

INTEROFFICE MEMORANDUM

June 11, 2012

MEMO TO: J. Russell Allen
City Manager

FROM: Heather Drennan, Budget & Management Analyst
Amber Smith, Budget & Management Analyst

SUBJECT: Budget Note 31 – Technical Corrections to the FY13 Operating Budget and FY13 Capital Improvement Program

The Office of Management & Budget has identified and/or received requests for the following technical corrections to the FY13 Proposed Operating Budget and Capital Improvement Plan. The FY13 Adopted Budget document will reflect the following corrections:

Technical Corrections to the FY13 Proposed Operating Budget

Parks and Recreation

Increase Park Donations Fund 130 Revolving budget to reflect anticipated year-end balance.

Increase Revenue Account:

130-6220-532990-6416	Prior Year Appropriation	\$16,000
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Increase Expenditure Accounts:

130-6220-701010-6416	Operational & Maint Supplies	\$2,000
130-6220-706010-6416	Small Equipment	<u>\$14,000</u>
		<u>\$16,000</u>

Solid Waste

Page B-25 of FY13 Proposed Budget document erroneously shows the deletion of three Equipment Operator I positions (see below).

Solid Waste Services	-3	Service Specialist	FY13 Deletion
	-3	Equipment Operator I	FY13 Deletion
	-1	Custodian	FY13 Deletion

The positions to be deleted are actually three Equipment Operator II positions (see below).

Solid Waste Services	-3	Service Specialist	FY13 Deletion
	-3	Equipment Operator II	FY13 Deletion
	-1	Custodian	FY13 Deletion

There is no budget impact of this technical correction.

Parks and Recreation

Page B-27 did not include the Parks and Recreation reclassifications approved after printing of the proposed document. The Recreation position was incorrectly captured in the proposed document, and the others are late additions. The impact of these changes is already built into the proposed budget.

Parks & Recreation

Recreation Facilities & Program		Recreation Facilities & Program	
Supervisor I	30	Supervisor III	35
Equipment Operator I	25	Equipment Operator II	26
		Assistant Parks Operations Supervisor	
Senior Service Specialist (3)	26	(3)	29
Greenway Supervisor	32	Greenway Manager	35

Police

Page F-12 shows a FY13 employee count of 499 in Special Operations and 80 in Field Operations (see below).

	ADOPTED BUDGET 2009-10	ADOPTED BUDGET 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	CHANGE 2011-12 to 2012-13
EMPLOYEES					
Administrative Services	72	72	62	68	6
Chief's Office	24	22	22	27	5
Special Operations	96	127	127	499	372
Field Operations	532	484	484	80	(404)
Detective Division	177	187	187	205	18
Grant Funded Employees	0	0	0	0	0
TOTAL	901	892	882	879	(3)
Civilian Positions	124	115	105	102	(3)
Sworn Positions	777	777	777	777	0

Those two values should be switched. The correct employee count is 80 in Special Operations and 499 in Field Operations (see below). There is no budget impact of this technical correction.

	ADOPTED BUDGET 2009-10	ADOPTED BUDGET 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	CHANGE 2011-12 to 2012-13
EMPLOYEES					
Administrative Services	72	72	62	68	6
Chief's Office	24	22	22	27	5
Special Operations	96	127	127	80	(47)
Field Operations	532	484	484	499	15
Detective Division	177	187	187	205	18
Grant Funded Employees	0	0	0	0	0
TOTAL	901	892	882	879	(3)
Civilian Positions	124	115	105	102	(3)
Sworn Positions	777	777	777	777	0

Raleigh Convention Center Complex Fund

On page G-3 of the proposed FY13 budget document, the Raleigh Convention Center Complex expenditures by division are shown as below:

	ADOPTED BUDGET 2009-10	ADOPTED BUDGET 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	CHANGE 2011-12 to 2012-13
DIRECT EXPENDITURES BY DIVISION					
Administration	\$ 3,200,714	\$ 3,609,316	\$ 3,708,306	\$ 2,625,159	(29.2%)
Civic & Convention Center	5,956,752	6,753,498	6,664,866	7,372,660	10.6%
Performing Arts Center	6,015,164	5,797,070	4,635,400	5,091,535	9.8%
Special Events	925,839	448,029	10,003	128,426	1183.9%
Amphitheater & Plaza	-	2,014,306	1,153,705	1,195,432	3.6%
Convention Center Marketing	1,000,000	-	-	-	-
TOTAL	\$ 17,098,469	\$ 18,622,219	\$ 16,172,280	\$ 16,413,212	1.5%
TRANSFER FROM GENERAL FUND	\$ 1,200,166	\$ 1,385,208	\$ 1,486,746	\$ 1,856,247	24.9%

