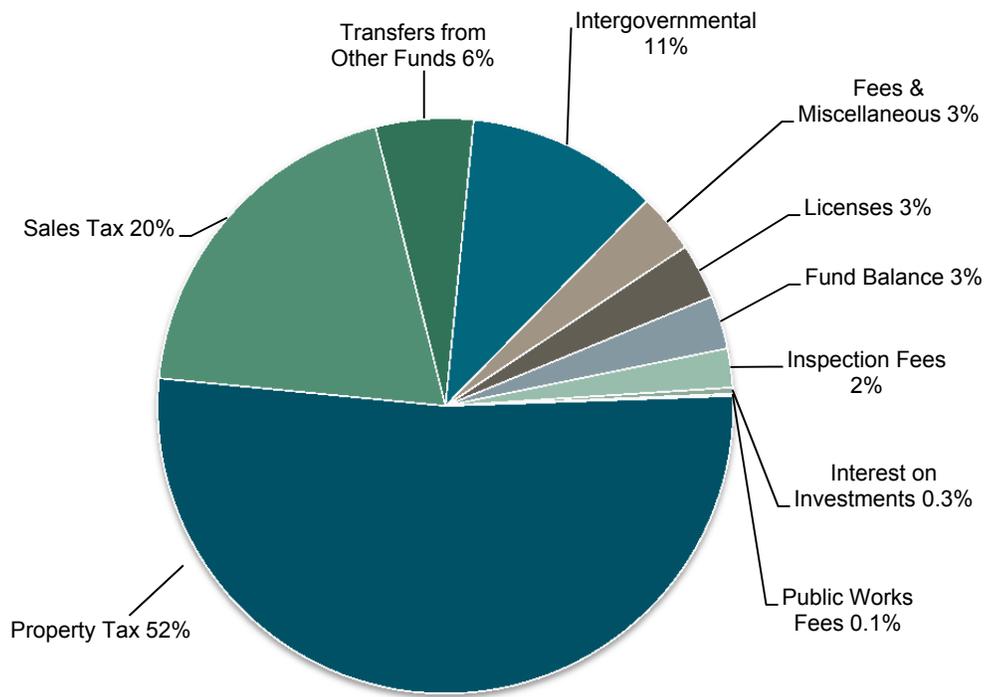
(including interfund transfers)

|                                  | ADOPTED              | ADOPTED              | PROPOSED             | CHANGE       |
|----------------------------------|----------------------|----------------------|----------------------|--------------|
| REVENUES                         | 2014-15              | 2015-16              | 2016-17              | FY16 To FY17 |
| Property Tax                     | \$212,857,000        | \$226,696,250        | \$242,688,000        | 7.1%         |
| Sales Tax                        | 79,700,000           | 86,713,000           | 91,085,000           | 5.0%         |
| Transfers from Other Funds       | 25,159,501           | 22,400,999           | 25,579,626           | 14.2%        |
| Intergovernmental                | 39,366,926           | 43,833,368           | 50,189,042           | 14.5%        |
| Fees & Miscellaneous             | 14,359,984           | 14,321,020           | 15,506,145           | 8.3%         |
| Licenses                         | 21,251,000           | 14,435,612           | 14,570,000           | 0.9%         |
| Fund Balance                     | 13,000,000           | 13,004,124           | 13,929,000           | 7.1%         |
| Inspection Fees                  | 9,474,987            | 11,009,600           | 10,198,450           | (7.4%)       |
| Interest on Investments          | 1,220,000            | 1,573,000            | 1,607,000            | 2.2%         |
| Public Works Fees                | 316,000              | 940,000              | 553,000              | (41.2%)      |
|                                  | <b>\$416,705,398</b> | <b>\$434,926,973</b> | <b>\$465,905,263</b> | <b>7.1%</b>  |
| <b>EXPENDITURES</b>              |                      |                      |                      |              |
| Public Safety                    | \$155,087,867        | \$157,177,294        | \$162,526,495        | 3.4%         |
| Leisure Services                 | 52,637,920           | 56,377,827           | 46,862,544           | (16.9%)      |
| Infrastructure Management        | 49,174,858           | 50,026,840           | 67,217,379           | 34.4%        |
| Appropriation to Capital Debt    | 46,562,000           | 56,149,950           | 62,570,595           | 11.4%        |
| General Government               | 32,890,739           | 34,046,714           | 35,862,750           | 5.3%         |
| Appropriation to Capital Program | 22,457,000           | 22,171,000           | 23,436,126           | 5.7%         |
| Planning & Neighborhoods         | 19,695,276           | 21,719,184           | 30,279,002           | 39.4%        |
| Information Technology           | 17,282,990           | 17,686,183           | 19,409,025           | 9.7%         |
| Solid Waste Services             | 11,628,083           | 9,890,508            | 7,616,835            | (23.0%)      |
| Financial Management             | 5,428,928            | 5,573,610            | 5,976,429            | 7.2%         |
| External Agencies                | 3,859,737            | 4,107,863            | 4,148,085            | 1.0%         |
|                                  | <b>\$416,705,398</b> | <b>\$434,926,973</b> | <b>\$465,905,263</b> | <b>7.1%</b>  |

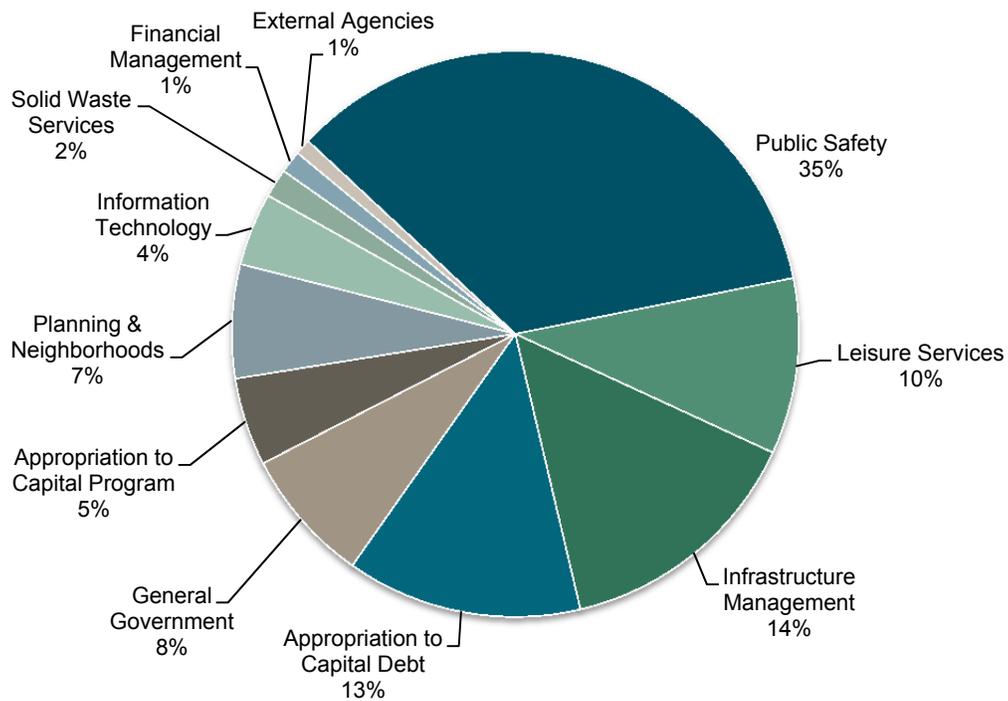
# General Fund Summary

(including interfund transfers)

## REVENUES



## EXPENDITURES



## General Funds

The City of Raleigh has established separate funds for the purpose of reporting and accounting for all financial transactions. Each fund represents a separate financial and accounting entity established for the purpose of carrying out a specific set of activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations that pertain to the operations or resources of the fund.

The **General Fund (100)** is the principal operating fund for the City of Raleigh. It was established to account for all financial resources except those required by state law, local ordinance, and generally accepted accounting principles to be accounted for in another fund. General Fund revenues primarily include property taxes, state shared revenues, sales taxes, licenses, permits and fees. The major operating activities include general government, police, fire, public works, development services, parks and recreation and other governmental service functions.

The **Economic Development Fund (110)** was established in FY94 to provide a focal point for the City's economic development program. Funding is provided in this budget for selected external organizations that promote growth and development in the Raleigh area. This fund is supported by transfers from the General and Public Utilities Funds.

The **Revolving Fund (130)** was established primarily to account for various year-round recreational activities that are self-supporting with revenues equaling or exceeding expenditures. The Revolving Fund also includes a number of non-recreational self-sustaining programs and activities, including the Sustainability Environmental Awards and classes offered by the Raleigh Television Network.

The **General Debt Service Fund (190)** provides for the payment of principal, interest and other expenses related to existing debt, other than water and wastewater debt and other enterprise activities.

The **Walnut Creek Amphitheater Operating Fund (652)** was established in FY14 to separate the operating and capital expenses related to maintaining the Walnut Creek Amphitheater. The fund is supported entirely by rental revenue from the facility.

The **Housing Development Funds (735-736)** receive revenue primarily from City tax dollars which are collected in the General Fund and appropriated to the Housing Development Funds. This funding supports various programs to provide more affordable housing to low and moderate income residents.

# General Funds

|  | ADOPTED              | PROPOSED             | CHANGE       |
|--|----------------------|----------------------|--------------|
|  | 2015-16              | 2016-17              | FY16 to FY17 |
| <b>GENERAL FUND (100)</b>                      | \$434,926,973        | \$465,905,263        | 7.1%         |
| <i>Less Appropriation to Other Funds</i>       | (112,761,353)        | (124,451,544)        |              |
| <b>NET GENERAL FUND (100)</b>                  | \$322,165,620        | \$341,453,719        | 6.0%         |
| <br>   |                      |                      |              |
| <b>ECONOMIC DEV FUND (110)</b>                 | \$1,786,944          | \$1,546,792          | (13.4%)      |
| <i>Less Appropriation to Other Funds</i>       | 0                    | 0                    |              |
| <b>NET ECONOMIC DEV FUND (110)</b>             | \$1,786,944          | \$1,546,792          | (13.4%)      |
| <br>   |                      |                      |              |
| <b>REVOLVING FUND (130)</b>                    | \$8,948,458          | \$9,309,142          | 4.0%         |
| <i>Less Appropriation to Other Funds</i>       | (100,000)            | (100,000)            |              |
| <b>NET REVOLVING FUND (130)</b>                | \$8,848,458          | \$9,209,142          | 4.1%         |
| <br>   |                      |                      |              |
| <b>GENERAL DEBT SERVICE FUND (190)</b>         | \$76,486,722         | \$72,988,324         | (4.6%)       |
| <i>Less Appropriation to Other Funds</i>       | 0                    | 0                    |              |
| <b>NET GEN DEBT SERVICE FUND (190)</b>         | \$76,486,722         | \$72,988,324         | (4.6%)       |
| <br>   |                      |                      |              |
| <b>WALNUT CREEK AMPH OPERATING FD (652)</b>    | \$1,194,625          | \$1,197,600          | 0.2%         |
| <i>Less Appropriation to Other Funds</i>       | (1,000,000)          | (1,000,000)          |              |
| <b>NET WALNUT CREEK AMPH OPER FUND (652)</b>   | \$194,625            | \$197,600            | 1.5%         |
| <br>   |                      |                      |              |
| <b>HOUSING DEVELOPMENT FUNDS (735-736)</b>     | \$1,343,630          | \$7,287,557          | 442.4%       |
| <i>Less Appropriation to Other Funds</i>       | (274,158)            | (471,810)            |              |
| <b>NET HOUSING DEVELOPMENT FUNDS (735-736)</b> | \$1,069,472          | \$6,815,747          | 537.3%       |
| <br>   |                      |                      |              |
| <b>TOTAL GENERAL FUNDS</b>                     | <b>\$524,687,352</b> | <b>\$558,234,678</b> | <b>6.4%</b>  |
| <i>Less Appropriation to Other Funds</i>       | (114,135,511)        | (126,023,354)        | 10.4%        |
| <b>NET GENERAL FUNDS</b>                       | <b>\$410,551,841</b> | <b>\$432,211,324</b> | <b>5.3%</b>  |

# Special Revenue Funds

The primary purpose of the Special Revenue Funds is to account for the proceeds of designated revenue sources that are restricted by law or administrative action for specific purposes. Revenue sources accounted for through the City's special revenue funds include:

The **Emergency Telephone System Fund (712)** is comprised of the Emergency Communication Center's allocation of the state's wireless fund. The fund covers wireless eligible costs involved in operating and maintaining a wireless enhanced 9-1-1 system. Wireless eligible costs are those costs incurred from when a wireless customer dials 9-1-1 until the call taker/telecommunicator receives the call and locates the caller.

The **Convention Center Financing (715)** accounts for hotel and motel occupancy taxes collected by the County and remitted to the City per an interlocal agreement to fund the financing of the Convention Center.

The **Housing Bond Funds (720-724)** accounts for City housing development programs which are financed by general obligation bond issues.

The **Community Development Funds (741-781)** are primarily supported by federal grant funds allocated to the City for community development programs which are targeted primarily to inner-city areas. In addition to the Community Development Block Grant, revenues in this fund include rental income and loan repayments.

The **Grants Fund (810)** receives City several grants on an annual basis. FY16 will be the first year that these grants are adopted with the City budget; historically, they have been adopted throughout the year as they are received. The Adopted 2014-2015 column reflects this history of not adopting grants with the budget.

The **CAMPO Fund (811)** supports the Capital Area Metropolitan Planning Organization (CAMPO) activities. Funding comes from federal grants and partner agencies.

The **Disaster Recovery Fund (816)** accounts for federal and state reimbursement for disaster recovery activities resulting from various natural disasters and the City's flood mitigation program.

# Special Revenue Funds

|  | ADOPTED             | PROPOSED            | CHANGE       |
|--|---------------------|---------------------|--------------|
|  | 2015-16             | 2016-17             | FY16 to FY17 |
| <b>EMER. TELEPHONE SYSTEM FUND (712)</b>       | \$3,280,636         | \$3,019,732         | (8.0%)       |
| <i>Less Appropriation to Other Funds</i>       | 0                   | 0                   |              |
| <b>EMER. TELEPHONE SYSTEM FUNDS</b>            | \$3,280,636         | \$3,019,732         | (8.0%)       |
| <br>   |                     |                     |              |
| <b>CONVENTION CENTER FINANCING FUND (715)</b>  | \$24,941,936        | \$29,403,072        | 17.9%        |
| <i>Less Appropriation to Other Funds</i>       | (22,559,745)        | (24,203,533)        |              |
| <b>NET CONVENTION CTR FINANCING FUND (715)</b> | \$2,382,191         | \$5,199,539         | 118.3%       |
| <br>   |                     |                     |              |
| <b>HOUSING BOND RESERVE FUNDS (720-724)</b>    | \$2,048,000         | \$2,500,000         |              |
| <i>Less Appropriation to Other Funds</i>       | (400,000)           | (400,000)           |              |
| <b>NET HOUSING BOND FUND (720-724)</b>         | \$1,648,000         | \$2,100,000         |              |
| <br>   |                     |                     |              |
| <b>COMMUNITY DEVELOP FUNDS (741-781)</b>       | \$5,909,056         | \$6,317,076         | 6.9%         |
| <i>Less Appropriation to Other Funds</i>       | (217,273)           | (192,441)           |              |
| <b>NET COMMUNITY DEVELOP FUNDS (741-781)</b>   | \$5,691,783         | \$6,124,635         | 7.6%         |
| <br>   |                     |                     |              |
| <b>GRANTS FUND (810)</b>                       | \$1,617,995         | \$2,016,332         |              |
| <i>Less Appropriation to Other Funds</i>       | 0                   | 0                   |              |
| <b>NET GRANTS FUND (810)</b>                   | \$1,617,995         | \$2,016,332         |              |
| <br>   |                     |                     |              |
| <b>CAMPO FUND (811)</b>                        | \$2,981,488         | \$3,041,488         | 2.0%         |
| <i>Less Appropriation to Other Funds</i>       | (100,000)           | (100,000)           |              |
| <b>NET CAMPO FUND (811)</b>                    | \$2,881,488         | \$2,941,488         | 2.1%         |
| <br>   |                     |                     |              |
| <b>DISASTER RECOVERY FUND (816)</b>            | \$0                 | \$500,000           |              |
| <i>Less Appropriation to Other Funds</i>       | 0                   | 0                   |              |
| <b>NET DISASTER RECOVERY FUND (816)</b>        | \$0                 | \$500,000           |              |
| <br>   |                     |                     |              |
| <b>TOTAL SPECIAL REVENUE FUNDS</b>             | <b>\$40,779,111</b> | <b>\$46,797,700</b> | <b>14.8%</b> |
| <i>Less Appropriation to Other Funds</i>       | (23,277,018)        | (24,895,974)        |              |
| <b>NET SPECIAL REVENUE FUNDS</b>               | <b>\$17,502,093</b> | <b>\$21,901,726</b> | <b>25.1%</b> |

## General Capital Project Funds

The purpose of the General Capital Projects Funds is to account for the financial resources segregated for the acquisition or construction of major general capital assets and facilities. The budgets within these funds are adopted for the life of the project. Under the project accounting concept, project expenditures, and the revenues used to fund them, are accumulated until the year the project is completed. General projects accounted for within the general capital projects funds include street projects, park improvements, technology projects, major public facilities and other miscellaneous capital projects.

The **Technology Fund (501)** accounts for long-term technology projects as recommended by the City's technology governance process. These projects are financed from general fund resources.

The **Capital Projects Fund (505)** accounts for all capital improvement costs not applicable to other capital improvement programs. These improvements are financed from nonbond resources.

The **Sidewalk Fund (515)** accounts for capital project costs for the construction of sidewalks within the City.

The **Street Improvement Fund (525)** accounts for all street improvement programs to be financed from applicable street assessment proceeds and other non-bond street improvement resources.

The **Street Facility Fees Funds (545) and Park Facility Fees Fund (610)** accounts for facility fees collected from developers to be expended for street and park capital purposes within designated zones in the City.

The **Park Improvement Fund (625)** accounts for transfers from the general fund and other revenues and allocations, and all project costs in the construction of park improvements as well as park land and greenway acquisition.

The **Walnut Creek Amphitheater Fund (650)** accounts for capital projects costs of the Amphitheater financed by a portion of the Amphitheater rent.

# General Capital Project Funds

|  | ADOPTED             | PROPOSED            | CHANGE         |
|--|---------------------|---------------------|----------------|
|  | 2015-16             | 2016-17             | FY16 to FY17   |
| <b>TECHNOLOGY FUND (501)</b>                     | \$11,461,000        | \$6,544,000         | (42.9%)        |
| <i>Less Appropriation to Other Funds</i>         | (3,134,187)         | (3,081,387)         |                |
| <b>NET TECHNOLOGY FUND (501)</b>                 | <b>\$8,326,813</b>  | <b>\$3,462,613</b>  | <b>(58.4%)</b> |
| <br>   |                     |                     |                |
| <b>CAPITAL PROJECTS FUND (505)</b>               | \$4,100,000         | \$5,705,000         | 39.1%          |
| <i>Less Appropriation to Other Funds</i>         | 0                   | 0                   |                |
| <b>NET CAPITAL PROJECTS FUND (505)</b>           | <b>\$4,100,000</b>  | <b>\$5,705,000</b>  | <b>39.1%</b>   |
| <br>   |                     |                     |                |
| <b>SIDEWALK FUND (515)</b>                       | \$425,000           | \$661,000           | 55.5%          |
| <i>Less Appropriation to Other Funds</i>         | 0                   | 0                   |                |
| <b>NET SIDEWALK FUND (515)</b>                   | <b>\$425,000</b>    | <b>\$661,000</b>    | <b>55.5%</b>   |
| <br>   |                     |                     |                |
| <b>STREET IMPROVEMENT FUND (525)</b>             | \$17,032,000        | \$16,096,000        | (5.5%)         |
| <i>Less Appropriation to Other Funds</i>         | 0                   | 0                   |                |
| <b>NET STREET IMPROVEMENT FUND (525)</b>         | <b>\$17,032,000</b> | <b>\$16,096,000</b> | <b>(5.5%)</b>  |
| <br>   |                     |                     |                |
| <b>STREET FACILITY FEES FUND (545)</b>           | \$8,951,100         | \$7,539,796         | (15.8%)        |
| <i>Less Appropriation to Other Funds</i>         | (8,951,100)         | (7,539,796)         |                |
| <b>NET STREET FACILITY FEES FUND (545)</b>       | <b>\$0</b>          | <b>\$0</b>          |                |
| <br>   |                     |                     |                |
| <b>PARK FACILITY FEES FUND (610)</b>             | \$4,051,000         | \$2,647,300         | (34.7%)        |
| <i>Less Appropriation to Other Funds</i>         | (3,601,000)         | (2,647,300)         |                |
| <b>NET PARK FACILITY FEES FUND (610)</b>         | <b>\$450,000</b>    | <b>\$0</b>          |                |
| <br>   |                     |                     |                |
| <b>PARK IMPROVEMENT FUND (625)</b>               | \$5,925,000         | \$5,050,000         | (14.8%)        |
| <i>Less Appropriation to Other Funds</i>         | 0                   | 0                   |                |
| <b>NET PARK IMPROVEMENT FUND (625)</b>           | <b>\$5,925,000</b>  | <b>\$5,050,000</b>  | <b>(14.8%)</b> |
| <br>   |                     |                     |                |
| <b>WALNUT CREEK AMPH. CAPITAL FUND (650)</b>     | \$200,000           | \$200,000           | 0.0%           |
| <i>Less Appropriation to Other Funds</i>         | 0                   | 0                   |                |
| <b>NET WALNUT CREEK AMPH. CAPITAL FUND (650)</b> | <b>\$200,000</b>    | <b>\$200,000</b>    | <b>0.0%</b>    |
| <br>   |                     |                     |                |
| <b>TOTAL GENERAL CAPITAL PROJECT FUNDS</b>       | <b>\$52,145,100</b> | <b>\$44,443,096</b> | <b>(14.8%)</b> |
| <i>Less Appropriation to Other Funds</i>         | (15,686,287)        | (13,268,483)        |                |
| <b>NET GENERAL CAPITAL PROJECT FUNDS</b>         | <b>\$36,458,813</b> | <b>\$31,174,613</b> | <b>(14.5%)</b> |

## Enterprise Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs of providing goods or services to the general public be recovered through user charges; or where the governing body has decided that periodic determinations of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The **Public Utilities Fund (310)** provides for water and sewer operations of the City of Raleigh. This fund is supported primarily by user charges and customer fees, and provides for all operating costs associated with the City's water and sewer systems. The **Utility Infrastructure Funds (311-312)**, **Watershed Protection Fee Fund (313)**, **Utility Debt Service Fund (315)** and **Water and Sewer Capital Projects Funds (320 and 325)** account for capital costs associated with the City's water and sewer operations.

The **Solid Waste Services Operating Fund (360)** and the **Solid Waste Debt Service Fund (362)** have been established to fund the operational and capital needs of the City's Solid Waste Services Department which oversees the residential collection, recycling and yard waste programs. The fund is supported by user fees and charges and by a subsidy from the general fund.

The **Public Transit Fund (410)** is supported by user charges, federal grant contributions and the City's General Fund. Expenditures in this fund support the operation of GoRaleigh and for the City program for disabled residents, GoRaleigh Access.

The **Parking Facilities Operating Fund (442)**, **Parking Debt Service Fund (444)** and the **Parking Facilities Project Fund (446)** provide for the operational, maintenance and capital costs for the Municipal, Cabarrus, City Center, Convention Center and Moore Square parking decks. Cleaning and maintenance costs for the Moore Square Transit Station and the Downtown Police Substation are also included. These funds are supported by parking deck user fees, parking violation revenue and interest income.

The **Stormwater Utility Fund (460)** and **The Stormwater Utility Capital Project Fund (470)** provide for stormwater operations in the City of Raleigh. These funds are supported by revenue generated from a stormwater fee charged to residential and commercial residents of Raleigh.

The **Raleigh Convention Center and Performing Arts Center Operations Fund (RCCC/PAC) (642)** has been established to separate the operations of the City's Convention Center and the Performing Arts Center. The fund is supported partially by ticket sales, user fees and charges. Operating deficits are supported by an appropriation from the General Fund.

The **Convention Center Debt Service Fund (644)** and the **Convention Center Complex Fund (648)** account for the capital costs at the Convention Center and Performing Arts Center.

# Enterprise Funds

|   | ADOPTED        | PROPOSED       | CHANGE              |
|---|----------------|----------------|---------------------|
| <b>OPERATING</b>                                    | <b>2015-16</b> | <b>2016-17</b> | <b>FY16 to FY17</b> |
| <b>PUBLIC UTILITIES FUND (310)</b>                  | \$237,995,866  | \$234,042,515  | (1.7%)              |
| <i>Less Appropriation to Other Funds</i>            | (135,074,623)  | (125,516,373)  |                     |
| NET PUBLIC UTILITIES FUND (310)                     | \$102,921,243  | \$108,526,142  | 5.4%                |
| <br>  |                |                |                     |
| <b>UTILITY INFRASTRUCTURE FUNDS (311 &amp; 312)</b> | \$12,255,000   | \$16,660,000   | 35.9%               |
| <i>Less Appropriation to Other Funds</i>            | (12,255,000)   | (16,660,000)   |                     |
| NET UTILITY INFRASTRUCTURE FDS (311&312)            | \$0            | \$0            |                     |
| <br>  |                |                |                     |
| <b>WATERSHED PROTECTION FEE FUND (313)</b>          | \$2,250,000    | \$2,250,000    | 0.0%                |
| <i>Less Appropriation to Other Funds</i>            | (2,250,000)    | (2,250,000)    |                     |
| NET WATERSHED PROTECTION FEE FUND (313)             | \$0            | \$0            |                     |
| <br>  |                |                |                     |
| <b>UTILITY DEBT SERVICE FUND (315)</b>              | \$58,179,115   | \$59,500,000   | 2.3%                |
| <i>Less Appropriation to Other Funds</i>            | 0              | 0              |                     |
| NET PUBLIC UTILITIES FUND (315)                     | \$58,179,115   | \$59,500,000   | 2.3%                |
| <br>  |                |                |                     |
| <b>SOLID WASTE OPERATIONS FUND (360)</b>            | \$36,075,176   | \$34,853,977   | (3.4%)              |
| <i>Less Appropriation to Other Funds</i>            | (5,322,229)    | (4,846,408)    |                     |
| NET SOLID WASTE OPERATIONS FUND (360)               | \$30,752,947   | \$30,007,569   | (2.4%)              |
| <br>  |                |                |                     |
| <b>SOLID WASTE DEBT SVC FUND (362)</b>              | \$2,038,000    | \$2,007,006    | (1.5%)              |
| <i>Less Appropriation to Other Funds</i>            | 0              | 0              |                     |
| NET SOLID WASTE DEBT SVC FUND (362)                 | \$2,038,000    | \$2,007,006    | (1.5%)              |
| <br>  |                |                |                     |
| <b>PUBLIC TRANSIT FUND (410)</b>                    | \$29,264,324   | \$30,103,162   | 2.9%                |
| <i>Less Appropriation to Other Funds</i>            | (816,853)      | (905,052)      |                     |
| NET PUBLIC TRANSIT FUND (410)                       | \$28,447,471   | \$29,198,110   | 2.6%                |
| <br>  |                |                |                     |
| <b>PARKING FACILITIES OPERATING FUND (442)</b>      | \$17,849,615   | \$16,167,197   | (9.4%)              |
| <i>Less Appropriation to Other Funds</i>            | (9,267,545)    | (7,649,716)    |                     |
| NET PARKING FACILITIES FUND (442)                   | \$8,582,070    | \$8,517,481    | (0.8%)              |
| <br>  |                |                |                     |
| <b>PARKING DEBT SERVICE FUND (444)</b>              | \$7,025,000    | \$7,155,000    | 1.9%                |
| <i>Less Appropriation to Other Funds</i>            | 0              | 0              |                     |
| NET PARKING DEBT SERVICES FUND (444)                | \$7,025,000    | \$7,155,000    | 1.9%                |
| <br>  |                |                |                     |
| <b>STORMWATER UTILITY FUND (460)</b>                | \$17,748,688   | \$23,715,171   | 33.6%               |
| <i>Less Appropriation to Other Funds</i>            | (12,085,279)   | (17,957,665)   |                     |
| NET STORMWATER UTILITY FUND (460)                   | \$5,663,409    | \$5,757,506    | 1.7%                |

## Enterprise Funds (continued)

|   | ADOPTED              | PROPOSED             | CHANGE              |
|---|----------------------|----------------------|---------------------|
| <b>OPERATING (CONTINUED)</b>                  | <b>2015-16</b>       | <b>2016-17</b>       | <b>FY16 to FY17</b> |
| <b>RCCC/PAC OPERATIONS FUND (642)</b>         | \$18,651,273         | \$18,356,741         | (1.6%)              |
| <i>Less Appropriation to Other Funds</i>      | (1,929,534)          | (1,793,565)          |                     |
| NET RCCC/PAC OPERATIONS FUND (642)            | \$16,721,739         | \$16,563,176         | (0.9%)              |
| <br>  |                      |                      |                     |
| <b>CONVENTION CENTER DEBT SRV (644)</b>       | \$18,497,920         | \$18,508,532         | 0.1%                |
| <i>Less Appropriation to Other Funds</i>      | 0                    | 0                    |                     |
| NET CONVENTION CENTER DEBT SRV FUND (644)     | \$18,497,920         | \$18,508,532         | 0.1%                |
| <br>  |                      |                      |                     |
| <b>CAPITAL PROJECTS</b>                       |                      |                      |                     |
| <b>WATER CAPITAL PROJECTS FUND (320)</b>      | \$22,681,000         | \$37,450,000         | 65.1%               |
| <i>Less Appropriation to Other Funds</i>      | -                    | -                    |                     |
| NET WATER CAPITAL PROJECTS FUND (320)         | \$22,681,000         | \$37,450,000         | 65.1%               |
| <br>  |                      |                      |                     |
| <b>SEWER CAPITAL PROJECTS FUND (325)</b>      | \$58,735,000         | \$35,332,000         | (39.8%)             |
| <i>Less Appropriation to Other Funds</i>      | -                    | -                    |                     |
| NET SEWER CAPITAL PROJECTS FUND (325)         | \$58,735,000         | \$35,332,000         | (39.8%)             |
| <br>  |                      |                      |                     |
| <b>PARKING FACILITIES FUND - PROJ (446)</b>   | \$1,718,000          | \$1,170,000          | (31.9%)             |
| <i>Less Appropriation to Other Funds</i>      | 0                    | 0                    |                     |
| NET PARKING FACILITIES FUND (446)             | \$1,718,000          | \$1,170,000          | (31.9%)             |
| <br>  |                      |                      |                     |
| <b>STORMWATER UTILITY CAP PROJ (470)</b>      | \$6,000,000          | \$10,906,000         | 81.8%               |
| <i>Less Appropriation to Other Funds</i>      | -                    | -                    |                     |
| NET STORMWATER UTILITY CAP PROJ (470)         | \$6,000,000          | \$10,906,000         | 81.8%               |
| <br>  |                      |                      |                     |
| <b>PERFORMING ARTS CENTER PROJ FUND (646)</b> | \$0                  | \$25,000             |                     |
| <i>Less Appropriation to Other Funds</i>      | 0                    | 0                    |                     |
| NET PERF ARTS CENTER PROJ FUND (646)          | \$0                  | \$25,000             |                     |
| <br>  |                      |                      |                     |
| <b>CONV CTR COMPLEX FD (648)</b>              | \$1,152,000          | \$ 2,709,000         | 135.2%              |
| <i>Less Appropriation to Other Funds</i>      | 0                    | 0                    |                     |
| NET CONV CTR COMPLEX FD (648)                 | \$1,152,000          | \$ 2,709,000         | 135.2%              |
| <br>  |                      |                      |                     |
| <b>TOTAL ENTERPRISE FUNDS</b>                 | <b>\$548,115,977</b> | <b>\$550,911,301</b> | <b>0.5%</b>         |
| <i>Less Appropriation to Other Funds</i>      | (179,001,063)        | (177,578,779)        |                     |
| <b>NET ENTERPRISE FUNDS</b>                   | <b>\$369,114,914</b> | <b>\$373,332,522</b> | <b>1.1%</b>         |
| <br>  |                      |                      |                     |
| <b>NET OPERATING AND CAPITAL BUDGET</b>       | <b>\$833,627,661</b> | <b>\$858,620,185</b> | <b>3.0%</b>         |

## Bond Funds

The purpose of the bond funds is to account for the financial resources segregated for the acquisition or construction of major capital facilities. The budgets within these funds are adopted for the life of the project, with revenues and expenditures accumulating until the year in which the project is completed.

The bond funds are substantially identical in nature to the capital project funds. The main difference between the funds is the primary revenue source. Funding for capital projects, using bond funds, comes primarily from the issuance of long-term debt.

These funds are accounted for separately from the capital project funds to avoid double-counting the debt costs. The cost of the City's long-term debt is captured in the capital debt service funds as the debt is paid rather than in the bond funds as the debt is issued.

|   | <b>ADOPTED</b>       | <b>PROPOSED</b>      | <b>CHANGE</b>     |
|---|----------------------|----------------------|-------------------|
|   | <b>2015-16</b>       | <b>2016-17</b>       | <b>FY16 To 17</b> |
| <b>WATER REVENUE BOND FUND (348)</b>          | \$9,667,000          | \$660,000            | (93.2%)           |
| <b>SEWER REVENUE BOND FUND (349)</b>          | \$32,052,000         | \$5,050,000          | (84.2%)           |
| <b>CAPITAL PROJECTS BOND FUND (506)</b>       | \$0                  | \$8,528,000          |                   |
| <b>STREET BOND FUND (531)</b>                 | \$23,950,000         | \$13,732,000         | (42.7%)           |
| <b>PARK BOND FUND (636)</b>                   | \$18,150,000         | \$19,375,000         | 6.7%              |
| <b>PERFORMING ARTS CENTER BOND FUND (646)</b> | \$1,437,000          | \$2,625,000          | 82.7%             |
| <b>HOUSING BOND FUNDS (720-725)</b>           | \$1,648,000          | \$2,500,000          | 51.7%             |
| <b>TOTAL BOND FUNDS</b>                       | <b>\$ 86,904,000</b> | <b>\$ 52,470,000</b> | <b>(39.6%)</b>    |

## Internal Service Funds

These funds provide a mechanism by which specific operations can be accounted for and charged to departments on a cost of service basis.

The **Risk Management Fund (230)** includes all expenditures for the City's self-supporting workers' compensation and property/liability insurance programs. The fund also includes the insurance premiums for other types of insurance coverage. The primary sources of revenue are the General Fund and Utility Fund.

The **Health/Dental Trust Fund (240)** includes all expenditures to provide self-supporting health insurance and dental insurance programs for City employees and retirees. The sources of revenue in this fund include contributions from the City, contributions from employees, and contributions from retirees.

The **Governmental Equipment Fund (251)** and **Enterprise Equipment Funds (252-253)** were established to reduce spikes in annual operating budgets due to equipment purchase and to finance these items in the most beneficial way for the City. Costs for the acquisition of equipment and vehicles costing over \$10,000 are budgeted in these funds. The sources of revenue to balance the funds are the sum of departmental equipment use charge accounts.

The **Vehicle Fleet Services Fund (260)** was established to provide a mechanism by which the City's Vehicle Fleet Services operation could be reflected in the budget on a full cost basis. Employee salaries and associated operating and equipment costs are budgeted in this fund. The source of revenue to balance the fund is the sum of departmental maintenance and operation (M&O) accounts.

# Internal Service Funds

|   | ADOPTED             | PROPOSED             | CHANGE         |
|---|---------------------|----------------------|----------------|
|   | 2015-16             | 2016-17              | FY16 To 17     |
| <b>RISK MANAGEMENT FUND (230)</b>           | \$10,164,703        | \$14,779,816         | 45.4%          |
| <i>Less Appropriation to Other Funds</i>    | (988,048)           | (5,819,747)          |                |
| <b>NET RISK MANAGEMENT FUND</b>             | <b>\$9,176,655</b>  | <b>\$8,960,069</b>   | <b>(2.4%)</b>  |
| <br>  |                     |                      |                |
| <b>HEALTH/DENTAL TRUST FUND (240)</b>       | \$38,210,000        | \$44,616,000         | 16.8%          |
| <i>Less Appropriation to Other Funds</i>    | 0                   | 0                    |                |
| <b>NET HEALTH/DENTAL TRUST FUND</b>         | <b>\$38,210,000</b> | <b>\$44,616,000</b>  | <b>16.8%</b>   |
| <br>  |                     |                      |                |
| <b>GOVERNMENTAL EQUIPMENT FUND (251)</b>    | \$13,449,897        | \$26,441,077         | 96.6%          |
| <i>Less Appropriation to Other Funds</i>    | 0                   | 0                    |                |
| <b>NET GOVERNMENTAL EQUIPMENT FUND</b>      | <b>\$13,449,897</b> | <b>\$26,441,077</b>  | <b>96.6%</b>   |
| <br>  |                     |                      |                |
| <b>ENTERPRISE EQUIPMENT FUNDS (252-253)</b> | \$17,767,588        | \$15,093,606         | (15.0%)        |
| <i>Less Appropriation to Other Funds</i>    | 0                   | 0                    |                |
| <b>NET ENTERPRISE EQUIPMENT FUNDS</b>       | <b>\$17,767,588</b> | <b>\$15,093,606</b>  | <b>(15.0%)</b> |
| <br>  |                     |                      |                |
| <b>VEHICLE FLEET SERVICES FUND (260)</b>    | \$17,628,612        | \$17,899,191         | 1.5%           |
| <i>Less Appropriation to Other Funds</i>    | (87,728)            | (100,085)            |                |
| <b>NET VEHICLE FLEET SERVICES FUND</b>      | <b>\$17,540,884</b> | <b>\$17,799,106</b>  | <b>1.5%</b>    |
| <br>  |                     |                      |                |
| <b>TOTAL INTERNAL SERVICE FUNDS</b>         | <b>\$97,220,800</b> | <b>\$111,975,254</b> | <b>15.2%</b>   |
| <i>Less Appropriation to Other Funds</i>    | (1,075,776)         | (5,919,832)          |                |
| <b>NET INTERNAL SERVICE FUNDS</b>           | <b>\$96,145,024</b> | <b>\$106,055,422</b> | <b>10.3%</b>   |

# General Fund

## Appropriations by Division

|   | ADOPTED<br>2014-15  | ADOPTED<br>2015-16  | PROPOSED<br>2016-17 | CHANGE<br>FY16 To FY17 |
|---|---------------------|---------------------|---------------------|------------------------|
| <b>General Government</b>                   |                     |                     |                     |                        |
| City Council                                | 282,485             | 314,691             | 407,633             | 29.5%                  |
| City Clerk                                  | 534,399             | 545,785             | 626,825             | 14.8%                  |
| City Attorney                               | 2,987,075           | 3,261,909           | 3,440,202           | 5.5%                   |
| Special Appropriations                      | 42,158,547          | 42,467,839          | 43,671,497          | 2.8%                   |
| City Manager                                | 2,299,371           | 2,375,382           | 2,317,684           | (2.4%)                 |
| Internal Audit Office                       | 516,904             | 524,314             | 528,871             | 0.9%                   |
| Office of Economic Development & Innovation | 618,238             | 631,340             | 627,576             | (0.6%)                 |
| Office of Sustainability                    | 658,422             | 595,981             | 575,221             | (3.5%)                 |
| Office of Emergency Mgmt. & Special Events  | 219,455             | 296,725             | 384,109             | 29.4%                  |
| Communications                              | 1,181,128           | 1,303,291           | 2,029,404           | 55.7%                  |
| Raleigh TV Network                          | 683,717             | 694,549             | 857,652             | 23.5%                  |
| <b>Subtotal, General Government</b>         | <b>\$52,139,742</b> | <b>\$53,011,806</b> | <b>\$55,466,674</b> | <b>4.6%</b>            |
| <b>Budget &amp; Management Services</b>     | <b>\$1,850,984</b>  | <b>\$1,386,653</b>  | <b>\$1,526,227</b>  | <b>10.1%</b>           |
| <b>Human Resources</b>                      | <b>\$3,783,768</b>  | <b>\$4,233,203</b>  | <b>\$4,680,831</b>  | <b>10.6%</b>           |
| <b>Finance</b>                              |                     |                     |                     |                        |
| Administration                              | 521,805             | 531,164             | 639,558             | 20.4%                  |
| Treasury                                    | 669,719             | 553,138             | 530,419             | (4.1%)                 |
| Revenue                                     | 1,316,355           | 1,268,996           | 1,293,086           | 1.9%                   |
| Purchasing                                  | 575,523             | 702,049             | 1,028,535           | 46.5%                  |
| Accounting and Financial Reporting          | 1,863,405           | 2,021,234           | 1,979,430           | (2.1%)                 |
| Payroll                                     | 482,120             | 497,028             | 505,402             | 1.7%                   |
| <b>Subtotal, Finance</b>                    | <b>\$5,428,928</b>  | <b>\$5,573,610</b>  | <b>\$5,976,429</b>  | <b>7.2%</b>            |
| <b>Information Technology</b>               |                     |                     |                     |                        |
| IT Administration                           | 1,149,042           | 1,471,936           | 1,594,460           | 8.3%                   |
| IT Strategy and Planning                    | 2,360,272           | 3,172,257           | 3,041,533           | (4.1%)                 |
| Enterprise Infrastructure Management        | 7,204,702           | 6,503,672           | 7,014,676           | 7.9%                   |
| Enterprise Bus. Application Support         | 4,523,240           | 4,930,869           | 6,079,860           | 23.3%                  |
| Customer Relationship Management            | 2,045,734           | 1,607,450           | 1,678,497           | 4.4%                   |
| <b>Subtotal, Information Technology</b>     | <b>\$17,282,990</b> | <b>\$17,686,183</b> | <b>\$19,409,025</b> | <b>9.7%</b>            |
| <b>Public Works<sup>(1)</sup></b>           |                     |                     |                     |                        |
| Public Works                                | 14,383,483          | 14,622,623          | 0                   |                        |
| Construction Management                     | 1,323,933           | 1,420,974           | 0                   |                        |
| Stormwater Maintenance                      | 2,980,897           | 3,089,160           | 0                   |                        |
| Street Maintenance                          | 10,638,026          | 11,077,223          | 0                   |                        |
| Safelight                                   | 778,248             | 742,622             | 0                   |                        |
| <b>Subtotal, Public Works</b>               | <b>\$30,104,587</b> | <b>\$30,952,602</b> | <b>\$0</b>          |                        |

# General Fund

## Appropriations by Division

|  | ADOPTED<br>2014-15  | ADOPTED<br>2015-16  | PROPOSED<br>2016-17 | CHANGE<br>FY16 To FY17 |
|--|---------------------|---------------------|---------------------|------------------------|
| <b>Transportation<sup>(1)</sup></b>          |                     |                     |                     |                        |
| Transportation Services                      | 0                   | 0                   | 24,678,421          |                        |
| Stormwater Street Maint                      | 0                   | 0                   | 4,514,830           |                        |
| Safelight                                    | 0                   | 0                   | 899,129             |                        |
| CAMPO  | 0                   | 0                   | 209,721             |                        |
| <b>Subtotal, Transportation</b>              | <b>\$0</b>          | <b>\$0</b>          | <b>\$30,302,100</b> |                        |
| <b>Engineering Services<sup>(1)</sup></b>    |                     |                     |                     |                        |
| Engineering Services                         | 0                   | 0                   | 4,272,270           |                        |
| Construction Mgmt-Eng Svcs                   | 0                   | 0                   | 1,387,068           |                        |
| Design Development-Eng Svcs                  | 0                   | 0                   | 99,144              |                        |
| Facilities Maint-Eng Svcs                    | 0                   | 0                   | 9,032,875           |                        |
| Park Facility Maintenance                    | 0                   | 0                   | 2,823,331           |                        |
| <b>Subtotal, Engineering Services</b>        | <b>\$0</b>          | <b>\$0</b>          | <b>\$17,614,688</b> |                        |
| <b>City Planning<sup>(1)</sup></b>           | <b>\$5,521,777</b>  | <b>\$5,704,988</b>  | <b>\$4,743,802</b>  | <b>(16.8%)</b>         |
| <b>Development Services<sup>(2)</sup></b>    | <b>\$8,551,656</b>  | <b>\$10,224,555</b> | <b>\$13,325,411</b> | <b>30.3%</b>           |
| <b>Housing &amp; Neighborhoods</b>           |                     |                     |                     |                        |
| Community Services                           | 1,874,722           | 1,931,873           | 1,984,741           | 2.7%                   |
| Housing & Neighborhood Admin.                | 0                   | 224,457             | 512,753             | 128.4%                 |
| Housing & Neighborhood Preservation          | 2,549,587           | 2,653,948           | 2,747,138           | 3.5%                   |
| <b>Subtotal, Housing &amp; Neighborhoods</b> | <b>\$4,424,310</b>  | <b>\$4,810,277</b>  | <b>\$5,244,632</b>  | <b>9.0%</b>            |
| <b>Police</b>                                |                     |                     |                     |                        |
| Administration                               | 19,966,431          | 18,898,851          | 20,210,382          | 6.9%                   |
| Police Chief's Office                        | 2,728,042           | 2,774,497           | 2,841,721           | 2.4%                   |
| Special Operations                           | 9,206,925           | 9,297,788           | 9,540,848           | 2.6%                   |
| Field Operations                             | 42,412,000          | 43,461,396          | 44,138,645          | 1.6%                   |
| Detective Operations                         | 18,921,556          | 19,153,427          | 19,846,493          | 3.6%                   |
| <b>Subtotal, Police</b>                      | <b>\$93,234,954</b> | <b>\$93,585,958</b> | <b>\$96,578,089</b> | <b>3.2%</b>            |
| <b>Fire</b>                                  |                     |                     |                     |                        |
| Administration                               | 2,556,740           | 2,593,947           | 2,667,523           | 2.8%                   |
| Fire Prevention                              | 3,298,680           | 3,571,999           | 3,707,473           | 3.8%                   |
| Fire Operations                              | 42,100,059          | 43,092,456          | 43,968,177          | 2.0%                   |
| Support Services                             | 4,532,715           | 4,712,201           | 4,943,169           | 4.9%                   |
| Hazmat Operations                            | 84,292              | 84,000              | 89,000              | 6.0%                   |
| Training                                     | 1,317,856           | 1,415,001           | 1,550,960           | 9.6%                   |
| <b>Subtotal, Fire</b>                        | <b>\$53,890,343</b> | <b>\$55,469,604</b> | <b>\$56,926,303</b> | <b>2.6%</b>            |
| <b>Emergency Communications</b>              | <b>\$7,962,570</b>  | <b>\$8,121,732</b>  | <b>\$8,952,091</b>  | <b>10.2%</b>           |

# General Fund

## Appropriations by Division

|  | ADOPTED<br>2014-15   | ADOPTED<br>2015-16   | PROPOSED<br>2016-17  | CHANGE<br>FY16 To FY17 |
|--|----------------------|----------------------|----------------------|------------------------|
| <b><i>Parks, Recreation &amp; Cultural Resources</i><sup>(1)</sup></b> |                      |                      |                      |                        |
| Administration   | 2,644,721            | 2,385,690            | 2,337,387            | (2.0%)                 |
| Parks  | 8,469,397            | 9,073,667            | 11,242,008           | 23.9%                  |
| Highway Maintenance  | 1,907,500            | 1,956,859            | 0                    | (100.0%)               |
| Cemeteries   | 285,820              | 264,204              | 276,357              | 4.6%                   |
| Urban Trees  | 1,423,598            | 1,456,209            | 1,705,425            | 17.1%                  |
| Greenway   | 1,839,173            | 1,934,937            | 2,128,553            | 10.0%                  |
| Recreation   | 13,320,340           | 14,278,216           | 16,474,516           | 15.4%                  |
| P&R Schools Based Programs   | 1,528,300            | 1,539,463            | 1,824,109            | 18.5%                  |
| Resources  | 5,111,465            | 5,355,749            | 6,369,838            | 18.9%                  |
| Design & Development   | 2,860,992            | 2,920,611            | 2,629,494            | (10.0%)                |
| Park Facility Maintenance  | 5,808,073            | 5,958,503            | 0                    | (100.0%)               |
| Building Maintenance   | 5,511,785            | 7,339,771            | 0                    | (100.0%)               |
| <b>Subtotal, Parks &amp; Recreation</b>                                | <b>\$50,711,165</b>  | <b>\$54,463,879</b>  | <b>\$44,987,687</b>  | <b>(17.4%)</b>         |
| <b><i>General Fund Special Programs</i></b>                            |                      |                      |                      |                        |
| Agency Appropriations  | 3,859,737            | 4,107,863            | 4,148,085            | 1.0%                   |
| Public Transit & GoRaleigh   | 18,570,271           | 18,574,238           | 18,870,602           | 1.6%                   |
| Solid Waste Services Appropriation                                     | 11,628,083           | 9,890,508            | 7,616,835            | (23.0%)                |
| Housing Appropriations   | 1,197,533            | 979,363              | 6,965,157            | 611.2%                 |
| Capital Debt Service Appropriation                                     | 46,562,000           | 56,149,950           | 62,570,595           | 11.4%                  |
| <b>Subtotal, Special Programs</b>                                      | <b>\$81,817,624</b>  | <b>\$89,701,922</b>  | <b>\$100,171,274</b> | <b>11.7%</b>           |
| <b>TOTAL GENERAL FUND</b>  | <b>\$416,705,398</b> | <b>\$434,926,973</b> | <b>\$465,905,263</b> | <b>7.1%</b>            |
| <i>Less Approp to Other Funds</i>                                      | (103,283,428)        | (112,761,353)        | (124,451,544)        |                        |
| <b>NET GENERAL FUND</b>  | <b>\$313,421,970</b> | <b>\$322,165,620</b> | <b>\$341,453,719</b> | <b>6.0%</b>            |

1. The FY17 budget fully implements the reorganization of the former Public Works Department. Two new departments, Engineering Services and Transportation, are created, and portions of City Planning and Parks, Recreation, and Cultural Resources are reallocated to the new departments.
2. As part of the reorganization, the Development Engineering Services program is transferred from the former Public Works Department to the Development Services Department.

