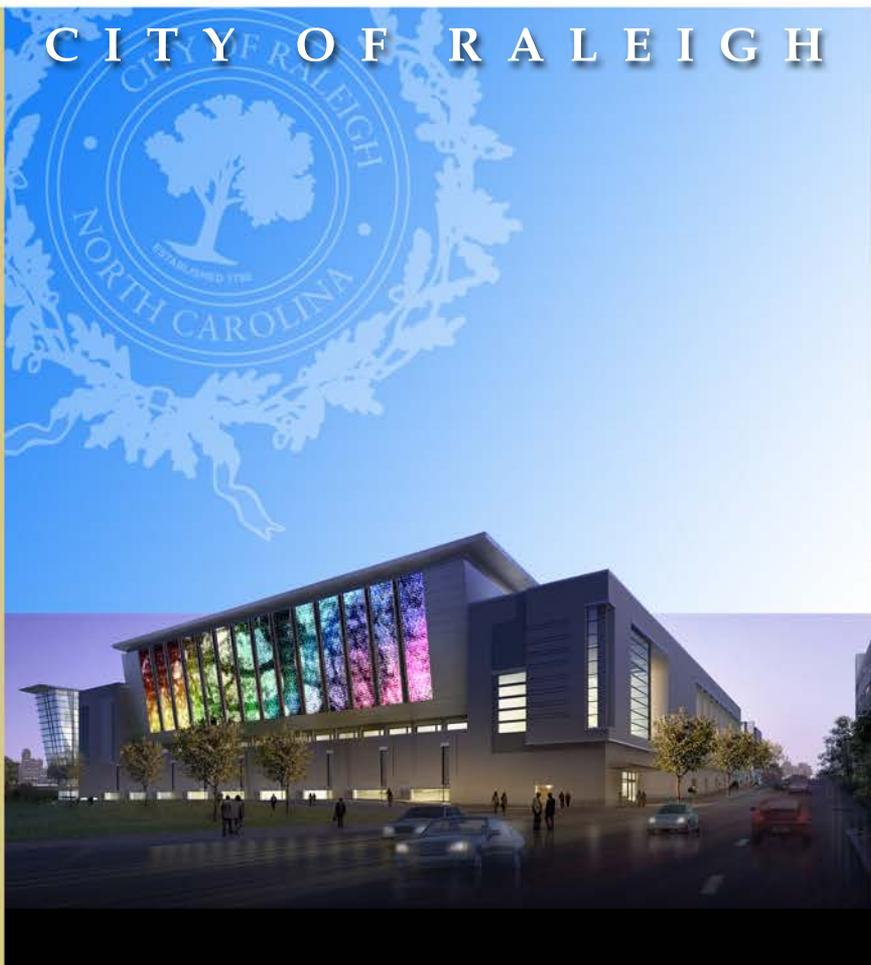


# CITY OF RALEIGH



## BUDGET-IN-BRIEF

*Presented by the City of Raleigh Budget Office*

An overview of the City of Raleigh's Adopted Budget for the Fiscal Year 2008-09: July 1, 2008 through June 30, 2009.

Including the budget process, revenue sources, citywide expenditures, and the City's general infrastructure.

View the City of Raleigh Adopted Budget online at [www.raleighnc.gov](http://www.raleighnc.gov)

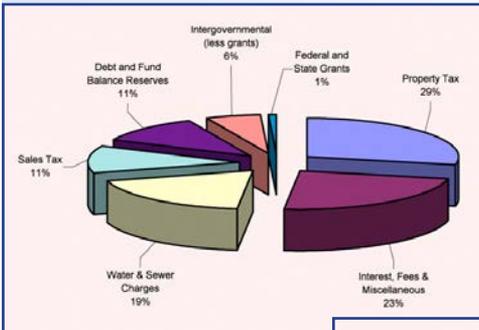
# FY 2008-09 BUDGET SUMMARY

The City of Raleigh Fiscal Year (FY) 2008-09 Adopted Budget adjusts for continued growth and development while allowing for a slowing economy, providing ongoing funding strategies for major capital projects and preserving high service levels to Raleigh residents.