As part of continued efforts to capture the true operating cost of each facility, RCCC staff is changing the budgeting structure to eliminate the Administration Division budget and allocate the division's personnel and operating costs to each of the three facilities. The allocation method is based on administrative staff time spent on each facility. For FY13, the allocations are as follows: 59% to Convention Center, 31% to Performing Arts Center and 10% to Raleigh Amphitheater. These allocations will be reviewed annually and adjusted as necessary during the budget development process. Additionally, a \$458,000 transfer from the RCCC operating fund for Performing Arts Center capital improvements is now budgeted in the Performing Arts Center Division rather than the Administration Division.

The chart below shows the updated expenditures by division. There is no change in total budgeted expenditures.

	ADOPTED BUDGET 2009-10	ADOPTED BUDGET 2010-11	ADOPTED BUDGET 2011-12	PROPOSED BUDGET 2012-13	CHANGE 2011-12 to 2012-13
DIRECT EXPENDITURES BY DIVISION					
Administration	\$ 3,200,714	\$ 3,609,316	\$ 3,708,306	\$ -	(100.0%)
Civic & Convention Center	5,956,752	6,753,498	6,664,866	8,651,284	29.8%
Performing Arts Center	6,015,164	5,797,070	4,635,400	6,221,354	34.2%
Special Events	925,839	448,029	10,003	128,426	1183.9%
Amphitheater & Plaza	-	2,014,306	1,153,705	1,412,148	22.4%
Convention Center Marketing	1,000,000	-	-	-	-
TOTAL	\$ 17,098,469	\$ 18,622,219	\$ 16,172,280	\$ 16,413,212	1.5%
TRANSFER FROM GENERAL FUND	\$ 1,200,166	\$ 1,385,208	\$ 1,486,746	\$ 1,856,247	24.9%

Arts Agency Appropriations

The Raleigh Arts Commission wishes to reallocate the Raleigh Ensemble Players funding (organization closed May 2012) after adoption of the FY13 budget. In the interim, the funds will be held in the Arts Agency Reserve account. Please see Budget Note 19 for more information.

Recommendation: Adjust the FY2012-13 budget as follows:

Transfer from:		
100-1050-730010-73022	Raleigh Ensemble Players	\$16,885
Transfer to:		
100-1050-730010-73099	Arts Agency Reserve	\$16,885

Technical Corrections to the FY13 Proposed Capital Improvement Program

CAMPO Unified Work Program

The City of Raleigh was recently notified that it would be awarded grants totaling \$710,000 from the Capital Area Metropolitan Planning Organization (CAMPO). These funds will be utilized for two projects: 1) design of street improvements along Capital Boulevard from Spring Forest Road to Old Wake Forest Road; and 2) pedestrian safety improvements at multiple intersections in downtown Raleigh.

These grants require a 20% local match which were not originally programmed in the FY 2013 CIP but are necessary to satisfy the City's local match requirement. The projects that will be funded with these grants were endorsed by the City Council at their October 18, 2011 meeting. This following recommended budget amendment is budget-neutral.

The Planning and Development Department wishes to reallocate \$100,000 currently budgeted for Reserve for Future Capital (p. 65, line 7) to a new project account for the CAMPO Unified Work Program (p. 66, line 30).

Recommendation: Adjust the FY 2013 CIP as follows:

Transfer from:
531-0000-790010-79990020 Reserve for Future Capital \$100,000

Transfer to:
531-2210-792010-xxxxxxx CAMPO Unified Work Program \$100,000

Unfunded Major Street Projects

Five unfunded projects listed as Street Improvements should be classified as Major Street Projects. These projects are found on page 68, lines 62-66, of the Proposed CIP. This correction will be made in the Adopted CIP document. The specific projects are:

- Blue Ridge Rd Widening
- Jones Franklin Rd Widening
- Barwell Rd Widening
- Perry Creek Rd Widening
- Fox Rd Widening

Unfunded Economic Development Projects

Three unfunded Economic Development Projects listed in General Public Improvements display incorrect budget costs. These are Hillsborough Streetscape projects listed in p. 20, lines 48-50. The correct budget amounts are listed below.

<u>Economic Development</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>5 Year Total</u>
Hillsborough Streetscape-Cameron	-	484,800	2,994,398	3,603,428	-	7,082,625
Hillsborough Streetscape-Rosemary	-	3,653,575	4,396,675	-	-	8,050,250
Hillsborough Streetscape-Gorman	-	118,620	474,720	2,932,138	3,528,505	7,053,983

Please let us know if you have any questions or require any additional information.