# General Fund

## Appropriations by Type

|  | ADOPTED<br>2015-16    | % OF<br>TOTAL | PROPOSED<br>2016-17  | % OF<br>TOTAL | CHANGE<br>FY16 To FY17 |
|--|-----------------------|---------------|----------------------|---------------|------------------------|
| Salaries & Related Services <sup>(1)</sup> | 237,530,898           | 54.6%         | 249,442,923          | 53.6%         | 5.0%                   |
| Operating Expenditures                     | 78,629,916            | 18.1%         | 85,764,084           | 18.4%         | 9.1%                   |
| Capital Equipment <sup>(2)</sup>           | 1,697,533             | 0.4%          | 2,024,216            | 0.4%          | 19.2%                  |
| Appropriations to Other Operating Funds    | 32,651,455            | 7.5%          | 36,569,966           | 7.8%          | 12.0%                  |
| Appropriations to Capital Debt Service     | 56,149,950            | 12.9%         | 62,570,595           | 13.4%         | 11.4%                  |
| Appropriations to Capital Programs         | 24,084,948            | 5.5%          | 25,310,983           | 5.4%          | 5.1%                   |
| Appropriations to External Organizations   | 4,182,273             | 1.0%          | 4,222,495            | 0.9%          | 1.0%                   |
| <b>TOTAL</b>                               | <b>\$ 434,926,973</b> |               | <b>\$465,905,263</b> |               | <b>7.1%</b>            |

1. Salaries and Related Services includes the salary cost for all full-time, part-time, temporary and seasonal employees, the cost of employee benefits including social security, retirement, health and dental insurance, and all costs associated with administering employee benefit programs.

2. The capital equipment category includes items costing more than \$1,000, with lower cost equipment items included in the operating expenditures category.

## Fund Balance

The unassigned General Fund balance of the City was \$83,397,574 on June 30, 2015, which is 17.9 percent of the FY16 general fund budget. At this point in the fiscal year, the estimated unassigned General Fund balance as of June 30, 2016 is projected to be near the \$68.0 million level. The City seeks a fund balance level of approximately 14% of the subsequent year's budget to assure necessary resources to meet unanticipated emergencies, provide adequate cash flow and provide the needed measure of financial position to best assure maintenance of the AAA/Aaa credit ratings for the City.

The proposed budget for FY17 includes the appropriation of \$13.9 million of General Fund fund balance expected from FY16 operations. Appropriations of this amount, which is consistent with prior years, should still allow the June 30, 2016 unassigned fund balance to be maintained at an approximate level of 14 percent of the FY16 budget.

The following chart reports the amount of appropriated fund balance and unassigned fund balance amounts for the previous five years. Generally, the actual annual operating revenues themselves have been sufficient to meet the level of operating expenditures, thus allowing the continuing fund balance appropriations

| Fiscal Year | Appropriated General Fund Balance <sup>(1)</sup> | % of General Fund <sup>(1)</sup> | Actual Unassigned General Fund Balance | % of Subsequent Years General Fund Budget |
|-------------|--|----------------------------------|--|---|
| 2008-09     | \$13,000,000                                     | 4%                               | \$61,492,519                           | 15%                                       |
| 2009-10     | \$13,000,000                                     | 4%                               | \$59,929,840                           | 15%                                       |
| 2010-11     | \$13,846,859                                     | 4%                               | \$58,175,900                           | 14%                                       |
| 2011-12     | \$13,000,000                                     | 4%                               | \$62,813,434                           | 15%                                       |
| 2012-13     | \$13,000,000                                     | 3%                               | \$67,990,448                           | 16%                                       |
| 2013-14     | \$13,403,396                                     | 3%                               | \$73,079,992                           | 17%                                       |
| 2014-15     | \$13,000,000                                     | 3%                               | \$83,397,574                           | 18%                                       |
| 2015-16     | \$13,000,000                                     | 3%                               | \$68,027,104 <sup>(2)</sup>            | 14%                                       |
| 2016-17     | \$13,929,000                                     | 3%                               |  |   |

1. Operating General Fund only — does not include debt service fund or other funds consolidated for financial statement purposes.
2. Projected.

# Position Summary

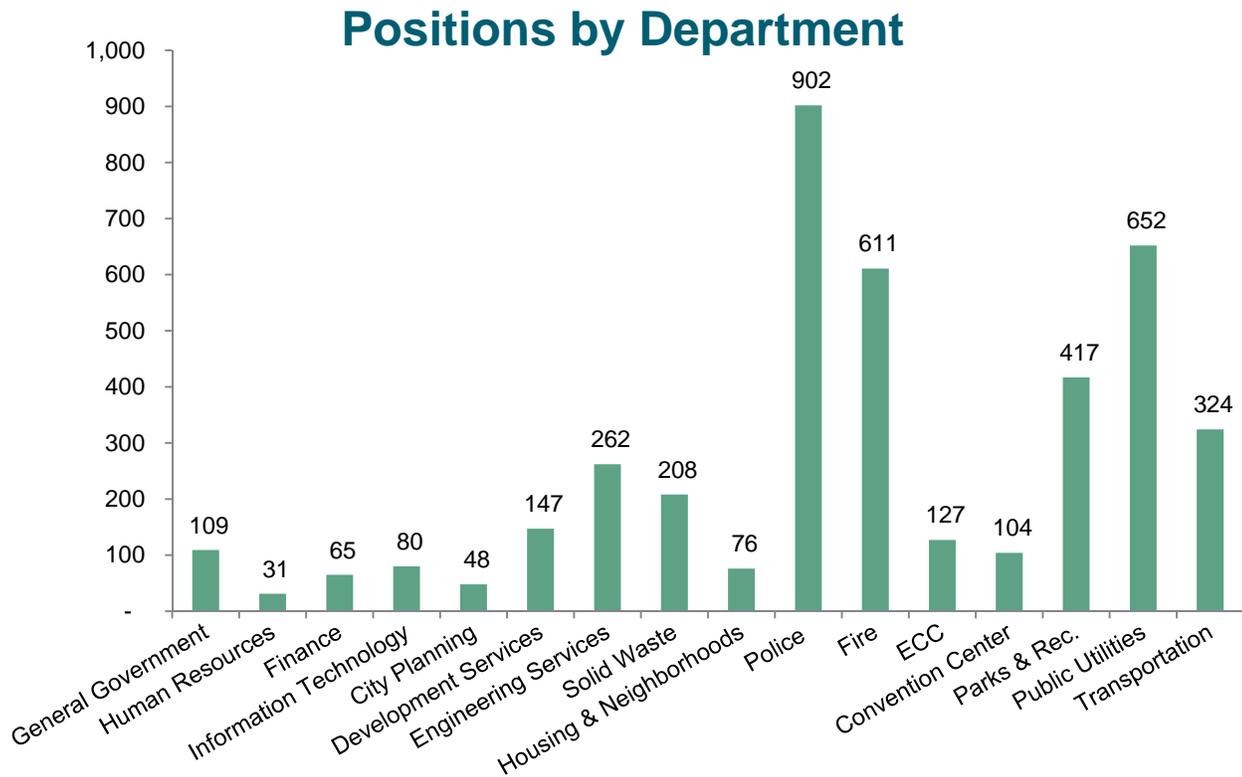
|  | Adopted<br>July 1, 2014 |              | Adopted<br>July 1, 2015 |              | Proposed<br>May 17, 2016 |              |
|--|-------------------------|--------------|-------------------------|--------------|--------------------------|--------------|
|  | General                 | Other        | General                 | Other        | General                  | Other        |
|  | Fund                    | Funds        | Fund                    | Funds        | Fund                     | Funds        |
| <b>General Government</b>                              |                         |              |                         |              |                          |              |
| City Council   | 8                       | -            | 8                       | -            | 8                        | -            |
| City Clerk   | 5                       | -            | 5                       | -            | 6                        | -            |
| City Attorney  | 21                      | -            | 22                      | -            | 22                       | -            |
| City Manager   | 15                      | -            | 16                      | -            | 15                       | -            |
| Internal Audit Office                                  | 4                       | -            | 4                       | -            | 4                        | -            |
| Office of Economic Dev and Innovation                  | 6                       | -            | 6                       | -            | 6                        | -            |
| Office of Emerg Mgmt & Spec Events                     | 3                       | -            | 4                       | -            | 5                        | -            |
| Office of Sustainability                               | 5                       | -            | 4                       | -            | 4                        | -            |
| Communications   | 20                      | -            | 22                      | -            | 27                       | -            |
| Human Resources  | 30                      | -            | 30                      | -            | 31                       | -            |
| Budget & Mgmt Services <sup>1</sup>                    | 18                      | -            | 12                      | -            | 12                       | -            |
| Finance  | 56                      | 5            | 55                      | 6            | 59                       | 6            |
| Information Technology                                 | 78                      | -            | 81                      | -            | 80                       | -            |
| <b>Infrastructure and Public Services</b>              |                         |              |                         |              |                          |              |
| Public Works <sup>2</sup>                              | 251                     | 179          | 257                     | 188          | -                        | -            |
| Engineering Services <sup>2</sup>                      | -                       | -            | -                       | -            | 130                      | 133          |
| Transportation <sup>2</sup>                            | -                       | -            | -                       | -            | 253                      | 71           |
| Planning & Development                                 | 156                     | 13           | -                       | -            | -                        | -            |
| City Planning <sup>1,2</sup>                           | -                       | -            | 57                      | 13           | 48                       | -            |
| Development Services <sup>1</sup>                      | -                       | -            | 121                     | -            | 147                      | -            |
| Solid Waste Services                                   | -                       | 202          | -                       | 204          | -                        | 208          |
| Housing and Neighborhoods                              | 47                      | 26           | 51                      | 22           | 54                       | 22           |
| <b>Public Safety</b>                                   |                         |              |                         |              |                          |              |
| Police   | 885                     | 5            | 893                     | 5            | 896                      | 6            |
| Fire   | 607                     | -            | 609                     | -            | 611                      | -            |
| Emergency Communications                               | 108                     | 7            | 108                     | 7            | 120                      | 7            |
| <b>Leisure Services</b>                                |                         |              |                         |              |                          |              |
| Convention Center/PAC                                  | -                       | 104          | -                       | 104          | -                        | 104          |
| Parks, Recreation, and Cultural Resources <sup>2</sup> | 472                     | -            | 495                     | -            | 417                      | -            |
| <b>Public Utilities</b>                                |                         |              |                         |              |                          |              |
| Public Utilities                                       | -                       | 632          | -                       | 640          | -                        | 652          |
| <b>Total</b>   | <b>2,795</b>            | <b>1,173</b> | <b>2,860</b>            | <b>1,189</b> | <b>2,955</b>             | <b>1,209</b> |

1 The FY16 budget split the Planning and Development Department into Planning and Development Services.

Real Estate Services also moved from Budget and Management Services to Planning.

2 The FY17 eliminates the Public Works Department and creates the Engineering Department and the Transportation Services Department. Staff from the previous Public Works Department and the City Planning and Parks, Recreation, and Cultural Resources Departments moved to the newly created departments.

# Position Summary



# Position Summary

| Department           | Change         | Position Title                                | Action                                       |
|----------------------|----------------|---|--|
| City Clerk           | 1              | Senior Staff Support Specialist               | From Information Technology                  |
| City Manager         | 1              | Management Fellow                             | FY17 Addition                                |
|                      | -1             | PS CoE Manager                                | To Information Technology                    |
|                      | -1             | Training and Development Mgr                  | To Information Technology                    |
| City Planning        | 2              | Planner II                                    | FY17 Addition                                |
|                      | -7             | Transportation Planning                       | To Transportation Services                   |
|                      | -13            | CAMPO   | To Transportation Services                   |
|                      | -1             | Web Content Manager                           | To Communications                            |
|                      | -1             | Senior Communications Specialist              | To Communications                            |
|                      | -1             | Communication Administrator                   | To Communications                            |
|                      | -1             | Development Svcs Technician I                 | To Development Services                      |
|                      | -2             | Zoning Inspector                              | To Development Services                      |
|                      | 2              | Zoning Inspector                              | Mid-Year Addition                            |
|                      | Communications | 1   | Graphic Designer                             |
| 1                    |                | RTN Studio Engineer                           | FY17 Addition                                |
| 1                    |                | Web Content Manager                           | From City Planning                           |
| 1                    |                | Senior Communications Specialist              | From City Planning                           |
| 1                    |                | Communication Administrator                   | From City Planning                           |
| Development Services | 1              | Project Engineer I                            | FY17 Addition                                |
|                      | 1              | Planner II                                    | FY17 Addition                                |
|                      | 1              | Zoning Inspector                              | FY17 Addition                                |
|                      | 1              | Development Services Project Coordinator      | FY17 Addition                                |
|                      | 2              | Senior Multi-Trade Code Enforcement Inspector | FY17 Addition                                |
|                      | 20             | Development Engineering                       | From Public Works                            |
|                      | 1              | Development Services Technician               | From Planning                                |
|                      | 2              | Zoning Inspector                              | From Planning                                |
|                      | -3             | Conservation Forester                         | To Parks, Recreation, and Cultural Resources |

# Position Summary

| Department                         | Change | Position Title                               | Action   |
|------------------------------------|--------|--|--|
| Emergency Communications           | 10     | Call Taker I                                 | FY17 Addition                                  |
|                                    | 2      | Telecommunications Supervisor                | FY17 Addition                                  |
| Engineering Services               | 2      | Maintenance Mechanic III                     | FY17 Addition                                  |
|                                    | 1      | Project Engineer II                          | FY17 Addition                                  |
|                                    | 1      | Facility Operations Manager                  | FY17 Addition                                  |
|                                    | 56     | General Fund Employees                       | From Public Works                              |
|                                    | 133    | VFS/Stormwater                               | From Public Works                              |
| Finance                            | 70     | General Fund Employees                       | From Parks, Recreation, and Cultural Resources |
|                                    | 2      | Procurement Specialist                       | FY17 Addition                                  |
|                                    | 1      | Procurement Contracts Administrator          | FY17 Addition                                  |
|                                    | 1      | Procurement Officer                          | FY17 Addition                                  |
| Fire                               | 1      | Deputy Fire Marshal                          | FY17 Addition                                  |
|                                    | 1      | Senior Staff Support Specialist              | FY17 Addition                                  |
| Housing and Neighborhoods          | 1      | Sr Business Assistance Program Manager       | FY17 Addition                                  |
|                                    | 1      | Assistant Housing and Neighborhoods Director | From Office of Economic Development            |
|                                    | 1      | Business Assistance Program Specialist       | From Office of Economic Development            |
| Human Resources                    | 1      | Compliance Manager                           | FY17 Addition                                  |
| Information Technology             | 1      | GIS Specialist                               | FY17 Addition                                  |
|                                    | -1     | Senior Staff Support Specialist              | To City Clerk                                  |
|                                    | 1      | PS CoE Manager                               | From City Manager                              |
|                                    | 1      | Training and Development Mgr                 | From City Manager                              |
|                                    | -1     | Recreation Program Manager                   | To Parks, Recreation, and Cultural Resources   |
|                                    | -1     | Recreation Program Director                  | To Parks, Recreation, and Cultural Resources   |
|                                    | -1     | Admin Support Speciliast                     | To Parks, Recreation, and Cultural Resources   |
| Office of Economic Development     | 1      | Staff Analyst                                | FY17 Addition                                  |
|                                    | 1      | Business Assistance Program Specialist       | FY17 Addition                                  |
|                                    | -1     | Sr Business Assistance Program Manager       | To Housing and Neighborhoods                   |
|                                    | -1     | Business Assistance Program Specialist       | To Housing and Neighborhoods                   |
| Office of Emerg Mgmt & Spec Events | 1      | Emergency Management Planner                 | FY17 Addition                                  |

# Position Summary

| Department                                | Change | Position Title                 | Action                      |
|---|--------|--------------------------------|-----------------------------|
| Parks, Recreation, and Cultural Resources | 1      | Service Specialist             | FY17 Addition               |
|   | 2      | Gardner                        | FY17 Addition               |
|   | 1      | Equipment Operator I           | FY17 Addition               |
|   | 1      | Maintenance Worker I           | FY17 Addition               |
|   | 2      | Rec Facilities & Prog Sup III  | FY17 Addition               |
|   | 4      | Rec Facilities & Prog Sup II   | FY17 Addition               |
|   | 1      | Curator                        | FY17 Addition               |
|   | 1      | Customer Service Specialist    | FY17 Addition               |
|   | 1      | Planning Technician            | FY17 Addition               |
|   | 1      | Maintenance Worker III         | FY17 Addition               |
|   | -33    | General Fund Employees         | To Transportation Services  |
|   | -70    | General Fund Employees         | To Engineering              |
|   | 1      | Community Education Specialist | From Information Technology |
|   | 1      | Recreation Program Manager     | From Information Technology |
|   | 1      | Recreation Program Director    | From Information Technology |
|   | 3      | Conservation Forester          | From Development Services   |
|   | 1      | Gardner                        | Mid-Year Addition           |
|   | 1      | Senior Service Specialist      | Mid-Year Addition           |
|   | 1      | Equipment Operator I           | Mid-Year Addition           |
|   | 1      | Service Specialist             | Mid-Year Addition           |
| Police                                    | 2      | Computer Systems Specialist    | FY17 Addition               |
|   | 1      | Police Officer                 | FY17 Addition               |
|   | 1      | Staff Assistant                | Mid-Year Addition           |

# Position Summary

| Department           | Change                  | Position Title                | Action   |
|----------------------|-------------------------|-------------------------------|--|
| Public Utilities     | 2                       | Inventory Supervisor          | FY17 Addition                                  |
|                      | 2                       | Service Specialist            | FY17 Addition                                  |
|                      | 3                       | Utilities Technician          | FY17 Addition                                  |
|                      | 1                       | Scale Operator                | From Solid Waste                               |
|                      | 4                       | Customer Services Specialist  | Mid-Year Addition                              |
| Public Works         | -56                     | General Fund Employees        | To Engineering                                 |
|                      | -181                    | General Fund Employees        | To Transportation Services                     |
|                      | -20                     | General Fund Employees        | To Development Services                        |
|                      | -133                    | Enterprise Fund Employees     | To Engineering                                 |
|                      | -55                     | Enterprise Fund Employees     | To Transportation Services                     |
| Solid Waste Services | 5                       | Equipment Operator III        | FY17 Addition                                  |
|                      | -1                      | Scale Operator                | To Public Utilities                            |
| Transportation       | 12                      | Stormwater Street Crews       | FY17 Addition                                  |
|                      | 1                       | Union Station Manager         | FY17 Addition                                  |
|                      | 1                       | Engineering Inspections Coord | FY17 Addition                                  |
|                      | 16                      | Downtown Cleanliness          | FY17 Addition                                  |
|                      | 1                       | Bike Share Coordinator        | FY17 Addition                                  |
|                      | 1                       | Customer Services Specialist  | FY17 Addition                                  |
|                      | 1                       | Construction Projects Coord   | FY17 Addition                                  |
|                      | 1                       | Transportation Analyst        | FY17 Addition                                  |
|                      | 181                     | General Fund Employees        | From Public Works                              |
|                      | 55                      | Enterprise Fund Employees     | From Public Works                              |
|                      | 33                      | General Fund Employees        | From Parks, Recreation, and Cultural Resources |
|                      | 7                       | Transportation Planning       | From City Planning                             |
| 13                   | CAMPO                   | From City Planning            |  |
| 1                    | Transportation Director | Mid-Year Addition             |  |

| Position Changes FY16 through FY17 |     |
|------------------------------------|-----|
| Mid-Year Additions                 | 12  |
| Mid-Year Eliminations              | 0   |
| Proposed FY17 Additions            | 103 |
| Proposed FY17 Reallocations        | 0   |
| Proposed FY16 Deletions            | 0   |
| Net Total                          | 115 |

| FY17 Budget Position Changes  |    |
|-------------------------------|----|
| Additions General Fund        | 88 |
| Reallocations in General Fund | 0  |
| Transfers to General Fund     | 0  |
| Deletions General Fund        | 0  |
| Additions Other Funds         | 15 |
| Transfers to Other Funds      | 0  |

# Position Classification Changes

The FY 2016-17 Budget includes the following pay grade and/or title reclassifications.

## Individual Changes

*(Classifications in which not every employee within the class may be affected by the change. If more than one is affected by the change, the number affected appears in parentheses)*

| <b>Current</b>                      |              | <b>Proposed</b>                  |              |
|-------------------------------------|--------------|----------------------------------|--------------|
| <b>Position</b>                     | <b>Grade</b> | <b>Position</b>                  | <b>Grade</b> |
| <i>Communications</i>               |              |                                  |              |
| Senior Graphic Designer             | 33           | Communications Specialist        | 34           |
| Web Content Manager                 | 36           | Communications Administrator     | 38           |
| Senior Communications Specialist    | 36           | Communications Administrator     | 38           |
| <i>Convention Center/PAC</i>        |              |                                  |              |
| Maintenance Worker I                | 25           | RCCC Production Assistant        | 30           |
| <i>Development Services</i>         |              |                                  |              |
| DS Customer Services Center Manager | 38           | Development Review Manager       | 40           |
| <i>Housing and Neighborhoods</i>    |              |                                  |              |
| Community Services Director         | 45           | Community Services Administrator | 40           |
| <i>Public Utilities</i>             |              |                                  |              |
| Senior Service Specialist (8)       | 26           | Sewer Monitoring Technician (8)  | 27           |

# Revenue Summary

|   | ADOPTED                | PROPOSED               | CHANGE              |
|---|------------------------|------------------------|---------------------|
| <b>GENERAL FUNDS</b>                      | <b>2015-16</b>         | <b>2016-17</b>         | <b>FY16 To FY17</b> |
| General Fund                              | 434,926,973            | 465,905,263            | 7.1%                |
| Economic Development Fund                 | 1,786,944              | 1,546,792              | (13.4%)             |
| Revolving Fund                            | 8,948,458              | 9,309,142              | 4.0%                |
| General Debt Service Fund                 | 76,486,722             | 72,988,324             | (4.6%)              |
| Walnut Creek Amph Operating Fund          | 1,194,625              | 1,197,600              | 0.2%                |
| Housing Development Funds                 | 1,343,630              | 7,287,557              | 442.4%              |
| <b>SUBTOTAL</b>                           | <b>\$524,687,352</b>   | <b>\$558,234,678</b>   | <b>6.4%</b>         |
| <b>SPECIAL REVENUE FUNDS</b>              |                        |                        |                     |
| Emergency Telephone System Fund           | 3,280,636              | 3,019,732              | (8.0%)              |
| Convention Center Financing Fund          | 24,941,936             | 29,403,072             | 17.9%               |
| Housing Bond Reserve Funds                | 2,048,000              | 2,500,000              | 22.1%               |
| Community Development Funds               | 5,909,056              | 6,317,076              | 6.9%                |
| Grants Fund                               | 1,617,995              | 2,016,332              | 24.6%               |
| CAMPO Fund                                | 2,981,488              | 3,041,488              | 2.0%                |
| Disaster Recovery Fund                    | 0                      | 500,000                |                     |
| <b>SUBTOTAL</b>                           | <b>\$40,779,111</b>    | <b>\$46,797,700</b>    | <b>14.8%</b>        |
| <b>GENERAL CAPITAL PROJECT FUNDS</b>      |                        |                        |                     |
| Technology Fund                           | 11,461,000             | 6,544,000              | (42.9%)             |
| Capital Projects Fund                     | 4,100,000              | 5,705,000              | 39.1%               |
| Sidewalk Fund                             | 425,000                | 661,000                | 55.5%               |
| Street Improvement Fund                   | 17,032,000             | 16,096,000             | (5.5%)              |
| Street Facility Fees Fund                 | 8,951,100              | 7,539,796              | (15.8%)             |
| Park Facility Fees Fund                   | 4,051,000              | 2,647,300              | (34.7%)             |
| Park Improvement Fund                     | 5,925,000              | 5,050,000              | (14.8%)             |
| Walnut Creek Amph Fund                    | 200,000                | 200,000                | 0.0%                |
| <b>SUBTOTAL</b>                           | <b>\$52,145,100</b>    | <b>\$44,443,096</b>    | <b>(14.8%)</b>      |
| <b>ENTERPRISE OPERATING FUNDS</b>         |                        |                        |                     |
| Public Utilities Fund                     | 237,995,866            | 234,042,515            | (1.7%)              |
| Utility Infrastructure Funds              | 12,255,000             | 16,660,000             | 35.9%               |
| Watershed Protection Fee Fund             | 2,250,000              | 2,250,000              | 0.0%                |
| Utility Debt Service Fund                 | 58,179,115             | 59,500,000             | 2.3%                |
| Solid Waste Services Operating Fund       | 36,075,176             | 34,853,977             | (3.4%)              |
| Solid Waste Debt Service Fund             | 2,038,000              | 2,007,006              | (1.5%)              |
| Public Transit Fund                       | 29,264,324             | 30,103,162             | 2.9%                |
| Parking Facilities Operating Fund         | 17,849,615             | 16,167,197             | (9.4%)              |
| Parking Debt Service Fund                 | 7,025,000              | 7,155,000              | 1.9%                |
| Stormwater Utility Fund                   | 17,748,688             | 23,715,171             | 33.6%               |
| RCCC/PAC Operations Fund                  | 18,651,273             | 18,356,741             | (1.6%)              |
| Conv Center Debt Service Fund             | 18,497,920             | 18,508,532             | 0.1%                |
| <b>SUBTOTAL</b>                           | <b>\$457,829,977</b>   | <b>\$463,319,301</b>   | <b>1.2%</b>         |
| <b>ENTERPRISE CAPITAL FUNDS</b>           |                        |                        |                     |
| Water Capital Projects Fund               | 22,681,000             | 37,450,000             | 65.1%               |
| Sewer Capital Projects Fund               | 58,735,000             | 35,332,000             | (39.8%)             |
| Parking Facilities Projects Fund          | 1,718,000              | 1,170,000              | (31.9%)             |
| Stormwater Utility Cap Projects Fund      | 6,000,000              | 10,906,000             | 81.8%               |
| Conv Ctr/Mem Aud Project Fund             | 0                      | 25,000                 |                     |
| Conv Ctr Complex Capital Projects Fund    | 1,152,000              | 2,709,000              | 135.2%              |
| <b>SUBTOTAL</b>                           | <b>\$90,286,000</b>    | <b>\$87,592,000</b>    | <b>(3.0%)</b>       |
| <b>TOTAL ALL FUNDS</b>                    | <b>\$1,165,727,540</b> | <b>\$1,200,386,775</b> | <b>3.0%</b>         |
| Less Interfund Transfers                  | (332,099,879)          | (341,766,590)          |                     |
| <b>NET OPERATING &amp; CAPITAL BUDGET</b> | <b>\$833,627,661</b>   | <b>\$858,620,185</b>   | <b>3.0%</b>         |

# Revenue Estimates

The revenue estimates for the FY17 budget have been made carefully in accordance with city practice. It is city practice to prudently estimate revenues because of the need to be assured that resources will be available to meet operating, debt, and capital needs pursuant to “no deficiency” budget requirements imposed by state statute. Significant revenue sources within the various funds are as follows:

## I. GENERAL FUND

### FUND 100 GENERAL FUND

#### A. Ad Valorem Taxes **\$242,688,000**

##### Tax Base

The property tax base is the combination of annually updated values assigned to real, personal and state certified properties by the Wake County Tax Assessor. The following table indicates growth over the past ten years along with projections for the current and following year in thousands of dollars.

*(in thousands of dollars)*

| Fiscal Year          | Gross Tax Value | Growth Rate | Tax Rates     | Rate Change  |
|----------------------|-----------------|-------------|---------------|--------------|
| FY 07-08             | \$35,109,178    | 4.5%        | <b>0.4350</b> | -            |
| FY 08-09             | \$47,515,306    | ** 35.3%    | <b>0.3735</b> | 0.0418 *     |
| FY 09-10             | \$48,752,651    | ** 2.6%     | <b>0.3735</b> | -            |
| FY 10-11             | \$49,344,910    | 1.2%        | <b>0.3735</b> | -            |
| FY 11-12             | \$49,885,427    | 1.1%        | <b>0.3735</b> | -            |
| FY 12-13             | \$50,454,014    | 1.1%        | <b>0.3826</b> | 0.0091       |
| FY 13-14             | \$51,293,790    | 1.7%        | <b>0.3826</b> | -            |
| FY 14-15             | \$52,432,950    | 2.2%        | <b>0.4038</b> | 0.0212 ***   |
| FY 15-16 (Projected) | \$53,403,434    | 1.9%        | <b>0.4210</b> | 0.0172 ****  |
| FY 16-17 (Projected) | \$57,407,000    | 7.5% *      | <b>0.4183</b> | 0.0200 ***** |

\* FY09 Revaluation year - Revenue Neutral Tax Rate of 33.17 cents plus 4.18 cent

\* FY17 Revaluation year - Revenue Neutral Tax Rate of 39.83 cents plus 2.00 cent

\*\* FY09, FY10 and forward all values are net of rebates

\*\*\* 1.12 cents (2013 streets infrastructure project referendum), 1 cent for street resurfacing

\*\*\*\* 1.72 cents (2014 parks project referendum)

\*\*\*\*\* 1 cent for housing , 1 cent for parks debt

Projected tax base components for FY 16-17 compared with the projected final FY 15-16 amounts in thousands of dollars are as follows:

*(in thousands of dollars)*

|                 | Projected<br>FY 15-16 | Projected<br>FY 16-17 | Percent<br>of Change |
|-----------------|-----------------------|-----------------------|----------------------|
| Real            | \$46,320,454          | \$50,250,000          | 8.5%                 |
| Personal        | 6,279,264             | 6,352,000             | 1.2%                 |
| State Certified | 803,716               | 805,000               | 0.2%                 |
| Totals          | <u>\$53,403,434</u>   | <u>\$57,407,000</u>   | <u>7.5%</u>          |

The following are descriptions of the various components of the tax base real, personal and public service values:

1. Real Property Values: The FY17 projected real property tax base of land, buildings and residences reflects a net growth factor of 8.5% from the countywide real property revaluation. This growth rate is primarily a reflection of real property value growth since FY09 when the last revaluation was done.
2. Personal Property Values: This category includes business personal property and all re-licensed motor vehicles that are taxed under state law enacted in FY94.
3. State Certified Values: The State of North Carolina annually certifies the values of public utilities and transportation organizations whose asset base extends into many governmental jurisdictions across the state. Examples include Duke Energy, BellSouth, CSX Transportation, freight carriers, etc. The projected value for FY17 is \$805,000,000.

#### Ad Valorem Tax Revenue - Current

The ad valorem tax revenue estimate reflects a \$.4183 tax rate per \$100 applied to a projected net tax base of \$57,407,000,000 with a collection rate of 99.5%, for an estimated total of \$238,881,600.

#### Municipal Service Districts – Ad Valorem Tax

The Downtown Municipal Service District, a separate tax district within the City was established in FY03 to provide a higher service level for the downtown corridor district. The FY17 tax rate is \$.0629 per \$100 of assessed property value. The estimated total revenue for the service district is \$1,308,000. The Hillsborough Street Municipal Service District, a separate tax district within the City was established in FY09 to provide a higher service level for the Hillsborough Street corridor district. The FY17 tax rate is \$.0944 per \$100 of assessed property value. The revenue estimated for this service district is \$288,400.

#### Other Ad Valorem Tax

The City receives back-taxes and penalties for collections on prior year levies and also receives a collection for property in Durham County boundaries. For FY17, the anticipated total is \$2,210,000.

### **B. Intergovernmental Revenues \$ 50,189,042**

#### North Carolina Franchise Tax

The state collected revenue source combines: (1) the traditional franchise tax distributed to local governments on the basis of actual receipts of electric service within governmental jurisdictions; (2) an excise tax on piped natural gas, begun in FY00; and (3) a sales tax on telecommunication services begun in 2001 that replaced the utility franchise tax on local telephone service. Effective July 1, 2014, the general sales tax rate is applied to the sale of electricity and piped natural gas, with each municipality receiving a share of state collections using FY14 amounts as a baseline and any leftover/short funds being distributed pro-rata to municipalities on an ad valorem basis. The sales tax on telecommunication is distributed based on each municipality's past share of the old telephone franchise tax. The FY17 revenue estimate of \$31,200,000 is based upon projected levels of revenue from these sources.

#### North Carolina Beer and Wine Tax

The North Carolina beer and wine tax is a state collected revenue distributed to local governments on the basis of population among all jurisdictions making such sales. While growth was legislatively restored to this revenue source in FY96, real growth has remained very moderate. A budget projection of \$2,000,000 is estimated for FY17.

#### ABC Revenue

The Wake ABC tax revenues are distributed to all units within the county. This distribution occurs on the basis of ad valorem tax valuation. The estimate for FY17 is \$1,810,000.

#### North Carolina Fire Reimbursement

The state reimburses a portion of the cost of providing fire protection to state-owned property. In FY98, the legislature approved an increase from the previous \$296,320, FY17 reimbursements are estimated to be \$1,010,081.

### Payments in Lieu of Taxes

The City budgets payments in lieu of taxes from the Raleigh Housing Authority (\$245,000) and the Raleigh Entertainment and Sports Arena Complex (\$1,238,363). The total estimated for FY17 is \$1,483,363.

### Powell Bill

The Powell Bill revenue (\$10,615,477) is a distribution of the per gallon state gasoline tax based in part on local state system street mileage and in part on population.

### Other Intergovernmental Revenues

The City receives annual revenues from Wake County for the Hazmat, School Resource Officers, EMT, heavy equipment rental tax, Interlocal Agreement Support and from the Federal Government for forfeitures. Those intergovernmental revenues for FY17 are projected at \$2,070,121.

## **C. Sales Tax \$91,085,000**

The City of Raleigh participates in the county 2 cent local option sales tax as governed by General Statute 105 - Articles 39, 40 & 42. As legislative purposes have dictated changes in sales tax distributions to local governments, efforts to hold municipalities "harmless" pass on additional distributions as a result of the repeal of 1/2 cent of Article 44 sales tax (repealed as of January, 2010 distribution). The distribution of the local sales tax levied is presented in the table below.

| <b>Net Distribution Basis (Articles 39, 40, 42 &amp; Hold Harmless)</b>  | <b>Sales Tax Levy</b> |
|--|-----------------------|
| <b>Arts. 39 &amp; 42 distributed on <u>Point of Delivery</u> (Local Economy)</b>   | <b>1 ½ cent</b>       |
| <b>Art. 40 distributed on Statewide <u>Per Capita</u> (Statewide Economy)</b>  | <b>½ cent</b>         |
| <b>Hold Harmless – (municipal adjustments for ½ cent Art. 44 repeal) adds ~ ¾ cent Art. 40, deducts ~ ¼ cent Art. 39</b> |                       |

### Local Option Sales Tax (1 cent: Article 39)

The Local Option Sales tax is distributed to each county on the basis of point of delivery (1 cent point of delivery – local economy) and further distributed on the basis of either the ad valorem tax levy or population within the county, at the option of the Board of County Commissioners. The Wake Commissioners elected the population basis. An estimate for FY17 of \$42,300,600 is budgeted.

### Supplemental Sales Tax (two taxes of ½ cents: Articles 40 & 42)

For Article 40, the Wake County Commissioners authorized the assessment of the supplemental (half-cent) sales tax beginning July 1, 1984. This half-cent sales tax is collected by the state and remitted to counties and cities on a statewide population basis (1/2 cent per capita – statewide economy).

Article 42, a second half-cent sales tax was levied October, 1986. The basis of this half-cent sales tax is point of delivery (1/2 cent point of delivery – local economy) as of October 1, 2009.

### Hold Harmless (for ½ cents Art. 44 repeal)

The municipal "hold harmless" provision accounts for prior legislative changes in local sales tax distributions by passing through additional sales tax to municipalities as a result of the half-cent Art. 44 sales tax repeal. State Department of Revenue uses a formula which redistributes a share of county sales tax among the cities. This redistribution calculates off of Article 39 and 40 allocations.

The "hold harmless" provision is budgeted along with the Supplemental Sales Tax Articles 40 & 42 with an estimate for FY17 of \$48,784,400 budgeted.

The following is a chart reflecting amounts of total sales tax received for the last nine years plus current projected. Economic conditions will continue to have an impact on amounts paid.

| Fiscal Year       | Total Amount Received | % of Change |
|-------------------|-----------------------|-------------|
| 06-07             | 67,178,544            | 9.2%        |
| 07-08             | 70,312,998            | 4.7%        |
| 08-09             | 62,442,230            | (11.2%)     |
| 09-10             | 58,650,643            | (6.1%)      |
| 10-11             | 61,775,981            | 5.3%        |
| 11-12             | 67,827,670            | 9.8%        |
| 12-13             | 71,115,246            | 4.8%        |
| 13-14             | 76,003,994            | 6.9%        |
| 14-15             | 82,864,205            | 9.0%        |
| 15-16 (Projected) | 87,600,000            | 5.7%        |
| 16-17 (Projected) | 91,085,000            | 4.0%        |

**D. Licenses \$14,570,000**

Automobile License Tax

The state legislature has authorized an automobile license tax of \$30 per vehicle. This tax is expected to generate total collections of \$9,860,000 for FY17.

Cablevision Franchise

Deregulation of the cable industry essentially ended the franchise fee and Public Educational Government (PEG) fee structure on December 31, 2006. The addition of new providers in the Raleigh market along with the sales tax fee on cable and video services has increased the allocation of video tax payments to the City. This revenue source will continue to be monitored closely. The projection of the franchise fee is \$4,700,000 for FY17.

Other Licenses

The City also collects for taxi licenses. The estimated amount for FY17 is \$10,000.

**E. Interest on Investments \$1,607,000**

The City invests 100% of its available cash. In recent years, yields have been small on shorter term instruments. In an effort to increase earnings, the City has purchased some longer term instruments. An amount of \$1,607,000 is estimated for FY17.

**F. Inspection Fees \$10,198,450**

Inspection fees reflect revenues from permitting and inspection services for construction and development activity in Raleigh. The local economy, population trends, permit fee rates and the bank lending environment are all factors which contribute to permitting and inspection. While there were no fee increases included in this year's budget, commercial and residential activity are anticipated to maintain recent levels. Our projection for inspection fees is \$10,198,450 for FY17.

**G. Highway Maintenance Refunds \$1,300,000**

In past years, the State of North Carolina has reimbursed the City for road maintenance work done on state-maintained streets. The work under the agreement in effect during FY17 is done by Public Works. Levels of reimbursement have adjusted in recent years. The annual level of support for FY17 is projected at \$1,300,000.

**H. Parks and Recreation Revenues \$6,103,113**

The city collects various athletic fees, community center program fees, and other revenues in the General Fund. An estimated total of \$6,103,113 is projected for FY17 based on historical trends.

**I. Public Works Fees \$553,000**

The City collects various fees for engineering inspections and permits. An estimated total of \$553,000 is projected for FY17 with a large portion coming from anticipated Google Fiber permitting.

**J. Penalty Revenues \$424,975**

The enforcement section in the City's Inspection Department assesses penalties for violations related to housing, construction, zoning, conservation, street and other municipal codes. Only 10% of these revenues are retained by the City for administrative costs, the remaining 90% are required to be remitted to the Wake County Public School system. The estimated remittance is reflected in the expenditure section. An estimated total for penalty revenues of \$424,975 is projected for FY17.

**K. Miscellaneous Fees and Charges \$7,678,057**

A variety of other revenues are shown within the miscellaneous fees and charges. These include ECC support from Wake County (\$2,386,570), proceeds from the safe light program (\$895,767), and miscellaneous income (\$546,728). The total estimated for all accounts for FY17 is \$7,678,057.

**L. Transfer/Reimbursements from Other Funds \$8,088,283**

Appropriations include transfers in from the Risk Management Fund, and indirect cost transfers from Parking, Solid Waste, and other funds.

**M. General Fund Balance Appropriation \$13,929,000**

The appropriation from fund balance for FY17 is \$13,929,000. Such appropriations result from the expected budget variances from operating results for FY16 and appropriation of other available reserves. This level is considered available for appropriation in FY17 without adversely affecting the City's financial position, which is critical to the maintenance of the City's AAA/Aaa credit ratings.

**N. Reimbursements from Utility Fund \$10,287,673**

The Utility Fund reimburses the General Fund for direct and indirect charges that are expensed in the General Fund for the Utilities enterprise. These include reimbursement of amounts calculated in the City's indirect cost allocation plan for the Public Utilities Department and water and sewer street cuts. The estimated amount reimbursable in FY17 is \$10,287,673.

**O. Reimbursements from Stormwater Fund \$7,203,670**

The Stormwater Fund reimburses the General Fund for direct and indirect charges that are expensed in the General Fund for the Stormwater enterprise. These include reimbursement for street maintenance and amounts calculated in the city's indirect cost allocation plan for the Stormwater enterprise. The estimated reimbursable amount in FY17 is \$7,203,670.

**Total Fund 100 General Fund \$465,905,263**

**FUND 110 ECONOMIC DEVELOPMENT FUND**

**A. Transfers & Other Revenues \$1,546,792**

Transfers from the General Fund and interest income constitute the major funding sources for the Economic Development Fund.

**Total Fund 110 Economic Development Fund \$1,546,792**

## FUND 130 REVOLVING FUND

**A. Fees, Sales & Other Misc. Revenues \$5,715,964**

A variety of fees, sales proceeds and other miscellaneous revenues from many of the over 60 “self-funded” activities recorded in this fund provide funding for budgeted programs. The estimated revenues from these sources are \$5,715,964 for FY17. While most of the Revolving Fund activities are recreational in nature, others that receive self-supporting fees and sales include community television promotions and art commission activities.

**B. Appropriation of Prior Year Revenues \$3,593,178**

Activities and programs budgeted in this fund must have collected revenues before they are allowed to make expenditures. This often results in excess collected revenues and interest income being carried forward for budgeting and use in subsequent periods. The carry forward revenue amount budgeted for FY17 is \$3,593,178.

**Total Fund 130 Revolving Fund \$9,309,142**

## FUND 190 GENERAL DEBT SERVICE FUND

**A. Transfers from Other Funds \$71,882,708**

The major sources of revenue for making the FY17 annual debt service payments on obligations of the City is the General Fund transfer (\$62,570,595). This transfer is inclusive of property tax dedications for major capital projects - 2¢ (2005 referendum pre-revaluation basis), 1.68¢ (various projects in FY2009 capital improvement plan), 0.91¢ (2011 referendum), 1.02¢ (2013 referendum), 1.72¢ (2014 referendum) and 1¢ for Dix Park debt FY2017. Facility fee revenue transfers totaling \$4,637,096 provides support to this fund. Other funds having direct benefit from projects financed with general long-term resources also make annual contributions (\$4,675,017) to the debt service fund.

**B. Other Revenues \$1,105,616**

Other revenues used to fund the annual debt service program include interest income (\$1,105,616).

**Total Fund 190 General Debt Service Fund \$72,988,324**

## FUND 652 WALNUT CREEK AMPHITHEATRE FUND

**A. Amphitheatre Rent \$1,197,600**

Operating lease revenue (\$1,197,600) is the major revenue source for this fund.

**Total Fund 652 Walnut Creek Amphitheatre Fund \$1,197,600**

## FUND 735 - 736 HOUSING DEVELOPMENT FUNDS

**A. Transfers from Other Funds \$6,965,157**

An annual transfer is made from the General Fund to support the housing programs in this fund.

**B. Other Revenues \$322,400**

Other revenues include various program income generated in the housing program and fund reserves.

**Total 735-736 Housing Development Funds \$7,287,557**

**TOTAL GENERAL FUND \$558,234,678**

## II. SPECIAL REVENUE FUNDS

### FUND 712 Emergency Telephone System Fund

**A. Wireless Fees \$3,019,732**

The fund is used to account for Emergency Communication's portion of the state wireless telecommunications tax. These funds are utilized to cover eligible operating and infrastructure cost associated with responding to inbound 9-1-1 calls that are received from a wireless telecommunications device. In 2007 the state law modified the distribution method for 9-1-1 fees. Per the amendment to the City of Raleigh/Wake County 9-1-1 Funding Intergovernmental Agreement, the City now receives 9-1-1 state distributed revenue and is responsible for associated phone line costs.