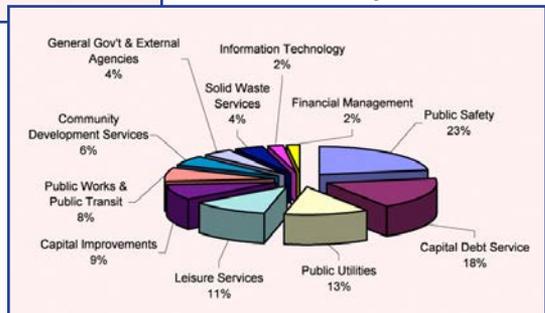
Raleigh faces a number of budgetary pressures in FY 2008-09, including receiving \$5 million less than projected revenue due to the economic downturn, increasing service demands due to population growth, fuel-related cost increases and increasing health insurance and benefit costs for City employees and retirees. The operating costs of new Police, Fire, Parks, Landfill, Parking and Convention Center facilities have increased markedly. Global increases in the costs of construction are significantly affecting major capital projects related to the 2007 Park bonds, the Clarence E. Lightner Public Safety Center and Remote Operations Facilities.

The City of Raleigh's FY 2008-09 Adopted Budget revenues and expenditures come from and are allocated to a variety of sources and resources:

## Revenues



## Expenditures



**The combined capital and operating budget for the fiscal year beginning July 1, 2008, net of interfund transfers, is \$644,755,290**

# FY 2008-09 REVENUES

## PROPERTY TAX

The FY 2008-09 Adopted Budget includes a property tax increase of 4.18 cents, of which 2.5 cents is dedicated to General Fund operations and 1.68 cents to capital projects through debt service. Due to 2008 real estate revaluation, the City calculated a revenue-neutral property tax rate of 33.17 cents. The current FY 2007-08 tax rate of 43.5 cents will be lowered to 37.35 cents for FY 2008-09.

Property Tax Rate per \$100 of Property Value		
Current Rate / Revenue Neutral / Proposed		
43.5¢	33.17¢	37.35¢
		4.18¢ change

Each 1 cent of property tax generates \$4.7 million of revenue for the City. A further breakdown of the property tax increase shows that:

- 1.5 cents generates \$7.0 million in new revenue to continue support of existing operational services;
- 1 cent generates \$4.7 million for expanded services, of which \$3.2 million is dedicated to public safety; and,
- 1.68 cents supports the City's debt service model for new large projects (park bonds, public safety center, and remote operations facilities).

## WATER & SEWER RATES

The Adopted Budget includes a 15% increase in the City's retail water and sewer rates. This represents a \$4.86 per month increase for the average residential customer who uses 6,000 gallons of water, or:

<b>Family of 4 each using 50 gal/day (6,000 gallons/month)</b> Current Rate = \$32.34/month Proposed Rate = \$37.20/month	<b>Family of 4 each using 35 gal/day (4,200 gallons/month)</b> Current Rate = \$24.50/month Proposed Rate = \$28.17/month
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# FY 2008-09 EXPENDITURES

## Funding Initiatives to Preserve Raleigh's High Service Levels

### General Fund - Operational Departments

- Maintains current operational level with modest staff increases to accommodate growth
- 5% reclassification increase for all service & custodial employees

### Public Safety

- Funding for construction of Fire Station #29 and an additional ladder company
- 12 new police officers
- 6 new call-takers in Emergency Communication Center (911)
- 5% starting salary increase and 3% increase after Academy for both Police & Fire
- Educational Incentive program for police

### Public Utilities

- Full merger implementation of all six water and sewer systems with Raleigh
- 24 new positions to support continued growth that has occurred over the combined water and sewer systems
- Supported by a 15% water and sewer rate increase in order to maintain the quality of service expected



### Convention Center Complex

- Opening of new Convention Center in September 2008
- 35 new positions

## **Parking**

- Opening 2 new downtown parking facilities
- 2 new positions and lift equipment to maintain the new underground parking deck
- New parking software to manage every type of permit issuance, including collections
- New branding program for all City-owned and operated parking facility signage to acquaint motorists with the City's parking program

## **Transit**

- New and enhanced transit services
- New Downtown Circulator in the Central Business District (scheduled to start in January 2009)
- New Wake Forest Express and the Wakefield Circulator transit services

## **Stormwater**

- 2 new full-time staff to maintain the current level of service and to address the increased need for stormwater education

## **Vehicle Fleet Services**

- Funding to address the increased cost of maintaining and repairing more than 2,000 vehicles and 2,316 other pieces of motorized equipment
- The City continues to seek ways to save fuel, such as selecting fuel efficient vehicles, downsizing when possible, purchasing alternative fuel vehicles and keeping the City's equipment properly serviced
- Funding for an Electronic Motor Pool System to reduce the number of vehicles needed to support employees stationed in the Municipal Building and reduce the number of vehicles in the City's fleet
- Upgrade of the current Fuel Management System in order to produce reliable data on fuel usage for more effective fleet management.