**Total Fund 712 Emergency Telephone System Fund \$3,019,732**

### FUND 715 Convention Center Financing Fund

**A. Occupancy/Food Taxes \$28,213,771**

The fund is used to account for occupancy and food taxes collected by the County and remitted to the City per an interlocal agreement. These funds are used for the Convention Center facility with the majority of the funding allocated to debt service and capital.

**B. Other Revenues \$1,189,301**

Other revenues in the Convention Center Financing Fund include interest income and appropriation of fund reserves.

**Total Fund 715 Convention Center Financing Fund \$29,403,072**

### FUND 720 -724 Housing Bond Reserve Funds

**A. Other Revenues \$2,500,000**

Other revenues used to support the Housing Bond reserve fund are loan repayment program income (\$500,000) and appropriation of fund reserves (\$2,000,000).

**Total Fund 720 Housing Bond Reserve Fund \$2,500,000**

### FUND 741 - 781 COMMUNITY DEVELOPMENT FUNDS

**A. Federal Grants \$4,064,917**

Federal grants make up the majority of revenues for the Community Development programs. Funding includes the CDBG Block Grant (\$2,809,629), HOME Grants (\$1,015,443) and Emergency Shelter Grants (\$239,845).

**B. Other Revenues \$2,252,159**

Other revenues in the Community Development Fund include program income and proceeds from the sale of property.

**Total 741-781 Community Development Funds \$6,317,076**

## FUND 810 GRANTS FUND

**A. Grants and Matching Funds** **\$1,586,624**

The Grants budget is primarily comprised of Federal grants (\$1,292,106), State match (\$201,168) and County grants (\$93,350).

**B. Transfers** **\$429,708**

Other revenues in the Grants Fund include in kind city contributions and transfers from the General Fund and the Transit fund (\$429,708).

**Total 810 Grants Fund** **\$2,016,332**

## FUND 811 CAMPO FUND

**A. Grants and Matching Funds** **\$2,831,767**

The Capital Area Metropolitan Planning Organization (CAMPO) budget is primarily comprised of Federal grants (\$2,157,190) and matching funds (\$674,577).

**B. Transfers** **\$209,721**

Other revenues in the CAMPO Development Fund include transfers from the General Fund and miscellaneous revenues (\$209,721).

**Total 811 CAMPO Fund** **\$3,041,488**

## FUND 816 DISASTER RECOVERY FUND

**A. Other Revenues** **\$500,000**

Other revenues in the Disaster Recovery Fund include prior year revenues (\$500,000).

**Total 816 DISASTER RECOVERY FUND** **\$500,000**

**TOTAL SPECIAL REVENUE FUNDS** **\$46,797,700**

## III. GENERAL CAPITAL PROJECT FUNDS

Revenues within the Capital Project Funds primarily include facility fees and other revenues.

**A. Facility Fees** **\$9,187,096**

Estimated street facility fees (\$6,539,796) and open space facility fees (\$2,647,300) are revenue sources funding a variety of eligible street and parks/greenway projects in the applicable facility fee zones of the city.

**B. Other Revenues** **\$35,256,000**

Other resources budgeted in the capital projects funds include general fund transfers (\$23,411,126), other interfund transfers (\$8,194,874), appropriations of prior year revenues (\$2,325,000) and other miscellaneous revenues (\$1,325,000). The total estimated for all accounts for FY17 is (\$35,256,000).

**TOTAL GENERAL CAPITAL PROJECT FUNDS** **\$44,443,096**

#### IV. ENTERPRISE FUNDS

##### FUND 310 UTILITY OPERATING FUND

**A. Utility Sales** **\$206,655,005**

The primary revenues from sales of water and wastewater service are projected with some growth over FY16 expected results as well as adherence to sufficiency model rates. Water and sewer rate adjustments in line with prior utility advisory task force recommendations are proposed for resource requirements of ongoing operations, capital maintenance and infrastructure for utility services. Revenues also include sales related to current municipal contracts with area local governments, regional mergers and a nutrient reduction fee used to fund debt service and utility capital projects.

Sales to the retail customer base for FY17 are projected at \$185,680,573. Another \$20,974,432 is projected from wholesale customers and for other utility services.

**B. Other Revenues** **\$27,387,510**

The City also projects other non-operating revenues such as interest income (\$1,110,000) and prior year revenue appropriation (\$24,872,000). The total other revenues for FY17 are estimated at (\$1,405,510).

**Total Fund 310 Utility Operating Fund** **\$234,042,515**

##### FUND 311 - 313 UTILITY INFRASTRUCTURE FUNDS

**A. Utility Sales** **\$18,910,000**

These new funds are established to help fund replacement of aging infrastructure within the Water Distribution and Waste Water Systems. The Infrastructure Replacement Charges will be billed monthly and are based on each individual meter size. One fund accounts for monthly billed water infrastructure fees (\$5,440,000), a second accounts for sewer/reuse infrastructure fees (\$11,220,000) and a third accounts for watershed protection agreement revenue (\$2,250,000). Amounts collected in these funds will be transferred to support infrastructure replacement capital projects.

**Total Fund 311-313 Utility Infrastructure Fund** **\$18,910,000**

##### FUND 315 UTILITY DEBT SERVICE FUND

**A. Transfers from Other Funds** **\$59,500,000**

The major revenue source for the utility debt service program for FY17 is the annual transfer from the Public Utilities Fund (\$59,500,000).

**Total Fund 315 Utility Debt Service Fund** **\$59,500,000**

##### FUND 360 SOLID WASTE OPERATING FUND

**A. Residential Solid Waste Fees** **\$24,423,299**

The FY17 solid waste refuse fee increments \$0.75 to \$12.20 per month (\$18,489,652). In addition, a monthly residential recycling fee of \$2.60 is charged (\$5,933,647) for a combined monthly fee of \$14.80 per month.

**B. Transfers from Other Funds** **\$7,883,285**

Appropriations from the General Fund provide funding for the balance of the Solid Waste Services Operating Funds after residential fee revenue and other solid waste revenues.

**C. Other Revenues** **\$2,547,393**

Other solid waste revenue accounts are county landfill partnership rebates (\$1,318,825), yard waste center revenues (\$410,000) and revenue and fees from other miscellaneous services (\$818,568).

**Total Fund 360 Solid Waste Operating Fund** **\$34,853,977**

**FUND 362 SOLID WASTE DEBT SERVICE FUND**

**A. Transfers from Other Funds** **\$1,482,923**

The major revenue source for the solid waste debt service program for FY17 is the transfer from the Solid Waste Operating Fund (\$1,482,923).

**B. Other Revenues** **\$524,083**

Other revenue funding the solid waste debt service program includes reimbursement from the Wake County Landfill Partnership for the city's annual debt service related to the transfer station (\$524,083).

**Total Fund 362 Solid Waste Debt Service Fund** **\$2,007,006**

**FUND 410 PUBLIC TRANSIT FUND**

**A. Passenger Revenues** **\$6,785,144**

Estimated fare box and contracted route revenues (\$5,994,816) and passenger ART ticket purchases (\$790,328) constitute 23% of budgeted operating activities for the two programs in FY17.

**B. Grants** **\$3,527,581**

Federal grant funding totals \$900,000 for FY17. State grant funding (\$2,627,581) constitutes 8.7% of funded transit operating activities for FY17.

**C. Transfers from Other Funds** **\$18,885,437**

Appropriations from the General Fund provide funding for the balance of the transit operating program and ART program after passenger revenues, state funding and miscellaneous receipts.

**D. Other Revenues** **\$905,000**

Several revenue sources including advertising revenues (\$200,000), prior year revenues available for appropriation (\$700,000) and other miscellaneous receipts (\$5,000) provide supplemental funding for the transit operation in FY17.

**Total Fund 410 Public Transit Fund** **\$30,103,162**

**FUND 442 PARKING FACILITIES OPERATING FUND**

**A. Parking Fees** **\$11,106,386**

Parking fees at city-owned parking facilities are estimated at \$11,106,386 for FY17. The amounts are based upon parking fee rate schedules and terms of the combined parking management contract.

**B. Other Revenues** **\$5,060,811**

Other revenues of the parking facilities fund for FY17 include parking violation penalties (\$2,125,685), meter revenue (\$1,448,242), appropriations from the General Fund and prior year parking revenues (\$1,210,460) and other miscellaneous sources (\$276,424).

**Total Fund 442 Parking Facilities** **\$16,167,197**

## FUND 444 PARKING DEBT SERVICE FUND

**A. Transfers from Other Funds** **\$6,200,000**

The major revenue source for the parking debt service program for FY17 is the annual transfer from the Parking Facilities Fund (\$6,200,000).

**B. Other Revenues** **\$955,000**

Other funding for parking debt service includes prior year revenue (\$930,000) and interest (\$25,000).

**Total Fund 444 Parking Debt Service Fund** **\$7,155,000**

## FUND 460 STORMWATER OPERATING FUND

**A. Fees** **\$21,164,792**

The City began collecting fees for stormwater services in the spring of 2004. A \$1 per Single Family Equivalent Unit (SFEU) monthly fee increase for enhanced capital project timeline delivery and additional staff project delivery resources. The total revenues generated from the fees in FY17 are estimated at \$21,164,792.

**B. Other Revenues** **\$2,550,379**

Miscellaneous resources such as prior year revenue and soil erosion control fees make up the other revenues for the Fund.

**Total Fund 460 Stormwater Operating Fund** **\$23,715,171**

## FUND 642 CONVENTION CENTER OPERATIONS FUND

**A. Convention Center Fees and Charges** **\$12,385,870**

A variety of fees and charges associated with the revenue generating facilities of the convention center, performing arts center and amphitheater are used to recover a major portion of the expenses incurred by the various revenue producing operations. Such fees, estimated at \$12,385,870 for FY17 include sources such as facility rental fees, staff services, and box office services.

**B. Transfers from Other Funds** **\$4,970,871**

Most of the transfers are comprised of annual appropriations from the General Fund and the Convention Center Financing Fund. Total transfers provide approximately 27% of the funding.

**C. Interlocal Agreement Support** **\$1,000,000**

An annual distribution from the Hotel/Motel tax is provided to the City by Wake County.

**Total Fund 642 Convention Center Operations Fund** **\$18,356,741**

## FUND 644 CONVENTION CENTER DEBT SERVICE FUND

**A. Other Revenues** **\$18,508,532**

This fund was established to segregate the debt service associated with the City's Convention Center. Revenues to fund the debt service program include transfers from other funds (\$18,475,783), prior year revenues (\$11,749) and interest income (\$21,000).

**Total Fund 644 Convention Center Debt Service Fund** **\$18,508,532**

**TOTAL ENTERPRISE OPERATING FUNDS** **\$463,319,301**

**V. ENTERPRISE CAPITAL PROJECT FUNDS**

Revenues within the enterprise capital project funds are primarily interfund transfers from respective enterprise operating funds.

**A. Transfers from Other Funds** **\$86,560,000**

Capital transfers from enterprise operating and special revenue funds are as follows: from Public Utilities (\$70,532,000), from Stormwater (\$10,232,000) and from other enterprise and special revenue funds (\$5,796,000).

**B. Other Revenues** **\$1,032,000**

Additional resources budgeted within the enterprise project funds are prior year revenues available for appropriation (\$789,000) and other miscellaneous revenues (\$243,000).

**TOTAL ENTERPRISE CAPITAL PROJECT FUNDS** **\$87,592,000**

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**TOTAL ALL FUNDS** **\$1,200,386,775**

**TOTAL ALL FUNDS (NET OF INTERFUND TRANSFERS)** **\$858,620,185**

# City Council

## Department Overview

The City Council is Raleigh's governing body, consisting of eight citizens elected to serve two-year terms. Three of the members are elected by the entire city, including the Mayor, and the other five members are elected by districts. The Mayor, a member of the Council, is the presiding officer.

The City of Raleigh has operated under the council-manager form of government since 1947. The City Manager is responsible for the day-to-day operations of the city. The Council sets city policy, enacts ordinances as required by law and adopts all public service programs to maintain an orderly, healthy, and safe environment for Raleigh citizens. The Council appoints members to city boards, commissions, and committees, approves certain licenses and permits, adopts the annual budget and sets the tax rate. The City Council also appoints and removes the City Manager, City Clerk and City Attorney.

Additional information regarding the City Council may be obtained by contacting Louis M. Buonpane, Chief of Staff, at (919) 996-3070 or via email at [Louis.Buonpane@raleighnc.gov](mailto:Louis.Buonpane@raleighnc.gov).

## Budget Highlights

- Annual City Council retreat funding is transferred from the City Manager's Office to the City Council budget.
- Increase in employee benefits line reflects fully budgeting for health insurance for all City Council members, regardless of individual elections.
- City Council member computers and other technology will be purchased beginning in FY17. Moving away from a leasing model allows for alignment with City Council terms (\$17,000).
- FY16 was the final year of a four year phased increase to better align City Council member compensation with peer municipalities.

## Budget Detail

|                                    | ACTUALS          | ACTUALS          | ADOPTED          | PROPOSED         | CHANGE       |
|------------------------------------|------------------|------------------|------------------|------------------|--------------|
| EMPLOYEES                          | 2013-14          | 2014-15          | 2015-16          | 2016-17          | FY16 to FY17 |
| City Council                       | 8                | 8                | 8                | 8                | 0            |
| <b>TOTAL</b>                       | <b>8</b>         | <b>8</b>         | <b>8</b>         | <b>8</b>         | <b>0</b>     |
| <b>DIRECT EXPENDITURES BY TYPE</b> |                  |                  |                  |                  |              |
| Personnel                          | 118,927          | 126,487          | 135,441          | 143,441          | 5.9%         |
| Employee Benefits                  | 50,230           | 51,448           | 63,517           | 89,859           | 41.5%        |
| Operating Expenditures             | 68,110           | 88,538           | 110,733          | 146,833          | 32.6%        |
| Special Programs and Projects      | 1,931            | 0                | 0                | 0                |              |
| Capital Equipment                  | 0                | 500              | 5,000            | 27,500           | 450.0%       |
| <b>TOTAL</b>                       | <b>\$239,198</b> | <b>\$266,973</b> | <b>\$314,691</b> | <b>\$407,633</b> | <b>29.5%</b> |

# City Clerk

## Department Overview

The City Clerk's Office prepares and maintains an accurate and permanent record of all City Council proceedings, as well as meetings of each Council committee. The Clerk's Office acts as the custodian of all legal documents relating to the City, prepares and publishes ordinances and resolutions, maintains and updates the City Code, provides clerical and administrative support to Council committees, boards and commissions, and provides information and research assistance to staff and the public on all aspects of City laws and Council actions.

Additional information regarding the City Clerk's Office may be obtained by contacting Gail Smith, City Clerk at (919) 996-3040 or via email at [Gail.Smith@raleighnc.gov](mailto:Gail.Smith@raleighnc.gov).

## Budget Highlights

- One Transcriptionist position is transferred from Information Technology (\$59,000).

## Budget Detail

|                                    | ACTUALS          | ACTUALS          | ADOPTED          | PROPOSED         | CHANGE       |
|------------------------------------|------------------|------------------|------------------|------------------|--------------|
| EMPLOYEES                          | 2013-14          | 2014-15          | 2015-16          | 2016-17          | FY16 to FY17 |
| City Clerk                         | 5                | 5                | 5                | 6                | 1            |
| <b>TOTAL</b>                       | <b>5</b>         | <b>5</b>         | <b>5</b>         | <b>6</b>         | <b>1</b>     |
| <b>DIRECT EXPENDITURES BY TYPE</b> |                  |                  |                  |                  |              |
| Personnel                          | 296,363          | 295,006          | 340,862          | 387,499          | 13.7%        |
| Employee Benefits                  | 73,037           | 73,229           | 89,080           | 110,929          | 24.5%        |
| Operating Expenditures             | 73,097           | 67,641           | 113,843          | 126,397          | 11.0%        |
| Special Programs and Projects      | 3,394            | 0                | 0                | 0                |              |
| Capital Equipment                  | 0                | 0                | 2,000            | 2,000            | 0.0%         |
| <b>TOTAL</b>                       | <b>\$445,890</b> | <b>\$435,876</b> | <b>\$545,785</b> | <b>\$626,825</b> | <b>14.8%</b> |

# City Attorney

## Department Overview

The City Attorney and staff advise the City Council and City administration on the legal aspects of City activities. The City Attorney's Office administers the City's legal program, represents and advocates the City's legal interest, prepares court documents, ordinances, legislation and other legal memoranda, and provides legal information to the public, the media, City staff and other governmental entities. Additional information regarding the City Attorney's Office may be obtained by contacting Thomas McCormick, City Attorney, at (919) 996-6560 or [tom.mccormick@raleighnc.gov](mailto:tom.mccormick@raleighnc.gov).

## Budget Highlights

- Funding for office technology upgrades, including implementation of a case management system, included.

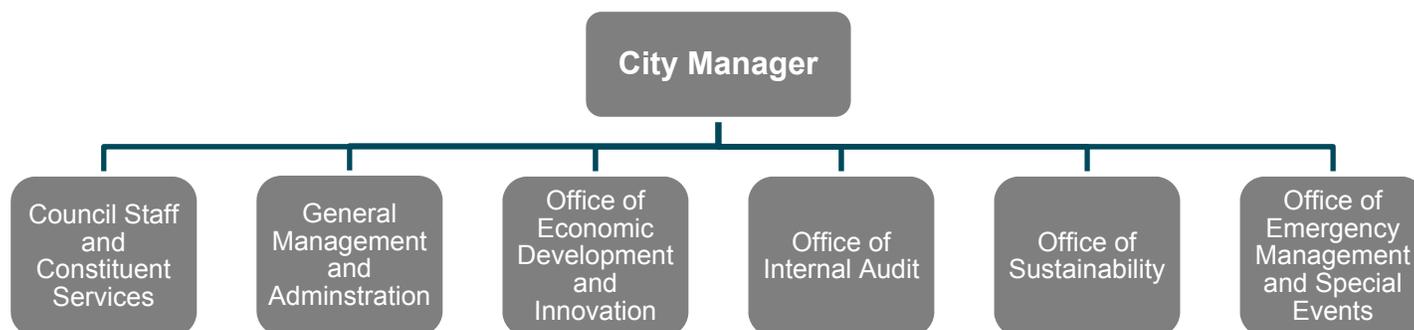
## Budget Detail

|                                    | ACTUALS            | ACTUALS            | ADOPTED            | PROPOSED           | CHANGE       |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------|
| EMPLOYEES                          | 2013-14            | 2014-15            | 2015-16            | 2016-17            | FY16 to FY17 |
| City Attorney                      | 21                 | 21                 | 22                 | 22                 | 0            |
| <b>TOTAL</b>                       | <b>21</b>          | <b>21</b>          | <b>22</b>          | <b>22</b>          | <b>0</b>     |
| <b>DIRECT EXPENDITURES BY TYPE</b> |                    |                    |                    |                    |              |
| Personnel                          | 1,913,414          | 2,072,872          | 2,300,497          | 2,394,403          | 4.1%         |
| Employee Benefits                  | 484,524            | 530,393            | 585,243            | 623,336            | 6.5%         |
| Operating Expenditures             | 193,523            | 264,413            | 349,168            | 407,718            | 16.8%        |
| Special Programs and Projects      | 18,637             | 0                  | 0                  | 0                  | 0.0%         |
| Capital Equipment                  | 45                 | 10,001             | 2,000              | 14,745             | 637.3%       |
| Capital Project Expense            | 0                  | 0                  | 25,000             | 0                  | (100.0%)     |
| <b>TOTAL</b>                       | <b>\$2,610,144</b> | <b>\$2,877,679</b> | <b>\$3,261,909</b> | <b>\$3,440,202</b> | <b>5.5%</b>  |

# City Manager's Office

## Mission

To build an organization in which control gives way to empowerment, direction gives way to participation and routine gives way to creativity.



## Department Overview

The City Manager's Office is the organizational and administrative epicenter of the city organization. In addition to coordinating and overseeing the activities of all city departments, the City Manager's Office also provides direct staff assistance to the City Council and Council committees, leads the financial and budget management processes for the city and directs the city's efforts to plan for the future.

The City Manager's Office includes the Office of Emergency Management and Special Events, Office of Economic Development and Innovation, Office of Internal Audit and Office of Sustainability. Also, much of the city's interaction with outside organizations, including federal, state, and local government relations and initiatives, local colleges and universities, and numerous external nonprofit agencies, is coordinated through the City Manager's Office.

Additional information regarding the City Manager's Office may be obtained by contacting Louis M. Buonpane, Chief of Staff, at (919) 996-3070 or via email at [Louis.Buonpane@raleighnc.gov](mailto:Louis.Buonpane@raleighnc.gov).

## Budget Highlights

- Adds a Management Fellow position that allows recent Masters of Public Administration graduates to provide key analytical and project support to the City Manager's Office (\$49,000). The Fellow will perform assigned research, policy analysis and other directly related public administration and management analysis functions for the organization, and will interact with all departments in the City organization. The position will also increase local government recruitment opportunities with area universities.
- Transfers Center of Excellence (CoE) staff and program costs to the IT department (\$282,000). The CoE consists of technical and business resources that support the Enterprise Resource Planning (ERP) system through ongoing activities such as software upgrades and refinements to existing software and processes.
- Adds subscription costs for a new automated city council agenda software to streamline agenda preparation (\$17,000).

## Budget Detail

|                                    | ACTUALS            | ACTUALS            | ADOPTED            | PROPOSED           | CHANGE        |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|---------------|
| EMPLOYEES                          | 2013-14            | 2014-15            | 2015-16            | 2016-17            | FY16 to FY17  |
| City Manager's Office              | 19                 | 15                 | 16                 | 15                 | (1)           |
| <b>TOTAL</b>                       | <b>19</b>          | <b>15</b>          | <b>16</b>          | <b>15</b>          | <b>(1)</b>    |
| <b>DIRECT EXPENDITURES BY TYPE</b> |                    |                    |                    |                    |               |
| Personnel                          | 1,850,381          | 1,409,799          | 1,530,253          | 1,472,495          | (3.8%)        |
| Employee Benefits                  | 410,201            | 371,884            | 421,197            | 435,127            | 3.3%          |
| Operating Expenditures             | 419,254            | 366,475            | 423,932            | 410,062            | (3.3%)        |
| Special Programs and Projects      | 16,218             | 0                  | 0                  | 0                  | 0.0%          |
| Capital Equipment                  | 28,584             | 0                  | 0                  | 0                  | 0.0%          |
| <b>TOTAL</b>                       | <b>\$2,724,637</b> | <b>\$2,148,158</b> | <b>\$2,375,382</b> | <b>\$2,317,684</b> | <b>(2.4%)</b> |

\*On April 15, 2014, the Offices of Sustainability and Emergency Management and Special Events, which were previously programs within the City Manager's budget, were established as divisions within the City Manager's Office. The employees of these offices were previously calculated within the City Manager's Office employee totals. In addition, staff from the Small, Disadvantaged, Minority and Women Owned Business program within the City Manager's Office was moved to the newly-created Office of Economic Development to combine with economic development staff previously in the City Planning Department.

## Key Initiatives

Raleigh continues to evolve and grow. With these changes come new opportunities and challenges for the city. The following list outlines opportunities for growth over the next few years.

- Wake County Transit Plan
- Shifting Demographics
- Economic Development
- Continued Organizational Development
- Dix Park Development
- Shifts in Technology
- Housing
- Improved Communications

# Office of Economic Development and Innovation

## Mission

To function as the primary economic development agency for the City to assure continued growth and investment in Raleigh.

## Department Overview

The Office of Economic Development and Innovation works to maintain and grow a diverse economy, supporting large and small business and providing employment opportunities for all citizens.

The office's economic development efforts are focused in three areas: innovation, recruiting new business and existing industry support. The office works to support and sustain Raleigh's startup culture by connecting entrepreneurs with community resources and each other. This program also provides an entry point for innovative ideas, working with internal and external partners to develop and implement solutions to community challenges and leveraging our entrepreneurial culture to solve problems. By supporting and growing businesses that already call Raleigh home, the existing industry program ensures the city remains a good place to do business. Marketing and promoting Raleigh to new talent and businesses across the country provides opportunities to attract new economic opportunities to the city.

Additional information regarding the Office of Economic Development and Innovation may be obtained by contacting James Sauls, Economic Development Manager, at (919) 996-2707 or via email at [James.Sauls@raleighnc.gov](mailto:James.Sauls@raleighnc.gov).

## Budget Highlights

- The Minority and Women-owned Business Enterprise (MWBE) program, including two positions, was transferred mid-year FY16 to the Housing and Neighborhoods Department to align that program with other neighborhood revitalization and enrichment efforts.
- A research position is included to support data gathering, request for proposal responses from site selection consultants, and other marketing opportunities (\$65,000).
- A new Business Assistance Specialist (\$60,000) will focus on developing and implementing a citywide retail strategy and work with partner organizations to coordinate retail recruitment efforts.
- Funding is provided to support expanded recruitment and marketing efforts (\$30,000). This funding will allow staff to market and promote Raleigh at additional trade shows, conferences and other events.

## Budget Detail

|   | ACTUALS    | ACTUALS          | ADOPTED          | PROPOSED         | CHANGE        |
|---|------------|------------------|------------------|------------------|---------------|
| EMPLOYEES                                     | 2013-14*   | 2014-15          | 2015-16          | 2016-17          | FY16 to FY17  |
| Office of Economic Development and Innovation | 0          | 6                | 6                | 6                | 0             |
| <b>TOTAL</b>                                  | <b>0</b>   | <b>6</b>         | <b>6</b>         | <b>6</b>         | <b>0</b>      |
| <b>DIRECT EXPENDITURES BY TYPE</b>            |            |                  |                  |                  |               |
| Personnel                                     | 0          | 409,889          | 453,480          | 405,747          | (10.5%)       |
| Employee Benefits                             | 0          | 102,013          | 115,368          | 116,937          | 1.4%          |
| Operating Expenditures                        | 0          | 42,545           | 62,492           | 104,892          | 67.8%         |
| <b>TOTAL</b>                                  | <b>\$0</b> | <b>\$554,447</b> | <b>\$631,340</b> | <b>\$627,576</b> | <b>(0.6%)</b> |

\*Prior to FY15, the Office of Economic Development was a part of the Planning and Development Department.

## Key Initiatives

- Continue to develop, refine and obtain Council approval for policies and programs as part of the economic development tool kit, including the proposed Business Upfit Grant. This new grant program is funded in the five-year Capital Improvement Program at \$500,000 annually. (*Economic Development & Innovation, Objective 3*)
- Host industry cluster roundtable meetings to promote collaboration on economic development opportunities. (*Economic Development & Innovation, Objective 2*)
- Pursue joint ventures with North Carolina State University, HQ Raleigh and other partners to support innovation and provide opportunities for startup growth and development. (*Economic Development & Innovation, Objective 2*)
- Promote the city at key events across the country with a focus on attracting workforce and recruiting businesses in key industry sectors including manufacturing, information technology, biotechnology and pharmaceuticals, design and creative industries, and financial services.

# Economic Development Fund

## Overview

The Economic Development Fund provides support for economic development activities that benefit Raleigh. In addition to general fund support, interlocal funds pass through this fund for City/County-approved projects including the Saint Augustine's University Stadium project.

The budget continues funding for the economic development initiatives of Greater Raleigh Chamber of Commerce and the Triangle J Council of Governments and the Entrepreneurship Start-Up Program. Also funded are economic incentives for downtown employment efforts by Red Hat and tax base increases associated with Green Square. The City continues to support economic development partner agencies in downtown Raleigh, the Hillsborough Street business district, and southeast Raleigh. Raleigh-based nonprofit partners are also supported through free access to a web-based grant locator service. Unexpended funding for innovation and entrepreneurship is appropriated from fund balance (\$170,000).

Additional information regarding the Economic Development Fund may be obtained by contacting James Sauls, Economic Development Manager, at (919) 996-2707 or via e-mail at [James.Sauls@raleighnc.gov](mailto:James.Sauls@raleighnc.gov).

## Budget Detail

|  | ACTUALS            | ACTUALS            | ADOPTED            | PROPOSED           | CHANGE         |
|--|--------------------|--------------------|--------------------|--------------------|----------------|
|  | 2013-14            | 2014-15            | 2015-16            | 2016-17            | FY16 to FY17   |
| <b>INCENTIVE GRANTS</b>                              |                    |                    |                    |                    |                |
| Citrix Economic Incentive                            | 0                  | 0                  | 66,000             | 80,000             | 21.2%          |
| PNC Arena Economic Incentives                        | 150,000            | 150,000            | 150,000            | 150,000            | 0.0%           |
| Green Square Economic Incentive                      | 0                  | 0                  | 100,000            | 120,000            | 20.0%          |
| Red Hat Incentive Grant                              | 100,000            | 164,190            | 150,000            | 150,000            | 0.0%           |
| <b>INTERLOCAL FUNDING</b>                            |                    |                    |                    |                    |                |
| Green Square Interlocal Funding                      | 0                  | 0                  | 400,000            | 0                  | (100.0%)       |
| St Aug Stadium Interlocal Funding                    | 0                  | 0                  | 100,000            | 100,000            | 0.0%           |
| DUES   | 0                  | 0                  | 0                  | 0                  | 0.0%           |
| RDU Airport Authority                                | 0                  | 12,500             | 12,500             | 12,500             | 0.0%           |
| Triangle J COG                                       | 124,462            | 121,120            | 115,000            | 125,000            | 8.7%           |
| <b>OFFICE OF ECONOMIC DEVELOPMENT AND INNOVATION</b> |                    |                    |                    |                    |                |
| Innovation Fund                                      | 0                  | 30,000             | 100,000            | 270,000            | 170.0%         |
| Event Sponsorships                                   | 1,500              | 0                  | 30,000             | 30,000             | 0.0%           |
| <b>OTHER</b>   |                    |                    |                    |                    |                |
| Small Business Loan Program                          | 2,729              | 0                  | 0                  | 0                  | 0.0%           |
| Grant Locator Service                                | 5,939              | 2,990              | 3,500              | 3,500              | 0.0%           |
| To Sidewalk Fund                                     | 0                  | 27,500             | 0                  | 0                  | 0.0%           |
| Contractual Services                                 | 0                  | 32,791             | 0                  | 0                  | 0.0%           |
| <b>TO ARTS</b>                                       |                    |                    |                    |                    |                |
| Capital City Band Expo                               | 1,350              | See Agencies       | See Agencies       | See Agencies       |                |
| Wakefield Band Expo                                  | 1,350              | See Agencies       | See Agencies       | See Agencies       |                |
| <b>OTHER OUTSIDE AGENCIES*</b>                       | 676,380            | 511,078            | 559,944            | 505,792            | (9.7%)         |
| <b>TOTAL</b>   | <b>\$1,063,710</b> | <b>\$1,052,169</b> | <b>\$1,786,944</b> | <b>\$1,546,792</b> | <b>(13.4%)</b> |

\*See Other Outside Agency Grants budget page for details.

# Office of Emergency Management and Special Events

## Mission

The Office of Emergency Management and Special Events provides leadership and coordination on affairs that cross traditional organizational boundaries. The guidance encourages a collaborative approach to special event planning, disaster response, and the execution of unique projects and programs.

## Department Overview

The Office of Emergency Management and Special Events is one of four independent offices organizationally housed within the City Manager's Office with cross-departmental responsibilities. Primary responsibilities include special event management, emergency planning, and the management of other unique programs and projects within the organization.

Additional information regarding the Office of Emergency Management and Special Events may be obtained by contacting Derrick Remer, Emergency Management and Special Events Manager, at (919) 996-2200 or via email at [Derrick.Remer@raleighnc.gov](mailto:Derrick.Remer@raleighnc.gov).

## Budget Highlights

- Adds an Emergency Management Planner position to aid in City hazard mitigation planning, which includes plan development for emergency operations, disaster recovery and training for City staff and the public (\$65,000).

## Budget Detail

|   | ACTUALS    | ACTUALS          | ADOPTED          | ADOPTED          | CHANGE       |
|---|------------|------------------|------------------|------------------|--------------|
|   | 2013-14*   | 2014-15          | 2015-16          | 2016-17          | FY16 to FY17 |
| <b>EMPLOYEES</b>                                  |            |                  |                  |                  |              |
| Office of Emergency Management and Special Events | 0          | 3                | 4                | 5                | 1            |
| <b>TOTAL</b>                                      | <b>0</b>   | <b>3</b>         | <b>4</b>         | <b>5</b>         | <b>1</b>     |
| <b>DIRECT EXPENDITURES BY TYPE</b>                |            |                  |                  |                  |              |
| Personnel   | 0          | 138,976          | 185,819          | 246,708          | 32.8%        |
| Employee Benefits                                 | 0          | 44,932           | 60,509           | 85,504           | 41.3%        |
| Operating Expenditures                            | 0          | 9,860            | 46,897           | 48,397           | 3.2%         |
| Capital Equipment                                 | 0          | 0                | 3,500            | 3,500            | 0.0%         |
| <b>TOTAL</b>                                      | <b>\$0</b> | <b>\$193,768</b> | <b>\$296,725</b> | <b>\$384,109</b> | <b>29.4%</b> |

\*During FY14, the Office of Emergency Management and Special Events, which was previously a program within the City Manager's budget, was established as an office within the City Manager's Office. The employees of this office were previously calculated within the City Manager's Office employee totals.

## Key Initiatives

- Establish an Emergency Operations Center in the new Central Communications Center, which serves as a permanent command post for use during city-wide disasters. (*Safe, Vibrant & Healthy Community, Objective 1*)

- Streamline emergency and special event information sharing and coordination within city departments and partner agencies that actively play a role or that may otherwise be affected in some aspect by an event or its associated road closures. *(Safe, Vibrant & Healthy Community, Objective 1; Organizational Excellence, Objective 2)*
- Develop emergency response plans and evaluate critical resources for special events, marches, and other high-profile incidents. *(Safe, Vibrant & Healthy Community, Objective 1)*
- Work interdepartmentally on the evaluation and implementation of a new event management system. The new system will streamline the permitting process and associated financial management through the replacement of outdated and inefficient computer programs. *(Organizational Excellence, Objective 3)*
- Work with the IT Department to improve communication among other city departments, event coordinators, and citizens specifically as it relates to special events. Examples include communication about special event details to the public via an online GIS map system, allowing easy, up-to-the-minute visual access to road closure information.
- Initiate a Community Feedback Forum program with local representatives from both residential and business sectors in downtown Raleigh. *(Organizational Excellence, Objective 1)*

## Performance Indicators

|   | ACTUAL  | ACTUAL    | ESTIMATE  | PROJECTION |
|---|---------|-----------|-----------|------------|
|   | 2013-14 | 2014-15   | 2015-16   | 2016-17    |
| <b>Hazard Mitigation</b>                          |         |           |           |            |
| Number of new hazard specific plans developed     | 0       | 0         | 1         | 2          |
| Number of staff committed to all-hazards planning | 1       | 1         | 1         | 2          |
| <b>Special Events</b>                             |         |           |           |            |
| Total number of events                            | N/A     | 345       | 369       | 383        |
| Overall event attendance                          | N/A     | 1,246,415 | 1,333,123 | 1,383,702  |

# Office of Internal Audit

## Mission

The Office of Internal Audit provides independent, objective assurance and consulting activities designed to add value and improve City operations. Internal Audit brings a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

## Department Overview

Internal Audit conducts audits of City departments, divisions and programs. Additional information regarding the Office of Internal Audit may be obtained by contacting Martin Petherbridge, Internal Audit Manager, at (919) 996-3162 or via email at [Martin.Petherbridge@raleighnc.gov](mailto:Martin.Petherbridge@raleighnc.gov).

## Budget Detail

|                                    | ACTUALS          | ACTUALS          | ADOPTED          | PROPOSED         | CHANGE       |
|------------------------------------|------------------|------------------|------------------|------------------|--------------|
| EMPLOYEES                          | 2013-14*         | 2014-15          | 2015-16          | 2016-17          | FY16 to FY17 |
| Office of Internal Audit           | 0                | 4                | 4                | 4                | 0            |
| <b>TOTAL</b>                       | <b>0</b>         | <b>4</b>         | <b>4</b>         | <b>4</b>         | <b>0</b>     |
| <b>DIRECT EXPENDITURES BY TYPE</b> |                  |                  |                  |                  |              |
| Personnel                          | 233,781          | 241,795          | 316,615          | 319,717          | 1.0%         |
| Employee Benefits                  | 61,182           | 65,331           | 86,068           | 87,525           | 1.7%         |
| Operating Expenditures             | 89,468           | 127,439          | 121,630          | 121,630          | 0.0%         |
| <b>TOTAL</b>                       | <b>\$384,431</b> | <b>\$434,565</b> | <b>\$524,314</b> | <b>\$528,871</b> | <b>0.9%</b>  |

\*During FY14, the Office of Internal Audit moved from the Finance Department to the City Manager's Office. The employees of this office were previously calculated within the Finance Department's employee totals.

## Key Initiatives

- Monitor the construction of Union Station in 2016. Focus areas will include the validity of the expenditures of the project and effectiveness of project management.
- Rebrand the Employee Hotline, which provides an opportunity to anonymously report instances of fraud, waste and abuse. Rebranding will help raise employee awareness of the hotline as a communication option.

## Performance Indicators

|   | ACTUAL  | ACTUAL  | ESTIMATE | PROJECTION |
|---|---------|---------|----------|------------|
|   | 2013-14 | 2014-15 | 2015-16  | 2016-17    |
| Number of audits performed                                    | 6       | 7       | 7        | 8          |
| Number of follow-ups performed on prior audit recommendations | 3       | 1       | 2        | 2          |

# Office of Sustainability

## Mission

The Office of Sustainability works to save resources and create efficiencies, through testing new technologies and encouraging new ways of thinking that positively impact the environment, our local economy and all who live, work and play in Raleigh. The innovative leadership will make Raleigh a resilient city, better positioned to manage inevitable natural, social and economic challenges.

## Department Overview

The Office of Sustainability is uniquely positioned in the City Manager's Office to work collaboratively with all city departments to prioritize sustainability at an individual, organizational and community-wide level that is critical to regain the city's recognized national leadership in this area.

Additional information regarding the Office of Sustainability may be obtained by contacting Megan Anderson, Sustainability Manager, at (919) 996-4658 or via email at [Megan.Anderson@raleighnc.gov](mailto:Megan.Anderson@raleighnc.gov).

## Budget Detail

|                                    | ACTUALS    | ACTUALS          | ADOPTED          | PROPOSED         | CHANGE        |
|------------------------------------|------------|------------------|------------------|------------------|---------------|
| EMPLOYEES                          | 2013-14*   | 2014-15          | 2015-16          | 2016-17          | FY16 to FY17  |
| Office of Sustainability           | 0          | 5                | 4                | 4                | 0             |
| <b>TOTAL</b>                       | <b>0</b>   | <b>5</b>         | <b>4</b>         | <b>4</b>         | <b>0</b>      |
| <b>DIRECT EXPENDITURES BY TYPE</b> |            |                  |                  |                  |               |
| Personnel                          | 0          | 405,640          | 393,489          | 382,416          | (2.8%)        |
| Employee Benefits                  | 0          | 97,120           | 93,610           | 83,922           | (10.3%)       |
| Operating Expenditures             | 0          | 27,495           | 108,883          | 108,883          | 0.0%          |
| <b>TOTAL</b>                       | <b>\$0</b> | <b>\$530,255</b> | <b>\$595,981</b> | <b>\$575,221</b> | <b>(3.5%)</b> |

\*During FY14, the Office of Sustainability, which was previously a program within the City Manager's budget, was established as an office within the City Manager's Office. The employees of this office were previously calculated within the City Manager's Office employee totals.

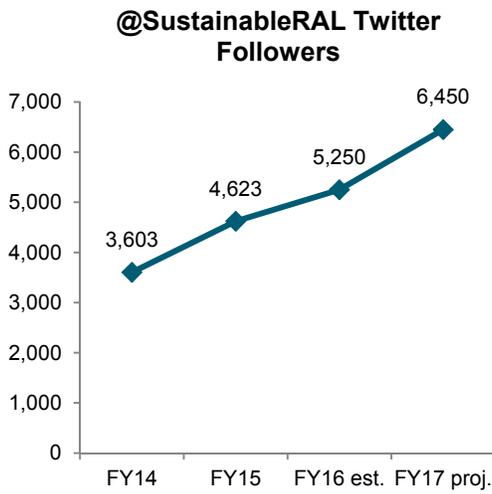
## Key Initiatives

- Serve as the clearinghouse for pilot projects, smart city applications and innovative solutions. Through community engagement, collaboration and by serving as a resource, the Office of Sustainability encourages practices that make Raleigh a more sustainable city. (*Economic Development and Innovation, Objective 2; Growth and Natural Resources, Objectives 3*)
- Guide the conversation, build capacity internally and in the community, and support the continued development of initiatives and pilots that support resiliency for the Raleigh community.
- Use Sustainability Tools for Assessing and Rating (STAR) framework to help prioritize and realign efforts toward improving Raleigh's achievements in the goal areas of Climate and Energy, Equity and Empowerment, and Built Environment. (*Organizational Excellence, Objective 1*)
- Provide support for the newly developed green infrastructure/low impact development (GI/LID) program and assist with implementation education. (*Growth and Natural Resources, Objective 3*)
- Transition Sustainable Home Raleigh to resiliency engagement program. (*Growth and Natural Resources, Objective 3*)

- Advance the Climate Energy Action Plan by expanding Business Case Evaluation Training to train additional City staff. Additional tasks include the implementation of the Fuel and Fleet Plan, refinement of the renewable energy process, tracking of additional energy and greenhouse gas emissions data. (*Growth and Natural Resources, Objective 3*)
- Serve as catalyst and resource for comprehensive food systems thinking and development for the Raleigh community. (*Growth and Natural Resources, Objective 3*)

### Performance Indicators

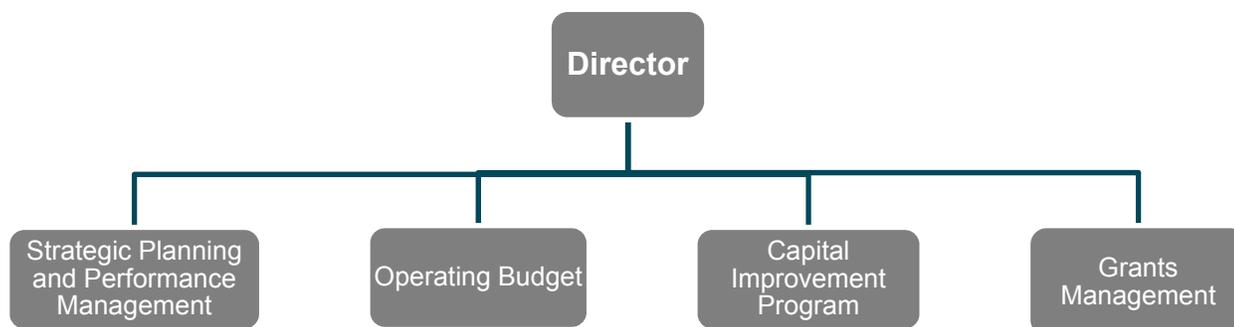
|  | ACTUAL<br>2013-14 | ACTUAL<br>2014-15 | ESTIMATE<br>2015-16 | PROJECTION<br>2016-17 |
|--|-------------------|-------------------|---------------------|-----------------------|
| Sustainable Raleigh & Environmental Advisory Board subscribers | 1,668             | 2,390             | 2,950               | 3,590                 |
| Web traffic: Sustainable Raleigh landing page                  | 2,929             | 3,079             | 3,377               | 3,650                 |
| Web traffic: Sustainable Raleigh blog                          | NA                | NA                | 1,000               | 5,000                 |



# Budget and Management Services

## Mission

The Budget and Management Services Department ensures effective and efficient allocation of city resources to enable the City Council, city manager and city departments to provide quality public services. The department is responsible for the development and oversight of the city's annual operating budget, five-year capital improvement program, strategic plan and performance measurement. The department also performs targeted program evaluations and management analyses.



## Department Overview

The Budget and Management Services Department (BMS) is a direct arm of the City Manager and provides budgeting and other management services in support of the larger city organization.

Additional information regarding the Budget and Management Services Department may be obtained by contacting Ben Canada, Interim Budget and Management Services Director, at (919) 996-4274 or via email at [Ben.Canada@raleighnc.gov](mailto:Ben.Canada@raleighnc.gov).

## Budget Highlights

- Includes funding for the citizen survey, which will aid strategic planning data collection and benchmarking efforts.

## Budget Detail

|                                    | ACTUALS            | ACTUALS            | ADOPTED            | PROPOSED           | CHANGE       |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------|
| EMPLOYEES                          | 2013-14            | 2014-15            | 2015-16*           | 2016-17            | FY16 to FY17 |
| Budget & Management Services       | 17                 | 18                 | 12                 | 12                 | 0            |
| <b>TOTAL</b>                       | <b>17</b>          | <b>18</b>          | <b>12</b>          | <b>12</b>          | <b>0</b>     |
| <b>DIRECT EXPENDITURES BY TYPE</b> |                    |                    |                    |                    |              |
| Personnel                          | 1,171,098          | 1,241,601          | 921,985            | 1,019,896          | 10.6%        |
| Employee Benefits                  | 300,304            | 321,214            | 217,623            | 258,781            | 18.9%        |
| Operating Expenditures             | 81,775             | 112,685            | 247,045            | 247,550            | 0.2%         |
| Special Programs and Projects      | 10,708             | 0                  | 0                  | 0                  | 0.0%         |
| Capital Equipment                  | 0                  | 5,080              | 0                  | 0                  | 0.0%         |
| <b>TOTAL</b>                       | <b>\$1,563,885</b> | <b>\$1,680,579</b> | <b>\$1,386,653</b> | <b>\$1,526,227</b> | <b>10.1%</b> |

\*In FY16, the Real Estate Division moved from Budget and Management Services to the Department of City Planning.

## Key Initiatives

- Implement the new citywide budgeting and resource planning system. The new system will provide a more user-friendly experience, integrate data from other financial systems and forecast future year budget scenarios.
- Develop and implement a citizen survey distributed to Raleigh citizens. BMS will lead the effort to develop and conduct this survey, intended to provide relevant, useful feedback that will have a direct impact on decision making and service delivery. (*Organizational Excellence, Objective 1*)
- Lead the city's performance measurement development. BMS will work with strategic plan core teams and other city staff to refine performance measures, implement data collection systems where needed, and organize performance information in a manner useful for decision-making. BMS staff will also explore software systems that will meet the city's long-term needs for that performance data organization and reporting.
- Coordinate the staff planning for a centralized city campus. In partnership with City Planning and other departments, BMS staff will coordinate the efforts to develop a centralized city campus. Master planning during FY2017 will include setting goals for customer service, sustainability, security, and other facility aspects. It will also include soliciting feedback from employees and citizens while carefully managing expectations about the new campus. (*Organizational Excellence, Objective 2*)

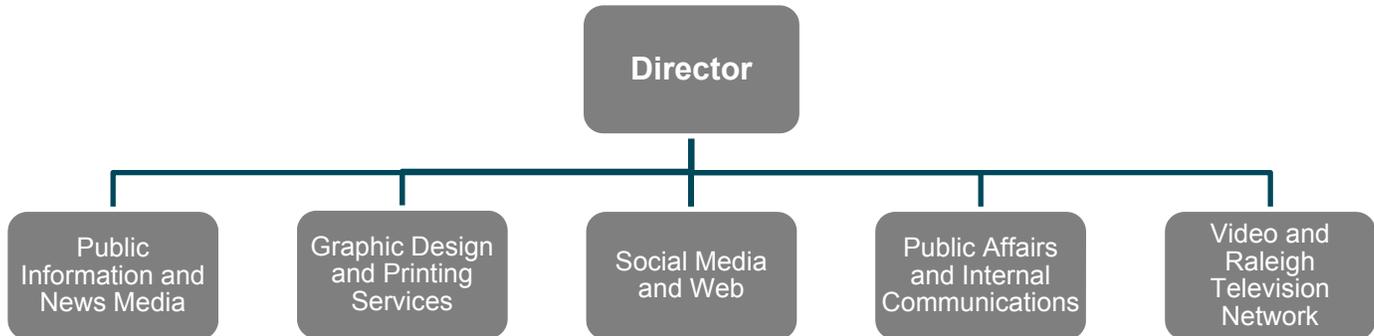
## Performance Indicators

|   | ACTUAL  | ACTUAL  | ESTIMATE | PROJECTION |
|---|---------|---------|----------|------------|
|   | 2013-14 | 2014-15 | 2015-16  | 2016-17    |
| % General Fund budget appropriation spent                     | 97%     | 96%     | 97%      | 97%        |
| % Departments submitting budget request materials by due date | 83%     | 54%     | 75%      | 90%        |
| Satisfaction score from survey of department staff            | 88%     | 91%     | 93%      | 95%        |

# Communications

## Mission

The Communications Department provides innovative and creative communications solutions to promote the City's core services, initiatives, and mission.



## Department Overview

The Communications Department (formerly Public Affairs) serves as the City's media liaison, facilitating media conferences, fielding direct media inquiries, populating the City's website and intranet site, and social media platforms. The department produces shows, such as the Oak City music series, and stand-alone programming on Raleigh Television Network (RTN).

The Communications Department includes the Print Services Division, which is responsible for on-site design and purchasing of printing services. The department also manages the City's mail and delivery services in an effort to realize greater efficiencies and economies.

Additional information regarding the Communications Department may be obtained by contacting the Communications Director, Damien Graham, at (919) 996-3002 or via email at [Damien.Graham@raleighnc.gov](mailto:Damien.Graham@raleighnc.gov).

## Budget Highlights

- Includes one-time funds to hire a consulting firm to assist in the research, design and implementation of a new brand for the City (\$250,000). The strategic plan provides direction for the City to develop and implement a comprehensive communications policy and plan.
- Adds a new Graphic Designer position to provide design services support for web, print and social media efforts (\$51,000).
- Adds a new RTN Studio Engineer position that will provide professional engineering support for the City's television production facilities (\$56,000). The production use by RTN staff and community producers has grown to where a second technical person is needed.
- In order to better align communications and graphic design services throughout the city, staff providing support to City Planning, Development Services and Economic Development and Innovation are transferred from the City Planning Department (\$300,000).
- Funds the Oak City Sessions music series, featuring local artists, which will help position Raleigh as an entertainment, cultural and tourism destination (\$70,000).

## Budget Detail

|  | ACTUALS            | ACTUALS            | ADOPTED            | PROPOSED           | CHANGE       |
|--|--------------------|--------------------|--------------------|--------------------|--------------|
| EMPLOYEES                              | 2013-14            | 2014-15            | 2015-16            | 2016-17            | FY16 to FY17 |
| Public Affairs                         | 12                 | 12                 | 14                 | 18                 | 4            |
| Raleigh Television Network (RTN)       | 8                  | 8                  | 8                  | 9                  | 1            |
| <b>TOTAL</b>                           | <b>20</b>          | <b>20</b>          | <b>22</b>          | <b>27</b>          | <b>5</b>     |
| <b>DIRECT EXPENDITURES BY DIVISION</b> |                    |                    |                    |                    |              |
| Public Affairs                         | 1,102,643          | 1,064,402          | 1,303,291          | 2,029,404          | 55.7%        |
| Raleigh Television Network (RTN)       | 588,797            | 647,244            | 694,549            | 857,652            | 23.5%        |
| <b>TOTAL</b>                           | <b>\$1,691,439</b> | <b>\$1,711,646</b> | <b>\$1,997,840</b> | <b>\$2,887,056</b> | <b>44.5%</b> |
| <b>DIRECT EXPENDITURES BY TYPE</b>     |                    |                    |                    |                    |              |
| Personnel                              | 1,127,053          | 1,137,841          | 1,318,419          | 1,704,838          | 29.3%        |
| Employee Benefits                      | 313,981            | 331,748            | 366,730            | 529,329            | 44.3%        |
| Operating Expenditures                 | 215,174            | 219,048            | 302,691            | 640,689            | 111.7%       |
| Special Programs and Projects          | 11,683             | 885                | 0                  | 200                | 0.0%         |
| Capital Equipment                      | 23,549             | 22,124             | 10,000             | 12,000             | (100.0%)     |
| <b>TOTAL</b>                           | <b>\$1,691,439</b> | <b>\$1,711,646</b> | <b>\$1,997,840</b> | <b>\$2,887,056</b> | <b>44.5%</b> |

## Key Initiatives

- Develop a formal Crisis Communication Plan that clarifies the roles and responsibilities for communicating to the media, public and other City employees during an emergency (*Organizational Excellence, Objective 4*).
- Create a comprehensive communications policy and plan, which includes developing Raleigh's brand to effectively tell the City's story. (*Organizational Excellence, Objective 1*)
- Revisit the City's website and all electronic communications platforms to improve civic engagement and develop proactive message strategies for City initiatives.
- Use the Raleigh Television Network to produce engaging and entertaining content such as the Oak City Sessions music series, "A Few Minutes with the Mayor" and the "Raleigh All Stars".
- Find the right solutions to promote better communication throughout the City. Develop a communications Roundtable comprised of communications staff from each department, continuing to build upon internal communications professional relationships and work products.

## Performance Indicators

|                                       | ACTUAL  | ACTUAL  | ESTIMATE | PROJECTION |
|---------------------------------------|---------|---------|----------|------------|
|                                       | 2013-14 | 2014-15 | 2015-16  | 2016-17    |
| RTN Government meetings               | NA      | 112     | 100      | 100        |
| RTN Staff produced programs           | NA      | 100     | 75       | 100        |
| Print Services jobs produced annually | NA      | 759     | 600      | 700        |

# Finance

## Mission

To demonstrate excellence in our financial services to the city organization and our customers through a commitment to continuously improving within our philosophy of "People Helping People."



## Department Overview

The Finance Department provides support services for City Council, city management, departments and Raleigh citizens. Services provided include treasury, accounting and financial reporting, purchasing, payroll, revenue management, and risk management. The Finance Department insures the integrity and accuracy of the city's financial transactions in accordance with applicable accounting standards, city ordinances, state statutes, federal laws.

Additional information regarding the Finance Department may be obtained by contacting Perry E. James III, Chief Financial Officer, at (919) 996-4930 or via email at [Perry.James@raleighnc.gov](mailto:Perry.James@raleighnc.gov).

## Budget Highlights

- Adds one Procurement Officer and one Contract Administrator recommended in the recent Procurement Study recommendations to improve the purchasing process (\$205,000).
- Converts existing contractual service funds to add two Procurement Specialist positions.

## Budget Detail

|  | ACTUALS            | ACTUALS            | ADOPTED            | PROPOSED           | CHANGE       |
|--|--------------------|--------------------|--------------------|--------------------|--------------|
|  | 2013-14            | 2014-15            | 2015-16            | 2016-17            | FY16 to FY17 |
| <b>EMPLOYEES</b>                       |                    |                    |                    |                    |              |
| Accounting & Fin Reporting             | 20                 | 20                 | 21                 | 20                 | (1)          |
| Finance Administration                 | 3                  | 3                  | 3                  | 4                  | 1            |
| Finance Internal Audit Office          | 3                  | 0                  | 0                  | 0                  | 0            |
| Payroll                                | 5                  | 5                  | 5                  | 5                  | 0            |
| Purchasing                             | 7                  | 7                  | 7                  | 11                 | 4            |
| Revenue                                | 17                 | 16                 | 15                 | 15                 | 0            |
| Treasury Office                        | 5                  | 5                  | 4                  | 4                  | 0            |
| <b>TOTAL</b>                           | <b>60</b>          | <b>56</b>          | <b>55</b>          | <b>59</b>          | <b>4</b>     |
| <b>DIRECT EXPENDITURES BY DIVISION</b> |                    |                    |                    |                    |              |
| Accounting & Fin Reporting             | 1,745,129          | 1,802,226          | 2,021,234          | 1,979,430          | (2.1%)       |
| Finance Administration                 | 446,506            | 527,576            | 531,164            | 639,558            | 20.4%        |
| Finance Internal Audit Office          | 0                  | 2,275              | 0                  | 0                  |              |
| Payroll                                | 438,019            | 466,265            | 497,028            | 505,402            | 1.7%         |
| Purchasing                             | 588,040            | 610,230            | 702,049            | 1,028,535          | 46.5%        |
| Revenue                                | 1,296,077          | 1,293,492          | 1,268,996          | 1,293,086          | 1.9%         |
| Treasury Office                        | 500,232            | 372,181            | 553,138            | 530,419            | (4.1%)       |
| Utility Billing Svcs                   | 83,706             | 0                  | 0                  | 0                  |              |
| <b>TOTAL</b>                           | <b>\$5,097,709</b> | <b>\$5,074,245</b> | <b>\$5,573,610</b> | <b>\$5,976,429</b> | <b>7.2%</b>  |
| <b>DIRECT EXPENDITURES BY TYPE</b>     |                    |                    |                    |                    |              |
| Personnel                              | 3,401,074          | 3,462,995          | 3,702,665          | 4,073,875          | 10.0%        |
| Employee Benefits                      | 890,710            | 894,763            | 1,003,054          | 1,185,790          | 18.2%        |
| Operating Expenditures                 | 766,626            | 705,649            | 867,091            | 715,964            | (17.4%)      |
| Special Programs and Projects          | 39,163             | 0                  | 0                  | 0                  |              |
| Capital Equipment                      | 134                | 10,838             | 800                | 800                | 0.0%         |
| <b>TOTAL</b>                           | <b>\$5,097,709</b> | <b>\$5,074,245</b> | <b>\$5,573,610</b> | <b>\$5,976,429</b> | <b>7.2%</b>  |

## Key Initiatives

- Maintain city's AAA general obligation bond rating from all three rating agencies. Maintain AAA rating from S&P and Fitch on revenue bonds and seek to improve current rating to AAA from Moody's.
- Complete FY16 Comprehensive Annual Financial Report (CAFR) with an unqualified opinion from the independent auditors and submit FY16 CAFR to Government Finance Officer Association (GFOA) for consideration of the GFOA Certificate of Achievement for Excellence in Financial Reporting.
- Continue to lead ongoing user fee studies with Parks, Recreation and Cultural Resources (PRCR) and Development Services departments. Completion and receipt of final user fee policies for PRCR and development services user fee studies is expected during FY17. Management Accounting Division will work with city management and departments to review priorities for the next user fee studies.
- Communicate, review and implement Procurement Study recommendations surrounding purchasing organizational structure, roles and responsibilities, and internal control documentation.
- Implement debt tracking software to assist Treasury Division with upcoming debt payments, projections and summaries to be used for management review and decision-making

## Performance Indicators

|                   | ACTUAL    | ACTUAL    | ESTIMATE  | PROJECTION |
|-------------------|-----------|-----------|-----------|------------|
|                   | 2013-14   | 2014-15   | 2015-16   | 2016-17    |
| Vendor Invoices   | 72,874    | 74,506    | 75,500    | 76,000     |
| Revenue Payments  | 1,775,265 | 1,802,167 | 1,838,210 | 1,874,974  |
| Service Contracts | N/A       | 1,306     | 1,371     | 1,440      |
| Purchase Orders   | 13,514    | 15,134    | 16,950    | 18,984     |

# Risk Management Fund

## Department Overview

The Risk Management program provides risk management services to protect the City's interest with respect to property and general liability exposures, as well as its workers compensation program. Although funded within the Risk Management Fund organizationally, the personnel in this office fall within the larger Finance Department. Workers' compensation claim costs are allocated to departments based upon actuarial claims cost projections and payroll cost projections. Property insurance premiums are allocated to departments responsible for the property based upon the insured values of the properties, as determined by appraisal. General liability and auto liability costs are allocated within individual departments based upon claims experience and actuarial claims cost projections.

Additional information regarding the Risk Management program may be obtained by contacting Robin Rose, Deputy Financial Officer, at (919) 996-4960 or via email at [Robin.Rose@raleighnc.gov](mailto:Robin.Rose@raleighnc.gov).

## Budget Highlights

- Includes one-time rebate of unspent premiums collected in previous years (\$5.8M).

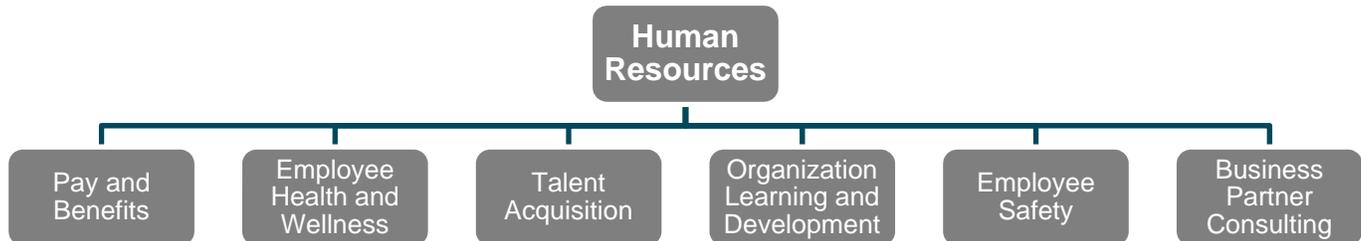
## Budget Detail

|                                    | ACTUALS             | ACTUALS             | ADOPTED             | PROPOSED            | CHANGE       |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|--------------|
| EMPLOYEES                          | 2013-14             | 2014-15             | 2015-16             | 2016-17             | FY16 to FY17 |
| Risk Management                    | 5                   | 5                   | 6                   | 6                   | 0            |
| <b>TOTAL</b>                       | <b>5</b>            | <b>5</b>            | <b>6</b>            | <b>6</b>            | <b>0</b>     |
| <b>DIRECT EXPENDITURES BY TYPE</b> |                     |                     |                     |                     |              |
| Personnel                          | 259,376             | 290,404             | 351,027             | 354,108             | 0.9%         |
| Employee Benefits                  | 89,763              | 116,161             | 137,028             | 135,961             | -0.8%        |
| Operating Expenditures             | 394,187             | 308,280             | 487,300             | 522,300             | 7.2%         |
| Special Programs and Projects      | 5,488,030           | 5,787,598           | 8,201,300           | 7,947,700           | -3.1%        |
| Interfund Transfers                | 5,054,463           | 5,005,263           | 988,048             | 5,819,747           | 489.0%       |
| <b>TOTAL</b>                       | <b>\$11,285,819</b> | <b>\$11,507,705</b> | <b>\$10,164,703</b> | <b>\$14,779,816</b> | <b>45.4%</b> |

# Human Resources

## Mission

To serve as a resource and consultant to the organization to identify, develop, implement and administer policies, practices and programs to best support our human capital and to ensure that every current, former and prospective employee is afforded equal opportunity in all employment related situations and issues.



## Department Overview

The Human Resources Department facilitates and coordinates the development, implementation and administration of the appropriate people processes that comply with local, state and federal laws and regulations to attract, motivate, reward and retain a diverse, high performing workforce.

Additional information or questions regarding the Human Resources Department may be obtained by contacting Steve Jones, HR Director at (919) 996-4708 or by email at [C.Stephen.Jones@raleighnc.gov](mailto:C.Stephen.Jones@raleighnc.gov).

## Budget Highlights

- Funding for review and updating of the City's medical plan and health insurance trust documents and Affordable Care Act reporting requirements (\$50,000).
- Expands the City's Health Risk Assessment program to allow for spouse participation (\$45,000).
- Adds a Compliance Manager position (\$76,000) to maintain personnel policies and manage employment related regulatory requirements.

## Budget Detail

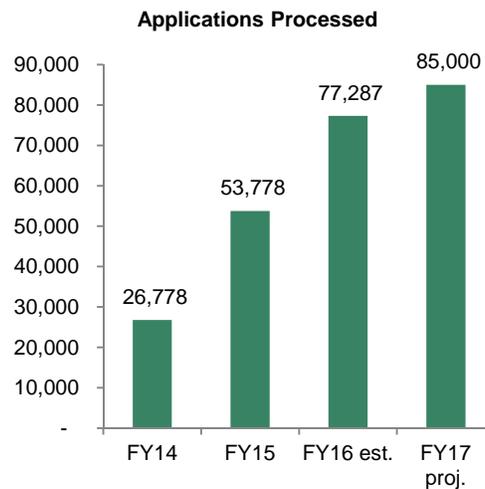
|                                    | ACTUALS            | ACTUALS            | ADOPTED            | PROPOSED           | CHANGE       |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------|
|                                    | 2013-14            | 2014-15            | 2015-16            | 2016-17            | FY16 to FY17 |
| <b>EMPLOYEES</b>                   |                    |                    |                    |                    |              |
| Human Resources                    | 29                 | 29                 | 30                 | 31                 | 1            |
| <b>TOTAL</b>                       | <b>29</b>          | <b>29</b>          | <b>30</b>          | <b>31</b>          | <b>1</b>     |
| <b>DIRECT EXPENDITURES BY TYPE</b> |                    |                    |                    |                    |              |
| Personnel                          | 1,955,667          | 2,014,348          | 2,107,811          | 2,406,712          | 14.2%        |
| Employee Benefits                  | 534,846            | 541,361            | 594,386            | 682,386            | 14.8%        |
| Operating Expenditures             | 727,630            | 917,944            | 1,518,007          | 1,566,734          | 3.2%         |
| Special Programs and Projects      | 28,562             | 18,465             | 13,000             | 22,000             | 69.2%        |
| Capital Equipment                  | 0                  | 0                  | 0                  | 3,000              |              |
| <b>TOTAL</b>                       | <b>\$3,246,704</b> | <b>\$3,492,118</b> | <b>\$4,233,203</b> | <b>\$4,680,831</b> | <b>10.6%</b> |

## Key Initiatives

- Develop targeted and expanded recruiting strategies to improve the overall diversity of our employee population to better reflect the greater Raleigh community. (*Organizational Excellence, Objective 4*)
- Continue to facilitate the Compensation System Study and monitor the evolving needs of the City to ensure that the anticipated outcomes of the project are adapted to meet the needs of the City. (*Organizational Excellence, Objective 4*)
- Establish a Compliance division that focuses on regulatory compliance including updating and maintaining HR related policies and procedures. (*Organizational Excellence, Objective 4*)

## Performance Indicators

|   | ACTUAL<br>2013-14 | ACTUAL<br>2014-15 | ESTIMATE<br>2015-16 | PROJECTION<br>2016-17 |
|---|-------------------|-------------------|---------------------|-----------------------|
| % Turnover Rate of Employees                      | 4.6%              | 5.2%              | 5.7%                | 5.8%                  |
| Jobs Filled                                       | 375               | 417               | 550                 | 570                   |
| % Participation in HRA Process - Active Employees | 91%               | 92%               | 96%                 | 96%                   |
| % Participation in HRA Process – Retirees         | 43%               | 45%               | 30%                 | 28%                   |



# Health/Dental and OPEB Trust Funds

## Department Overview

The Health/Dental Trust Fund provides for the payment of the city's self-funded health and dental costs for current employees and dependents. The city established the Other Post-Employment Benefits (OPEB) Trust in FY08 to fund post-employment benefit costs (health insurance, Medicare supplement, and life insurance), as well as the future retiree benefit liability of current employees. Annually, the city engages an actuary to calculate the Annual Required Contribution (ARC) to fully fund the city's OPEB trust.

## Budget Highlights

- The City is converting to a January through December plan year from the current October through September plan year. In FY17 there will be one-time costs of \$950,000 for the health/dental trust and \$350,000 for the OPEB trust as deductibles and out of pocket maximums will be extended to 15 months.

## Budget Detail

|  | ACTUALS             | ACTUALS             | ADOPTED             | PROPOSED            | CHANGE       |
|--|---------------------|---------------------|---------------------|---------------------|--------------|
|  | 2013-14             | 2014-15             | 2015-16             | 2016-17             | FY16 to FY17 |
| <b>HEALTH/DENTAL TRUST COSTS BY TYPE</b> |                     |                     |                     |                     |              |
| Employee Health Claims/Wellness          | \$29,336,485        | \$30,825,624        | \$31,850,000        | \$38,170,000        | 19.8%        |
| Dental Claims                            | 2,132,738           | 2,861,895           | 2,840,000           | 2,886,000           | 1.6%         |
| Administrative Charges                   | 2,179,174           | 1,903,979           | 2,230,000           | 2,175,000           | (2.5%)       |
| Stop Loss Fees                           | 1,210,021           | 1,079,803           | 1,250,000           | 1,350,000           | 8.0%         |
| Fiduciary Fees                           | 32,363              | 36,900              | 40,000              | 35,000              | (12.5%)      |
| <b>TOTAL</b>                             | <b>\$34,890,781</b> | <b>\$36,708,202</b> | <b>\$38,210,000</b> | <b>\$44,616,000</b> | <b>16.8%</b> |
| <b>OPEB TRUST COSTS BY TYPE</b>          |                     |                     |                     |                     |              |
| Retiree Health Claims/Wellness           | \$10,621,305        | \$11,728,887        | \$10,925,000        | \$14,465,000        | 32.4%        |
| Retiree Life Insurance                   | 134,751             | 145,804             | 150,000             | 131,000             | (12.7%)      |
| Retiree Medicare Supplement              | 989,572             | 1,056,884           | 950,000             | 1,272,000           | 33.9%        |
| Administrative Charges                   | 523,055             | 453,710             | 500,000             | 500,000             | 0.0%         |
| Stop Loss Fee                            | 291,899             | 268,898             | 270,000             | 327,000             | 21.1%        |
| Fiduciary Fees                           | 83,636              | 75,747              | 80,000              | 80,000              | 0.0%         |
| Reserve for Prior Liability              | 0                   | 0                   | 3,000,000           | 0                   | (100.0%)     |
| <b>TOTAL</b>                             | <b>\$12,644,218</b> | <b>\$13,729,931</b> | <b>\$15,875,000</b> | <b>\$16,775,000</b> | <b>5.7%</b>  |

# Information Technology

## Mission

The Information Technology Department promotes technology to improve economic development, social growth and efficiencies in the delivery of City services as a basic citizen expectation.



## Department Overview

The Information Technology Department provides technology services and information systems that deliver business value to the City and the greater Raleigh community. As the demand for technology evolves, the IT organization must provide services to align IT investment with citywide goals. The Information Technology Department extends beyond the traditional operational model with its focus on civic engagement, information transparency and the promotion of constituent-facing programs to support a highly technological region.

Additional information regarding the Information Technology Department may be obtained by contacting Darnell Smith, Chief Information Officer, at (919) 996-5456 or via email at [Darnell.Smith@raleighnc.gov](mailto:Darnell.Smith@raleighnc.gov).

## Budget Highlights

- Includes funds for annual hosting and licensing expenses for the City's new Enterprise Land Management system (\$646,000) and equipment leases for the new Central Communications Center (\$228,000). *(Economic Development, Objective 3)*
- The budget funds a new GIS Specialist position that will expand support for new technology and expanding applications with GIS foundations (\$51,000).
- The IT department will transfer four positions to other City departments. Three Digital Connectors program staff positions and related expenses will be transferred to the Parks, Recreation and Cultural Resources Department. A transcriptionist position will be transferred to the City Clerk's Office (\$271,000).
- Two Center of Excellence (CoE) staff and operational costs will be transferred into the IT department from the City Manager's Office (\$282,000). The CoE consists of technical and business resources that support the Enterprise Resource Planning (ERP) system through ongoing activities such as software upgrades and refinements to existing software and processes.

## Budget Detail

|   | ACTUALS             | ACTUALS             | ADOPTED             | PROPOSED            | CHANGE       |
|---|---------------------|---------------------|---------------------|---------------------|--------------|
| EMPLOYEES                               | 2013-14             | 2014-15             | 2015-16             | 2016-17             | FY16 to FY17 |
| Information Technology Administration   | 6                   | 7                   | 10                  | 9                   | (1)          |
| IT Application Support                  | 30                  | 28                  | 30                  | 31                  | 1            |
| IT Customer Relationship Management     | 10                  | 9                   | 9                   | 10                  | 1            |
| IT Enterprise Infrastructure Management | 24                  | 23                  | 21                  | 21                  | 0            |
| IT Strategy & Planning                  | 8                   | 11                  | 11                  | 9                   | (2)          |
| <b>TOTAL</b>                            | <b>78</b>           | <b>78</b>           | <b>81</b>           | <b>80</b>           | <b>(1)</b>   |
| <b>DIRECT EXPENDITURES BY DIVISION</b>  |                     |                     |                     |                     |              |
| Information Technology Administration   | 947,634             | 1,022,784           | 1,471,936           | 1,594,460           | 8.3%         |
| IT Application Support                  | 4,262,130           | 4,566,890           | 4,930,869           | 6,079,860           | 23.3%        |
| IT Customer Relationship Management     | 1,813,859           | 1,775,839           | 1,607,450           | 1,678,497           | 4.4%         |
| IT Enterprise Infrastructure Management | 6,202,271           | 6,425,813           | 6,503,672           | 7,014,676           | 7.9%         |
| IT Strategy & Planning                  | 2,150,121           | 2,232,273           | 3,172,257           | 3,041,533           | (4.1%)       |
| <b>TOTAL</b>                            | <b>\$15,376,015</b> | <b>\$16,023,599</b> | <b>\$17,686,183</b> | <b>\$19,409,025</b> | <b>9.7%</b>  |
| <b>DIRECT EXPENDITURES BY TYPE</b>      |                     |                     |                     |                     |              |
| Personnel                               | 5,397,471           | 5,607,020           | 6,145,381           | 6,583,268           | 7.1%         |
| Employee Benefits                       | 1,530,121           | 1,585,708           | 1,750,943           | 1,881,059           | 7.4%         |
| Operating Expenditures                  | 8,370,033           | 8,823,371           | 9,769,860           | 10,944,697          | 12.0%        |
| Special Programs and Projects           | 78,390              | 7,500               | 20,000              | 0                   | (100.0%)     |
| <b>TOTAL</b>                            | <b>\$15,376,015</b> | <b>\$16,023,599</b> | <b>\$17,686,183</b> | <b>\$19,409,025</b> | <b>9.7%</b>  |

## Key Initiatives

- Continue the implementation of the Enterprise Land Management application for permitting, planning, inspections, code enforcement, and other land-based business systems.
- Collaborate with internal and external partners to facilitate high-speed fiber deployments.
- Continue enterprise Cityworks implementation for Public Utilities Department.
- Implement mobile device management strategy.
- Develop a PeopleSoft roadmap in coordination with the ERP Center of Excellence.
- Continue coordination and facilitation of technology governance structures.
- Partner with the Finance Department on data compliance and security policies.

# Special Appropriations

The City of Raleigh Special Appropriations budget reflects services or functions that are not specifically associated with a particular department. These functions are grouped into five categories: Employee Benefits, Intergovernmental Payments, Non-departmental Expenses, Risk Management and Transfers to Other Funds.

The Employee Benefits category budgets the city's contribution toward health and life insurance for retirees, workers compensation and unemployment.

Intergovernmental payments include items such as tax billing and collections and the municipal service districts in downtown Raleigh and along Hillsborough Street.

Non-departmental expenses include operating costs not associated with a specific department. These include postage, safety shoes, Council contingency and the maintenance and operations reserve.

The risk management accounts fund a portion of the Risk Management Internal Service Fund. As in the past, direct expenses of risk management will be paid from the Internal Service Fund.

Transfers to Other Funds include transfers made from the General Fund to other funds. Transfers to the General Debt Service Fund, Technology Fund, General Public Improvements Capital Projects Fund and Park Improvement Fund represent the General Fund contributions to the city's debt service and five-year capital program. Transfers are also made to Public Transit, Parking Operations, Convention and Performing Arts Center, Solid Waste Services and Community Development funds. These funds are operated as business-like enterprise funds, but are partially supported with General Fund dollars.

## Budget Detail

|                                    | ACTUALS<br>2013-14 | ACTUALS<br>2014-15 | ADOPTED<br>2015-16 | PROPOSED<br>2016-17 | CHANGE<br>FY16 To FY17 |
|------------------------------------|--------------------|--------------------|--------------------|---------------------|------------------------|
| <b>DIRECT EXPENDITURES BY TYPE</b> |                    |                    |                    |                     |                        |
| <b>Employee Benefits</b>           |                    |                    |                    |                     |                        |
| Post-Employment Benefits           | 9,763,381          | 9,840,379          | 9,984,033          | 10,099,183          | 1.2%                   |
| Unemployment                       | 1,030,061          | 0                  | 122,754            | 120,000             | (2.2%)                 |
| <b>Intergovernmental Payments</b>  |                    |                    |                    |                     |                        |
| City Co Tax B & C                  | 821,209            | 1,033,769          | 1,109,000          | 1,109,000           | 0.0%                   |
| Elections                          | 128,792            | 73,358             | 250,000            | 0                   | (100.0%)               |
| Penalty Payments Due WCPSS         | 521,268            | 648,053            | 500,000            | 500,000             | 0.0%                   |
| Hillsborough MSD                   | 160,888            | 338,490            | 326,510            | 387,045             | 18.5%                  |
| Municipal Service District         | 1,178,272          | 1,208,813          | 1,282,250          | 1,051,895           | (18.0%)                |
| <b>Non-departmental Expenses</b>   |                    |                    |                    |                     |                        |
| City Records Management            | 46,120             | 0                  | 0                  | 0                   |                        |
| Contractual Services               | 69,840             | 0                  | 0                  | 0                   |                        |
| Postage                            | 412,907            | 176,067            | 189,975            | 190,000             | 0.0%                   |
| Safety Shoes                       | 88,696             | 96,911             | 103,810            | 103,810             | 0.0%                   |
| Building Repairs                   | 0                  | 251,106            | 0                  | 0                   |                        |
| Event Sponsorships                 | 0                  | 1,000              | 0                  | 100,000             |                        |
| Utility Bill Assistance            | 0                  | 0                  | 0                  | 200,000             |                        |
| Council Contingency                | 0                  | 0                  | 100,000            | 100,000             | 0.0%                   |
| Maintenance & Operations Reserve   | 0                  | 0                  | 733,529            | 728,529             | (0.7%)                 |
| Special Projects & Programs        | 62,612             | 97,280             | 90,000             | 90,000              | 0.0%                   |

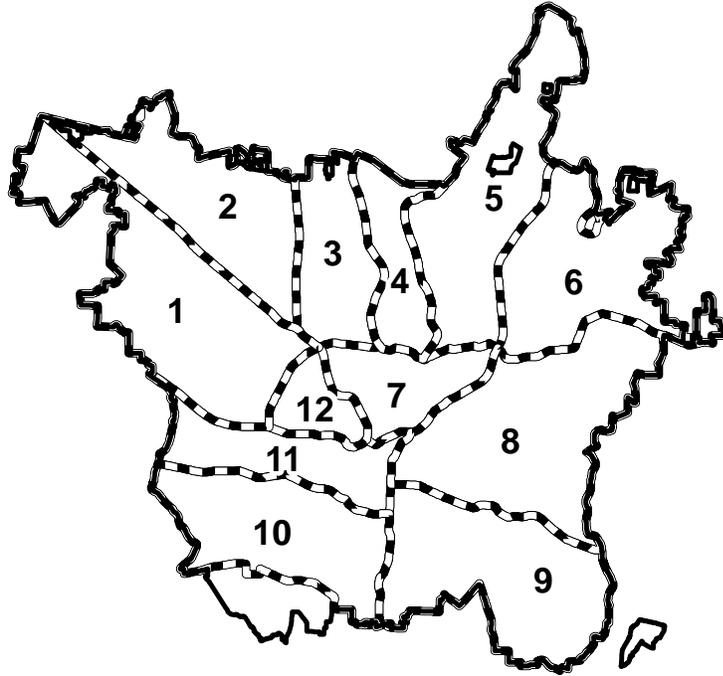
## Budget Detail (continued)

|                                      | ACTUALS               | ACTUALS               | ADOPTED               | PROPOSED              | CHANGE       |
|--------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------|
| DIRECT EXPENDITURES BY TYPE          | 2013-14               | 2014-15               | 2015-16               | 2016-17               | FY16 To FY17 |
| <b>Risk Management</b>               |                       |                       |                       |                       |              |
| Misc. Insurance Premiums             | 484,492               | 488,092               | 488,092               | 490,069               | 0.4%         |
| To ISF-Prop/Liability Claims         | 0                     | 44,583                | 33,147                | 32,031                | (3.4%)       |
| To ISF-Excess Prop/Liability Premium | 0                     | 63,002                | 0                     | 0                     |              |
| To ISF-Prop/Liability Premium        | 0                     | 21,388                | 66,553                | 69,456                | 4.4%         |
| To ISF-WC Excess Premium             | 0                     | 0                     | 20,607                | 20,995                | 1.9%         |
| To ISF-Other Insurance Services      | 959,839               | 959,839               | 959,839               | 957,347               | (0.3%)       |
| To ISF-Workers Comp                  | 0                     | 232,474               | 241,602               | 240,116               | (0.6%)       |
| <b>Transfers to Other Funds</b>      |                       |                       |                       |                       |              |
| To 110 Economic Development          | 1,316,008             | 1,030,696             | 1,281,190             | 1,271,038             | (0.8%)       |
| To 190 Debt Service                  | 40,757,568            | 46,562,000            | 56,149,950            | 62,570,595            | 11.4%        |
| To 251 Equipment Replacement         | 4,324,626             | 1,540,000             | 0                     | 0                     |              |
| To 360 Solid Waste Services          | 11,020,702            | 11,628,083            | 9,890,508             | 7,616,835             | (23.0%)      |
| To 410 Transit                       | 18,127,728            | 18,570,271            | 18,574,238            | 18,870,602            | 1.6%         |
| To 442 Parking                       | 1,000,000             | 500,000               | 500,000               | 500,000               | 0.0%         |
| To 501 Technology Capital            | 4,159,408             | 4,000,000             | 4,000,000             | 3,999,126             | (0.0%)       |
| To 505 General Public Projects       | 4,150,000             | 3,000,000             | 4,000,000             | 5,040,000             | 26.0%        |
| To 515 Sidewalk                      | 3,442,850             | 0                     | 0                     | 661,000               |              |
| To 525 Street Improvement            | 4,934,150             | 10,417,000            | 10,496,000            | 9,911,000             | (5.6%)       |
| To 531-Street Bond Fund 1999         | 3,040,000             | 0                     | 0                     | 0                     |              |
| To 625 Parks Capital                 | 3,092,520             | 3,500,000             | 3,675,000             | 3,800,000             | 3.4%         |
| To 642 Convention Center             | 1,891,481             | 1,926,756             | 1,913,948             | 1,874,857             | (2.0%)       |
| To 646 Performing Arts Capital       |                       |                       |                       | 25,000                |              |
| To 735 Housing Operations            | 1,225,231             | 1,197,533             | 979,363               | 1,265,157             | 29.2%        |
| To 736 Housing Projects              | 0                     | 0                     | 0                     | 5,700,000             |              |
| <b>TOTAL</b>                         | <b>\$ 118,210,649</b> | <b>\$ 119,446,944</b> | <b>\$ 128,061,898</b> | <b>\$ 139,694,687</b> | <b>9.1%</b>  |

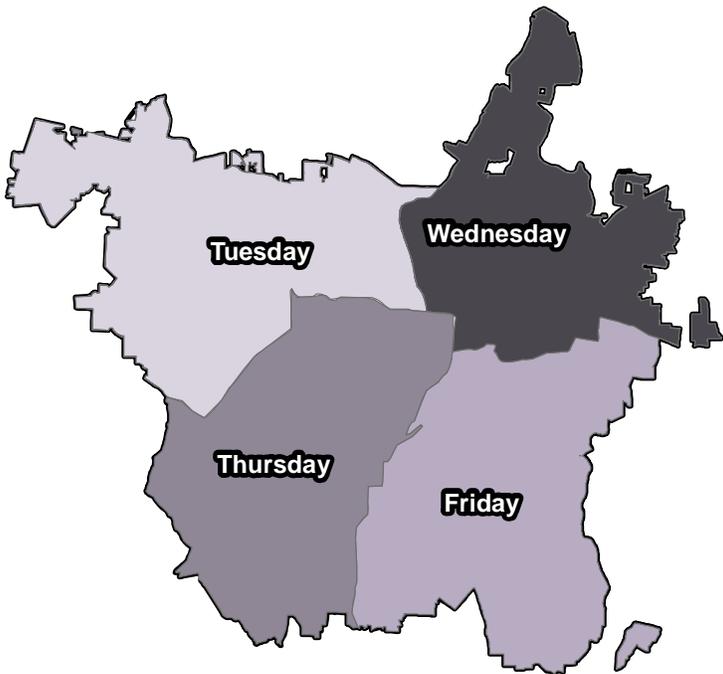
## Budget Highlights

- Includes a \$5.7M increase in the General Fund transfer to debt service related to Dorothea Dix property acquisition. One cent of property tax revenue is allocated to funding the debt service. (*Arts & Cultural Resources, Objective 2*)
- Increases transfer to housing to expand the City's inventory of affordable rental units. This is funded by one cent of property tax revenue allocated to affordable housing (\$5.7M). (*Safe, Vibrant & Healthy Community, Objective 2*)
- Increases transfers to capital improvement program to fund maintenance and improvements at general government and public safety facilities (\$1M) and parks and recreation facilities (\$125k).
- Newly established bill assistance program funding is included to offer financial support to economically distressed utility customers (\$200k).
- Reduces transfer to Solid Waste Services by \$2.3M to continue progress towards 80% cost recovery target.
- Funding for biennial elections have been removed for FY17 and will be restored in FY18 (-\$250k).

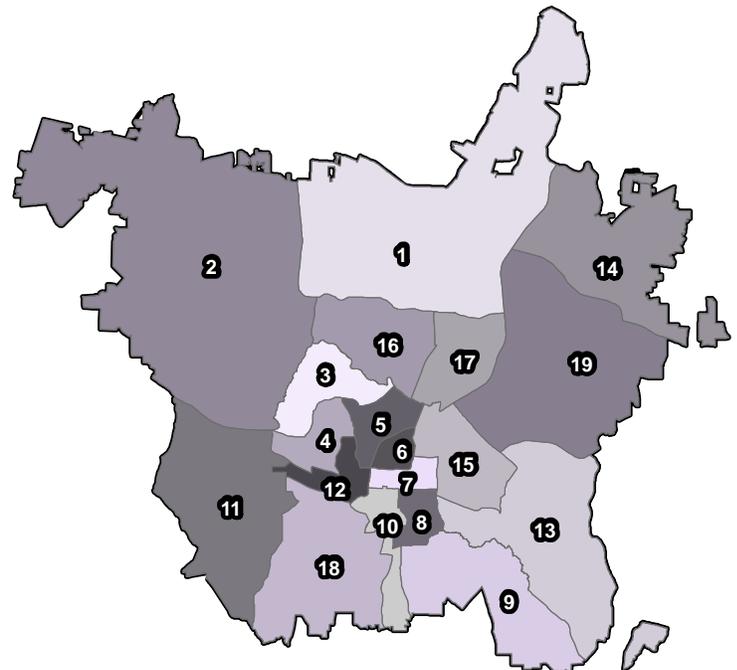
### Leaf Collection Zones



### Trash Collection Zones



### Citizen Advisory Council Districts

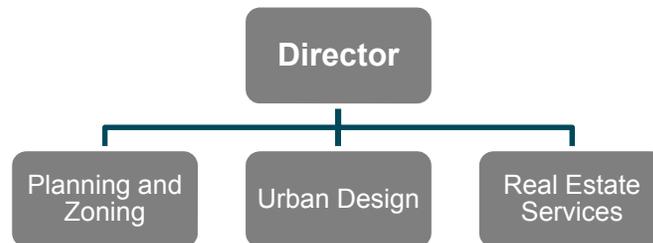


- |                  |                   |                   |                |
|------------------|-------------------|-------------------|----------------|
| Atlantic (17)    | Glenwood (3)      | North Central (7) | Southeast (13) |
| Central (10)     | Hillsborough (12) | Northeast (19)    | Southwest (18) |
| East (15)        | Midtown (16)      | Northwest (2)     | Wade (4)       |
| Five Points (5)  | Mordecai (6)      | South (9)         | West (11)      |
| Forestville (14) | North (1)         | South Central (8) |                |

# City Planning

## Mission

To guide development and conservation for a healthy and prosperous Raleigh.



## Department Overview

The Department provides three main planning services: comprehensive planning, design and implementation and regulation. Comprehensive planning, including corridor, area and neighborhood planning processes, supports community involvement and visioning for future growth and development throughout the city. Design and implementation focuses on bringing these planning efforts to fruition through design services and project planning. By managing requests for zoning map changes, variances from development standards, annexations and other regulatory processes, the department ensures that current development meets standards identified in the zoning ordinance. Real Estate Services provides property acquisition and disposition, deed research and real property lease management services to the city.

Additional information regarding City Planning may be obtained by contacting Kenneth Bowers, City Planning Director, at (919) 996-2633 or via email at [Kenneth.Bowers@raleighnc.gov](mailto:Kenneth.Bowers@raleighnc.gov).

## Budget Highlights

- Following the reorganization of the Public Works Department, the Transportation Planning program (8 positions) is transferred from City Planning to the newly formed Department of Transportation.
- In order to better align communications services throughout the city, staff providing support to City Planning, Development Services and Economic Development and Innovation are realigned with the Communications Department.
- Funding for an architectural survey (\$20,000) and one Planner II is added (\$64,000) to support the historic preservation program. The survey provides matching funds for a grant to identify neighborhoods that may be eligible for listing in the National Register of Historic Places or designation as local historic districts. The Planner II will support increasing Certificate of Appropriateness (COA) application review needs for development in local historic districts.
- One Planner II (\$64,000) is added to support civic design and implementation. This program, under the Urban Design Center, supports major public projects by providing design support and expertise.
- Additional consultant funding (\$200,000) will provide specialized support to several upcoming planning efforts. Consultants with specialized expertise will augment staff resources devoted to small area plans and other planning efforts.

## Budget Detail

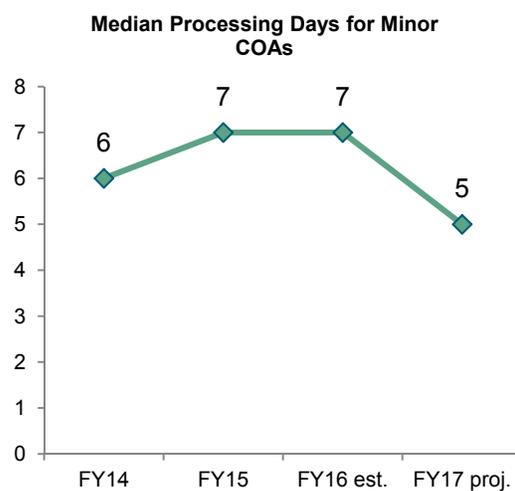
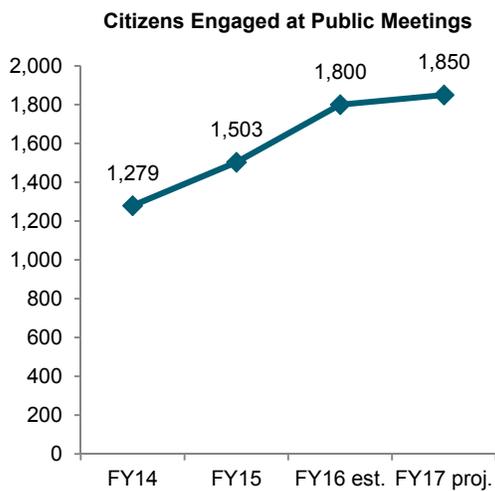
|                                    | ACTUALS            | ACTUALS            | ADOPTED            | PROPOSED           | CHANGE         |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|----------------|
| EMPLOYEES                          | 2013-14            | 2014-15            | 2015-16            | 2016-17            | FY16 to FY17   |
| City Planning                      | 64                 | 58                 | 57                 | 48                 | (9)            |
| <b>TOTAL</b>                       | <b>64</b>          | <b>58</b>          | <b>57</b>          | <b>48</b>          | <b>(9)</b>     |
| <b>DIRECT EXPENDITURES BY TYPE</b> |                    |                    |                    |                    |                |
| Personnel                          | 3,817,346          | 3,406,053          | 3,717,237          | 3,026,421          | (18.6%)        |
| Employee Benefits                  | 1,075,073          | 982,541            | 1,071,941          | 924,604            | (13.7%)        |
| Operating Expenditures             | 588,702            | 690,868            | 666,816            | 792,777            | 18.9%          |
| Special Programs and Projects      | 47,534             | 4,227              | 0                  | 0                  | 0.0%           |
| Capital Equipment                  | 0                  | 58                 | 0                  | 0                  | 0.0%           |
| Capital Project Expense            | 0                  | 32,973             | 25,000             | 0                  | 0.0%           |
| Interfund Transfers                | 223,763            | 167,722            | 223,994            | 0                  | 0.0%           |
| <b>TOTAL</b>                       | <b>\$5,752,419</b> | <b>\$5,284,444</b> | <b>\$5,704,988</b> | <b>\$4,743,802</b> | <b>(16.8%)</b> |

## Key Initiatives

- Complete the first major update to the 2030 Comprehensive Plan and develop a coordinated land use and transit vision amendment to incorporate into the plan.
- Initiate the Capital Boulevard North corridor study, complete a corridor plan for Avent Ferry Road and support planning efforts in other city departments including Dix Park planning and a city facility master plan. (*Growth & Natural Resources, Objective 4*)
- Conduct an architectural survey update of Raleigh's historic resources, addressing neighborhoods which may be eligible for the National Register of Historic Places, as well as areas annexed since the last survey.
- Improve support and outreach to Citizens Advisory Councils (CAC) by attending all CAC meetings where zoning cases are reviewed.
- Complete a strategy for disposition of city-owned real property in downtown. (*Economic Development & Innovation, Objective 3*)

## Performance Indicators

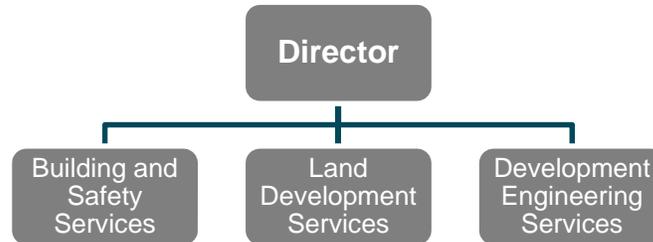
|  | ACTUAL  | ACTUAL  | ESTIMATE | PROJECTION |
|--|---------|---------|----------|------------|
|  | 2013-14 | 2014-15 | 2015-16  | 2016-17    |
| Median days from rezoning filing to decision       | 124     | 142     | 139      | 130        |
| Private Use of Public Spaces (PUPS) permits issued | 432     | 568     | 403      | 500        |
| Properties/easements acquired                      | 162     | 248     | 267      | 300        |
| Properties/easements acquired without condemnation | 88.3%   | 98.8%   | 81.3%    | 90.0%      |



# Development Services

## Mission

To build a better Raleigh by promoting and ensuring quality, safety, usability, sustainability and compliance in the built environment.