## **Solid Waste Services**

- Funding for increased equipment and changes to existing methods of service delivery in order to address growing population rate
- Projected residential households to be serviced in FY2009: 110,310

## **Parks & Recreation**

- 27 new positions to staff new and existing parks facilities and programs
- Commencement of a five-year structural assessment of existing bridges, boardwalks, and similar structures throughout the parks system

# PROPOSED 10-YEAR Capital Improvement Program 2008-09 through 2017-18

The Capital Improvement Program (CIP) provides a procedure for analyzing major facility needs, projecting fiscal resources, establishing priorities, and developing schedules for the development of capital facilities. Upon adoption by the City Council, the CIP becomes a statement of City policy regarding the timing, location, character, and funding of future capital projects.

Highlights of the Adopted CIP include expenditures associated with the 2003 and 2007 Parks Bonds, 2005 Transportation and Affordable Housing Bonds, and a Stormwater Revenue Bond. The program also projects the use of Certificates of Participation debt financing for the Public Safety and Remote Operations facilities.

The CIP is divided into two phases; Phase I represents the coming five years with a \$1.5 billion investment in Raleigh's capital needs. Approximately half of the property tax increase adopted with this year's operating budget is targeted to assist in funding several major projects. Most significant in the Phase I CIP are:

## **TRANSPORTATION - \$218.3 million**

- Streets
- Transit
- Parking program

## **PUBLIC UTILITIES - \$545 million**

- Water projects
- Wastewater projects

## **PARKS - \$126.4 million**

- Includes the 2007 Parks Bond at \$88.6 mil

## **STORMWATER UTILITY & NEUSE BASIN ENVIRONMENTAL PROGRAM - \$50.8 million**

## **GENERAL PUBLIC IMPROVEMENTS - \$498.6 million**

- Clarence E. Lightner Public Safety Center - \$226.1 mil
- Remote Operations Facilities - \$223.5 mil
- Fire Station #29 in NW Raleigh - \$4 mil
- Sustainability initiatives - \$1.9 mil
- Install wayfinding infrastructure throughout the city - \$860,000
- Study and revamp the City's Zoning Code - \$500,000



## City of Raleigh Facts

- Current square mileage: 134
- Population estimate as of July 1, 2008: 380,176
- Raleigh was officially established in 1792 as the state capital of North Carolina and the seat of Wake County.
- Raleigh is one of only three U.S. capitals that was planned and built specifically to serve as a state capital. Its original boundaries were formed by North, East, West and South streets.
- Raleigh is known as the "City of Oaks" and often is described as "a park with a city in it."
- Trees planted at the city's inception still provide cooling shade for visitors to Moore Square Park, where you'll find the city's signature copper acorn.
- The first state-owned art museum in the country is located in Raleigh.
- Raleigh is home to one of the U.S.'s first state symphonies, the North Carolina Symphony, which was founded in 1943.
- 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.

## Raleigh Ranks High Nationwide

#5 Recession-Proof Local Economy, Forbes, May 2008

#1 Best Place for Young Adults, American City Business Journal, May 2008

#3 Fastest Growing Metro in the Nation, U.S. Census Bureau, March 2008

#9 Best Cities for Jobs in 2008, Forbes, January 2008

#1 Best City for Singles, Every Day with Rachael Ray Magazine, January 2008

#7 Top Appreciating Metro Area, Money Magazine, December 2007

Top 25 places for retirement jobs, MarketWatch, November 2007

Photos: Courtesy City of Raleigh

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(919) 890-3840

**CITY OF RALEIGH**  
**2007 – 2009**  
**RALEIGH CITY COUNCIL**  
**MISSION STATEMENT**

We are a 21st century city of innovation focusing on environmental, cultural and economic sustainability.

We conserve and protect our environmental resources through best practices and cutting-edge conservation and stewardship, land use, infrastructure and building technologies.

We welcome growth and diversity through policies and programs that will protect, preserve and enhance Raleigh's existing neighborhoods, natural amenities, rich history, and cultural and human resources for future generations.

We lead to develop an improved neighborhood quality of life and standard of living for all our citizens.

We work with our universities, colleges, citizens and regional partners to promote emerging technologies, create new job opportunities and cultivate local businesses and entrepreneurs.

We recruit and train a 21st century staff with the knowledge and skill sets to carry out this mission, through transparent civic engagement and providing the very best customer service to our current citizens in the most efficient and cost-effective manner.

Adopted:            June 3, 2008



**Raleigh City Council**  
*left-right*

Russ Stephenson  
James West, Mayor Pro-Tem  
Thomas Crowder  
Nancy McFarlane  
Philip Isley  
Rodger Koopman  
Mary-Ann Baldwin  
Mayor Charles Meeker