## Department Overview

The Development Services Department works to promote and ensure quality, safety, usability, compatibility, sustainability, predictability, and compliance in the built environment. Through plan review, field inspections and customer service the department ensures that development projects meet all applicable code and standards, from the Unified Development Ordinance (UDO) and Raleigh Street Design manual to all applicable state and federal building codes. By providing central intake functions for development projects, coordinating inter-departmental services and providing project oversight, the department works to ensure a high quality development process with flexible, cost effective solutions and excellent customer service.

Additional information regarding Development Services may be obtained by contacting Thomas Hosey, Development Services Director, at (919) 996-2701 or via email at [Thomas.Hosey@raleighnc.gov](mailto:Thomas.Hosey@raleighnc.gov).

## Budget Highlights

- As part of the Public Works reorganization, 21 positions in Development Engineering Services are transferred to the Development Services Department. Moving the unit, which provides services for all proposed development and construction within public rights-of-way, aligns this work with similar review and inspections services provided by the Development Services Department. An additional Project Engineer I (\$54,000) is included in this program to address increased right-of-way development review needs.
- Two additional Senior Multi-Trade Code Enforcement Inspectors (\$138,000) will complete a new major projects inspections team that will be dedicated to large, complex projects. By providing this focused guidance from beginning to end, code compliance issues will be addressed earlier, helping development projects to maintain their timelines and more efficiently using staff resources.
- A new project advocacy program was created in FY16 to provide additional customer support developing approval timelines, track projects and work with customers as a single point of contact. One Project Coordinator (\$76,000) is added to fully implement this program.
- Workload for preliminary plan review is anticipated to increase substantially when the UDO is fully implemented. One new Planner II will support this need, while an additional Zoning Inspector will ensure adequate staffing to provide next-day inspection services (\$130,000).

- Additional funding in several areas will provide resources for the department to improve services and meet service expectations. Technology enhancements to upgrade equipment utilized during reviews and implement an electronic review pilot program (\$185,000) will provide a higher level of customer service. Funding for uniforms, inspection tools, additional workstations and strategically located inspection vehicle parking will improve professionalism and efficiency within the department (\$116,000). With increased overtime and part time funding (\$50,000), the department will be better poised to respond to service demands that fluctuate with the development market without the need for additional full time staff.

## Budget Detail

|  | ACTUALS             | ACTUALS            | ADOPTED             | PROPOSED            | CHANGE       |
|--|---------------------|--------------------|---------------------|---------------------|--------------|
|  | 2013-14             | 2014-15            | 2015-16             | 2016-17             | FY16 to FY17 |
| <b>EMPLOYEES</b>                       |                     |                    |                     |                     |              |
| Administration                         | 0                   | 0                  | 0                   | 7                   | 7            |
| Building & Safety Services             | 86                  | 57                 | 69                  | 73                  | 4            |
| Land Development Services              | 41                  | 42                 | 52                  | 46                  | (6)          |
| Development Engineering Services       | 0                   | 0                  | 0                   | 21                  | 21           |
| <b>TOTAL</b>                           | <b>127</b>          | <b>99</b>          | <b>121</b>          | <b>147</b>          | <b>26</b>    |
| <b>DIRECT EXPENDITURES BY DIVISION</b> |                     |                    |                     |                     |              |
| Administration                         | 0                   | 0                  | 0                   | 631,698             | 0.0%         |
| Building & Safety Services             | 7,092,456           | 4,995,068          | 5,962,201           | 7,029,080           | 17.9%        |
| Land Development Services              | 3,248,674           | 3,067,491          | 4,262,354           | 3,906,818           | (8.3%)       |
| Development Engineering Services       | 0                   | 0                  | 0                   | 1,757,815           | 0.0%         |
| <b>TOTAL</b>                           | <b>\$10,341,129</b> | <b>\$8,062,558</b> | <b>\$10,224,555</b> | <b>\$13,325,411</b> | <b>30.3%</b> |
| <b>DIRECT EXPENDITURES BY TYPE</b>     |                     |                    |                     |                     |              |
| Personnel                              | 7,093,894           | 5,590,990          | 6,983,910           | 8,859,406           | 26.9%        |
| Employee Benefits                      | 2,028,236           | 1,600,891          | 2,063,846           | 2,720,705           | 31.8%        |
| Operating Expenditures                 | 1,121,636           | 772,070            | 997,160             | 1,573,299           | 57.8%        |
| Special Programs and Projects          | 87,310              | 98,710             | 92,139              | 107,851             | 0.0%         |
| Capital Equipment                      | 10,071              | 0                  | 12,500              | 64,150              | 0.0%         |
| Capital Project Expense                | 0                   | 0                  | 75,000              | 0                   | 0.0%         |
| <b>TOTAL</b>                           | <b>\$10,341,147</b> | <b>\$8,062,662</b> | <b>\$10,224,555</b> | <b>\$13,325,411</b> | <b>30.3%</b> |

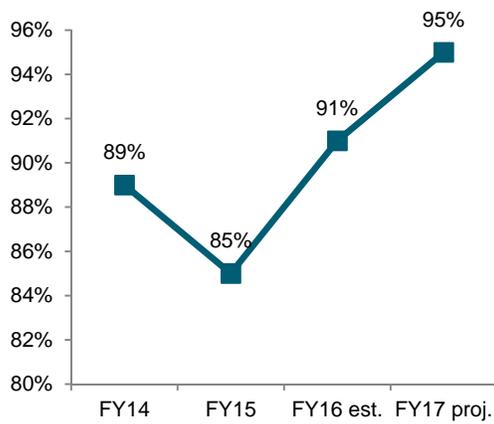
## Key Initiatives

- Continue to adjust the department structure to enhance customer service and efficiency, a process that began with the reorganization of the Planning and Development Department and hiring a new Development Services Director during Fiscal Year 2016.
- Complete a comprehensive fee study and bring forth an implementation strategy to ensure a fair, equitable, proportional development fee structure. (*Economic Development & Innovation, Objective 3*)
- Continue to refine and expand opportunities to combine review services, reducing the total number of required submissions and overall project review time. (*Economic Development & Innovation, Objective 3*)
- Implement technology improvements to improve efficiency including electronic plan submittal and review opportunities. (*Economic Development & Innovation, Objective 3*)

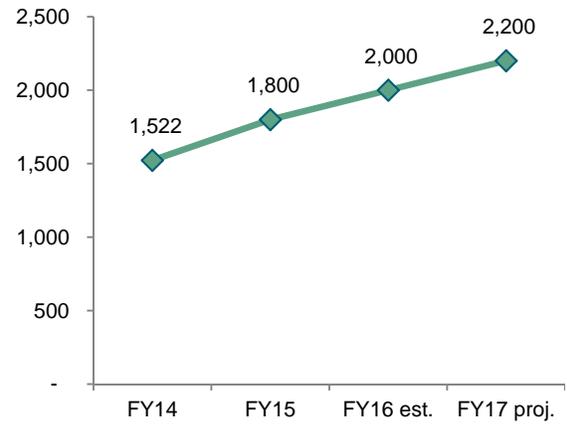
## Performance Indicators

|   | ACTUAL        | ACTUAL        | ESTIMATE | PROJECTION |
|---|---------------|---------------|----------|------------|
|   | 2013-14       | 2014-15       | 2015-16  | 2016-17    |
| Single Family/Duplex plan reviews completed within 8 days                         | 99%           | 98%           | 97%      | 98%        |
| Standard Commercial/Group Housing/Mixed-Use plan reviews completed within 10 days | 87%           | 92%           | 94%      | 95%        |
| Interior Fit-Ups/Alteration/Repairs plan reviews completed within 10 days         | 95%           | 97%           | 98%      | 98%        |
| Average call wait time less than 3 minutes  | Not collected | Not collected | 98%      | 100%       |
| Average walk-in wait time less than 10 minutes                                    | Not collected | Not collected | 98%      | 100%       |

**Inspections Completed within 24 Hours of Request**



**Engineering Site Finals Inspected**



# Engineering Services

## Department Overview

Effective July 1, 2016, the Engineering Services Department is responsible for overseeing the design and construction of roadway, stormwater and city facility improvement projects to ensure the safety and sustainability through diligent review and thorough inspections as well as cost effective maintenance of existing system components. Engineering Services includes Facility Construction Management, Street Design/Construction, and Facility and Operations, Vehicle Fleet Services and Stormwater Management.

## Budget Highlights

- The Engineering Services Department was created as part of the reorganization of the former Public Works Department. Portions of Public Works and Parks, Recreation, and Cultural Resources were transferred (128 positions).
- Includes full year funding for maintenance and operations of the Central Communications Center, Northeast Remote Operations, and the Central Operations Facility (\$385,000).
- Adds one Maintenance Mechanic III position for Police facility maintenance (\$70,000).
- Adds one Project Engineer II position for continued roadway design program implementation (\$69,000).
- Includes partial year funding for one position to manage the facility maintenance and operation for the new Union Station facility (\$15,000).

## Budget Detail

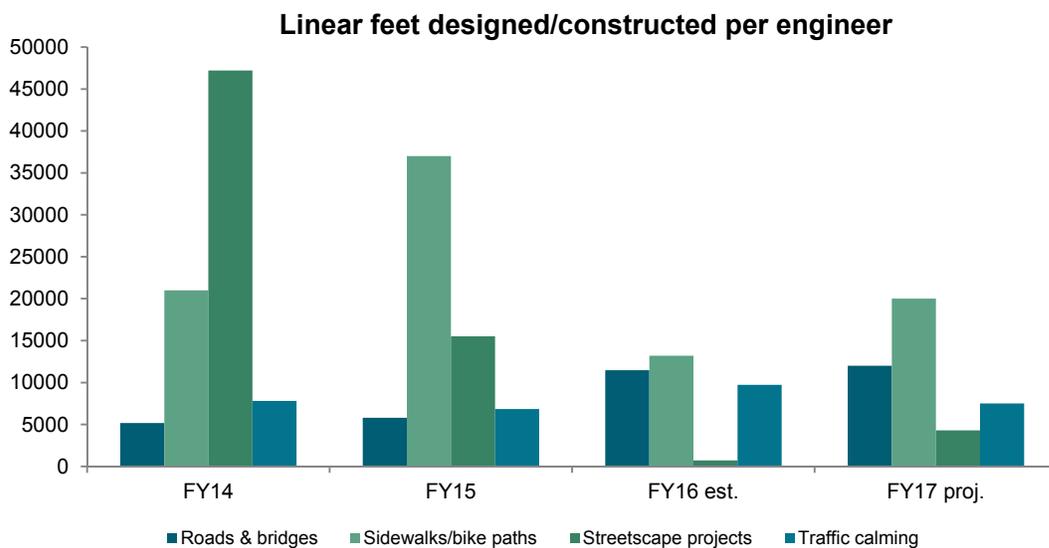
|  | ACTUALS    | ACTUALS    | ADOPTED    | PROPOSED            | CHANGE       |
|--|------------|------------|------------|---------------------|--------------|
|  | 2013-14    | 2014-15    | 2015-16    | 2016-17             | FY16 to FY17 |
| <b>EMPLOYEES</b>                       |            |            |            |                     |              |
| Engineering Services                   | 0          | 0          | 0          | 44                  |              |
| Construction Mgmt-Eng Svcs             | 0          | 0          | 0          | 14                  |              |
| Design Development-Eng Svcs            | 0          | 0          | 0          | 1                   |              |
| Facilities Maint-Eng Svcs              | 0          | 0          | 0          | 47                  |              |
| Park Facility Maintenance              | 0          | 0          | 0          | 24                  |              |
| <b>TOTAL</b>                           | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>130</b>          |              |
| <b>DIRECT EXPENDITURES BY DIVISION</b> |            |            |            |                     |              |
| Construction Mgmt-Eng Svcs             | 0          | 0          | 0          | 1,387,068           |              |
| Design Development-Eng Svcs            | 0          | 0          | 0          | 99,144              |              |
| Engineering Services                   | 0          | 0          | 0          | 4,272,270           |              |
| Facilities Maint-Eng Svcs              | 0          | 0          | 0          | 9,032,875           |              |
| Park Facility Maintenance              | 0          | 0          | 0          | 2,823,331           |              |
| <b>TOTAL</b>                           | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$17,614,688</b> |              |
| <b>DIRECT EXPENDITURES BY TYPE</b>     |            |            |            |                     |              |
| Personnel                              | 0          | 0          | 0          | 7,267,392           |              |
| Employee Benefits                      | 0          | 0          | 0          | 2,432,476           |              |
| Operating Expenditures                 | 0          | 0          | 0          | 7,054,806           |              |
| Special Programs and Projects          | 0          | 0          | 0          | 394,133             |              |
| Capital Equipment                      | 0          | 0          | 0          | 343,515             |              |
| Interfund Transfers                    | 0          | 0          | 0          | 122,366             |              |
| <b>TOTAL</b>                           | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$17,614,688</b> |              |

## Key Initiatives

- In alignment with the City Strategic Plan and 2030 Comprehensive Plan, continue accelerating the design and construction for the capital improvement program in FY 2017. (*Growth & Natural Resources, Objective 3*)
- Continue to apply the project prioritization model across the Street and Facility Program for capital improvement project evaluation and rankings. (*Growth & Natural Resources, Objective 3*)
- Begin the dialogue with key stakeholders on the contractor performance issues and develop a policy for Council consideration.
- Initiate a joint venture agreement between the City, Catholic Diocese Church, and North Carolina State University to design and construct Pullen Road extension between Western Blvd and Centennial Parkway.
- Utilize tablet technology among field crews to obtain accurate data collection and maximize a higher level of performance.

## Performance Indicators

|  | ACTUAL<br>2013-14 | ACTUAL<br>2014-15 | ESTIMATE<br>2015-16 | PROJECTION<br>2016-17 |
|--|-------------------|-------------------|---------------------|-----------------------|
| Percent of facility construction project completed on time and on budget | 65%               | 75%               | 80%                 | 90%                   |



# Stormwater Management

## Mission

Manage stormwater to preserve and protect life, support healthy natural resources, and complement sustainable growth for the vibrant Raleigh community.

## Department Overview

The Stormwater Management Division delivers services to the citizens of Raleigh through the city's Stormwater Utility, including drainage and water quality assistance programs, capital improvement projects and the water quality program mandated by the Federal Clean Water Act. The division also provides private development review and inspection to ensure conformance to stormwater, soil erosion, and floodplain management requirements, public outreach and public involvement programs and responds to citizen inquiries regarding services and programs.

Additional information regarding the Stormwater Management Division may be obtained by contacting Blair Hinkle, Stormwater Program Manager, at (919) 996-4011 or via email at [Blair.Hinkle@raleighnc.gov](mailto:Blair.Hinkle@raleighnc.gov).

## Budget Highlights

- Implements \$1 per Single Family Equivalent Unit (SFEU) monthly fee increase. Additional revenues will be used to enhance capital project implementation (\$4,175,000) and add two additional Stormwater Street crews (12 positions) to increase project delivery timelines (\$1,400,000). The additional crews will be utilized in both planned project delivery and to address some stormwater event remediation.

## Budget Detail

|                                    | ACTUALS             | ACTUALS             | ADOPTED             | PROPOSED            | CHANGE       |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|--------------|
|                                    | 2013-14             | 2014-15             | 2015-16             | 2016-17             | FY16 to FY17 |
| <b>EMPLOYEES</b>                   |                     |                     |                     |                     |              |
| Stormwater Management              | 48                  | 54                  | 56                  | 56                  | 0            |
| <b>TOTAL</b>                       | <b>48</b>           | <b>54</b>           | <b>56</b>           | <b>56</b>           | <b>0</b>     |
| <b>DIRECT EXPENDITURES BY TYPE</b> |                     |                     |                     |                     |              |
| Personnel                          | 2,579,394           | 2,984,176           | 3,391,453           | 3,519,457           | 3.8%         |
| Employee Benefits                  | 884,840             | 1,042,547           | 1,179,559           | 1,258,321           | 6.7%         |
| Operating Expenditures             | 493,013             | 501,544             | 877,532             | 749,074             | (14.6%)      |
| Special Programs and Projects      | 155,427             | 169,694             | 108,865             | 128,916             | 18.4%        |
| Capital Equipment                  | 236,558             | 0                   | 6,000               | 0                   | (100.0%)     |
| Capital Project Expense            | 22,938.14           | 264,438.96          | 100,000.00          | 101,738             | 1.7%         |
| Interfund Transfers                | 10,788,197          | 11,193,695          | 12,085,279          | 17,957,665          | 48.6%        |
| <b>TOTAL</b>                       | <b>\$15,160,367</b> | <b>\$16,156,096</b> | <b>\$17,748,688</b> | <b>\$23,715,171</b> | <b>33.6%</b> |

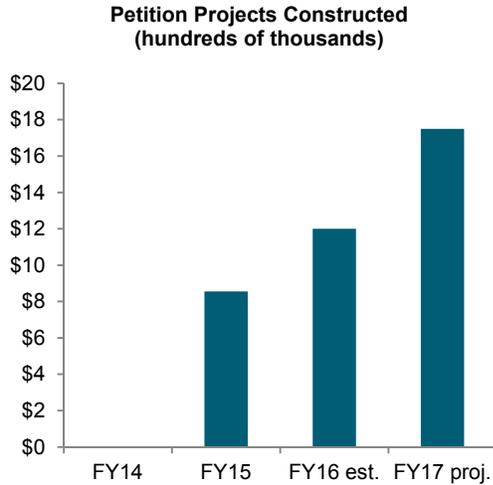
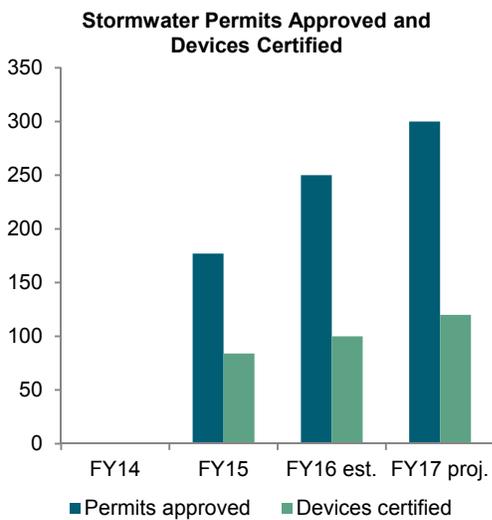
## Key Initiatives

- In alignment with the City Strategic Plan and 2030 Comprehensive Plan, continue increasing level of service for the Drainage Assistance program in FY 2017. The program will also continue to evaluate ways for expediting construction of small drainage repair projects through the use of unit price/on-call construction agreements across multiple small-scale drainage repair categories. The projects will include minor CIP stormwater projects, private petition issues and point-repair stormwater maintenance and right-of-way drainage issues. (*Growth & Natural Resources, Objective 3*)
- With enhanced staffing resources in place, continue aggressive implementation of the Stormwater Capital Improvement Program with approximately \$30 million of projects pending final design and construction within the next three to five years.

- Continue to further implement and apply the Integrated Stormwater Project Prioritization Model across the Stormwater Management Program for capital improvement project evaluation and rankings.

## Performance Indicators

|   | ACTUAL<br>2013-14 | ACTUAL<br>2014-15 | ESTIMATE<br>2015-16 | PROJECTION<br>2016-17 |
|---|-------------------|-------------------|---------------------|-----------------------|
| Stormwater drainage complaints investigated                     | 700               | 476               | 350                 | 500                   |
| Total # of active petition projects                             | 70                | 74                | 55                  | 60                    |
| Total # of Stormwater Petition Projects Constructed             | 0                 | 13                | 22                  | 25                    |
| % of active construction sites in compliance                    | N/A               | 97%               | 97%                 | 98%                   |
| % of accepted annual inspection of permanent Stormwater devices | N/A               | 67%               | 80%                 | 95%                   |



# Vehicle Fleet Services

## Mission

To provide high quality, and cost effective fleet management services for all City vehicles and motorized equipment to keep City departments operational.

## Department Overview

Vehicle Fleet Services works to meet the transportation and equipment needs of the City by providing cost effective maintenance and repair services, replacement of new vehicles and equipment, managing fuel operations, and operating City motor pool. As an internal service fund, Vehicle Fleet Services provides the ability to manage and track fleet needs across all city departments.

Additional information regarding Vehicle Fleet Services may be obtained by contacting Travis Brown, Vehicle Fleet Services Superintendent, at (919) 996-5616 or via email at [Travis.Brown@raleighnc.gov](mailto:Travis.Brown@raleighnc.gov).

## Budget Highlights

- Fund a comprehensive, consultant-led fleet study to analyze operations including vehicle replacement, fuel management, information systems and labor costs (\$100,000).
- Fleet right-sizing efforts, fuel efficient vehicle purchases and alternative fuel use have reduced fuel consumption across the city (\$142,000).

## Budget Detail

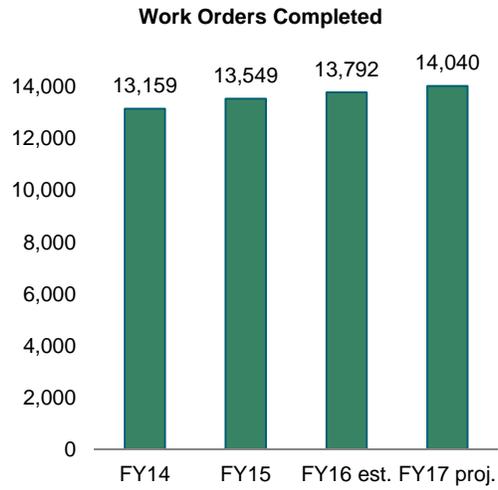
|                                    | ACTUALS             | ACTUALS             | ADOPTED             | PROPOSED            | CHANGE       |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|--------------|
| EMPLOYEES                          | 2013-14             | 2014-15             | 2015-16             | 2016-17             | FY16 to FY17 |
| Vehicle Fleet Services             | 65                  | 72                  | 77                  | 77                  | 0            |
| <b>TOTAL</b>                       | <b>65</b>           | <b>72</b>           | <b>77</b>           | <b>77</b>           | <b>0</b>     |
| <b>DIRECT EXPENDITURES BY TYPE</b> |                     |                     |                     |                     |              |
| Personnel                          | 2,648,141           | 2,907,928           | 3,592,530           | 3,737,585           | 4.0%         |
| Employee Benefits                  | 964,505             | 1,232,589           | 1,474,708           | 1,612,743           | 9.4%         |
| Operating Expenditures             | 10,829,589          | 9,227,713           | 12,354,236          | 12,327,179          | (0.2%)       |
| Special Programs and Projects      | 138,527             | 0                   | 0                   | 0                   | 0.0%         |
| Capital Equipment                  | 86,802              | 27,464              | 119,410             | 121,600             | 1.8%         |
| Interfund Transfers                | 82,714              | 95,854              | 87,728              | 100,085             | 14.1%        |
| <b>TOTAL</b>                       | <b>\$14,750,278</b> | <b>\$13,491,548</b> | <b>\$17,628,612</b> | <b>\$17,899,191</b> | <b>1.5%</b>  |

## Key Initiatives

- Continue to promote the use of alternative fuels, especially E85 ethanol fuel blend, by increasing access at strategically located fueling stations. (*Growth & Natural Resources, Objective 3*)
- Replace motor pool software as support for current solution is being phased out.
- Replace natural gas station at the Heavy Vehicle Equipment Shop. This 13-year-old station has had significant maintenance issues and replacement should ensure more consistent service.
- Review costs associated with permitting, maintenance and testing of fueling infrastructure to evaluate future funding opportunities for these rising costs.

## Performance Indicators

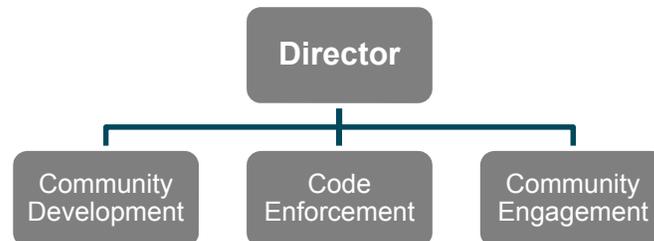
|  | ACTUAL         | ACTUAL         | ESTIMATE       | PROJECTION     |
|--|----------------|----------------|----------------|----------------|
|  | <b>2013-14</b> | <b>2014-15</b> | <b>2015-16</b> | <b>2016-17</b> |
| Repairs Orders Completed within 24 hours | 46%            | 48%            | 51%            | 51%            |
| Vehicles and Equipment Maintained        | 4,176          | 4,298          | 4,379          | 4,460          |
| Average Daily Fleet Availability         | 96.97%         | 97.14%         | 96.70%         | 97.00%         |



# Housing and Neighborhoods

## Mission

A safe, vibrant, diverse and engaged community providing affordable housing choice and social equity.



## Department Overview

The Housing and Neighborhoods Department provides funding for the creation and preservation of affordable housing and for services and programs benefitting low to moderate income persons. The Department enforces codes to ensure safe and decent housing and carries out neighborhood revitalization and community engagement and enrichment activities.

Additional information regarding the Housing and Neighborhoods Department may be obtained by contacting Larry Jarvis, Housing and Neighborhoods Director at (919) 996-4330 or via email at [Larry.Jarvis@raleighnc.gov](mailto:Larry.Jarvis@raleighnc.gov).

## Budget Highlights

- Transfers the Minority and Woman-owned Business (MWBE) Program from the Office of Economic Development and Innovation to Housing and Neighborhoods. A Senior Business Assistance Program Manager position (\$85,000) is added to support the program.
- Funding for a new leased space (\$500,000) and related up-fit costs (\$300,000) that will allow for all three divisions of the Housing and Neighborhoods Department to be collocated is included in the Engineering Services Department.
- The FY2017 budget dedicates one cent of property tax revenue to provide a permanent funding source to expand the City's affordable housing program in the capital budget.

## Budget Detail

|                                      | ACTUALS   | ACTUALS   | ADOPTED   | PROPOSED  | CHANGE       |
|--------------------------------------|-----------|-----------|-----------|-----------|--------------|
| EMPLOYEES                            | 2013-14   | 2014-15   | 2015-16   | 2016-17   | FY16 to FY17 |
| Housing and Neighborhood Admin       | 0         | 0         | 2         | 5         | 3            |
| Community Development                | 23        | 23        | 21        | 21        | 0            |
| Community Engagement                 | 15        | 15        | 17        | 17        | 0            |
| Community Engagement Grant Positions | 3         | 3         | 1         | 1         | 0            |
| Code Enforcement                     | 0         | 32        | 32        | 32        | 0            |
| <b>TOTAL</b>                         | <b>41</b> | <b>73</b> | <b>73</b> | <b>76</b> | <b>3</b>     |

## Budget Detail (continued)

|                                    | ACTUALS            | ACTUALS             | ADOPTED             | PROPOSED            | CHANGE       |
|------------------------------------|--------------------|---------------------|---------------------|---------------------|--------------|
| DIRECT EXPENDITURES BY DIVISION    | 2013-14            | 2014-15             | 2015-16             | 2016-17             | FY16 to FY17 |
| Housing and Neighborhood Admin     | 0                  | 0                   | 224,457             | 512,753             | 128.4%       |
| Community Development              | 2,248,821          | 2,150,671           | 1,343,630           | 1,587,557           | 18.2%        |
| Community Engagement               | 1,688,871          | 1,634,146           | 1,931,873           | 1,984,741           | 2.7%         |
| Code Enforcement                   | 0                  | 2,537,654           | 2,653,948           | 2,747,138           | 3.5%         |
| Community Development Block Grant  | 3,189,599          | 3,109,949           | 3,965,369           | 4,318,661           | 8.9%         |
| HOME Grant                         | 2,634,465          | 2,903,338           | 1,703,842           | 1,758,570           | 3.2%         |
| Emergency Solutions Grant          | 190,168            | 188,206             | 239,845             | 239,845             | 0.0%         |
| <b>TOTAL</b>                       | <b>\$9,951,925</b> | <b>\$12,523,963</b> | <b>\$12,062,964</b> | <b>\$13,149,265</b> | <b>9.0%</b>  |
| <b>DIRECT EXPENDITURES BY TYPE</b> |                    |                     |                     |                     |              |
| Personnel                          | 2,348,572          | 3,954,064           | 4,362,531           | 4,654,247           | 6.7%         |
| Employee Benefits                  | 670,364            | 1,256,548           | 1,261,864           | 1,467,320           | 16.3%        |
| Operating Expenditures             | 1,198,792          | 1,424,589           | 1,036,605           | 1,338,382           | 29.1%        |
| Special Programs and Projects      | 1,775,549          | 3,851,776           | 4,528,641           | 4,133,139           | (8.7%)       |
| Capital Equipment                  | 0                  | 181                 | 2,647               | 2,647               | 0.0%         |
| Capital Project Expense            | 2,577,700          | 1,033,344           | 313,500             | 823,000             | 162.5%       |
| Interfund Transfers                | 1,380,948          | 1,003,461           | 557,175             | 730,531             | 31.1%        |
| <b>TOTAL</b>                       | <b>\$9,951,925</b> | <b>\$12,523,963</b> | <b>\$12,062,963</b> | <b>\$13,149,265</b> | <b>9.0%</b>  |

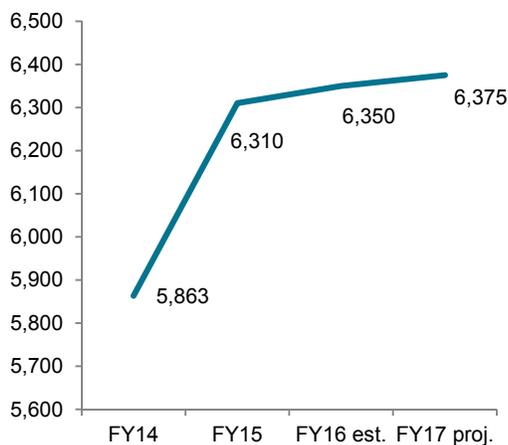
## Key Initiatives

- Complete guidelines and operationalize new programs included in the 2016-2020 Affordable Housing Improvement Plan. (*Safe, Vibrant & Healthy Community, Objective 2*)
- Finalize operating model, complete construction and open Oak City Center as a multi-purpose intake facility serving the homeless and those at risk. (*Safe, Vibrant & Healthy Community, Objective 2*)
- Implement the new Land Management software to further streamline operations and enhance collaboration with other departments. (*Organizational Excellence, Objective 2*)

## Performance Indicators

|  | ACTUAL  | ACTUAL  | ESTIMATE | PROJECTION |
|--|---------|---------|----------|------------|
|  | 2013-14 | 2014-15 | 2015-16  | 2016-17    |
| Affordable Rental Units Created                | 148     | 190     | 207      | 320        |
| Homebuyer Loans Closed                         | 54      | 85      | 66       | 75         |
| Complaints Completed/Received                  | 85%     | 99%     | 93%      | 94%        |
| Students Served by Foster Grandparent Program  | 82      | 93      | 102      | 102        |
| Youth Certified in "Bring Your A-Game to Work" | 53      | 61      | 65       | 65         |

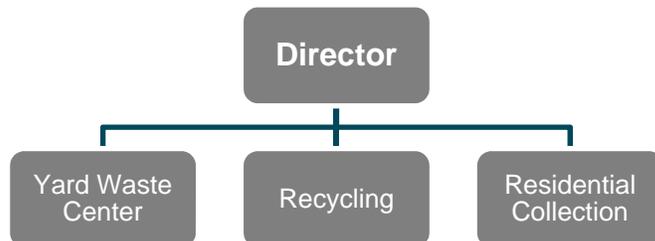
Housing Inspections



# Solid Waste Services

## Mission

To create a safe, efficient and effective waste management, disposal and recycling system that protects the natural environment while supporting the City of Raleigh's vision to achieve a sustainable future.



## Department Overview

Solid Waste Services provides safe and efficient garbage, recycling and yard waste collection and disposal services across the city, including specialized services in the central business district and at special events. Additional programs including Geographical Information System (GIS), training and development, safety, and code enforcement support the departmental operations. Education and public outreach efforts focus on increasing community awareness of solid waste services and programs. The Yard Waste Center recycles and sell yard waste materials that are prohibited by state law to be disposed of in landfills.

Additional information regarding the Solid Waste Services Department may be obtained by contacting Frederick Battle, Solid Waste Services Director, at (919) 996-6867 or via email at [Frederick.Battle@raleighnc.gov](mailto:Frederick.Battle@raleighnc.gov).

## Budget Highlights

- A \$0.75 per month residential garbage collection fee increase is included effective July 1, 2016. This fee increase funds growing service needs and continues to move Solid Waste Services towards its 80% cost recovery goal.
- One administrative position is transferred to Public Utilities to support the mid-year FY16 customer support and billing service transition from a contract vendor to Public Utilities (\$36,000).
- Three new Equipment Operator III positions (\$131,000) in the Residential Collection Division will provide staffing flexibility to rebalance existing routes and increase route efficiency. Additional service positions have not been added for collections since FY13.
- Two additional Equipment Operator III positions (\$88,000) are included to supplement staffing at the Yard Waste Center, allowing the Center to operate fully staffed six days a week. Reductions in part time and overtime funding will offset the new position costs.

## Budget Detail

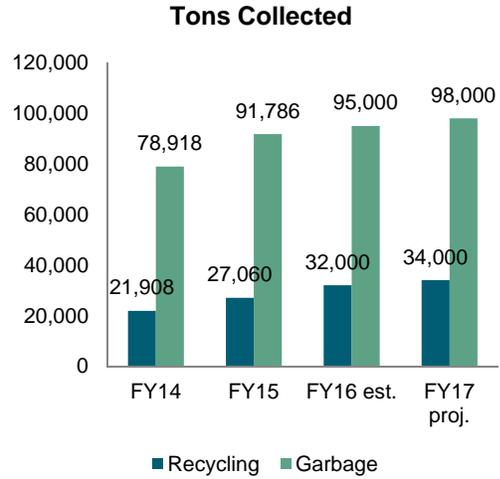
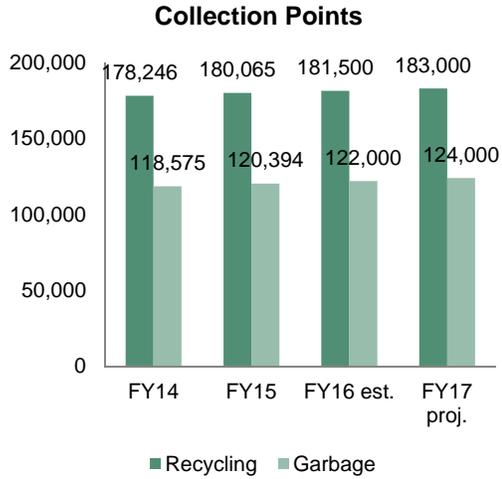
|  | ACTUALS             | ACTUALS             | ADOPTED             | PROPOSED            | CHANGE              |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>EMPLOYEES</b>                       | <b>2013-14</b>      | <b>2014-15</b>      | <b>2015-16</b>      | <b>2016-17</b>      | <b>FY16 to FY17</b> |
| Administration                         | 25                  | 28                  | 26                  | 29                  | 3                   |
| Recycling Collection                   | 47                  | 44                  | 45                  | 43                  | (2)                 |
| Residential Collection                 | 121                 | 124                 | 127                 | 128                 | 1                   |
| Yardwaste Center                       | 9                   | 6                   | 6                   | 8                   | 2                   |
| <b>TOTAL</b>                           | <b>202</b>          | <b>202</b>          | <b>204</b>          | <b>208</b>          | <b>4</b>            |
| <b>DIRECT EXPENDITURES BY DIVISION</b> |                     |                     |                     |                     |                     |
| Administration                         | 8,666,328           | 9,110,923           | 10,914,731          | 9,293,267           | 0.0%                |
| Recycling Collection                   | 4,570,765           | 4,924,297           | 5,205,972           | 4,607,329           | (11.5%)             |
| Residential Collection                 | 16,497,658          | 15,515,441          | 17,405,183          | 18,756,539          | 7.8%                |
| Yardwaste Center                       | 1,353,225           | 1,352,024           | 2,549,291           | 2,196,842           | 0.0%                |
| <b>TOTAL</b>                           | <b>\$31,087,976</b> | <b>\$30,902,686</b> | <b>\$36,075,176</b> | <b>\$34,853,977</b> | <b>(3.4%)</b>       |
| <b>DIRECT EXPENDITURES BY TYPE</b>     |                     |                     |                     |                     |                     |
| Personnel                              | 8,167,639           | 7,917,605           | 9,057,380           | 9,106,985           | 0.5%                |
| Employee Benefits                      | 3,319,702           | 3,140,606           | 3,497,161           | 3,732,060           | 6.7%                |
| Operating Expenditures                 | 13,599,435          | 13,559,533          | 16,467,493          | 16,119,670          | (2.1%)              |
| Special Programs and Projects          | 534,357             | 508,283             | 476,962             | 432,996             | 0.0%                |
| Capital Equipment                      | 255,677             | 495,317             | 1,253,951           | 615,858             | 0.0%                |
| Capital Project Expense                | 54,930              | 89,028              | 0                   | 0                   | 0.0%                |
| Interfund Transfers                    | 5,156,237           | 5,192,324           | 5,322,229           | 4,846,408           | 0.0%                |
| <b>TOTAL</b>                           | <b>\$31,087,976</b> | <b>\$30,902,696</b> | <b>\$36,075,176</b> | <b>\$34,853,977</b> | <b>(3.4%)</b>       |

## Key Initiatives

- Develop an implementation strategy for Waste Reduction Task Force recommendations presented to City Council in FY16. (*Growth & Natural Resources, Objective 3*)
- Continue to partner with internal and external stakeholders to implement service enhancements that will improve cleanliness in the downtown area. (*Safe, Vibrant & Healthy Community, Objective 4*)
- Leverage investments in new technology, including Automatic Vehicle Location (AVL) software, Radio Frequency Identification (RFID) readers, routing software and a work order system, to establish service goals and evaluate operational efficiency.
- Continue to improve employee relations through expanding training, providing career development opportunities and implementing operational enhancements recommended by employee advisory committees.

## Performance Indicators

|  | ACTUAL  | ACTUAL  | ESTIMATE | PROJECTION |
|--|---------|---------|----------|------------|
|  | 2013-14 | 2014-15 | 2015-16  | 2016-17    |
| Yardwaste Center Sales Transactions        | 12,337  | 10,039  | 11,000   | 12,000     |
| Total Residential Tons Collected (Garbage) | 78,918  | 91,786  | 95,000   | 98,000     |



# Transportation

## Department Overview

Effective July 1, 2016, the Department of Transportation will consolidate all aspects of transportation, including planning, maintenance and operations to optimize service delivery and position the city for ongoing growth.

The Department of Transportation includes the Transportation Planning, Transportation Operations, Transportation Field Services, and Highway Maintenance functions. The Department also oversees GoRaleigh transit services and downtown parking services.

## Budget Highlights

- The Department of Transportation was created from the reorganization of the former Public Works Department. Portions of Public Works, City Planning and Parks, Recreation, and Cultural Resources were transferred into the new department (99 positions).
- Includes 15 positions for two crews dedicated to Downtown cleanliness. Also includes one position to serve as the Downtown Coordinator for support of this service (\$850,000). The two crews will have responsibility for Downtown cleanliness in the area currently maintained by the Downtown Raleigh Alliance.
- Includes 12 positions for two new stormwater crews for the completion of stormwater projects and emergency remediation (\$1,390,000).
- Adds one Bike Share Coordinator funded for a partial year (\$35,000).
- Adds Union Station Manager to manage the new facility, scheduled to open in FY18 (\$35,000).

## Budget Detail

|  | ACTUALS    | ACTUALS    | ADOPTED    | PROPOSED            | CHANGE       |
|--|------------|------------|------------|---------------------|--------------|
|  | 2013-14    | 2014-15    | 2015-16    | 2016-17             | FY16 to FY17 |
| <b>EMPLOYEES</b>                       |            |            |            |                     |              |
| Transportation Services                | 0          | 0          | 0          | 199                 |              |
| Stormwater St Maint-Tran Svcs          | 0          | 0          | 0          | 53                  |              |
| Safelight-Tran Svcs                    | 0          | 0          | 0          | 1                   |              |
| <b>TOTAL</b>                           | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>253</b>          |              |
| <b>DIRECT EXPENDITURES BY DIVISION</b> |            |            |            |                     |              |
| Safelight-Tran Svcs                    | 0          | 0          | 0          | 899,129             |              |
| Stormwater St Maint-Tran Svcs          | 0          | 0          | 0          | 4,514,830           |              |
| Transportation Services                | 0          | 0          | 0          | 24,888,142          |              |
| <b>TOTAL</b>                           | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$30,302,100</b> |              |
| <b>DIRECT EXPENDITURES BY TYPE</b>     |            |            |            |                     |              |
| Personnel                              | 0          | 0          | 0          | 10,694,489          |              |
| Employee Benefits                      | 0          | 0          | 0          | 3,837,493           |              |
| Operating Expenditures                 | 0          | 0          | 0          | 15,308,592          |              |
| Special Programs and Projects          | 0          | 0          | 0          | 52,694              |              |
| Capital Equipment                      | 0          | 0          | 0          | 180,993             |              |
| Interfund Transfer                     | 0          | 0          | 0          | 227,771             |              |
| <b>TOTAL</b>                           | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$30,302,100</b> |              |

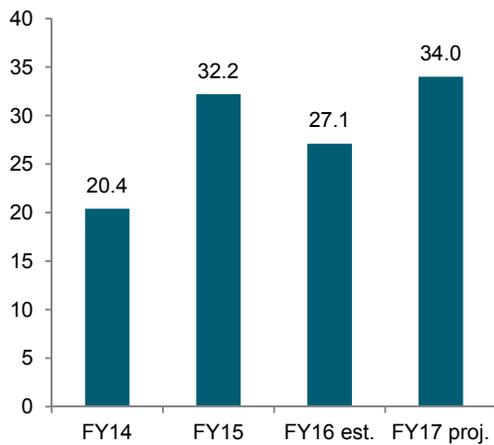
## Key Initiatives

- Replace city street lights with high efficiency LED fixtures to create a safer environment and decrease energy consumption.
- Continue a multi-year signal optimization for approximately 100 corridor sections to reduce travel time by 10%.
- Apply the project prioritization model across the Street and Facility Program for capital improvement project evaluation and rankings. (*Transportation & Transit, Objective 1*)

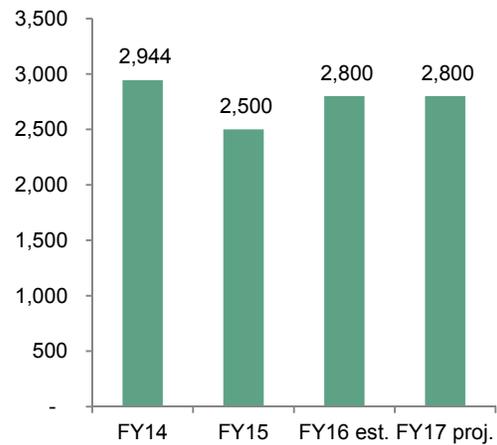
## Performance Indicators

|  | ACTUAL  | ACTUAL  | ESTIMATE | PROJECTION |
|--|---------|---------|----------|------------|
|  | 2013-14 | 2014-15 | 2015-16  | 2016-17    |
| <b>Traffic Engineering</b>   |         |         |          |            |
| Traffic Signal Study Requests  | 41      | 57      | 65       | 75         |
| New traffic signs installed  | 745     | 583     | 650      | 650        |
| Average response time for traffic signal requests (days)               | 35      | 40      | 40       | 40         |
| <b>Transportation Field Services</b>                                   |         |         |          |            |
| Percent of Utility Cuts Repaired within 24 Hours                       | 63      | 75      | 80       | 84         |
| Asphalt failures and potholes repaired                                 | 5,544   | 5,000   | 5,800    | 6,000      |
| Percent of reported asphalt failures/potholes repaired within 24 hours | 75      | 80      | 83       | 85         |
| Percent of reported sidewalk repairs made within 30 days               | 100     | 100     | 100      | 100        |

**Miles of road resurfaced**



**Linear feet of sidewalks repaired**



# Capital Area Metropolitan Planning Organization

## Department Overview

The Capital Area Metropolitan Planning Organization (CAMPO) serves as the coordinating agency among local governments, the North Carolina Department of Transportation and the Federal Highway Administration. CAMPO is comprised of three parts: a Transportation Advisory Committee (TAC), a Technical Coordinating Committee (TCC) and a staff that serves the members of these boards. The organization carries out an annual work program approved by the TAC, a portion of which includes updating the Metropolitan Transportation Improvement Program (a seven-year project programming schedule) and the Long-Range Transportation Plan (a minimum twenty-year forecast of projects and programs).

Additional information regarding CAMPO may be obtained by contacting Chris Lukasina, CAMPO Manager, at (919) 996-4402 or via email at [Chris.Lukasina@campo-nc.us](mailto:Chris.Lukasina@campo-nc.us).

## Budget Detail

|   | ACTUALS            | ACTUALS            | ADOPTED            | PROPOSED           | CHANGE       |
|---|--------------------|--------------------|--------------------|--------------------|--------------|
| EMPLOYEES                                       | 2013-14            | 2014-15            | 2015-16            | 2016-17            | FY16 to FY17 |
| Capital Area Metropolitan Planning Organization | 12                 | 13                 | 13                 | 13                 | 0            |
| <b>TOTAL</b>                                    | <b>12</b>          | <b>13</b>          | <b>13</b>          | <b>13</b>          | <b>0</b>     |
| <b>DIRECT EXPENDITURES BY TYPE</b>              |                    |                    |                    |                    |              |
| Personnel                                       | 712,361            | 855,184            | 920,559            | 925,189            | 0.5%         |
| Employee Benefits                               | 215,808            | 297,517            | 312,439            | 319,315            | 2.2%         |
| Operating Expenditures                          | 940,404            | 1,965,492          | 1,640,491          | 1,688,984          | 3.0%         |
| Capital Equipment                               | 20,056             | 25,000             | 8,000              | 8,000              | 0.0%         |
| Interfund Transfers                             | 86,349             | 100,000            | 100,000            | 100,000            | 0.0%         |
| <b>TOTAL</b>                                    | <b>\$1,974,978</b> | <b>\$3,243,193</b> | <b>\$2,981,489</b> | <b>\$3,041,488</b> | <b>2.0%</b>  |

# Parking

## Mission

To deliver parking products and services geared to the needs of all patrons, while operating an efficient business plan and maintaining valuable City assets.

## Department Overview

ParkLink, the City of Raleigh parking enterprise, administers both the on-street and off-street parking programs. Off-street parking is provided in eight parking decks and six surface lots in the downtown area. The on-street program manages street parking spaces including enforcement, fine collection, meter maintenance and residential permit parking.

Additional information regarding ParkLink may be obtained by contacting Gordon Dash, Parking Administrator, at (919) 996-4041 or via email at [Gordon.Dash@raleighnc.gov](mailto:Gordon.Dash@raleighnc.gov).

## Budget Highlights

- One Transportation Analyst is included to respond to increased customer service needs from downtown businesses, development projects and adjacent neighborhoods (\$45,000). The position will expand capacity to complete requested research and field assessments for parking related issues.
- Initial funding for replacement of the Parking Access and Revenue Control System (PARCS) is included (\$500,000). This upgrade will modernize the gating systems in parking decks, providing enhanced customer service and reduced operational costs. The project should be completed by summer 2017.
- The following off-street parking rates are proposed:
  - Increased monthly reserve rates from \$153 to \$160 per month in the Municipal, Wilmington Street, Moore Square, Cabarrus and Blount Street Decks.
  - Increased monthly reserve rates from \$167 to \$173 per month in the City Center and Convention Center Decks.

## Budget Detail

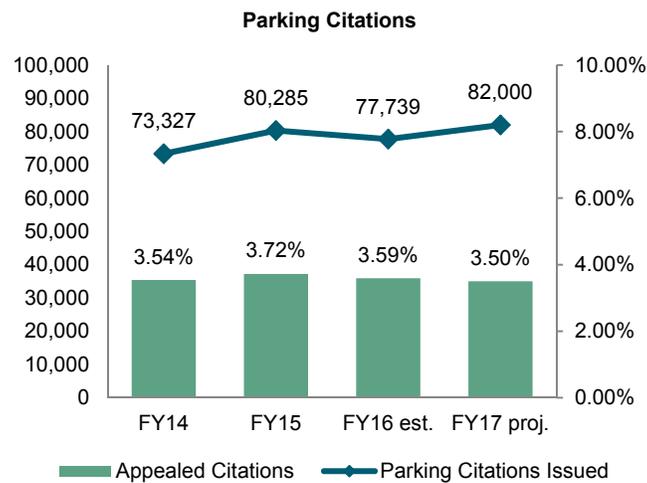
|                                    | ACTUALS             | ACTUALS             | ADOPTED             | PROPOSED            | CHANGE        |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------|
| EMPLOYEES                          | 2013-14             | 2014-15             | 2015-16             | 2016-17             | FY16 to FY17  |
| Parking                            | 35                  | 38                  | 38                  | 39                  | 1             |
| <b>TOTAL</b>                       | <b>35</b>           | <b>38</b>           | <b>38</b>           | <b>39</b>           | <b>1</b>      |
| <b>DIRECT EXPENDITURES BY TYPE</b> |                     |                     |                     |                     |               |
| Personnel                          | 1,238,727           | 1,292,638           | 1,455,291           | 1,598,882           | 9.9%          |
| Employee Benefits                  | 443,327             | 510,994             | 558,204             | 624,223             | 11.8%         |
| Operating Expenditures             | 3,550,319           | 3,404,498           | 6,386,440           | 5,599,334           | (12.3%)       |
| Special Programs and Projects      | 96,490              | 160,884             | 180,635             | 183,541             | 1.6%          |
| Capital Equipment                  | 3,823               | 0                   | 1,500               | 11,500              | 666.7%        |
| Interfund Transfers                | 6,942,788           | 8,932,818           | 9,267,545           | 8,149,716           | (12.1%)       |
| <b>TOTAL</b>                       | <b>\$12,275,474</b> | <b>\$14,301,832</b> | <b>\$17,849,615</b> | <b>\$16,167,197</b> | <b>(9.4%)</b> |

## Key Initiatives

- Complete a consultant-led study of parking conditions in downtown Raleigh to recommend service enhancements, public-private partnership opportunities and identify potential sites for new parking decks. This study will ensure an appropriate supply of parking is available to meet the current and future needs of development, residents, businesses and visitors. (*Economic Development & Innovation, Objective 4*)
- Monitor the impact of additional resources from night and weekend parking revenue dedicated to maintaining cleanliness of off-street parking facilities.
- Maintain and upgrade off-street parking facilities including converting to LED lighting and expanding the CCTV system at Wilmington Street Station, and completing repairs at the Moore Square, Municipal, Charter Square and Convention Center decks.

## Performance Indicators

|                       | ACTUAL  | ACTUAL  | ESTIMATE | PROJECTION |
|-----------------------|---------|---------|----------|------------|
|                       | 2013-14 | 2014-15 | 2015-16  | 2016-17    |
| Pay Station Occupancy | 48%     | 51%     | 52%      | 55%        |
| Monthly Deck Accounts | 4,602   | 5,092   | 5,657    | 6,000      |



# Transit

## Mission

To improve mobility for Raleigh residents and visitors by providing safe, affordable and customer-oriented transportation while proactively promoting economic opportunity, intermodal connection and sustainable regional development.

## Department Overview

GoRaleigh, Raleigh's public transportation system, carries more than 21,000 riders per weekday. GoRaleigh operates 29 fixed routes and 9 express / regional routes. In addition, GoRaleigh operates seven express routes for GoTriangle and a circulator route for the Town of Wake Forest. With a fleet of 98 revenue vehicles, GoRaleigh serves the major commercial, employment, educational and medical centers within the City of Raleigh. GoRaleigh buses run seven days a week to serve the needs of Raleigh citizens. Coordination with GoTriangle and C-Tran provide connections to other transit systems that enable residents to travel across the Triangle.

Raleigh residents with disabilities who are unable to use regular GoRaleigh services may apply for eligibility under the GoRaleigh Access program. The GoRaleigh Access program provides subsidized curb-to-curb transportation service through 34 participating taxi companies and one prime contractor, performing over 400,000 passenger trips each year. GoRaleigh Access contracts with GoTriangle to provide regional trips originating in the GoRaleigh service area.

## Budget Highlights

- Includes a new Customer Service Specialist to supervise the GoRaleigh Access call center (\$54,000).
- Adds a Construction Projects Coordinator to ensure compliance of FTA funded projects. This position is 80% federally funded with a 20% city match (\$14,000).

## Budget Detail

|  | ACTUALS             | ACTUALS             | ADOPTED             | PROPOSED            | CHANGE       |
|--|---------------------|---------------------|---------------------|---------------------|--------------|
|  | 2013-14             | 2014-15             | 2015-16             | 2016-17             | FY16 to FY17 |
| <b>EMPLOYEES</b>                       |                     |                     |                     |                     |              |
| GoRaleigh Access                       | 5                   | 5                   | 6                   | 7                   | 1            |
| Transit Operations                     | 3                   | 3                   | 3                   | 3                   | 0            |
| Grant-Funded Positions                 | 7                   | 7                   | 8                   | 9                   | 1            |
| <b>TOTAL</b>                           | <b>15</b>           | <b>15</b>           | <b>17</b>           | <b>19</b>           | <b>2</b>     |
| <b>DIRECT EXPENDITURES BY DIVISION</b> |                     |                     |                     |                     |              |
| GoRaleigh Access                       | 7,982,811           | 8,333,618           | 8,162,350           | 8,565,364           | 4.9%         |
| Transit Operations                     | 18,287,108          | 19,894,123          | 21,101,974          | 21,537,798          | 2.1%         |
| <b>TOTAL</b>                           | <b>\$26,269,919</b> | <b>\$28,227,741</b> | <b>\$29,264,324</b> | <b>\$30,103,162</b> | <b>2.9%</b>  |
| <b>DIRECT EXPENDITURES BY TYPE</b>     |                     |                     |                     |                     |              |
| Personnel                              | 376,956             | 446,916             | 436,869             | 484,588             | 10.9%        |
| Employee Benefits                      | 174,409             | 176,305             | 176,231             | 206,848             | 17.4%        |
| Operating Expenditures                 | 24,757,503          | 26,924,368          | 27,797,660          | 28,471,382          | 2.4%         |
| Special Programs and Projects          | 50,234              | 21,467              | 36,711              | 35,292              | (3.9%)       |
| Interfund Transfers                    | 910,817             | 658,685             | 816,853             | 905,052             | 10.8%        |
| <b>TOTAL</b>                           | <b>\$26,269,919</b> | <b>\$28,227,741</b> | <b>\$29,264,324</b> | <b>\$30,103,162</b> | <b>2.9%</b>  |

## Key Initiatives

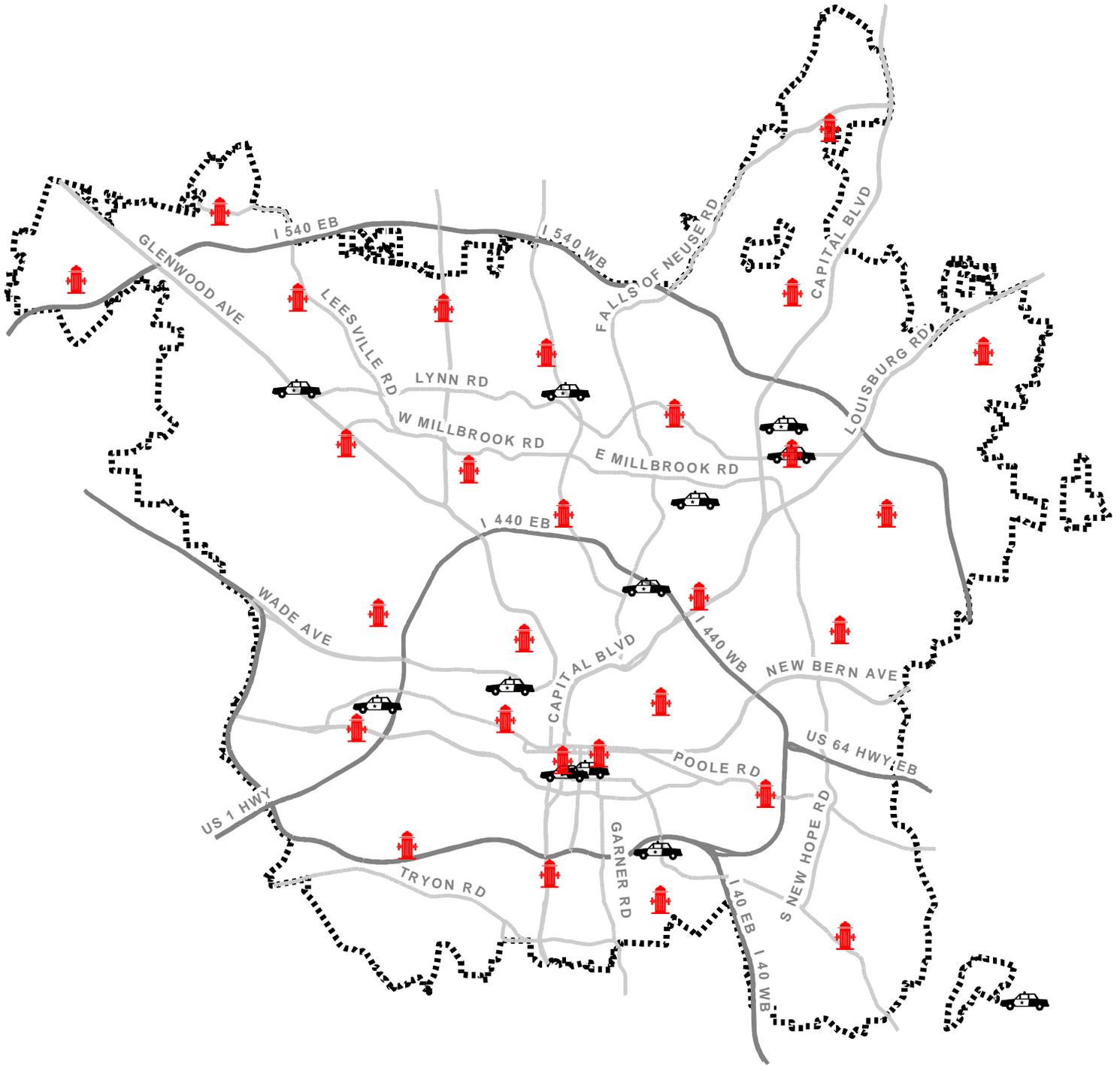
- Deploy tablets capable of documenting GoRaleigh Access vehicle location and on time performance for all brokered taxis by the end of FY2017. This effort is 80% funded through federal grants.

## Performance Indicators

|                             | ACTUAL         | ACTUAL         | ESTIMATE       | PROJECTION     |
|-----------------------------|----------------|----------------|----------------|----------------|
| <b>GoRaleigh</b>            | <b>2013-14</b> | <b>2014-15</b> | <b>2015-16</b> | <b>2016-17</b> |
| Unlinked Passenger Trips    | 6,186,694      | 5,587,587      | 5,500,000      | 5,750,000      |
| Passengers per Service Hour | 29             | 24             | 22             | 24             |
| <b>GoRaleigh Access</b>     |                |                |                |                |
| Unlinked Passenger Trips    | 409,341        | 418,709        | 431,270        | 420,000        |
| Revenue Passenger Miles     | 3,663,273      | 3,548,220      | 3,600,000      | 3,500,000      |
| Cost Per Trip               | 19.39          | 19.87          | 20.37          | 20.88          |



# City of Raleigh Public Safety Facilities



- Major Roads
- ⊞ Raleigh ETJ
- 🚒 Fire Stations
- 🚓 Police Stations

1 inch = 2.5 miles

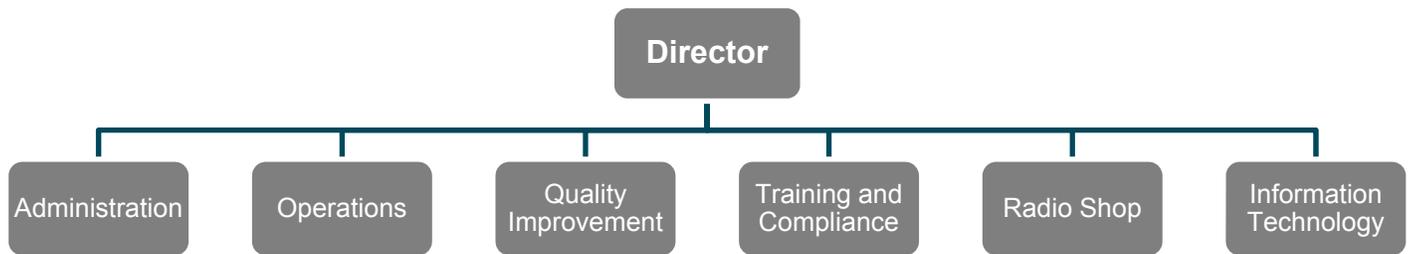


Map Created by COR GIS  
Updated May 2016

# Emergency Communications

## Mission

The Raleigh-Wake Emergency Communications Center is the true first responder to all emergencies. Our mission is to act as a vital and critical link between our public safety agencies and the citizens they protect and serve. We strive to ensure the preservation of life and property by treating all who use our services with professionalism, courtesy and compassion and by relaying accurate information in a timely and efficient manner.



## Department Overview

The Raleigh-Wake Emergency Communications Center processes emergency and non-emergency calls for police, fire and EMS for the City of Raleigh and the majority of Wake County. The department also provides dispatching and centralized communications, and coordinates the development, implementation, maintenance, security and administration of public safety information technology and radio systems.

Additional information for Emergency Communications may be obtained by contacting Dominick Nutter, Emergency Communications Director, at (919) 996-5015 or via email at [Dominick.Nutter@raleighnc.gov](mailto:Dominick.Nutter@raleighnc.gov).

## Budget Highlights

- Adds 10 Call Taker positions (\$412,000) to reduce the answering time of emergency calls.
- Two Telecommunications Supervisor positions (\$132,000) added to meet span of control guidelines and ensure efficiency of call taking and dispatch operations.
- Operating costs for new hardware and software maintenance (\$80,000) related to move to the newly opened Central Communications Center.

## Budget Detail

|                                 | ACTUALS    | ACTUALS    | ADOPTED    | PROPOSED   | CHANGE       |
|---------------------------------|------------|------------|------------|------------|--------------|
| EMPLOYEES                       | 2013-14    | 2014-15    | 2015-16    | 2016-17    | FY16 to FY17 |
| Emergency Communications        | 108        | 108        | 108        | 120        | 12           |
| Emergency Telephone System Fund | 7          | 7          | 7          | 7          | 0            |
| <b>TOTAL</b>                    | <b>115</b> | <b>115</b> | <b>115</b> | <b>127</b> | <b>12</b>    |

## Budget Detail (continued)

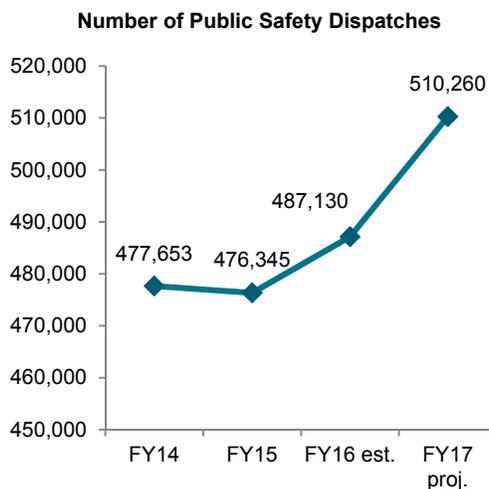
|                               | ACTUALS            | ACTUALS            | ADOPTED            | PROPOSED           | CHANGE       |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------|
| DIRECT EXPENDITURES BY TYPE   | 2013-14            | 2014-15            | 2015-16            | 2016-17            | FY16 to FY17 |
| Personnel                     | 4,745,666          | 4,662,821          | 5,604,163          | 6,128,851          | 9.4%         |
| Employee Benefits             | 1,472,887          | 1,593,586          | 1,907,654          | 2,173,647          | 13.9%        |
| Operating Expenditures        | 596,523            | 403,639            | 604,409            | 644,087            | 6.6%         |
| Special Programs and Projects | 57,889             | 0                  | 0                  | 0                  | 0.0%         |
| Capital Equipment             | 4,019              | 1,653              | 5,506              | 5,506              | 0.0%         |
| <b>TOTAL</b>                  | <b>\$6,876,983</b> | <b>\$6,661,700</b> | <b>\$8,121,732</b> | <b>\$8,952,091</b> | <b>10.2%</b> |

## Key Initiatives

- Improve the hiring and selection process along with documentation during the training process that will improve retention of quality employees. (*Organizational Excellence, Objective 4*)
- Meet requirements for re-accreditation with the relevant national boards and organizations.
- Hire new Call Taker positions to assist with separating the dispatch and call taking functions. This new operational model will remove telephone responsibilities for main dispatch stations and increase operational efficiency. (*Safe, Vibrant & Healthy Community, Objective 1*)

## Performance Indicators

|   | ACTUAL  | ACTUAL  | ESTIMATE | PROJECTION |
|---|---------|---------|----------|------------|
|   | 2013-14 | 2014-15 | 2015-16  | 2016-17    |
| 911 Calls Processed                                 | 580,465 | 597,245 | 611,087  | 716,097    |
| % of 911 Calls Answered in 10 Seconds or Less       | 90.80   | 99.30   | 85.90    | 90         |
| Time from Call Answer to Call Dispatch (in Minutes) | 4.0     | 4.5     | 4.4      | 3.7        |



# Emergency Telephone System Fund

## Department Overview

The Emergency Telephone System Fund encompasses the annual disbursement made to the city by the State 911 Board in support of the emergency telephone system (911). The Emergency Communications Center estimates eligible expenses based on the guidelines distributed by the board. The personnel and operating expenditures associated with this fund are managed as part of the annual operating budget for the larger Emergency Communications Department.

Additional information regarding the Emergency Telephone System Fund may be obtained by contacting Dominick Nutter, Emergency Communications Director, at (919) 996-5015 or via email at [Dominick.Nutter@raleighnc.gov](mailto:Dominick.Nutter@raleighnc.gov)

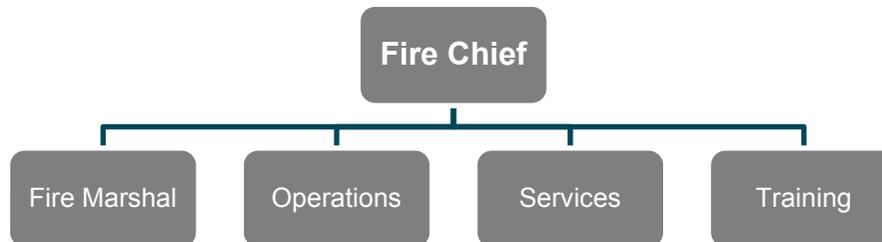
## Budget Detail

|                                    | ACTUALS            | ACTUALS            | ADOPTED            | PROPOSED           | CHANGE        |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|---------------|
| EMPLOYEES                          | 2013-14            | 2014-15            | 2015-16            | 2016-17            | FY16 to FY17  |
| Emergency Communications           | 7                  | 7                  | 7                  | 7                  | 0             |
| <b>TOTAL</b>                       | <b>7</b>           | <b>7</b>           | <b>7</b>           | <b>7</b>           | <b>0</b>      |
| <b>DIRECT EXPENDITURES BY TYPE</b> |                    |                    |                    |                    |               |
| Personnel                          | 362,436            | 387,819            | 414,212            | 473,332            | 14.3%         |
| Employee Benefits                  | 99,648             | 102,434            | 101,488            | 143,883            | 41.8%         |
| Operating Expenditures             | 1,607,963          | 1,624,565          | 2,741,536          | 2,379,118          | (13.2%)       |
| Capital Equipment                  | 22,683             | 23,001             | 23,400             | 23,400             | 0.0%          |
| <b>TOTAL</b>                       | <b>\$2,092,731</b> | <b>\$2,137,819</b> | <b>\$3,280,636</b> | <b>\$3,019,732</b> | <b>(8.0%)</b> |

# Fire

## Mission

The mission of the City of Raleigh Fire Department is Unselfish Dedicated Service. Our vision is to anticipate and prepare, while growing and empowering.



## Department Overview

The Fire Department is responsible for fire prevention, fire inspections, fire suppression, rescue, hazardous materials response and life safety education for the citizens and visitors of Raleigh.

Additional information regarding the Fire Department may be obtained by contacting Department Head, Fire Chief John T. McGrath, at (919) 996-6115 or via email at [John.McGrath@raleighnc.gov](mailto:John.McGrath@raleighnc.gov).

## Budget Highlights

- Initiates new fire apparatus replacement schedule to replace aging fleet. Funding is included to replace one engine and two ladders (\$450,000).
- One Deputy Fire Marshals is added (\$93,000) to provide additional plan review capacity and to complete state mandated fire inspections in new and existing commercial buildings. The position is partially funded with anticipated inspection revenue.
- Converts part-time funding to create a full-time Senior Staff Support Specialist (\$42,000).

## Budget Detail

|  | ACTUALS              | ACTUALS              | ADOPTED              | PROPOSED             | CHANGE       |
|--|----------------------|----------------------|----------------------|----------------------|--------------|
|  | 2013-14              | 2014-15              | 2015-16              | 2016-17              | FY16 to FY17 |
| <b>EMPLOYEES</b>                       |                      |                      |                      |                      |              |
| Fire Administration                    | 10                   | 9                    | 9                    | 10                   | 1            |
| Fire Operations                        | 516                  | 544                  | 544                  | 543                  | (1)          |
| Fire Support Services                  | 11                   | 12                   | 12                   | 12                   | 0            |
| Fire Training                          | 6                    | 8                    | 8                    | 9                    | 1            |
| Hazmat Operations                      | 1                    | 0                    | 0                    | 0                    | 0            |
| Office of the Fire Marshall            | 33                   | 34                   | 36                   | 37                   | 1            |
| <b>TOTAL</b>                           | <b>577</b>           | <b>607</b>           | <b>609</b>           | <b>611</b>           | <b>2</b>     |
| <b>DIRECT EXPENDITURES BY DIVISION</b> |                      |                      |                      |                      |              |
| Fire Administration                    | 2,382,431            | 2,480,036            | 2,593,947            | 2,667,523            | 2.8%         |
| Fire Operations                        | 40,134,236           | 41,899,372           | 43,092,456           | 43,968,177           | 2.0%         |
| Fire Support Services                  | 4,045,447            | 4,127,561            | 4,712,201            | 4,943,169            | 4.9%         |
| Fire Training                          | 1,310,605            | 1,339,587            | 1,415,001            | 1,550,960            | 9.6%         |
| Hazmat Operations                      | 59,450               | 69,440               | 84,000               | 89,000               | 6.0%         |
| Office of the Fire Marshall            | 3,043,207            | 3,286,134            | 3,571,999            | 3,707,473            | 3.8%         |
| <b>TOTAL</b>                           | <b>\$ 50,975,376</b> | <b>\$ 53,202,130</b> | <b>\$ 55,469,604</b> | <b>\$ 56,926,303</b> | <b>2.6%</b>  |

## Budget Detail (continued)

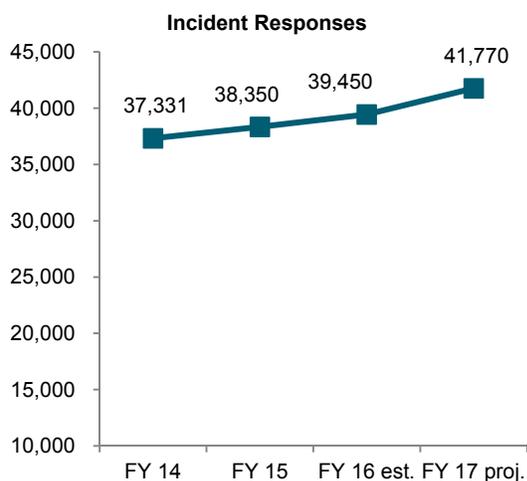
|                               | ACTUALS              | ACTUALS              | ADOPTED              | PROPOSED             | CHANGE       |
|-------------------------------|----------------------|----------------------|----------------------|----------------------|--------------|
| DIRECT EXPENDITURES BY TYPE   | 2013-14              | 2014-15              | 2015-16              | 2016-17              | FY16 to FY17 |
| Personnel                     | 33,793,209           | 35,661,844           | 36,618,566           | 36,803,949           | 0.5%         |
| Employee Benefits             | 10,259,071           | 10,873,346           | 11,104,599           | 11,905,808           | 7.2%         |
| Operating Expenditures        | 5,620,630            | 5,456,829            | 6,523,926            | 6,980,012            | 7.0%         |
| Special Programs and Projects | 1,215,602            | 1,022,675            | 1,017,820            | 1,046,734            | 2.8%         |
| Capital Equipment             | 10,100               | 98,559               | 107,800              | 97,800               | (9.3%)       |
| Interfund Transfers           | 76,764               | 88,878               | 96,892               | 92,000               | (5.0%)       |
| <b>TOTAL</b>                  | <b>\$ 50,975,376</b> | <b>\$ 53,202,130</b> | <b>\$ 55,469,604</b> | <b>\$ 56,926,303</b> | <b>2.6%</b>  |

## Key Initiatives

- Establish a fleet management program, including but not limited to baseline specifications in alignment with industry standards and a multi-year replacement schedule, to procure and maintain a fleet that meets the department's evolving needs.
- Improve the physical and functional condition of legacy fire facilities via a systematic process that utilizes a multi-year programmed capital budget. (*Safe, Vibrant & Healthy Community, Objective 1*)
- Implement and sustain an organization-wide Career Development Program. (*Organizational Excellence, Objective 4*)
- Pioneer an innovative Community Outreach Program that identifies a flexible system for public safety education, use of various communication mediums, and marketing.

## Performance Indicators

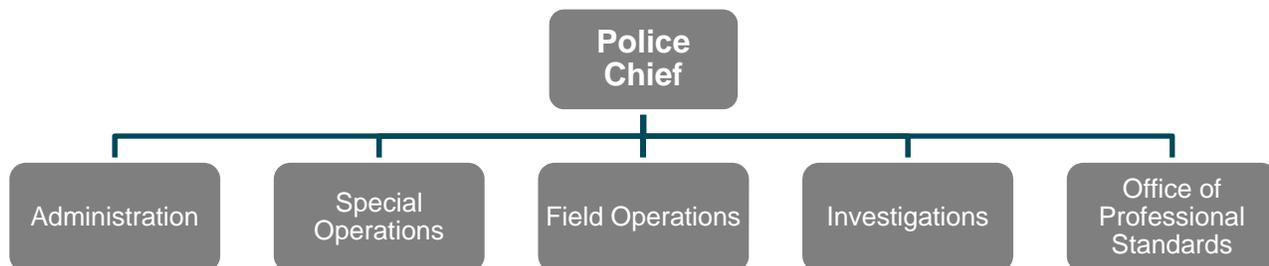
|   | ACTUAL  | ACTUAL  | ESTIMATE | PROJECTION |
|---|---------|---------|----------|------------|
|   | 2013-14 | 2014-15 | 2015-16  | 2016-17    |
| Percent of responses in which 1st alarm arrives < 8 minutes | 96.6%   | 96.4%   | 96.5%    | 96.4%      |
| Percent of responses that are first responder/EMS           | 61.9%   | 60.8%   | 61.2%    | 59.0%      |
| Fires investigated  | 265     | 251     | 260      | 270        |
| Permits issued  | 1,796   | 1,828   | 1,860    | 1,892      |



# Police

## Mission

In the spirit of service, the Raleigh Police Department exists to preserve and improve the quality of life, instill peace, and protect property through unwavering attention to our duties in partnership with the community.



## Department Overview

The Police Department works in partnership with the community to identify and address conditions that give rise to crime. The Department employs a policing approach that emphasizes the importance of maintaining a full range of enforcement priorities, including quality-of-life issues and violations that breed more serious crime. Through the dedicated service of officers and civilians, district policing, innovative programs, effective technology use, and enhanced relationships between citizens and the police, the Department is confronting crime in Raleigh and making the city an even better place to live, work, visit and conduct business.

Additional information regarding the department may be obtained by contacting Cassandra Deck-Brown, Chief of Police, at (919) 996-3385 or via e-mail at [Cassandra.Deck-Brown@raleighnc.gov](mailto:Cassandra.Deck-Brown@raleighnc.gov).

## Budget Highlights

- Funding for implementation of a pilot phase of a body worn camera program is included (\$1,440,000). The program is expected to produce numerous benefits including increased public trust, higher efficiency in investigating complaints and increased quality of evidence collection.
- Addition of two Computer Systems Specialist positions (\$112,000) to support implementation of body worn cameras and IT supports needs.
- Adds a Police Officer (\$71,000) position to focus on the Department's recruiting efforts.
- Budget includes \$643,000 in appropriation from asset forfeiture reserves. The funding will be used for three approved purposes in FY17; converting vehicles for the Vice Unit (\$250,000), purchase of a bomb diffusing robot (\$186,000), and the fourth year of the DWI squad grant match (\$207,000). Any unspent funds for these purposes will revert back to the asset forfeiture reserve.

## Budget Detail

|                                | ACTUALS<br>2013-14 | ACTUALS<br>2014-15 | ADOPTED<br>2015-16 | PROPOSED<br>2016-17 | CHANGE<br>FY16 to FY17 |
|--------------------------------|--------------------|--------------------|--------------------|---------------------|------------------------|
| <b>EMPLOYEES</b>               |                    |                    |                    |                     |                        |
| Police Administrative Services | 65                 | 68                 | 70                 | 75                  | 5                      |
| Police Chiefs Office           | 27                 | 28                 | 28                 | 28                  | 0                      |
| Police Detective Division      | 201                | 199                | 197                | 195                 | (2)                    |
| Police Field Operations        | 499                | 506                | 514                | 515                 | 1                      |
| Police Special Operations      | 84                 | 89                 | 89                 | 89                  | 0                      |
| <b>TOTAL</b>                   | <b>876</b>         | <b>890</b>         | <b>898</b>         | <b>902</b>          | <b>4</b>               |

## Budget Detail (continued)

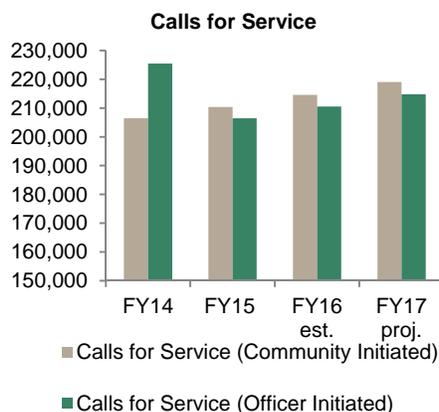
|                                    | ACTUALS             | ACTUALS             | ADOPTED             | PROPOSED            | CHANGE       |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|--------------|
| DIRECT EXPENDITURES BY DIVISION    | 2013-14             | 2014-15             | 2015-16             | 2016-17             | FY16 to FY17 |
| Police Administrative Services     | 18,485,302          | 19,372,295          | 18,898,851          | 20,210,382          | 6.9%         |
| Police Chiefs Office               | 2,650,332           | 2,678,427           | 2,774,497           | 2,841,721           | 2.4%         |
| Police Detective Division          | 18,743,505          | 18,182,781          | 19,153,427          | 19,846,493          | 3.6%         |
| Police Field Operations            | 38,601,084          | 39,061,846          | 43,461,396          | 44,138,645          | 1.6%         |
| Police Special Operations          | 9,270,357           | 9,401,322           | 9,297,788           | 9,540,848           | 2.6%         |
| <b>TOTAL</b>                       | <b>\$87,750,580</b> | <b>\$88,696,671</b> | <b>\$93,585,958</b> | <b>\$96,578,089</b> | <b>3.2%</b>  |
| <b>DIRECT EXPENDITURES BY TYPE</b> |                     |                     |                     |                     |              |
| Personnel                          | 50,378,209          | 50,767,246          | 54,690,643          | 54,844,783          | 0.3%         |
| Employee Benefits                  | 20,190,272          | 19,772,510          | 20,819,547          | 22,205,331          | 6.7%         |
| Operating Expenditures             | 13,417,211          | 12,938,016          | 13,639,404          | 14,984,149          | 9.9%         |
| Special Programs and Projects      | 3,062,120           | 3,017,671           | 3,145,463           | 3,347,509           | 6.4%         |
| Capital Equipment                  | 674,838             | 2,091,736           | 1,267,180           | 1,176,719           | (7.1%)       |
| Interfund Transfers                | 27,929              | 109,492             | 23,722              | 19,598              | (17.4%)      |
| <b>TOTAL</b>                       | <b>\$87,750,580</b> | <b>\$88,696,671</b> | <b>\$93,585,958</b> | <b>\$96,578,089</b> | <b>3.2%</b>  |

## Key Initiatives

- Implement a body worn camera program by developing policies and procedures for the program and procure and implement a system with 100 cameras before expanding the program in future years. (*Safe, Vibrant & Healthy Community, Objective 1*)
- Enhance community policing efforts in each of the six Field Operations Division districts. These personnel will work with the community to address a variety of crime problems and quality-of-life issues. (*Safe, Vibrant & Healthy Community, Objective 1*)
- Engage the community in conversation to help bolster public trust by attending community meetings designed to provide the public with an opportunity to dialogue with law enforcement. The Chief's "Face to Face" series of community meetings held in December 2015 provided a setting for members of the public to discuss a number of topics with police personnel.

## Performance Indicators

|                                      | ACTUAL  | ACTUAL  | ESTIMATE | PROJECTION |
|--------------------------------------|---------|---------|----------|------------|
|                                      | 2013-14 | 2014-15 | 2015-16  | 2016-17    |
| Total Traffic Collision - Injuries   | 3,928   | 4,346   | 4,389    | 4,432      |
| Total Traffic Collision - Fatalities | 35      | 34      | 34       | 33         |



# Locations with Staffed Facilities

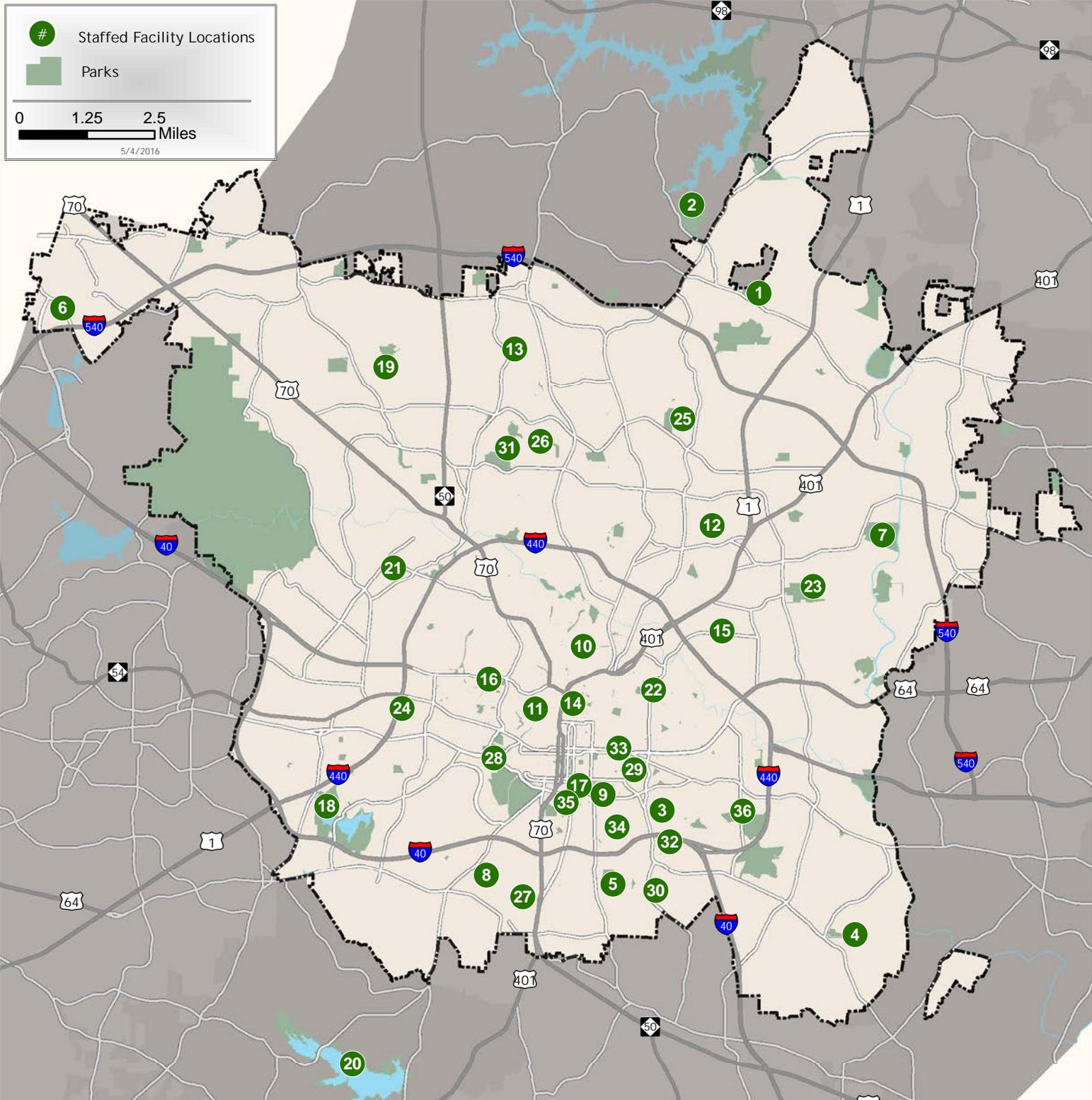


# Staffed Facility Locations

Parks

0 1.25 2.5 Miles

5/4/2016



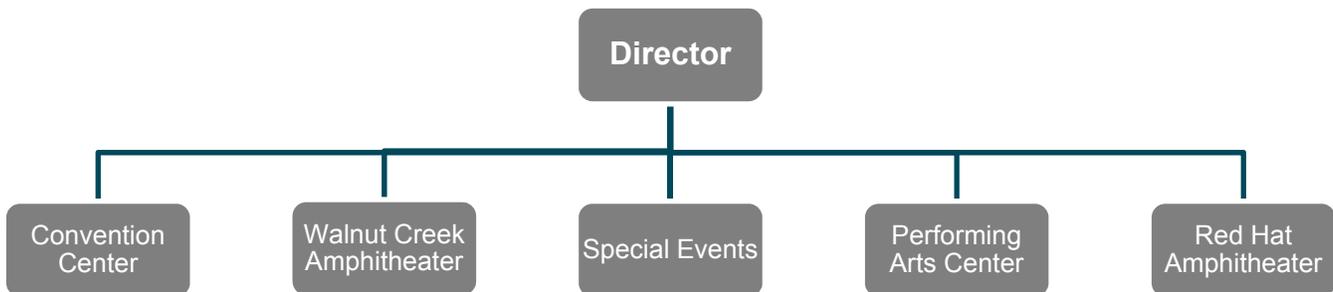
| #  | Location                                   |
|----|--|
| 1  | Abbotts Creek                              |
| 2  | Annie Louise Wilkerson, MD Nature Preserve |
| 3  | Apollo Heights                             |
| 4  | Barwell Road                               |
| 5  | Biltmore Hills                             |
| 6  | Brier Creek                                |
| 7  | Buffaloe Road Athletic                     |
| 8  | Carolina Pines                             |
| 9  | Chavis                                     |
| 10 | Five Points Center for Active Adults       |
| 11 | Fred Fletcher                              |
| 12 | Green Road                                 |
| 13 | Greystone Recreation Center                |
| 14 | Halifax                                    |
| 15 | Hill Street                                |
| 16 | Jaycee                                     |
| 17 | John P Top Greene                          |
| 18 | Lake Johnson                               |
| 19 | Lake Lynn                                  |
| 20 | Lake Wheeler                               |
| 21 | Laurel Hills                               |
| 22 | Lions                                      |
| 23 | Marsh Creek                                |
| 24 | Method                                     |
| 25 | Millbrook-Exchange                         |
| 26 | Optimist                                   |
| 27 | Peach Road                                 |
| 28 | Pullen                                     |
| 29 | Roberts                                    |
| 30 | Sanderford Road                            |
| 31 | Shelley Lake - Sertoma                     |
| 32 | Southgate                                  |
| 33 | Tarboro Road                               |
| 34 | Walnut Creek Wetland Center                |
| 35 | Walnut Terrace                             |
| 36 | Worthdale                                  |

# Convention and Performing Arts Complex

## Mission

Through the professional actions of our Convention Center staff, we will provide our guests with a distinctive level of service excellence while maintaining a fiscally responsible, self-sustaining operation that contributes economic benefits to the people of the City of Raleigh.

Duke Energy Center strives to provide entertainment, education and a great overall experience for all patrons. Assisting our resident companies to produce stimulating content, innovative shows and profitable experiences. Duke Energy Center for the Performing Arts hopes to enrich the Triangle with live entertainment for many years to come.



## Department Overview

The Convention and Performing Arts Complex Department operates the Raleigh Convention Center (RCC), the Duke Energy Center for the Performing Arts (PAC), the Red Hat Amphitheater and the physical and capital maintenance of the Walnut Creek Amphitheater. The RCC provides meeting space for conventions, meetings, banquets, trade shows and other assembly events. The PAC provides space for concerts, plays and festivals and is the home venue for the North Carolina Symphony, Theatre Raleigh, the North Carolina Theatre and the Carolina Ballet. Additionally, the PAC produces and presents national and international touring productions and concerts, doing business as Broadway Series South. The Red Hat Amphitheater presents a variety of outdoor entertainment activities in the downtown area. The Complex presents Special Events that are held primarily on Fayetteville Street, which have included the Annual Raleigh Wide Open, in 2011 the NHL All-Star Wide Open event and July 4th Street Celebration.

Additional information regarding the Convention and Performing Arts Complex may be obtained by contacting Jim Greene, Assistant City Manager and Interim Convention Center Director, at (919) 996-4651 or via email at [Jim.Greene@raleighnc.gov](mailto:Jim.Greene@raleighnc.gov).

## Budget Detail

|  | ACTUALS             | ACTUALS             | ADOPTED             | PROPOSED            | CHANGE        |
|--|---------------------|---------------------|---------------------|---------------------|---------------|
| EMPLOYEES                              | 2013-14             | 2014-15             | 2015-16             | 2016-17             | FY16 to FY17  |
| RCC Facility                           | 61                  | 61                  | 63                  | 63                  | 0             |
| Performing Arts Center                 | 37                  | 37                  | 37                  | 37                  | 0             |
| RCC Downtown Amphitheatre              | 6                   | 6                   | 4                   | 4                   | 0             |
| <b>TOTAL</b>                           | <b>104</b>          | <b>104</b>          | <b>104</b>          | <b>104</b>          | <b>0</b>      |
| <b>DIRECT EXPENDITURES BY DIVISION</b> |                     |                     |                     |                     |               |
| Performing Arts Center                 | 6,350,099           | 6,826,404           | 7,416,063           | 7,021,184           | (5.3%)        |
| RCC Downtown Amphitheatre              | 1,616,595           | 1,559,462           | 2,373,567           | 1,914,475           | (19.3%)       |
| RCC Facility                           | 8,006,553           | 8,046,667           | 8,407,455           | 8,984,755           | 6.9%          |
| RCC/PAC Special Events                 | 336,101             | 429,967             | 454,188             | 436,327             | (3.9%)        |
| <b>TOTAL</b>                           | <b>\$16,309,347</b> | <b>\$16,862,500</b> | <b>\$18,651,273</b> | <b>\$18,356,741</b> | <b>(1.6%)</b> |
| <b>DIRECT EXPENDITURES BY TYPE</b>     |                     |                     |                     |                     |               |
| Personnel                              | 6,029,052           | 6,266,378           | 6,430,482           | 6,554,564           | 1.9%          |
| Employee Benefits                      | 1,811,275           | 1,890,888           | 1,944,320           | 2,119,941           | 9.0%          |
| Operating Expenditures                 | 3,593,900           | 3,663,933           | 4,053,182           | 4,556,165           | 12.4%         |
| Special Programs and Projects          | 3,031,462           | 3,058,808           | 4,273,755           | 3,312,506           | (22.5%)       |
| Capital Equipment                      | 0                   | 13,530              | 20,000              | 20,000              | 0.0%          |
| Interfund Transfers                    | 1,843,657           | 1,968,963           | 1,929,534           | 1,793,565           | (7.0%)        |
| <b>TOTAL</b>                           | <b>\$16,309,347</b> | <b>\$16,862,500</b> | <b>\$18,651,273</b> | <b>\$18,356,741</b> | <b>(1.6%)</b> |

## Key Initiatives

- Pursue certifications in LEED, Accredited Professional, Facility Management Sustainability, Certified Meeting planning, and certified Facility Executive. Continue to send staff to Service Gold training and certifying security personnel to state standards to be better prepared.
- Work with area high schools utilizing internship programs that students use for community service points towards graduation; exposing them to our work environment, and allowing them to obtain related life skills.
- Replace outdated water heaters at the Convention Center with a more energy efficient On Demand system that promotes a 98% efficiency rating (currently 77%). Older lighting fixtures will be converted to newer energy efficient LED fixtures throughout the complex where possible.
- Survey patron base on expectations of the patron experience and determine implementation of patron survey results.

# Walnut Creek Amphitheater

## Department Overview

The Walnut Creek Amphitheater is concert and performance venue owned by the City of Raleigh and operated by Live Nation. In FY14, the city created the Walnut Creek Amphitheater Operating Fund to properly budget, account for and report the operating expenses for Walnut Creek Amphitheater. Prior to FY14, the facility only had a capital budget. The Convention Center and Performing Arts Complex staff monitors general facility maintenance and performs capital maintenance at Walnut Creek Amphitheater when needed. Amphitheater rental revenue, generated from the operating agreement with Live Nation, exclusively funds operating and capital needs. Staff coordinates with Live Nation to identify and prioritize capital needs, and all approved capital projects are incorporated into the city's capital improvement plan.

Additional information regarding the Walnut Creek Amphitheater may be obtained by contacting Jim Greene, Assistant City Manager and Interim Convention Center Director, at (919) 996-4651 or via email at [Jim.Greene@raleighnc.gov](mailto:Jim.Greene@raleighnc.gov).

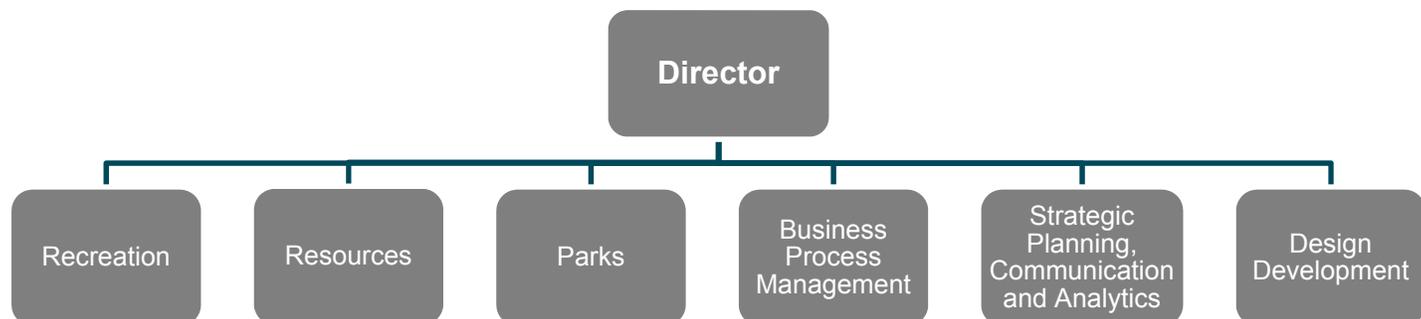
## Budget Detail

|                             | ACTUALS            | ACTUALS            | ADOPTED            | PROPOSED           | CHANGE       |
|-----------------------------|--------------------|--------------------|--------------------|--------------------|--------------|
| DIRECT EXPENDITURES BY TYPE | 2013-14            | 2014-15            | 2015-16            | 2016-17            | FY16 to FY17 |
| Personnel                   | 97,048             | 91,022             | 71,163             | 73,608             | 3.4%         |
| Employee Benefits           | 26,011             | 30,274             | 23,462             | 23,992             | 2.3%         |
| Operating Expenditures      | 16,420             | 99,926             | 100,000            | 100,000            | 0.0%         |
| Interfund Transfers         | 1,000,000          | 1,000,000          | 1,000,000          | 1,000,000          | 0.0%         |
| <b>TOTAL</b>                | <b>\$1,139,479</b> | <b>\$1,221,222</b> | <b>\$1,194,625</b> | <b>\$1,197,600</b> | <b>0.2%</b>  |

# Parks, Recreation and Cultural Resources

## Mission

Together we connect and enrich our community through exceptional experiences.



## Department Overview

The Parks, Recreation and Cultural Resources Department (PRCR) plays a leading role in determining the quality of life and character of the Capital City. With nearly 10,000 acres of parkland, 117 miles of greenway trails and over 1.2 million square feet of facilities, the department provides a wide range of creative programming opportunities that promote the social, cultural, mental and physical well-being of citizens. The city's vision for its parks, recreation and cultural resources system is "bringing people to parks and parks to people."

The department is comprised of six divisions: Business Process Management, Design and Development, Parks, Recreation, Resources and Strategic Planning, Communications and Analytics. Additional information regarding the Parks, Recreation and Cultural Resources Department may be obtained by contacting Diane Sauer, PRCR Director, at (919) 996-4815 or via email at [Diane.Sauer@raleighnc.gov](mailto:Diane.Sauer@raleighnc.gov).

## Budget Highlights

- Due to the reorganization of the Public Works Department, the Facilities and Operations division and one construction management position is transferred to the newly formed Engineering Services Department. Additionally, the Highway Maintenance division and four construction positions are transferred to the new Department of Transportation.
- Partial year funding and four positions for the operations of the renovated Moore Square Park is included (\$300,000).
- Operating and programming costs for the Thomas G. Crowder Woodland Center at Lake Johnson Park (two positions), Forest Ridge Park (four positions), and Horseshoe Farm Nature Preserve (one position) are included (\$821,000).
- Three urban tree inspectors were transferred mid-year from Development Services.
- Four positions and operating costs were approved mid-year for Dix Park maintenance.
- Three positions and operating costs from IT transfer for the Digital Connectors program.
- Funding for Dorothea Dix Park master planning is included (\$50,000).
- A maintenance position related to the maintenance of FY14 Parks Bond playgrounds (\$70,000), an Exhibits Curator position (\$51,000), a Customer Service Specialist (\$43,000), and a Planning Technician (\$49,000) are added.

## Budget Detail

|  | ACTUALS             | ACTUALS             | ADOPTED             | PROPOSED            | CHANGE         |
|--|---------------------|---------------------|---------------------|---------------------|----------------|
| EMPLOYEES                              | 2013-14             | 2014-15             | 2015-16             | 2016-17             | FY16 to FY17   |
| PRCR - Business Process Mgmt           | 24                  | 16                  | 12                  | 12                  | 0              |
| PRCR - F&O - City Fac Maint            | 32                  | 34                  | 45                  | 0                   | (45)           |
| PRCR - F&O - Park Fac Maint            | 28                  | 27                  | 29                  | 0                   | (29)           |
| PRCR - Parks - Cemetery Maint          | 4                   | 4                   | 4                   | 4                   | 0              |
| PRCR - Parks - Greenway Maint          | 32                  | 32                  | 32                  | 32                  | 0              |
| PRCR - Parks - Highway Maint           | 28                  | 29                  | 29                  | 0                   | (29)           |
| PRCR - Parks - Urban Trees             | 15                  | 15                  | 15                  | 17                  | 2              |
| PRCR - Parks -Park Maintenance         | 118                 | 117                 | 121                 | 134                 | 13             |
| PRCR - Recreation                      | 124                 | 113                 | 120                 | 123                 | 3              |
| PRCR - Recreation-School Based         | 8                   | 13                  | 13                  | 12                  | (1)            |
| PRCR - Resources                       | 0                   | 44                  | 45                  | 53                  | 8              |
| PRCR - Strategic Plan & Devel          | 20                  | 28                  | 30                  | 30                  | 0              |
| PRCR - Arts Office                     | 11                  | 0                   | 0                   | 0                   | 0              |
| <b>TOTAL</b>                           | <b>444</b>          | <b>472</b>          | <b>495</b>          | <b>417</b>          | <b>(78)</b>    |
| <b>DIRECT EXPENDITURES BY DIVISION</b> |                     |                     |                     |                     |                |
| PRCR - Business Process Mgmt           | 3,334,754           | 2,385,581           | 2,385,690           | 2,337,387           | (2.0%)         |
| PRCR - F&O - City Fac Maint            | 4,579,123           | 4,735,030           | 7,339,771           | 0                   | (100.0%)       |
| PRCR - F&O - Park Fac Maint            | 5,475,907           | 5,712,196           | 5,958,503           | 0                   | (100.0%)       |
| PRCR - Parks - Cemetery Maint          | 262,435             | 240,229             | 264,204             | 276,357             | 4.6%           |
| PRCR - Parks - Greenway Maint          | 1,669,121           | 1,826,300           | 1,934,937           | 2,128,553           | 10.0%          |
| PRCR - Parks - Highway Maint           | 1,733,804           | 1,788,504           | 1,956,859           | 0                   | (100.0%)       |
| PRCR - Parks - Urban Trees             | 1,301,958           | 1,387,491           | 1,456,209           | 1,705,425           | 17.1%          |
| PRCR - Parks -Park Maintenance         | 7,818,305           | 7,850,658           | 9,073,667           | 11,242,008          | 23.9%          |
| PRCR - Recreation                      | 15,549,998          | 12,778,173          | 14,278,216          | 16,474,516          | 15.4%          |
| PRCR - Recreation-School Based         | 1,685,576           | 1,502,373           | 1,539,463           | 1,824,109           | 18.5%          |
| PRCR - Resources                       | 0                   | 4,705,696           | 5,355,749           | 6,369,838           | 18.9%          |
| PRCR - Strategic Plan & Devel          | 2,098,335           | 1,694,946           | 2,920,611           | 2,629,494           | (10.0%)        |
| PRCR - Arts Office                     | 836,623             | 11                  | 0                   | 0                   |                |
| <b>TOTAL</b>                           | <b>\$46,345,939</b> | <b>\$46,607,188</b> | <b>\$54,463,879</b> | <b>\$44,987,687</b> | <b>(17.4%)</b> |
| <b>DIRECT EXPENDITURES BY TYPE</b>     |                     |                     |                     |                     |                |
| Personnel                              | 25,368,668          | 25,810,883          | 29,028,819          | 26,033,687          | (10.3%)        |
| Employee Benefits                      | 6,484,213           | 6,861,506           | 7,838,882           | 7,272,450           | (7.2%)         |
| Operating Expenditures                 | 12,447,942          | 11,713,834          | 15,579,000          | 9,932,429           | (36.2%)        |
| Special Programs and Projects          | 956,245             | 887,217             | 905,524             | 841,161             | (7.1%)         |
| Capital Equipment                      | 221,383             | 334,213             | 238,900             | 89,641              | (62.5%)        |
| Interfund Transfers                    | 867,488             | 999,535             | 872,754             | 818,319             | (6.2%)         |
| <b>TOTAL</b>                           | <b>\$46,345,939</b> | <b>\$46,607,188</b> | <b>\$54,463,879</b> | <b>\$44,987,687</b> | <b>(17.4%)</b> |

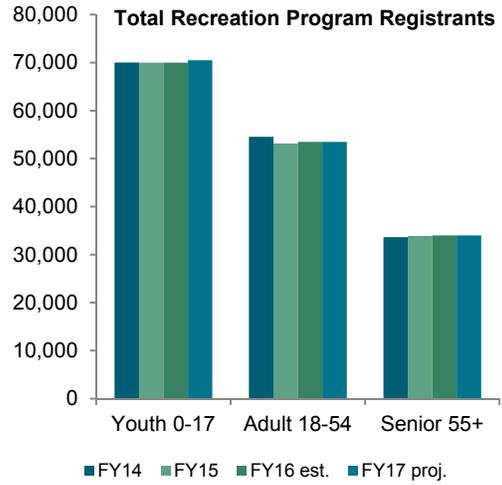
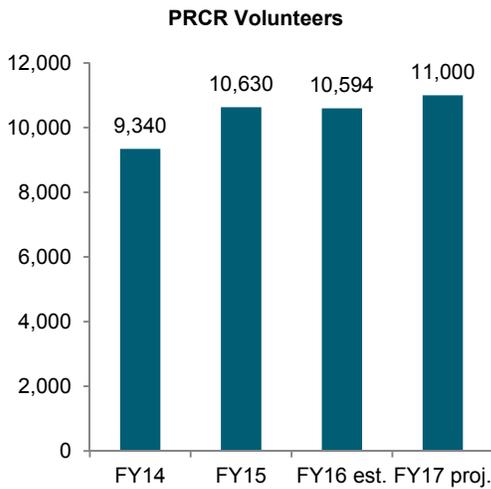
## Key Initiatives

- Downtown Raleigh's renaissance continues with the revitalization of two historic parks. Slated for a grand opening celebration during the famous World of Bluegrass celebration in September 2017, Moore Square will provide amenities for visitors and residents alike and will catalyze economic development in the surrounding blocks. Construction of Phase One designs for John Chavis Memorial Park will also kick off in FY17 culminating in a vibrant neighborhood park with unique features and amenities.
- The Comprehensive Development Master Plan process for Dorothea Dix Park will begin in FY17. Featuring collaboration with stakeholders, this process provides a framework for how the park will develop. (*Arts & Cultural Resources, Objective 2*)
- Both the Woodland Center at Lake Johnson Park and Forest Ridge Park are slated to open in FY17. With a focus on environmental education and healthy lifestyles, the Woodland Center serves as the doorway to the outdoors and will provide enhanced management capacity for the nature preserve on the south side of the lake. Forest Ridge Park, the largest parkland site in Raleigh, will feature sustainable mountain bike trails, access to forest and walking trails to promote healthy living.

- Increasing greenway connectivity will be a major area of interest in FY17. PRCR will collaborate with other city departments, private developers and non-profits to increase connections to parks and greenways. The designs for the Crabtree Creek Greenway connection west to William B. Umstead State Park and the Town of Cary, considered to be the most important connection in the greenway system, will be completed in FY17.

### Performance Indicators

|   | ACTUAL<br>2013-14 | ACTUAL<br>2014-15 | ESTIMATE<br>2015-16 | PROJECTION<br>2016-17 |
|---|-------------------|-------------------|---------------------|-----------------------|
| Total Park and Greenway Acreage                 | 9,470             | 10,194            | 9,885               | 9,885                 |
| Total Greenway Mileage                          | 103               | 113               | 117                 | 117                   |
| % of Program Evaluations Satisfactory or Higher | 92%               | 92%               | 92%                 | 92%                   |
| Total Tickets Sold at Pullen Park Amusements    | 795,447           | 784,567           | 785,000             | 785,000               |



# Revolving Fund

## Department Overview

The Revolving Fund consists of self-sustaining programs, primarily in the Parks, Recreation, and Cultural Resources Department. Programs include classes, workshops, and camps held at community centers and parks. Participant fees make up the majority of the revenues, and programs are expected to recover or exceed program costs. A portion of the fees collected are returned to the General Fund to support the overall PRCR budget.

The Revolving Fund includes a number of non-recreational programs and activities that are also expected to recover or exceed program costs through fees and/or contributions. Programs include classes offered by the Raleigh Television Network (RTN) and the Inspections training program. Other departments with programs in this fund receive contributions used to purchase community watch signs and to support special Police programs.

## Budget Detail

|                                 | ACTUALS | ACTUALS | ADOPTED | PROPOSED | CHANGE       |
|---------------------------------|---------|---------|---------|----------|--------------|
| DIRECT EXPENDITURES             | 2013-14 | 2014-15 | 2015-16 | 2016-17  | FY16 to FY17 |
| Environmental Awards Program    | 8,528   | 0       | 9,500   | 9,500    | 0.0%         |
| Public Affairs Ctv Equipment    | 70,672  | 10,010  | 448,000 | 424,000  | (5.4%)       |
| Appearance Commission           | 1,147   | 51,366  | 8,000   | 3,000    | (62.5%)      |
| Ral Historic District Loan Fund | 0       | 1,831   | 23,610  | 200,000  | 747.1%       |
| Inspections Training Program    | 3,150   | 0       | 1,400   | 1,400    | 0.0%         |
| Citizen Involvement             | 3,310   | 1,321   | 30,000  | 30,000   | 0.0%         |
| Community Watch Signs           | 834     | 5,283   | 4,940   | 4,940    | 0.0%         |
| Police Donations                | 22,839  | 3,341   | 24,000  | 24,000   | 0.0%         |
| Fire-Reg Resp Team #4 Revolving | 37,658  | 17,296  | 300,000 | 300,000  | 0.0%         |
| Fire-Usar Team Expd             | 117,957 | 59,955  | 176,381 | 162,404  | (7.9%)       |
| PR Program Fee Assistance       | 1,373   | 104,976 | 16,000  | 20,000   |              |
| Arts Commission                 | 0       | 0       | 85,535  | 85,848   |              |
| Arts Office                     | 0       | 0       | 0       | 3,015    | 25.0%        |
| Fletcher Award Program          | 2,089   | 13,647  | 0       | 740      | 0.4%         |
| Parks Donations                 | 14,512  | 0       | 55,000  | 55,000   |              |
| Adventure Camps                 | 40,214  | 9,423   | 90,315  | 64,200   |              |
| Anderson Point                  | 21,345  | 0       | 45,000  | 45,000   | 0.0%         |
| Aquatic Instruction Programs    | 372,898 | 21,397  | 496,700 | 496,600  | (28.9%)      |
| Community Center Equipment      | 185,727 | 35,584  | 463,600 | 515,600  | 0.0%         |
| Athletics                       | 205,518 | 23,758  | 257,000 | 210,000  | (0.0%)       |
| ESL Program                     | 877     | 380,162 | 8,500   | 14,800   | 11.2%        |
| General Recreation              | 172,247 | 111,863 | 0       | 0        | (18.3%)      |
| Golden Years                    | 181,064 | 197,173 | 280,000 | 336,000  | 74.1%        |
| Neighborhood Street Trees       | 10,958  | 2,186   | 60,000  | 35,000   |              |
| Parks & Rec Automation          | 334,940 | 63,880  | 264,790 | 318,645  | 20.0%        |
| Parks & Rec Marketing           | 262,637 | 142,974 | 285,000 | 287,000  | (41.7%)      |
| Parks & Rec Sports Consortium   | 43,809  | 28,647  | 79,000  | 79,000   | 20.3%        |
| Abbotts Creek Center            | 0       | 266,729 | 80,000  | 97,500   | 0.7%         |
| Barwell Road Comm Center        | 64,224  | 201,730 | 122,000 | 120,200  | 0.0%         |
| Biltmore Hills Center           | 36,120  | 38,719  | 67,000  | 67,000   | 21.9%        |
| Borden Building                 | 22,559  | 0       | 45,000  | 91,000   | (1.5%)       |
| Brier Creek Comm Center         | 123,159 | 93,807  | 190,000 | 170,000  | (10.5%)      |
| Camp Ranoca                     | 165,067 | 134,839 | 140,000 | 3,001    | (97.9%)      |
| Carolina Pines Center           | 39,979  | 32,296  | 76,000  | 80,000   | 5.3%         |
| Chavis Center                   | 51,684  | 40,562  | 60,000  | 63,000   | 5.0%         |
| Courtney Johnson Center         | 8,703   | 17,736  | 30,000  | 34,500   | 15.0%        |
| Green Road Center               | 143,990 | 125,867 | 223,500 | 209,000  | (6.5%)       |
| Greyston Rec Center             | 95,640  | 96,703  | 135,000 | 110,000  | (18.5%)      |
| Halifax Center                  | 1,106   | 25,570  | 37,590  | 67,250   | 78.9%        |
| Hill Street Neighborhood Center | 1,940   | 1,823   | 10,380  | 13,100   | 26.2%        |
| Durant Nature Preserve          | 0       | 970     | 40,500  | 59,000   | 45.7%        |
| Jaycee Center                   | 113,038 | 100,916 | 142,500 | 123,500  | (13.3%)      |
| Lake Johnson Nature Center      | 19,463  | 12,283  | 39,500  | 74,600   | 88.9%        |
| Lake Lynn Center                | 137,259 | 83,422  | 163,000 | 123,900  | (24.0%)      |
| Lake Wheeler                    | 9,417   | 11,253  | 47,500  | 33,500   | (29.5%)      |

## Budget Detail (continued)

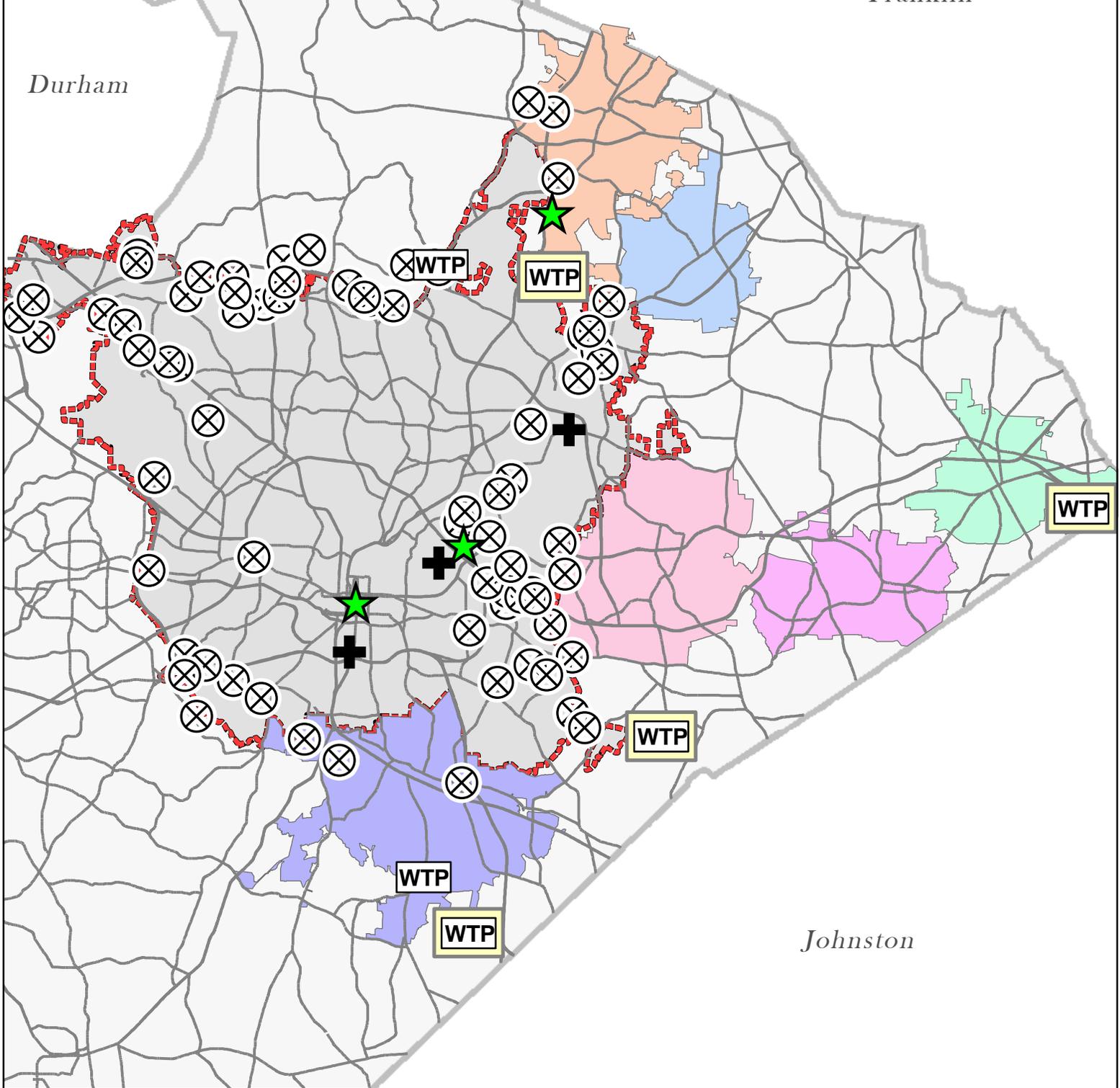
|                                | ACTUALS             | ACTUALS            | ADOPTED             | PROPOSED            | CHANGE       |
|--------------------------------|---------------------|--------------------|---------------------|---------------------|--------------|
| DIRECT EXPENDITURES            | 2013-14             | 2014-15            | 2015-16             | 2016-17             | FY16 to FY17 |
| Laurel Hills Center            | 101,452             | 98,712             | 206,000             | 205,000             | (0.5%)       |
| Lions Park                     | 14,259              | 24,548             | 45,000              | 21,700              | (51.8%)      |
| Marsh Creek Center             | 90,164              | 99,614             | 121,700             | 140,500             | 15.4%        |
| Method Center                  | 49,300              | 40,541             | 84,500              | 81,000              | (4.1%)       |
| Millbrook Center               | 75,716              | 72,746             | 107,000             | 125,000             | 16.8%        |
| Mordecai Park                  | 74,567              | 78,608             | 165,000             | 212,000             | 28.5%        |
| Nature Camp                    | 19,907              | 6,935              | 42,000              | 47,000              | 11.9%        |
| Optimist Center                | 74,155              | 62,312             | 84,000              | 77,500              | (7.7%)       |
| Peach Road Community Center    | 5,517               | 8,047              | 26,000              | 24,200              | (6.9%)       |
| Pullen Amusement               | 84,554              | 111,982            | 200,000             | 279,000             | 39.5%        |
| Pullen Art Center              | 223,510             | 216,783            | 252,000             | 236,000             | (6.3%)       |
| Pullen Community Center        | 57,522              | 63,228             | 98,000              | 89,700              | (8.5%)       |
| Raleigh City Museum            | 15,762              | 33,026             | 97,000              | 95,000              | (2.1%)       |
| Ralph Campbell Center          | 4,652               | 7,349              | 8,500               | 7,000               | (17.6%)      |
| Roberts Park                   | 24,301              | 23,668             | 27,650              | 24,000              | (13.2%)      |
| Sanderford Road Center         | 5,461               | 18,358             | 37,200              | 30,100              | (19.1%)      |
| Sertoma Arts Center            | 163,911             | 200,552            | 255,830             | 215,000             | (16.0%)      |
| Specialized Recreation Service | 109,745             | 143,156            | 288,300             | 347,500             | 20.5%        |
| Tarboro Road Center            | 32,090              | 15,509             | 33,000              | 30,000              | (9.1%)       |
| Top Greene Center              | 6,194               | 27,870             | 30,000              | 30,000              | 0.0%         |
| Walnut Creek Wetland Center    | 6,176               | 8,489              | 49,800              | 60,200              | 20.9%        |
| Walnut Terrace                 | 90                  | 0                  | 6,500               | 0                   | (100.0%)     |
| Wilkerson Nature Preserve Park | 0                   | 692                | 9,000               | 16,000              | 77.8%        |
| Worthdale Center               | 22,388              | 17,375             | 36,000              | 36,000              | 0.0%         |
| Raleigh Youth Council          | 4,135               | 0                  | 26,000              | 23,500              |              |
| Youth Programs                 | 370,595             | 5,710              | 550,000             | 665,000             | (9.6%)       |
| Teen Programs                  | 89,767              | 0                  | 375,000             | 442,000             |              |
| Tennis                         | 390,728             | 736,576            | 413,000             | 435,500             | 20.9%        |
| Third Party Events             | 0                   | 111,727            | 20,737              | 20,000              | 17.9%        |
| Tucker Mansion                 | 26,696              | 392,915            | 35,000              | 28,000              | 5.4%         |
| Visual/Hearing Impaired        | 8,384               | 192                | 57,000              | 0                   | (3.6%)       |
| <b>TOTAL</b>                   | <b>\$ 5,301,348</b> | <b>\$5,365,818</b> | <b>\$ 8,948,458</b> | <b>\$ 9,309,143</b> | <b>4.0%</b>  |



# City of Raleigh Public Utilities Facilities

Franklin

Durham



— Major Roads

⊞ Raleigh ETJ

⊕ Odor Facilities

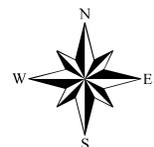
⊗ Pump Stations

★ Administrative Offices

WTP Water Treatment Plant

WTP Wastewater Treatment Plant

1 inch = 3.9 miles

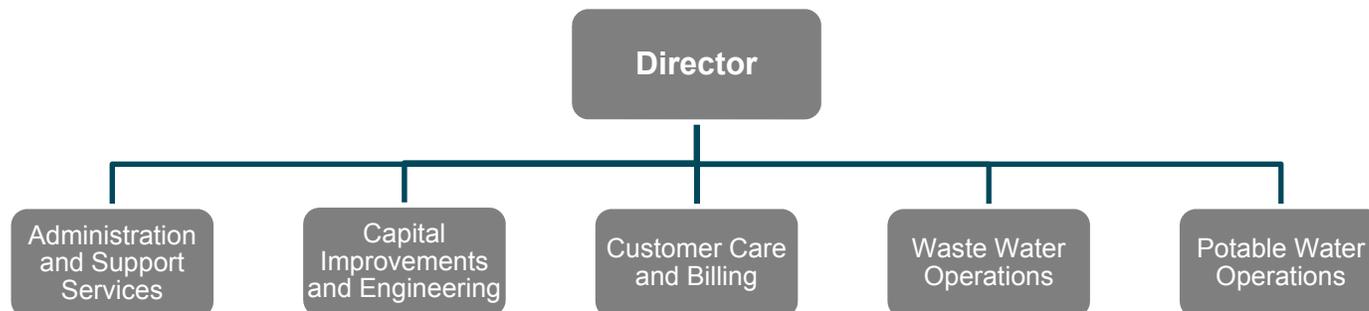


Map Updated by COR GIS  
May 2016

# Public Utilities

## Mission

To provide safe, sustainable water services for our customers while protecting public health and contributing to the economic, environmental and social vitality of our communities.



## Department Overview

The City of Raleigh Public Utilities Department provides water and sanitary sewer service to approximately 179,000 metered water and sewer customers and a service population of approximately 530,000 people in Raleigh, Garner, Wake Forest, Rolesville, Knightdale, Wendell, and Zebulon areas.

Additional information regarding the Public Utilities Department may be obtained by contacting Robert Massengill, Public Utilities Director, at (919) 996-4540 or via email at [Robert.Massengill@raleighnc.gov](mailto:Robert.Massengill@raleighnc.gov).

## Budget Highlights

- The Department recommends no increase to the water and sewer administrative charges, an increase in the water and sewer volumetric rates by 2%, and an increase in the water and sewer infrastructure replacement charges from \$1.25 to \$1.50 per month and \$3.25 to \$4.25 per month, respectively, on a 5/8" meter. For a 5 CCF per month customer bill, this is an approximate increase of \$1.99 per month, or 3.8%. The fee increases will aid in aging infrastructure replacement within the Water Distribution and Waste Water Systems.
- Addition of four new Customer Services Specialists dedicated to the expansion of the Customer Care and Billing Division (\$174,000). The department also received an administrative services position from the Solid Waste Services department to assist with customer care needs (\$36,000).
- Addition of two Inventory Supervisors in support of the Department's organizational needs (\$94,000).
- Addition of three Utility Technicians to provide utility locates support for the Google Fiber project (\$131,000).
- Addition of two Service Specialists to provide general maintenance at the Smith Creek and Little Creek Waste Water Treatment Plants (\$74,000).
- Increase of \$150,000 in construction costs related to Falls Lake as negotiated with the Army Corps of Engineers.
- Increase of \$220,000 in bio-solids hauling due to an increase of solids production at the Neuse River Resource Recovery Facility.

- The Department recommends a \$120 annual fee, billed at \$10 per month, for all food service establishments and Fats, Oils and Grease (FOG) generators in the utility service area. This increase is comparable to fees enacted in surrounding municipalities and the revenue generated will recoup 85% of the FOG's full program costs.

## Budget Detail

|  | ACTUALS              | ACTUALS              | ADOPTED              | PROPOSED             | CHANGE        |
|--|----------------------|----------------------|----------------------|----------------------|---------------|
| EMPLOYEES                              | 2013-14              | 2014-15              | 2015-16              | 2016-17              | FY16 to FY17  |
| Public Utilities Administration        | 43                   | 43                   | 46                   | 41                   | (5)           |
| PU Capital Improvement Management      | 27                   | 27                   | 32                   | 39                   | 7             |
| PU Water Plant                         | 89                   | 87                   | 90                   | 91                   | 1             |
| Neuse River Resource Recovery Facility | 112                  | 108                  | 104                  | 107                  | 3             |
| PU Customer Care and Billing           | 56                   | 56                   | 56                   | 66                   | 10            |
| PU Sewer Maintenance                   | 120                  | 118                  | 117                  | 123                  | 6             |
| PU Water Distribution                  | 103                  | 103                  | 106                  | 100                  | (6)           |
| PU Meters                              | 79                   | 77                   | 76                   | 72                   | (4)           |
| PU Facilities Support                  | 13                   | 13                   | 13                   | 13                   | 0             |
| <b>TOTAL</b>                           | <b>642</b>           | <b>632</b>           | <b>640</b>           | <b>652</b>           | <b>12</b>     |
| <b>DIRECT EXPENDITURES BY DIVISION</b> |                      |                      |                      |                      |               |
| Public Utilities Administration        | 8,843,363            | 7,479,684            | 7,882,294            | 8,719,600            | 10.6%         |
| PU Capital Improvement Management      | 2,436,338            | 2,509,248            | 3,587,081            | 3,835,717            | 6.9%          |
| PU Water Plant                         | 17,979,796           | 17,541,360           | 20,802,273           | 21,390,376           | 2.8%          |
| Neuse River Resource Recovery Facility | 19,889,082           | 21,847,108           | 22,256,439           | 22,977,740           | 3.2%          |
| PU Re-use Operations                   | 1,032,071            | 9,502                | 0                    | 0                    | 0.0%          |
| PU Customer Care and Billing           | 4,922,485            | 4,944,512            | 5,896,899            | 6,750,146            | 14.5%         |
| PU Sewer Maintenance                   | 8,646,133            | 9,268,768            | 12,074,135           | 12,933,887           | 7.1%          |
| PU Water Distribution                  | 8,756,142            | 9,829,821            | 11,952,516           | 11,366,061           | (4.9%)        |
| PU Meters                              | 4,775,906            | 4,746,165            | 5,915,450            | 5,883,935            | (0.5%)        |
| PU Facilities Support                  | 1,180,481            | 1,599,815            | 2,583,930            | 2,517,865            | (2.6%)        |
| PU Special Appropriations              | 104,226,211          | 99,454,272           | 145,044,851          | 137,667,187          | (5.1%)        |
| <b>TOTAL</b>                           | <b>\$182,688,008</b> | <b>\$179,230,256</b> | <b>\$237,995,866</b> | <b>\$234,042,515</b> | <b>(1.7%)</b> |
| <b>DIRECT EXPENDITURES BY TYPE</b>     |                      |                      |                      |                      |               |
| Personnel                              | 27,194,899           | 28,924,890           | 33,693,034           | 35,823,757           | 6.3%          |
| Employee Benefits                      | 10,804,288           | 11,195,514           | 12,324,436           | 13,438,907           | 9.0%          |
| Operating Expenditures                 | 37,289,212           | 38,027,246           | 52,627,853           | 54,866,495           | 4.3%          |
| Special Programs and Projects          | 3,144,477            | 2,892,454            | 3,457,431            | 3,400,792            | (1.6%)        |
| Capital Equipment                      | 937,629              | 549,535              | 803,490              | 981,190              | 0.0%          |
| Capital Project Expense                | 2,700,868            | 1,135,209            | 10,000               | 10,000               | 0.0%          |
| Interfund Transfers                    | 100,616,634          | 96,505,409           | 135,079,623          | 125,521,373          | (7.1%)        |
| <b>TOTAL</b>                           | <b>\$182,688,008</b> | <b>\$179,230,256</b> | <b>\$237,995,866</b> | <b>\$234,042,515</b> | <b>(1.7%)</b> |

## Key Initiatives

- Improve employee retention and training levels through a formalized supervisor training and new employee orientation. (*Organizational Excellence, Objective 4*)
- Continuing operational efficiencies through implementation of management systems. (*Organizational Excellence, Objective 4*)
- Improve customer satisfaction levels with an enhanced and expanded customer call center and customer web self-service. (*Organizational Excellence, Objective 3*)
- Implement a Bill Assistance Program for economically distressed utility customers.
- Maintain 100% compliance for National Pollution Discharge Elimination System (NPDES) Permits. (*Growth and Natural Resources, Objective 1*)

- Continue the implementation of the Urban Pipe Replacement Reimbursement Program. (*Economic Development & Innovation, Objective 3*)
- Continue long-range planning for waste water treatment capacity, water supply and treatment along with underground infrastructure expansion for anticipated growth. (*Economic Development & Innovation, Objective 4*)

## Performance Indicators

|  | ACTUAL  | ACTUAL  | ESTIMATE | PROJECTION |
|--|---------|---------|----------|------------|
|  | 2013-14 | 2014-15 | 2015-16  | 2016-17    |
| <b>Water Treatment</b>                             |         |         |          |            |
| Drinking water compliance rate                     | 100%    | 100%    | 100%     | 100%       |
| Total average water production, MGD <sup>1</sup>   | 47.9    | 49.2    | 49.0     | 50.0       |
| <b>Resource Recovery</b>                           |         |         |          |            |
| NPDES compliance rate <sup>2</sup>                 | 97%     | 100%    | 100%     | 100%       |
| Amount of water treated, MGD                       | 46.70   | 48.19   | 49.41    | 50.97      |
| <b>Sewer Maintenance</b>                           |         |         |          |            |
| Sanitary Sewer Overflows (SSO) <sup>3</sup>        | 57      | 44      | 51       | 0          |
| <b>Water Distribution</b>                          |         |         |          |            |
| Hydrant inspections                                | 15,618  | 25,456  | 25,000   | 25,000     |
| <b>Meters Service</b>                              |         |         |          |            |
| Total number of meters installed/repaired annually | 7,141   | 9,572   | 13,414   | 15,559     |

<sup>1</sup> Millions of gallons per day (MGD).

<sup>2</sup> NPDES Compliance - National Pollution Discharge Elimination System (NPDES) Compliance and Enforcement Program of the Clean Water Act, regulates point source discharges to the nation's waters. NPDES permits can be issued to individual dischargers or can be issued for a group of dischargers (i.e., general permits). Both individual and general permits contain requirements for controlling pollutant dischargers, monitoring discharges and reporting compliance.

<sup>3</sup> Sanitary Sewer Overflow (SSO) is a condition in which untreated sewage is discharged from a sanitary sewer into the environment prior to reaching sewage treatment facilities.

# Water and Sewer/Reuse Infrastructure Funds

## Overview

Established in FY15, an Infrastructure Replacement Charge will help fund replacement of aging infrastructure within the Water Distribution and Waste Water Systems. Billed monthly, the Infrastructure Replacement Charge is based on each individual meter size. Infrastructure Replacement Charges are collected in two operating funds: one to account for water infrastructure and a second to account for sewer/reuse infrastructure. Amounts collected in these funds are transferred to support cash infrastructure replacement capital projects. Infrastructure replacement projects are labeled with specific program codes so they can be identified within pay-go (cash) capital funds 320 and 325.

## Budget Highlights

- Council has provided pre-budget approval for changes to the Infrastructure Replacement Charges: a \$0.25 monthly increase to the Water Infrastructure fee and a \$1.00 increase to the Sewer/Reuse Infrastructure fee. Fees support the ongoing maintenance of the Water Distribution and Waste Water Systems. The Infrastructure Replacement Charge is billed monthly based on individual meter size.

## Budget Detail

|                             | ACTUALS              | ACTUALS              | ADOPTED             | PROPOSED            | CHANGE       |
|-----------------------------|----------------------|----------------------|---------------------|---------------------|--------------|
| DIRECT EXPENDITURES BY TYPE | 2013-14 <sup>1</sup> | 2014-15 <sup>2</sup> | 2015-16             | 2016-17             | FY16 to FY17 |
| Water Infrastructure        | 0                    | 627,400              | 3,720,000           | 5,440,000           | 46.2%        |
| Sewer Infrastructure        | 0                    | 738,918              | 8,535,000           | 11,220,000          | 31.5%        |
| <b>TOTAL</b>                | <b>\$0</b>           | <b>\$1,366,318</b>   | <b>\$12,255,000</b> | <b>\$16,660,000</b> | <b>35.9%</b> |

<sup>1</sup> Both the Water and Sewer/Reuse Infrastructure Fees were established in FY15.

<sup>2</sup> Revenue fees will accrue in a fund until they are transferred into a capital fund to pay for water and sewer/reuse infrastructure projects. Therefore, Actuals reflect the revenue transferred, not collected, to fund projects within a given fiscal year.

# Watershed Protection Fee Fund

## Overview

Established in FY11, the Watershed Protection Program works to protect natural areas in the City's drinking supply watersheds. The Watershed Protection Fee is billed monthly to Raleigh, Garner, Rolesville and Wake Forest water customers.

Beginning in FY16, the City budgeted fee revenue in a separate operating fund. The funds are used to pay for the Upper Neuse Clean Water Initiative, as well as additional drinking water quality improvements to the treatment system, and for protective restoration projects. Watershed Protection projects will be labeled with specific program codes so they can be identified within pay-go (cash) capital fund 320.

## Budget Highlights

- No fee change is proposed for FY17.

## Budget Detail

|                             | ACTUALS    | ACTUALS    | ADOPTED            | PROPOSED           | CHANGE       |
|-----------------------------|------------|------------|--------------------|--------------------|--------------|
| DIRECT EXPENDITURES BY TYPE | 2013-14    | 2014-15    | 2015-16            | 2016-17            | FY16 to FY17 |
| Watershed Protection        | 0          | 0          | 2,250,000          | 2,250,000          | 0.0%         |
| <b>TOTAL</b>                | <b>\$0</b> | <b>\$0</b> | <b>\$2,250,000</b> | <b>\$2,250,000</b> | <b>0.0%</b>  |

# Annual Grants

The City of Raleigh receives several annual grants. Historically, these grants were appropriated via mid-year Council action. Starting with the FY16 budget, annual grants are adopted through the budget process. The actuals columns for both FY14 and FY15 reflect actual expenditures for all grant awards received by departments, whether one-time or recurring (annual) grant awards. For FY17 budgeting purposes, some of annual grant revenues and expenditures are estimated based on prior year grant awards.

Additional information regarding these grants may be obtained by contacting Kirsten Larson, Grants Program Administrative Manager, at (919) 996-4276 or via e-mail at [Kirsten.Larson@raleighnc.gov](mailto:Kirsten.Larson@raleighnc.gov).

## Budget Detail

|  | ACTUALS            | ACTUALS            | ADOPTED            | PROPOSED           | CHANGE              |
|--|--------------------|--------------------|--------------------|--------------------|---------------------|
| <b>DIRECT EXPENDITURES BY DIVISION</b> | <b>2013-14</b>     | <b>2014-15</b>     | <b>2015-16</b>     | <b>2016-17</b>     | <b>FY16 to FY17</b> |
| Housing & Neighborhoods - Comm Engage  | 498,440            | 510,970            | 0                  | 361,403            | 0.0%                |
| Fire Adm                               | 63,637             | 75,335             | 0                  | 69,000             | 0.0%                |
| Planning                               | 9,000              | 46,938             | 0                  | 0                  | 0.0%                |
| Transportation - CAMPO                 | 1,974,978          | 0                  | 0                  | 0                  | 0.0%                |
| Police Administrative Services         | 119,715            | 216,684            | 0                  | 0                  | 0.0%                |
| Police Special Operations              | 397,919            | 388,827            | 387,240            | 0                  | (100.0%)            |
| PRCR - Business Process Mgmt           | 619,226            | 512,427            | 121,355            | 121,355            | (0.0%)              |
| PRCR - Recreation                      | 0                  | 114                | 24,124             | 0                  | (100.0%)            |
| Public Utilities Admin                 | 7,204              | 87,647             | 0                  | 0                  | 0.0%                |
| Solid Waste Admin                      | 34,876             | 0                  | 0                  | 0                  | 0.0%                |
| Transportation Services - Transit      | 1,788,627          | 828,034            | 1,085,276          | 1,464,574          | 34.9%               |
| <b>TOTAL</b>                           | <b>\$5,513,623</b> | <b>\$2,666,976</b> | <b>\$1,617,995</b> | <b>\$2,016,332</b> | <b>24.6%</b>        |
| <b>DIRECT EXPENDITURES BY TYPE</b>     |                    |                    |                    |                    |                     |
| Personnel                              | 1,505,088          | 1,021,820          | 672,814            | 690,354            | 2.6%                |
| Employee Benefits                      | 401,273            | 270,931            | 174,667            | 182,730            | 4.6%                |
| Operating Expenditures                 | 2,478,626          | 621,682            | 461,876            | 903,273            | 95.6%               |
| Special Programs and Projects          | 333,043            | 319,567            | 308,638            | 239,976            | (22.2%)             |
| Capital Equipment                      | 235,438            | 74,082             | 0                  | 0                  | 0.0%                |
| Capital Project Expense                | 473,806            | 358,892            | 0                  | 0                  | 0.0%                |
| Interfund Transfers                    | 86,349             | 0                  | 0                  | 0                  | 0.0%                |
| <b>TOTAL</b>                           | <b>\$5,513,623</b> | <b>\$2,666,976</b> | <b>\$1,617,995</b> | <b>\$2,016,332</b> | <b>24.6%</b>        |

## Annual Grant Descriptions by Department/Division

### **Housing & Neighborhoods – Community Engagement**

*Foster Grandparent Program* – This program partners special and exceptional needs elementary, middle, and high school students with “foster grandparents” who help them with schoolwork and serve as mentors.

### **Fire**

*Emergency RRT4 (Regional Response Team)* – The department maintains and operates a hazardous materials team that responds within the City and contracted areas in Wake County and the State of North Carolina. Hazardous Materials incident mitigation, outreach training programs, equipment purchasing and review and development of response policies encompasses the program’s mission.

### **Parks, Recreation and Cultural Resources**

*Juvenile Crime Prevention Council* – Funds from this grant are used to operate the Teen Outreach Program (TOP), which is a free drop-in after-school program for youth aged 12-18 that is conducted by the department at several local community centers.

### **Transportation Services - Transit**

*Transportation Demand Management* – Funding from this grant pays 50% of salary costs for two full-time coordinators of the City’s transportation demand management program, along with marketing and outreach costs in the targeted areas. Areas of concentration currently include Downtown Raleigh and major employment and commercial properties within the I-440 beltline.

*Federal Transit Metropolitan Planning* – This grant pays salary and training costs for seven planning positions within the Transit Division. The funding also supports transit planning for making transit investment decisions in metropolitan areas. Activities include annual data collection, special transit planning studies, transit related National Environmental Policy Act (NEPA), and support of the Triangle Regional Model and Short Range Transit Planning efforts.

## City Agency Grants Programs

The City of Raleigh provides grant funding to not-for-profit agencies through four primary grant programs: 1) Arts, 2) Human Services, 3) Community Enhancement, and 4) Other Outside Agencies. The City Council requires all outside agencies seeking financial support from the City to apply for grant funding through one of these four programs. In addition, Council policy limits the amount of funding that can be awarded an agency to a maximum of 25% of the agency's prior year actual operating expenditure. The following sections summarize each of these four programs and proposed funding for FY17.

# Arts Agency Grants

## Overview

The City of Raleigh arts grant program is the official vehicle for municipal support to the City's arts organizations, providing support for a diverse range of opportunities, including city arts festivals, live theatre, dance and music performances, visual arts exhibitions and youth arts programs. The arts grant program has been critical to the development of many of Raleigh's cultural organizations, helping to bring stability to the city's arts community and providing leverage for groups to seek business, foundation and other agency matching grants. Arts and culture-related industries (collectively known as "creative industries") have provided direct economic benefits to Raleigh by creating jobs, attracting new investments, generating tax revenues and stimulating tourism and consumer purchases.

The current per capita allocation for arts is \$5.00 which, based on a population of 439,896, brings the total arts per capita funding level for FY17 to \$2,199,480, an increase of 2% over FY16. Arts per capita funding is disbursed by the Raleigh Arts Commission, and a portion of the funding supports three positions in the Parks, Recreation & Cultural Resources budget: a Public Art Coordinator, an Arts Grant Program Coordinator, and a Curator. In addition to the per capita allocation, an additional \$575,970 is provided for through existing lease or operating agreements between the City and the following performing arts organizations: Carolina Ballet, North Carolina Symphony, Raleigh Little Theatre, and Theatre in the Park. A 2% increase is included for agreements with Raleigh Little Theatre and Theatre in the Park. This reflects a periodic adjustment to help cover increased utility costs, as covered under both organizations' agreements with the City.

A detailed list of proposed funding provided to arts agencies appears on the following page. Adopted budget information as well as grant funding amounts requested by each agency for FY17 is included. Please note the following:

- Marbles Kids Museum, funded in FY16, did not submit requests for FY17 funding.
- For the second year in a row, Raleigh Review has not requested arts grant funding.

A multi-year history of grant awards is available from the Office of Raleigh Arts.

Additional information regarding Arts Agency Appropriations may be obtained by contacting Sarah Corrin, Arts Grant Coordinator, at (919) 996-4686 or via e-mail at [Sarah.Corrin@raleighnc.gov](mailto:Sarah.Corrin@raleighnc.gov).

## Budget Detail

|  | ADOPTED            | ADOPTED            | REQUESTED          | PROPOSED           | CHANGE       |
|--|--------------------|--------------------|--------------------|--------------------|--------------|
|  | 2014-15            | 2015-16            | 2016-17            | 2016-17            | FY16 to FY17 |
| <b>Arts Per Capita Funding</b>                 |                    |                    |                    |                    |              |
| Arts Access                                    | 14,595             | 16,496             | 18,000             | 16,037             | (2.8%)       |
| Arts Together                                  | 147,013            | 150,209            | 174,050            | 164,603            | 9.6%         |
| Artspace                                       | 167,316            | 171,563            | 175,000            | 168,355            | (1.9%)       |
| Artsposure                                     | 175,000            | 168,319            | 174,831            | 169,516            | 0.7%         |
| Burning Coal Theatre Company                   | 89,762             | 84,515             | 120,000            | 91,722             | 8.5%         |
| Chamber Music Raleigh (formerly Ral. Ch. Mus.) | 32,638             | 33,650             | 31,162             | 26,917             | (20.0%)      |
| Classical Voice Of NC                          | 11,054             | 10,416             | 20,000             | 14,049             | 34.9%        |
| Community Music School                         | 36,450             | 38,133             | 43,000             | 39,630             | 3.9%         |
| Contemporary Art Foundation                    | 129,071            | 113,875            | 175,000            | 152,124            | 33.6%        |
| El Pueblo, Inc.                                | 24,125             | 22,670             | 25,000             | 23,514             | 3.7%         |
| International Focus, Inc.                      | 21,027             | 21,898             | 24,500             | 14,423             | (34.1%)      |
| Justice Theater Project                        | 42,659             | 53,923             | 66,500             | 66,500             | 23.3%        |
| Marbles Kids Museum                            | 14,394             | 13,880             | 0                  | 0                  | 0.0%         |
| Meredith College                               | 0                  | 0                  | 15,000             | 0                  | 0.0%         |
| NC Master Chorale                              | 57,026             | 49,169             | 62,000             | 53,581             | 9.0%         |
| NC Museum History Foundation                   | 24,036             | 24,327             | 25,000             | 23,389             | (3.9%)       |
| NC Opera                                       | 150,200            | 152,240            | 175,000            | 159,724            | 4.9%         |
| NC State University Theatre                    | 13,939             | 12,177             | 20,000             | 15,224             | 25.0%        |
| NC Theatre                                     | 168,687            | 168,563            | 175,000            | 160,755            | (4.6%)       |
| North Raleigh Arts & Creative Theatre          | 15,736             | 20,312             | 24,999             | 20,469             | 0.8%         |
| Nuv Yug Cultural Organization                  | 14,105             | 13,640             | 18,000             | 14,522             | 6.5%         |
| Performance Edge                               | 7,400              | 6,314              | 10,000             | 7,037              | 11.5%        |
| Philharmonic Association                       | 17,803             | 14,888             | 25,000             | 23,007             | 54.5%        |
| PineCone                                       | 98,126             | 108,900            | 165,000            | 165,000            | 51.5%        |
| Raleigh Boychoir                               | 22,063             | 21,094             | 30,000             | 25,473             | 20.8%        |
| Raleigh Civic Symphony Association             | 6,182              | 5,982              | 8,500              | 8,016              | 34.0%        |
| Raleigh Dance Theatre                          | 4,789              | 0                  | 7,900              | 6,059              |              |
| Raleigh Little Theatre                         | 23,569             | 23,991             | 25,000             | 23,505             | (2.0%)       |
| Raleigh Review                                 | 4,750              | 0                  | 0                  | 0                  | 0.0%         |
| Raleigh Ringers                                | 19,843             | 20,357             | 24,000             | 18,430             | (9.5%)       |
| Raleigh St. Patrick's Day Parade Committee     | 0                  | 0                  | 10,300             | 0                  | 0.0%         |
| Raleigh Symphony Orchestra                     | 20,452             | 18,034             | 21,466             | 18,421             | 2.1%         |
| Triangle Lebanese American Center              | 0                  | 0                  | 8,000              | 0                  | 0.0%         |
| Visual Art Exchange                            | 86,704             | 96,003             | 98,000             | 97,145             | 1.2%         |
| Wake Enterprises, Inc.                         | 6,729              | 4,977              | 6,500              | 5,783              | 16.2%        |
| <b>Subtotal Arts Agency Grants</b>             | <b>\$1,667,243</b> | <b>\$1,660,515</b> | <b>\$2,001,708</b> | <b>\$1,792,930</b> | <b>8.0%</b>  |
| City of Raleigh Arts Commission Programs       | 274,644            | 279,301            | 170,286            | 170,286            | (39.0%)      |
| Arts Commission Staff Support                  | 174,008            | 218,914            | 236,264            | 236,264            | 7.9%         |
| <b>Total Arts Per Capita</b>                   | <b>\$2,115,895</b> | <b>\$2,158,730</b> | <b>\$2,408,258</b> | <b>\$2,199,480</b> | <b>2%</b>    |
| <b>Other Arts Agency Appropriations</b>        |                    |                    |                    |                    |              |
| Carolina Ballet                                | 250,000            | 250,000            | 0                  | 250,000            | 0.0%         |
| NC Symphony                                    | 200,000            | 200,000            | 0                  | 200,000            | 0.0%         |
| Raleigh Little Theatre                         | 84,000             | 84,000             | 0                  | 85,680             | 2.0%         |
| Theatre In The Park                            | 39,500             | 39,500             | 0                  | 40,290             | 2.0%         |
| Wakefield Band Expo                            | 1,350              | 0                  | 0                  | 0                  | 0.0%         |
| <b>Total Other Arts Agencies</b>               | <b>\$574,850</b>   | <b>\$573,500</b>   | <b>0</b>           | <b>\$575,970</b>   | <b>0.4%</b>  |
| <b>TOTAL ALL ARTS FUNDING</b>                  | <b>\$2,690,745</b> | <b>\$2,732,230</b> | <b>\$2,408,258</b> | <b>\$2,775,450</b> | <b>1.6%</b>  |

## Human Service Agency Grants

The Human Relations Commission (HRC) awards annual grants to nonprofit organizations that provide services to Raleigh residents who belong to five targeted groups: the elderly, youth, persons with disabilities, substance abusers, and homeless individuals. Council policy adopted in January 2015 increases the HRC grant funding allocation annually by the same rate as the arts per capita. In FY17, the allocation for human service grants is \$520,000, a 2% increase over FY16.

Proposed funding for Human Service Agency grants totals \$984,000 in FY17. This includes \$520,000 in grants awarded by the HRC and \$464,000 in proposed General Fund support for as a supplement to HRC grants for agencies historically supported by City Council. In FY17, additional General Fund support is proposed for CASA (\$84,000), Healing Transitions/Healing Place (\$95,000), Interact (\$50,000), Interfaith Food Shuttle (\$95,000), Legal Aid (\$45,000) and Tammy Lynn Center (\$95,000) to bring their total proposed City grant funding in FY17 to be equal to the funding the agencies received from the City in FY16.

A detailed list of proposed funding to human service agencies appears on the following page. Adopted budget information, as well as grant funding amounts requested by agency for FY17, is included. The following agencies did not request human services grant funding in FY17: Communities in Schools of Wake County, Uniting NC, AIDS Service Agency, Guiding Lights, HopeLine, Love in Action, and Phi Lambda Educational Foundation. A multi-year history of grant awards is available from the Housing & Neighborhoods Department.

Additional information regarding Human Service Agency grants may be obtained by contacting Marionna Poke-Stewart, Volunteer/Human Services Division Program Manager, at (919) 996-5726 or via e-mail at [Marionna.Poke-Stewart@raleighnc.gov](mailto:Marionna.Poke-Stewart@raleighnc.gov).

## Budget Detail

|   | ADOPTED          | ADOPTED          | REQUESTED          | PROPOSED         | CHANGE       |
|---|------------------|------------------|--------------------|------------------|--------------|
|   | 2014-15          | 2015-16          | 2016-17            | 2016-17          | FY16 to FY17 |
| <b>HUMAN RELATIONS COMMISSION</b>         |                  |                  |                    |                  |              |
| Communities in Schools of Wake Co         | 5,000            | 0                | 0                  | 0                | 0.0%         |
| Uniting NC                                | 10,000           | 0                | 0                  | 0                | 0.0%         |
| Advance Community Health                  | 20,000           | 0                | 45,600             | 25,000           |              |
| Aids Service Agency                       | 14,000           | 14,000           | 0                  | 0                | 0.0%         |
| Aventwest Community Dev Corp              | 12,500           | 12,500           | 25,179             | 15,000           | 20.0%        |
| Boys & Girls Club                         | 0                | 0                | 60,000             | 15,000           |              |
| Casa Agency                               | 89,000           | 89,000           | 89,000             | 5,000            |              |
| Community Partnerships                    | 8,000            | 8,000            | 37,046             | 9,000            | 12.5%        |
| Community Success Initiative              | 0                | 5,000            | 40,000             | 15,000           | 200.0%       |
| Fellowship Home of Raleigh                | 0                | 5,000            | 35,000             | 8,500            | 70.0%        |
| Filling In Gaps                           | 10,000           | 10,000           | 12,000             | 12,000           | 20.0%        |
| Garner Rd Community Center                | 11,500           | 12,000           | 20,000             | 15,000           | 25.0%        |
| Guiding Lights                            | 0                | 2,500            | 0                  | 0                | 0.0%         |
| Haven House                               | 25,000           | 25,000           | 25,000             | 25,000           | 0.0%         |
| Healing Transitions (The Healing Place)   | 100,000          | 5,000            | 125,000            | 5,000            | 0.0%         |
| Hope Center                               | 10,000           | 12,000           | 50,000             | 15,000           | 25.0%        |
| HopeLine Inc.                             | 0                | 5,000            | 0                  | 0                | 0.0%         |
| Transitions LifeCare (Hospice)            | 25,000           | 25,000           | 35,000             | 25,000           | 0.0%         |
| Interact                                  | 75,000           | 75,000           | 275,000            | 5,000            | (80.0%)      |
| Inter-Faith Food Shuttle                  | 100,000          | 100,000          | 100,000            | 5,000            | 0.0%         |
| Legal Aid Of North Carolina               | 50,000           | 50,000           | 50,000             | 5,000            | 0.0%         |
| Lesbian, Gay, Bisexual, Transgender       | 5,000            | 5,000            | 7,000              | 6,000            | 20.0%        |
| Love In Action                            | 0                | 1,000            | 0                  | 0                | 0.0%         |
| Meals On Wheels                           | 35,000           | 35,000           | 45,000             | 36,000           | 2.9%         |
| NC Theatre                                | 0                | 5,000            | 11,250             | 0                | 0.0%         |
| Nessie Foundation                         | 10,000           | 13,000           | 16,250             | 15,000           | 15.4%        |
| Pan Lutheran Ministries                   | 25,000           | 25,000           | 25,000             | 25,000           | 0.0%         |
| Phi Lambda Educational Foundation         | 0                | 1,000            | 0                  | 0                | 0.0%         |
| Prevent Blindness Of NC                   | 7,000            | 7,000            | 8,750              | 7,000            | 0.0%         |
| Resources For Seniors                     | 25,000           | 25,000           | 45,000             | 26,500           | 6.0%         |
| RLCB                                      | 0                | 0                | 10,000             | 5,000            |              |
| St Matthew Baptist Church CDC             | 0                | 0                | 3,603              | 0                | 0.0%         |
| Safchild                                  | 22,000           | 25,000           | 30,000             | 25,000           | 0.0%         |
| SE Wake Adult Daycare                     | 25,000           | 25,000           | 72,800             | 0                | 0.0%         |
| Southlight                                | 18,000           | 25,000           | 32,822             | 27,000           | 8.0%         |
| Step Up Ministry                          | 22,000           | 22,000           | 22,000             | 22,000           | 0.0%         |
| Tammy Lynn Ctr                            | 100,000          | 100,000          | 126,056            | 5,000            | 0.0%         |
| Triangle Family Services                  | 32,000           | 32,000           | 101,575            | 35,000           | 9.4%         |
| Urban Ministry Ctr                        | 30,000           | 30,000           | 30,000             | 30,000           | 0.0%         |
| Wake Enterprises                          | 8,000            | 8,000            | 8,000              | 8,000            | 0.0%         |
| Wake Interfaith Hosp Network              | 15,000           | 15,000           | 30,000             | 18,000           | 20.0%        |
| Windows of Opportunity                    | 0                | 0                | 5,400              | 0                | 0.0%         |
| Womens Center                             | 25,000           | 25,000           | 30,000             | 25,000           | 0.0%         |
| <b>Total Human Relations Commission</b>   | <b>\$500,000</b> | <b>\$510,000</b> | <b>\$1,684,331</b> | <b>\$520,000</b> | <b>2.0%</b>  |
| <b>Other Human Service Agencies</b>       |                  |                  |                    |                  |              |
| Casa Agency                               | 84,000           | 84,000           | 0                  | 84,000           | 0.0%         |
| Healing Transitions (The Healing Place)   | 100,000          | 95,000           | 0                  | 95,000           | 0.0%         |
| InterAct                                  | 50,000           | 50,000           | 0                  | 50,000           | 0.0%         |
| Interfaith Food Shuttle                   | 95,000           | 95,000           | 0                  | 95,000           | 0.0%         |
| Legal Aid Of North Carolina               | 45,000           | 45,000           | 0                  | 45,000           | 0.0%         |
| Tammy Lynn Ctr                            | 95,000           | 95,000           | 0                  | 95,000           | 0.0%         |
| <b>Total Other Human Service Agencies</b> | <b>\$469,000</b> | <b>\$464,000</b> | <b>\$0</b>         | <b>\$464,000</b> | <b>0.0%</b>  |
| <b>TOTAL HUMAN SERVICE AGENCY FUNDING</b> | <b>\$969,000</b> | <b>\$974,000</b> | <b>\$1,684,331</b> | <b>\$984,000</b> | <b>1.0%</b>  |

## Community Enhancement Grants

Annually, the City of Raleigh receives federal Community Development Block Grant (CDBG) funding. The City allocates a portion of this funding through a Request for Proposal process to non-profit organizations serving low- and moderate-income persons or areas. \$175,000 in CDBG funds were made available for this year's program. A total of eight proposals were received, with requests totaling \$376,251. Proposals were evaluated by City staff from the Community Development and Community Engagement Divisions of the Housing & Neighborhood Department. Five agencies are recommended for Community Enhancement Grant funding in FY17: Families Together (formerly PLM Families Together), Interfaith Food Shuttle, StepUp Ministry, Communities in Schools of Wake County, and The Green Chair Project.

Additional information regarding Community Enhancement Grants may be obtained by contacting George Adler, Community Enhancement Coordinator, at (919) 996-6963 or via e-mail at [George.Adler@raleighnc.gov](mailto:George.Adler@raleighnc.gov).

### Budget Detail

|   | ADOPTED          | ADOPTED          | REQUESTED        | PROPOSED         | CHANGE       |
|---|------------------|------------------|------------------|------------------|--------------|
|   | 2014-15          | 2015-16          | 2016-17          | 2016-17          | FY16 to FY17 |
| Community Success Initiative                                | 13,500           | 0                | 0                | 0                | 0.0%         |
| Families Together ( <i>formerly PLM Families Together</i> ) | 0                | 0                | 28,600           | 22,500           |              |
| Habitat for Humanity of Wake County                         | 17,500           | 0                | 0                | 0                | 0.0%         |
| InterAct  | 35,000           | 0                | 0                | 0                | 0.0%         |
| Interfaith Food Shuttle                                     | 0                | 0                | 40,000           | 31,000           |              |
| Literacy Council of Wake County                             | 20,000           | 0                | 0                | 0                | 0.0%         |
| StepUp Ministry   | 35,000           | 0                | 60,000           | 43,000           |              |
| Guiding Lights  | 12,000           | 0                | 24,080           | 0                | 0.0%         |
| Passage Home  | 0                | 0                | 53,690           | 0                | 0.0%         |
| Wake Interfaith Hospitality Network                         | 35,000           | 0                | 0                | 0                | 0.0%         |
| Communities in Schools Wake County                          | 0                | 47,537           | 60,000           | 51,600           | 0.0%         |
| Lucy Daniels Center   | 0                | 42,000           | 60,000           | 0                | 8.5%         |
| The Green Chair Project                                     | 0                | 36,738           | 49,881           | 26,900           | 0.0%         |
| The Hope Center at Pullen                                   | 0                | 48,725           | 0                | 0                | (26.8%)      |
| <b>TOTAL COMMUNITY ENHANCEMENT</b>                          | <b>\$168,000</b> | <b>\$175,000</b> | <b>\$376,251</b> | <b>\$175,000</b> | <b>0.0%</b>  |

## Other Outside Agency Grants

Through its Other Outside Agency grants process, the City of Raleigh provides funding to non-profit organizations for programs and projects that fall outside the parameters of the City’s established Arts, Human Services or Community Enhancement grant programs. Fifteen agencies applied for other outside agency funding in FY17 totaling \$2,235,316. Of these 15 agencies, nine received grant funding in FY16: Chamber of Commerce, Downtown Raleigh Alliance, Hillsborough Street Community Service Corporation, Southeast Raleigh Assembly, African American Cultural Festival, DHIC, Catholic Charities, Passage Home and Transitions LifeCare. Funding in FY17 will continue for seven of the nine recurring agencies at the same level funded by the City in FY16: Chamber of Commerce, Downtown Raleigh Alliance, Hillsborough Street Community Services Corporation, DHIC, Catholic Charities, Passage Home and Transitions LifeCare (second year of four-year capital grant allocation).

Policy adopted in January 2015 states the *maximum level of city grant funding to any agency is no more than 25% of the agency’s total actual operating expenses for last completed fiscal year*. In FY17, there are three agencies not in compliance with this policy: African American Cultural Festival (AACF), Southeast Raleigh Assembly (SERA) and Nessie Foundation.

Two recurring agencies, AACF and SERA – remain part of a funding strategy that puts them in compliance with the City’s 25% maximum grant funding policy by FY18. The funding strategy began with the FY16 budget and continues over a three-year period by spreading the “percentage gap” in excess of the policy evenly across the three years. Funding proposed for these agencies in FY17 is reflective of this strategy. The table below illustrates the maximum percentage of each agency’s prior fiscal year actual expenditures that may be awarded as a grant from the City in FY16, FY17 and FY18.

|                                    | Current % | Annual %<br>Reduction | FY16 Max % | FY17 Max % | FY18 Max % |
|------------------------------------|-----------|-----------------------|------------|------------|------------|
| Southeast Raleigh Assembly         | 95.9%     | 23.6%                 | 72.3%      | 48.6%      | 25.0%      |
| African American Cultural Festival | 54.1%     | 9.7%                  | 44.4%      | 34.7%      | 25.0%      |

Additional information regarding the Other Outside Agency grants program may be obtained by contacting Kirsten Larson, Grants Program Administrative Manager, at (919) 996-4726 or via e-mail at [Kirsten.Larson@raleighnc.gov](mailto:Kirsten.Larson@raleighnc.gov).

## Budget Detail

|   | ADOPTED            | ADOPTED            | REQUESTED          | PROPOSED           | CHANGE        |
|---|--------------------|--------------------|--------------------|--------------------|---------------|
|   | 2014-15            | 2015-16            | 2016-17            | 2016-17            | FY16 to FY17  |
| <b>No Funding Requested in FY17 - Econ Dev</b>                      |                    |                    |                    |                    |               |
| Blue Ridge Alliance   | 50,000             | 0                  | 0                  | 0                  | 0.0%          |
| New Bern Alliance   | 50,000             | 0                  | 0                  | 0                  | 0.0%          |
| <b>Recurring Agencies - Economic Development</b>                    |                    |                    |                    |                    |               |
| Chamber of Commerce   | 170,000            | 170,000            | 170,000            | 170,000            | 0.0%          |
| Downtown Raleigh Alliance   | 108,450            | 108,450            | 131,250            | 108,450            | 0.0%          |
| Hillsborough Street CSC   | 131,000            | 125,513            | 133,000            | 125,513            | 0.0%          |
| SE Raleigh Assembly   | 207,000            | 155,981            | 150,000            | 101,829            | (34.7%)       |
| <b>Recurring Agencies - Other</b>                                   |                    |                    |                    |                    |               |
| African American Cultural Festival                                  | 75,000             | 61,547             | 48,103             | 48,103             | (21.8%)       |
| DHIC  | 108,000            | 108,000            | 108,000            | 108,000            | 0.0%          |
| Catholic Charities  | 51,000             | 51,000             | 51,000             | 51,000             | 0.0%          |
| Passage Home  | 90,000             | 90,000             | 100,000            | 90,000             | 0.0%          |
| Transitions Life Care**   | 0                  | 62,500             | 62,500             | 62,500             | 0.0%          |
| <b>New Agency Requests in FY17</b>                                  |                    |                    |                    |                    |               |
| Boys & Girls Club*  | 50,000             | 50,000             | 76,463             | 0                  | 0.0%          |
| Nessie Foundation   | 0                  | 0                  | 180,000            | 0                  | 0.0%          |
| Advance Community Health  | 0                  | 0                  | 450,000            | 0                  | 0.0%          |
| The Daniel Center for Math & Science                                | 0                  | 0                  | 25,000             | 0                  | 0.0%          |
| Triangle Family Services  | 0                  | 0                  | 50,000             | 0                  | 0.0%          |
| Food Bank of Central & Eastern NC                                   | 0                  | 0                  | 500,000            | 0                  | 0.0%          |
| Other Outside Agency Reserve  | 0                  | 197,500            | 0                  | 265,096            | 34.2%         |
| <b>TOTAL OTHER OUTSIDE AGENCIES</b>                                 | <b>\$1,090,450</b> | <b>\$1,180,491</b> | <b>\$2,235,316</b> | <b>\$1,130,491</b> | <b>(4.2%)</b> |
| *FY16 was the final year of a five-year City of Raleigh commitment. |                    |                    |                    |                    |               |
| **Four year commitment of \$62,500 per year.                        |                    |                    |                    |                    |               |

## Long-Term Debt Program

The City of Raleigh continues to construct, upgrade and maintain its infrastructure to a highly satisfactory level. The use of federal grants in earlier years along with regular use of pay-as-you-go current resources and debt financing for capital improvements has allowed this high level of facility and public improvement work to be done. The incremental incurrence of debt by the City has supplemented other capital resources, providing sufficient funding to permit necessary improvements to the infrastructure. The payback of borrowed funds over multiple years allows the cost of the asset to be spread equally over the life of the item.

The City of Raleigh manages its debt program along with its 10 year Capital Improvement Program (CIP) on a long-term basis in order to have the opportunity to structure debt events well in advance of specific need. This process also allows for a proper funding plan for debt service requirements before maturities must be met. In so doing, specific revenue sources are identified and dedicated to the debt retirement program, including new property taxes as appropriate. The objective realized is the avoidance of spontaneous funding of debt service and consequently, a much smoother channeling of funds to debt and related annual taxation adjustments.

The general obligation debt of the City is composed of both general and utility debt obligations. The full faith and credit of the tax base of the city secures this debt. However, the debt service funding resources for the general debt are the general revenues of the City, including property taxes, while the utility debt is funded totally from water and sewer service revenues. Part of the general debt is for parking improvements and is funded mostly by parking fees of the off-street and on-street programs.

The City has also issued water and sewer revenue bonds. The net revenues of the combined utility enterprise system are the security for the revenue bonds.

The legal debt limit imposed by State Statute is 8% of assessed valuation. For the fiscal year 2015-16, the assessed valuation was projected at \$53,563,827,450 yielding a legal debt limit of \$4,285,106,196. As a matter of internal policy, the City maintains a debt position far below its legal debt limit. At December 31, 2015, the City's net debt position was \$1,117,483,344 (net of allowable deductions) or approximately 2% of assessed valuation. A significant portion of the City's debt matures within 10 years and the retirement of debt naturally creates more capacity.

Also included in the gross debt obligation amount noted above are the City's outstanding principal obligations for various installment purchases, certificates of participation, State Bond Loan and State Revolving Loans.

At this time, additional debt activity anticipated for 2016-17 includes the issuance of additional Combined Enterprise System Revenue Bonds and a biennial financing of the City's rolling stock equipment needs.

The City has earned a AAA credit rating on its general obligation debt since 1973 and currently is rated Aaa by Moody's, AAA by Standard and Poor's, and AAA by Fitch, IBCA. The City's utility revenue debt is rated Aa1 by Moody's, AAA by Standard and Poor's and AAA by Fitch. There is good reason to believe that such ratings will continue into the foreseeable future.

## Capital Debt Service Funds

This category is comprised of **General, Public Utilities, Solid Waste, Parking and Convention Center Funds** debt service payments (principal and interest payments on bond issues and installment-purchase payments) for large capital improvement projects financed on a long-term basis. While current revenues provide funding for some capital projects, a portion of the City's capital program is funded through the issuance of general obligation bonds, revenue bonds, certificates of participation or other installment financing. This type of long-term borrowing must be repaid annually with principal and interest payments.

The City of Raleigh has issued long-term debt for a variety of purposes in recent years. Since 2000, the following debt has been approved for issuance either through voter referendum or other authorization allowed by state statutes:

|          |  |
|----------|--|
| Nov 2000 | \$45,000,000 Street Improvements, \$16,000,000 Parks, and \$14,000,000 Housing General Obligation Bonds (voter approved)   |
| Nov 2000 | \$10,445,000 Parking Facility Certificates of Participation (Council approved)   |
| Jan 2001 | \$22,670,000 Water and Sewer Revenue Bonds (Council approved)  |
| Apr 2001 | \$15,000,000 Equipment Acquisition Fund Certificates of Participation (Council approved)   |
| May 2002 | \$9,700,000 Public Improvement General Obligation Bonds (two-thirds authorization)   |
| Dec 2002 | \$2,900,000 Public Improvement General Obligation Bonds (two-thirds authorization)   |
| Apr 2003 | \$16,000,000 Equipment Acquisition Fund Certificates of Participation (Council approved)   |
| Aug 2003 | \$47,250,000 Parks & Recreation General Obligation Bonds (voter approved)  |
| Feb 2004 | \$55,000,000 Downtown Improvement—Convention Center Phase 1 Certificates of Participation (Council approved)   |
| Apr 2004 | \$108,980,000 Water and Sewer Revenue Bonds (Council approved)   |
| Aug 2004 | \$23,530,000 Downtown Improvement—Fayetteville Street, Progress Energy Deck, & CTV Equipment Certificates of Participation (Council approved)  |
| Aug 2004 | \$10,140,000 Downtown Improvement—One Exchange Plaza Certificates of Participation (Council approved)  |
| Jan 2005 | \$28,515,000 Downtown Improvement—Hotel Underground Parking Deck Certificates of Participation (Council approved)  |
| Jan 2005 | \$188,425,000 Downtown Improvement—Convention Center Phase 1 Certificates of Participation (Council approved)  |
| Aug 2005 | \$10,600,000 Street Improvements General Obligation Bonds (two-thirds authorization)   |
| Oct 2005 | \$34,850,000 Capital Improvements Project – Equipment Acquisition Fund; Barwell Road/Brier Creek Park Sites; Utilities Operation Center Certificates of Participation (Council approved) |
| Oct 2005 | \$60,000,000 Street Improvements and \$20,000,000 Housing General Obligation Bonds (voter approved)  |
| Sep 2006 | \$241,175,000 Water and Sewer Revenue Bonds (Council approved)   |
| Jun 2007 | \$39,634,215 Equipment Installment Financing (Council approved)  |
| Sep 2007 | \$28,930,000 Downtown Improvement COPS (Council approved)  |

|          |  |
|----------|--|
| Oct 2007 | \$88,600,000 Parks and Recreation Bonds (voted approved)   |
| Dec 2007 | \$10,114,000 Land Installment Financing (Council approved)   |
| Jun 2008 | \$150,000,000 Water and Sewer Revenue Bonds (Council approved)   |
| Jun 2008 | \$30,000,000 ERP Installment Financing (Council approved)  |
| Aug 2008 | \$14,015,000 Parking Deck COPs (Council approved)  |
| Nov 2008 | \$33,500,000 One Year Note (Council approved)  |
| Feb 2009 | \$11,130,000 Public Improvements General Obligation Bonds (two-thirds authorization)   |
| Nov 2009 | \$47,630,000 Limited Obligation Bonds (Council approved)   |
| Aug 2010 | \$46,425,000 Limited Obligation Bonds (Council approved)   |
| Jan 2011 | \$108,340,000 Water and Sewer Revenue Bonds (Council approved)   |
| May 2011 | \$11,694,432 Equipment Installment Financing (Council approved)  |
| Oct 2011 | \$40,000,000 Transportation Bonds and \$16,000,000 Housing General Obligation Bonds (voter approved)                             |
| Apr 2012 | \$7,500,000 Parks and Recreational Facilities Bonds (two-thirds authorization)   |
| Apr 2012 | \$1,500,000 Land Acquisition Bonds (two-thirds authorization)  |
| Apr 2013 | \$75,000,000 Water and Sewer Revenue Bonds (Council Approved)  |
| May 2013 | \$34,526,906 Equipment Installment Financing (Council approved)  |
| May 2013 | Drawdown Program – not to exceed \$25,300,000 over a three year period to be taken out by permanent financing (Council Approved) |
| Sep 2013 | \$66,480,000 Limited Obligation Bonds (Council Approved)   |
| Jun 2014 | \$12,600,000 Parks and Recreational Facilities Bonds (two-thirds authorization)  |
| Jun 2014 | \$2,700,000 Fire Station Bonds (two-thirds authorization)  |
| Aug 2014 | \$66,715,000 Limited Obligation Bonds (Council Approved)   |
| Apr 2015 | \$47,815,000 Water and Sewer Revenue Refunding Bonds (Council Approved)  |
| Jun 2015 | \$31,850,676 Equipment Installment Financing (Council approved)  |
| Jun 2015 | \$5,050,000 Street Improvement Bonds (two-thirds authorization)  |
| Jun 2015 | \$20,000,000 Parks and Recreation Bonds (voter approved)   |
| Jun 2015 | \$10,000,000 Taxable Housing Bonds (voter approved)  |
| Jul 2015 | \$52,000,000 Installment Financing – Dix Park Acquisition (Council Approved)   |
| Dec 2015 | \$49,860,000 Water and Sewer Revenue Refunding Bonds (Council Approved)  |
| Feb 2016 | \$44,850,000 Limited Obligation Bonds and Refunding Bonds (Council Approved)   |
| Mar 2016 | \$118,105,000 General Obligation Refunding Bonds (Council Approved)  |
| Mar 2016 | \$6,000,000 Taxable Housing Bonds (voter approved)   |

After the long-term debt has been authorized, the actual issuance of the debt may take place in several future increments. Debt service requirements on the individual debt issues begin at the time of issuance. The debt service requirement on most long-term debt is generally paid with property tax revenues or other dedicated general revenues of the City. However, water and sewer debt is funded by user fees charged to water and sewer customers.

|   | ADOPTED              | PROPOSED             | CHANGE        |
|---|----------------------|----------------------|---------------|
|   | 2015-16              | 2016-17              | FY16 to FY17  |
| General Debt Service Fund (190)           | 76,486,722           | 72,988,324           | (4.6%)        |
| Utility Debt Service Fund (315)           | 58,179,115           | 59,500,000           | 2.3%          |
| Solid Waste Debt Service Fund (362)       | 2,038,000            | 2,007,006            | (1.5%)        |
| Parking Debt Service Fund (444)           | 7,025,000            | 7,155,000            | 1.9%          |
| Convention Center Debt Service Fund (644) | 18,497,920           | 18,508,532           | 0.1%          |
| <b>TOTAL</b>                              | <b>\$162,226,757</b> | <b>\$160,158,862</b> | <b>(1.3%)</b> |

|  | PRINCIPAL           | INTEREST            | TOTAL                |
|--|---------------------|---------------------|----------------------|
| <b>FY2016-17 Capital Debt Service Requirements (Issued Debt)</b> | <b>\$81,706,701</b> | <b>\$63,828,025</b> | <b>\$145,534,726</b> |

# General Debt Service Fund

The General Debt Service Fund provides for the payment of principal, interest, and other expenses related to existing debt, other than water and wastewater debt and other enterprise activities. State statutes require full funding for debt service obligations in the budget. The majority of general governmental debt has been issued as fixed rate debt.

## Budget Detail

|                                  | ACTUALS             | ACTUALS             | ADOPTED             | PROPOSED            | CHANGE        |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------|
|                                  | 2013-14             | 2014-15             | 2015-16             | 2016-17             | FY16 to FY17  |
| <b>DEBT SERVICE BY PURPOSE</b>   |                     |                     |                     |                     |               |
| G.O. Public Improvement          | 34,491,430          | 37,048,500          | 44,429,927          | 35,580,268          | (19.9%)       |
| Installment Financing Agreements | 12,428,461          | 20,320,100          | 30,621,795          | 28,514,633          | (6.9%)        |
| Other Installment Obligations    | 58,147              | 78,700              | 50,000              | 50,000              | 0.0%          |
| Other Expenses                   | 874,160             | 1,385,000           | 1,385,000           | 1,440,475           | 4.0%          |
| Biannual Budget Reserve          | 0                   | 0                   | 0                   | 7,402,948           |               |
| <b>TOTAL</b>                     | <b>\$47,852,198</b> | <b>\$58,832,300</b> | <b>\$76,486,722</b> | <b>\$72,988,324</b> | <b>(4.6%)</b> |

|   | PRINCIPAL    | INTEREST     | TOTAL        |
|---|--------------|--------------|--------------|
| <b>FY2016-17 General Fund Debt Service Requirements (Issued Debt)</b> | \$41,547,539 | \$22,597,362 | \$64,144,901 |

# Utility Debt Service Fund

The Utility Debt Service Fund provides for the payment of principal, interest, and other expenses related to debt associated with the water and wastewater systems. Revenues for this fund are generated from the provision of water and sewer services.

## Budget Detail

|                                      | ACTUALS             | ACTUALS             | ADOPTED             | PROPOSED            | CHANGE       |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|--------------|
|                                      | 2013-14             | 2014-15             | 2015-16             | 2016-17             | FY16 to FY17 |
| <b>DEBT SERVICE BY PURPOSE</b>       |                     |                     |                     |                     |              |
| G.O. Water & Sewer Improvement       | 1,178,560           | 1,133,036           | 1,039,410           | 105,000             | (89.9%)      |
| Rev Bond Water & Sewer Improvement   | 44,102,719          | 49,573,344          | 50,803,658          | 53,240,315          | 4.8%         |
| Other Installment Finance Agreements | 4,719,368           | 3,963,875           | 4,169,047           | 3,771,750           | (9.5%)       |
| Other Expenses                       | 1,504,388           | 900,381             | 1,067,000           | 2,305,000           | 116.0%       |
| Biannual Budget Reserve              | 0                   | 0                   | 1,100,000           | 77,935              | (92.9%)      |
| <b>TOTAL</b>                         | <b>\$51,505,035</b> | <b>\$55,570,636</b> | <b>\$58,179,115</b> | <b>\$59,500,000</b> | <b>2.3%</b>  |

|  | PRINCIPAL    | INTEREST     | TOTAL        |
|--|--------------|--------------|--------------|
| <b>FY2016-17 Utility Debt Service Requirements (Issued Debt)</b> | \$24,960,000 | \$32,157,065 | \$57,117,065 |

# Solid Waste Debt Service Fund

The Solid Waste Debt Service Fund provides for the payment of principal, interest, and other expenses related to debt associated with the Solid Waste Services function. Revenues for this fund are generated from the Solid Waste Services Operating Fund.

## Budget Detail

|                                      | ACTUALS            | ACTUALS            | ADOPTED            | PROPOSED           | CHANGE        |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|---------------|
|                                      | 2013-14            | 2014-15            | 2015-16            | 2016-17            | FY16 to FY17  |
| <b>DEBT SERVICE BY PURPOSE</b>       |                    |                    |                    |                    |               |
| Certificates of Participation        | 584,281            | 585,013            | 626,000            | 362,400            | (42.1%)       |
| Other Installment Finance Agreements | 1,477,863          | 1,440,379          | 1,412,000          | 1,644,306          | 16.5%         |
| Biannual Budget Reserve              | 0                  | 0                  | 0                  | 300                | 100.0%        |
| <b>TOTAL</b>                         | <b>\$2,062,144</b> | <b>\$2,025,392</b> | <b>\$2,038,000</b> | <b>\$2,007,006</b> | <b>(1.5%)</b> |

|  | PRINCIPAL   | INTEREST  | TOTAL       |
|--|-------------|-----------|-------------|
| <b>FY2016-17 Solid Waste Debt Service Requirements (Issued Debt)</b> | \$1,316,706 | \$690,000 | \$2,006,706 |



# Convention Center Debt Service Fund

The Convention Center Debt Service Fund provides for the payment of principal, interest, and other expenses related to the issuance of approximately \$200 million in Certificates of Participation for the construction of the convention center facility in downtown Raleigh. \$188.425 million of the Certificates of Participation were issued in conjunction with a forward starting fixed rate swap. \$55 million of Certificates of Participation were issued as weekly reset variable rate debt.

## Budget Detail

|                                | ACTUALS            | ACTUALS             | ADOPTED             | PROPOSED            | CHANGE       |
|--------------------------------|--------------------|---------------------|---------------------|---------------------|--------------|
|                                | 2013-14            | 2014-15             | 2015-16             | 2016-17             | FY16 to FY17 |
| <b>DEBT SERVICE BY PURPOSE</b> |                    |                     |                     |                     |              |
| Certificates of Participation  | 8,283,352          | 15,565,033          | 16,834,000          | 16,865,032          | 0.2%         |
| Other Expenses                 | 1,310,398          | 1,281,659           | 1,663,920           | 1,643,500           | (1.2%)       |
| <b>TOTAL</b>                   | <b>\$9,593,750</b> | <b>\$16,846,692</b> | <b>\$18,497,920</b> | <b>\$18,508,532</b> | <b>0.1%</b>  |

|  | PRINCIPAL   | INTEREST    | TOTAL        |
|--|-------------|-------------|--------------|
| <b>FY2016-17 Convention Center Debt Service Requirements (Issued Debt)</b> | \$8,040,000 | \$8,825,032 | \$16,865,032 |

# Glossary

**Account:** The detailed record of a particular asset, liability, owners' equity, revenue or expense.

**Accrual Basis of Accounting (or Full Accrual):** Accounting method for proprietary funds that recognizes revenues in the accounting period in which they are earned and recognizes expenses in the period incurred.

**Ad Valorem Tax (or Property Tax):** Levied on real and personal property according to the property's valuation and tax rate.

**Appropriation:** A legal authorization by City Council to incur obligations and make expenditures for specific purposes.

**Assessed Value:** The value of real estate or personal property as determined by tax assessors and used as a basis for levying taxes. (Note: Wake County establishes property values.)

**Authorized Bond:** Bonds that have been legally approved but may or may not have been sold.

**Balanced Budget:** Expenditures equal revenues. N.C. state statute requires the adoption of a balanced budget.

**Base Budget:** Those resources necessary to meet an established and existing service level.

**Bond Agency Fees:** Fees charged by bond agencies for services related to debt issuance.

**Bond Covenant:** Provision in a bond or debt contract which require the debt issuer to meet certain standards or do certain things.

**Bond Rating:** Grade indicating a unit's investment qualities; ratings range from AAA (highest) to D (lowest). The City of Raleigh maintains the highest investment ratings available from each of the rating agencies: Standard and Poor's, Moody's, and Fitch.

**Bond:** A written promise to repay a specific amount of money with interest within a specific time period, usually long-term.

**Budget Amendment:** A legal procedure used by the City staff and the City Council to revise a budget appropriation or recognize new revenues and expenditures to amend the operating budget. Results in an overall budget increase or decrease.

**Budget Message:** A written overview of the proposed or adopted budget from the City Manager to the Mayor and City Council that discusses the major budget items and changes and the City's present and future financial condition.

**Budget Ordinance:** The official enactment by the City Council to establish legal authority for City officials to obligate and expend resources.

**Capital Expenditure (or outlay):** Expenditures that create future benefits, incurred when a business spends money to buy fixed assets or to add to the value of existing fixed assets with a useful life that extends beyond one year.

**Capital Improvement Program (CIP):** A multi-year plan for the construction or acquisition of major capital items.

**Certificates of Participation (COPs):** A security created as a part of a lease-purchase agreement. The lender, the holder of the certificate, owns a right to participate in periodic lease payments (interest and return of principal) as they are paid.

**City Council:** The governing board elected by districts and at large.

**City Manager:** An individual appointed by the Mayor and City Council to serve as the chief administrative officer of the City.

**Contingency:** A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

**Cost Allocations:** A process that shares the costs of a central service provider with the internal departments that consume the service.

**Debt Service Funds:** Funds used for the accumulation and disbursement of financial resources that will be used to make principal and interest payments on general long-term debt.

**Depreciation:** The process of estimating and annually recording the lost usefulness, expired useful life, or diminution of service from a fixed asset that cannot or will not be restored by repair and must be replaced. The cost of the fixed asset's lost usefulness is the depreciation or the cost to the reserve to replace the item at the end of its useful life.

**Designated Fund Balance:** Monies over the years that remain unspent after all budgeted expenditures have been made, but which are reserved for specific purposes and are unavailable for appropriation.

**Effectiveness Measures:** A performance measure describing the results achieved and the quality of the service (ex. timeliness, customer satisfaction). They indicate whether the program is achieving its mission.

**Efficiency Measure:** A performance measure identifying inputs used per unit of output, or unit costs (ex. cost per ton of yard waste/leaves collected).

**Employee Benefits:** Benefits beyond salary compensation including healthcare, retirement, disability, life insurance, etc.

**Encumbrance:** A financial commitment or earmark for services, contracts, or goods that have not as yet been delivered. An encumbrance typically occurs when a purchase order or contract is approved and budget is obligated for the future payment.

**Enterprise Fund:** A fund that accounts for governmental activities supported wholly or partially with user fees or charges and is operated using business principles. Examples include the Stormwater, Public Utilities and Solid Waste Services funds.

**Fiscal Year:** A declared accounting 12-month time period, not necessarily a calendar year. The fiscal year for the City of Raleigh is July 1 – June 30.

**Fixed Asset:** An asset of long-term character. For budgetary purposes, a fixed asset is defined as an item costing \$5,000 or more with an expected life of more than one year. Examples are land, buildings, furniture, and other equipment.

**Fund Balance:** Amounts shown as fund balance represent a running total of monies over the years that remain unspent after all expenditures have been made. N.C. General Statutes require general fund balance reserves of at least 8% of expenditures at the end of the fiscal year; City Council requires a minimum of 14% General Fund unassigned fund balance reserve.

**General Fund:** The main operating fund accounting for governmental functions supported by general taxes and revenues, and financial resources that legal requirements do not require to be accounted for in another fund. Revenues to support the General Fund are derived from sources such as property tax, sales tax, franchise fees and service fees.

**General Obligation Bonds (GO Bonds):** Bonds issued by a government that are backed by the full faith and credit of its taxing authority.

**Indirect Cost:** The component of the total cost for a service provided by and budgeted within another department or division.

**Internal Service Fund:** A fund that may be used to account for any activity that provides goods or services to other departments or funds within the same government such as Vehicle Fleet Services.

**Liability:** A loan, expense, or other form of claim on the assets of an entity that must be paid or otherwise honored by that entity.

**Modified Accrual Basis of Accounting:** Accounting method for governmental funds that recognizes revenues in the accounting period in which they become available. Expenditures are recognized in the period the fund liability is incurred, except for unmatured interest on (and principal of) general long-term debt, which should be recognized when due.

**Net Assets:** The difference between total assets and current liabilities including non-capitalized long-term liabilities.

**Operating Expenditures:** Portion of the budget pertaining to the daily operations.

**Ordinance:** A legal document adopted by a governing body setting policy and procedures, adopted by the City Council.

**Pay-As-You-Go:** Financial policy that finances capital outlays from current revenues rather than borrowing.

**Per Capita:** Per unit of population; per person; equally to each individual.

**Performance Measurement:** The regular collection of quantifiable information regarding the results of city services.

**Powell Bill Funds:** Funding from state-shared gasoline taxes restricted for use on maintenance of local streets and roads.

**Proprietary Funds:** Funds used to separate, control, and track financial resources of business-type activities carried out by a government. The two proprietary fund types include enterprise funds and internal service funds.

**Reappraisal (or Revaluation):** The process of revaluing a jurisdiction's real property in order to adjust the tax value to the market value. By North Carolina law, a revaluation must be conducted at a minimum of every eight years.

**Reclassification:** A change in the classification and corresponding job title of an existing position, which results from a major change in assigned responsibilities.

**Reserve:** An account designated for a portion of the fund balance that is to be used for a specific purpose.

**Revenue bonds:** Bond secured by and repaid from specific and limited revenues. The pledged revenues are most often net revenues or earnings from a self-supporting enterprise. Such revenue sources include special assessments and water/sewer fees.

**Tax Levy:** Revenue produced by applying the tax rate to a property's assessed, or tax, value.

**Unassigned Fund Balance:** The amount of fund balance available for future appropriations.

**User Fee/Charge:** Payment for direct receipt of a service by the party who benefits from the service.

**Workload Measure:** A performance measure identifying how much or how many products or services were produced (ex. number of yard waste/leaf collection points served).